

June 3, 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 do not believe that it is in the best interest of the financial markets to reinstate the uptick rule. Other forms should be tested first (i.e. circuit breaker) before one considers this dramatic reinstatement.

When the up-tick rule was repealed in 2007, the economic bubble was at its bursting point. It was just a coincidence that this event marked the market top. Eric Newman, a portfolio manager at TFS Capital, said "he didn't believe the rule's demise in mid-2007 contributed to the market's decline. In the second half of 2008, when the market hit its lowest point for last year, the amount of shares sold short actually declined and short sellers were buying shares."

Also, greatly crippling our ability to short sale will diminish market participant's ability to hedge positions. This will affect many companies and individuals that deal with the commodity markets. Companies will instead use complex derivatives and options that will distort the market equilibrium.

Thank you for reading the letter. I hope you will consider the ramifications before you make your decision on the reinstatement of the short sale rule.

Sincerely,

Mike S.