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Suite 601
Miami, FL 33137

June 3rd, 2009

Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

RE: File Number S7-08-09

Dear Madam:

I am writing in reference to rule change S7-08-09 to Regulation SHO under the Securities Exchange act of 1934. I am opposed to the proposals on the table to institute Up-tick rules and/or circuit breakers.

An up-tick rule would be counterproductive to the markets due in part to the incredible benefits it provides. To begin, short-sellers add liquidity to the markets. If we want to restore investor confidence, reducing liquidity is about the last thing we should do. Buyers and sellers want to know that they have counterparties, and this proposal would reduce these counterparties.

It's very rare that short-selling is used specifically to manipulate stocks – most uses are completely legitimate. We operate under the assumption that the markets are fair and reflect all available information. When information becomes known, it must get priced in. Sometimes this is reflected through a drop in the price of the stock. Although this drop can be steep in certain situations, it is completely necessary. In fact, it proves that market is operating fairly – terrible news that doesn't lower the price of a stock to an appropriate level could mean that some people are trading on the news before it becomes public. Additionally, the stock market is supposed to reflect the value of the securities contained within it. If a company is going bankrupt, it's very possible that the price of the stock should drop to zero, depending on what value would be left to equity holders. Short-selling restrictions will never stop this from happening – nor should a rule ever be able to create an artificial floor if the true value of the stock is lower than that level.

I stand opposed to any up-tick rule or circuit breaker, and kindly ask that neither rule be enacted. Thank you for your time.

Sincerely,

Jonathan Levine
Registered Equity Trader