

June 6, 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,

I am writing this letter to address the upcoming proposal of File number S7-08-09. It is my belief that this issue should fail.

The goal of all markets should be to produce equitable prices, abundant liquidity, and transparency. The SEC has already determined that the up tick rule does none of these things. After extensive research it has been shown that the up tick rule decreases liquidity. That is why the SEC eliminated it in 2007. It is quite obvious that any price test weather based on a last sale or some sort of bid test reduces the liquidity in that stock by eliminating additional market participants on the sell side that would otherwise be there. This hurts individual investors by causing them to pay higher prices for stocks, because people who would normally like to sell shares to them at that lower price are excluded from the market.

It would be a shame if populist rhetoric outweighed calm rational analysis to the detriment of the individual investor. The up tick rule was studied extensively and showed no benefit. However, due to recent volatility many people have called for the reinstatement of the up tick rule, they believe that an up tick rule could have prevented the precipitous decline in stock prices during the 2008-2009 crash. They are wrong. They provide no analysis to support their claims, they only point to recent declines in stock prices. However, if this was true why was it so ineffective in preventing the crash of 1987 or the market clasp of 2000? Both happened when the up tick rule was in place. They have no answers to these questions because they did no real research nor any real analysis. There only arguments are specious ones.

This proposal will decrease liquidity causing individual investors to obtain less than ideal prices, while providing no real investor confidence. We must stop looking for quick and easy fixes that do nothing except have unintended deleterious consequences. This proposal must fail.

Thank you for your attention in this matter.

Sincerely,

Jonathan Goldstein