Commenting on Short Position and Short Activity.. File No: S7-08-22

Short sales need to be tracked better in a way that a short total count can be seen by the SEC and individual investors. Retail sees the manipulation by fails-to-deliver, spoofing, payment for order flow, share loan programs, unzipping ETFs and more. Allowing for hidden, self-reported short positions & puts allows for far too much leeway for firms whose goal is to knock American companies to 0$.

Hedge funds & others are currently being investigated by the DOJ for manipulating securities through short selling. All firms under DOJ investigation should have their brokerage, trading and/or market maker rights suspended until the investigation is concluded. The DOJ would not publicly announce a case unless there is significant evidence of illicit activities occurring.

- Lower the reporting threshold to $50,000 to prevent spreading shorts across subsidiaries.
    - All fines should be multiplied by at least 10
    - All requirements should be divided by 10
    - All subsidiaries should be held to the strictest requirements of the parent firm.
- Ensure shares held in an IRA are not being shorted from underneath the beneficial owner.
- Ban “unzipping” of ETFs to short individual securities.
- Ban phantom/synthetic shares, it’s 2022 the technology exists to eliminate these. T+0
- Identify brokers who hold IOUs in lieu of actual shares
- Ban coordination by clearing houses & MMs & brokerages to stop buying or selling of a security.
- Companies should not fear being shorted to bankruptcy, firms that base their business on shorting should fear the infinite losses. Their business model does not benefit the market or America, we should move towards a system where you can’t sell a stock you don’t own.
    - There is no legitimate reason shorting is necessary, firms suggesting otherwise very well may be the reason we are in this mess.
- Monitor deep in the money PUTS and CALLs for potential manipulation of the security via swaps and synthetic shares.
- Significant fines for misrepresenting short positions as long 150% of the share price when the position is opened and 150% when the position is closed. Double it if money was made on the short sale. 10x the fine if the firm has repeat infractions for similar rules.
- Reduce monthly to weekly reporting 10-15 calendar days tops.
- Ban dark pools & high frequency trading
- End “self-reporting” of positions, everything is digital and should be an open book for the SEC.

Fines for noncompliance should be added to this rule. Fines should be staggeringly high to ensure they are not a "cost of doing business". Firms that continually fail to follow this rule should have their trading suspended indefinitely or until they come into compliance and pay all back fines they may have forgotten to pay over the years.

All companies who are fined by the SEC should be referred to the DOJ. The SEC is only able to pass on civil penalties, there may also be something the DOJ would be interested in.

Clearing firms, brokers and market makers should be investigated for restricting buy orders in January 2021 which directly crashed numerous stocks. All evidence from this should be passed to the DOJ. This is the most blatant case of securities manipulation we have seen since at least 2008.