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SEC  
and Processing  
Washington, DC  
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Dear Sirs,

I have been in the equities market for the last 50 years.  
I believe that the uptick rule on short sales must be restored.  
It should be based on the last transaction (not merely the last bid).

Short sellers need to borrow the shares PRIOR to implementing the short sales.  
A simple promise of locating the shares is not sufficient.

The elimination of the uptick rule was changed by the SEC with only a 6 month study period.  
This was clearly not adequate. All the data going back since the creation of NASDAQ in the early  
1970's should be studied. This would ensure that past bear markets (1973/1974, 1981/1982,  
1987, etc.) are included in the study.

Short sellers in the last few years are a much bigger component of the market than at any time in  
history.

In the name of transparency, short sellers need to disclose once they exceed a 5% short on a  
given stock (same as longs need to disclose when they buy in excess of 5%).  
Also, the short sale positions need to be identified every 2 weeks, the same as the long positions.

I look forward to a meaningful, re-implementation of the up-tick rule.

Sincerely,

*J. Joseph Lally*  
J. Joseph Lally

