June 4, 2009

Mrs. Elizabeth Murphy
Secretary, Securities and Exchange Commission
100 F Street, NE
Washington DC, 20549-1090

Ref. File No: S7-08-09

Dear Mrs. Murphy,

To start my letter I want to quote a statement made regarding the uptick rule made by the SEC:

> In SEC's previous research they had found that "The general consensus from these analyses and the roundtable was that the Commission should remove price test restrictions because they modestly reduce liquidity and do not appear necessary to prevent manipulation. In addition, the empirical evidence did not provide strong support for extending a price test to either small or thinly-traded securities not currently subject to a price test."

I do not favor a reinstatement of the uptick rule nor any of the other proposals which the SEC has proposed. From previously submitted letters it seems that the "individual investors" that are in favor of the uptick rule mainly have one issue; naked short sales. I would argue that effort should be put into addressing naked short sells directly by creating stricter rules and regulations instead of circumventing it by using the uptick rule. In turn, this would be a clear deterrent towards the manipulation of the market. Short selling is necessary for a balanced market and having an uptick rule would not resolve the problem of naked short selling. Effort is being directed towards the wrong issue; there should not be an uptick rule but instead there should be concentrated effort towards regulating naked short sales.

Reinstating an uptick rule does not address the underlying problem with naked short sales. With normal short sales the market has more liquidity and every stock is accounted for. The fact remains that institutional banks and hedge funds are repeatedly short selling stocks without locating the stock to borrow. Placing an uptick rule would only prevent them from accumulating short stocks quickly, not limit their shorting ability. By putting effort into the regulation of naked short sales instead of the uptick rule, we can keep the liquidity that is available as well as create a "fair" market.

Manipulation of the market is a legitimate concern but if rules were adhered to and every short sale was located by the owner then this event would not have been as widespread. Our economy was beaten down due to bad investments in CDOs and mortgage-backed securities by many financial companies. There must be a clear line drawn between distinguishing the state of our economy and market manipulation. Companies such as Bear Stearns, Lehman Brothers and General Motors had made bad decisions that would have caused them to go bankrupt. It is easy to make short sellers the scapegoat.

The SEC's own research as well as independent economist has found that the uptick rule does not prevent manipulating in the market. I firmly believe that the uptick rule should therefore not be reinstated.

Sincerely,

Henry Te