

Short selling and the integrity of the financial system.

<http://www.sec.gov/rules/proposed/2009/34-59748.pdf>

I have been involved in the equity markets for about 30 years. For the first 29 years, I was passively involved. Necessity forced active involvement for the last year.

I have come to a couple of conclusions because of this involvement that seem pertinent:

- 1) There is an underlying reason for the fact that the last 10 years have not earned a return in the market, at least from an objective view.
- 2) Electronic trading has made manipulation not only very possible, but highly likely and probably is the place where all of those vanished results for the last 10 years have gone.
- 3) Naked short selling is putting the American dream and the financial system at risk.

- 1- The profits that have seemingly not been present in the equity markets in the last 10 years have actually been there and paid out to those who would perform shorting actions that may at times be illegal under current law. I understand that naked shorts are illegal, but are still happening.
- 2- The high speed, low volume trades can and have been used to move prices for equities. I know that trading 100 shares at a time one after another is not the most cost effective way to do trades, yet it happens all day long. Trading back and forth between entities to reduce prices is at least not ethical.
- 3- I have had explanations put forth on message boards that explain what I can't see. Within 12 minutes of a company PR, before anyone could have even read it, there were thousands of short shares dumped on the market driving the price down. It was like rolling the snowball over the edge. The part that seems strange to me is that if the people working with stocks know that this happens, why isn't the SEC prosecuting those responsible. These are not "arm length" transactions.

Please listen to the experts and make the right choices and "hang a few" people for their actions.

You'll be able to prevent another Bernie Madoff by setting an example.

Sincerely,

Robert Jenkins