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Suite 601
Miami, FL 33137

June 12, 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.

The proposal of a downtick rule is an idea that has no merit and will only further complicate and hinder price clarity. The goal of any market should be fair and orderly trading that properly reflects the price at which people are willing to buy and sell an entity. Short selling a stock plays a vital role in limiting dramatic upswings in a stock's price. It provides greater liquidity to all market participants. Limiting this type of trading will lead to even more violent price action. It will decrease volume; therefore, decreasing liquidity.

Forcing a participant to wait for certain ticks in the stocks to execute trades is pure manipulation. It will also lead to greater manipulation as participants attempt to create downticks to prevent selling. There is no empirical evidence backing the need for a tick test. The removal of the uptick rule actually led to greater transparency and greater liquidity in the equity markets. The efforts to reinstitute outdated rules are a step backwards. One might look into the practice of the availability of shares to short and the practice of "naked" shorting. However, limiting the way in which short sales can be executed simply decreases price clarity and leads to more price manipulation. It also causes less liquidity near the current market price and increases violent price swings.

Your Registered Principal

Keith Ferguson