

Regarding the proposed amendment for Reg SHO: The grandfather clause on naked shorting should be eliminated entirely. Too many investors are currently being penalized because of the fact that those who have illegally naked shorted specific stocks in the past are currently getting away scott free. Nobody should be allowed to short non-existent shares.

Tweaking the "locate" rules as in REG SHO with a number of exceptions won't guarantee actual delivery of securities in the future. Delivery with no exceptions is needed, no exceptions allowed. Tweaking exceptions is merely chasing problems and creating new ones in the future. That would lead to more tweaking on an indefinite basis. Only a universal delivery requirement will put a stop to delivery failures.

One final point: The data quoted in the footnotes does not include either unreported ex-clearing FTDs nor the misuse of security entitlements that harm the price of securities as well. These should be included.

Best regards