RE: File Number S7-18-21

I am submitting this comment as an individual investor from the UK who (like so many others) has been the victim of price manipulation through abusive shorting of GameStop shares.

I agree with the SEC's observation that the securities lending market is opaque, and that transparency would be beneficial, however I believe the proposed rule will not be sufficient to provide truly reliable information. In its present form, the proposal contains loopholes that render it unfit for purpose.

I propose below several additional measures that would better protect investors and provide more accurate information.

It is important to understand that securities lending is both wildly out of control and clearly detrimental to investors.

The commission seems to assume that securities lending is neither controversial, nor an impediment to a fair market. This is far from true. As the commission admitted in it's recent *Staff Report on Equity and Options Market Structure Conditions in Early 2021* the GameStop short interest was 122.97%. Surely the SEC cannot pretend that the price of shares on that day was fair, given that the stock had effectively been subject to an involuntary 2.2 for 1 split?

Surely the SEC cannot pretend that the market capitalisation figure was fair, given that investors held shares with a value totalling 222.97% of that market cap?

Surely the SEC can see that investors so are justifiably furious that there is less than a 50/50 chance that the shares they paid for in good faith on that day actually exist?

Surely the SEC can see that the most basic economic principle of all, that of supply and demand, cannot function fairly when supply can be more than doubled by short sellers?

Surely the SEC should be enforcing regulation SHO to prevent shorting beyond 100%?

Regulation SHO requires borrowers to have "reasonable belief" that a share can be located, but if a stock is beyond 100% short, it cannot be reasonable to believe that any given "share" in the DTCC system is backed by a genuine share, since the majority are demonstrably not. This issue alone provides a strong reason to require accurate reporting of short interest.

Investors (including myself) who have paid brokers for GameStop shares, expecting to acquire not just genuine shares but also their attendant voting and dividend rights, actually had a more than 50/50 chance of having entered into a mere Contract For Difference (CFD) around this time, and as time goes on the percentage of genuine shares appears to have decreased further. It is illegal to sell CFDs in the US (as argued by the SEC in the case of 1Pool Ltd: https://www.sec.gov/litigation/complaints/2018/comp-pr2018-218.pdf) and it is clearly fraudulent to describe CFDs as "share purchases", but the SEC seems totally disinterested in enforcement action on this matter.

Investors are waking up to the fact that share lending is often (if not always) against their own interest.

Time and time again investors in GameStop have seen correlations between share borrowing (as reported by https://gme.crazyawesomecompany.com/ and others) and the dumping of large numbers of shares onto the market that crash the share price (see the video archive at https://www.youtube.com/c/StocksBigPlays/videos). While this is clearly illegal market manipulation under United States under Section 9(a)(2)[1] of the Securities Exchange Act of 1934, the SEC have again totally failed to take any visible action. Another example is the case of Peter Deutsch, (see https://www.bloomberg.com/news/features/2016-04-20/the-wine-mogul-vs-fidelity) who found his shares in China Medical Technologies being lent without his permission, to allow the company to be shorted into bankruptcy. Again the SEC seems totally disinterested in enforcement action against the lender, choosing instead to investigate the victim! (see page 9 of https://www.govinfo.gov/content/pkg/USCOURTS-mad-1_17-cv-12214/pdf/USCOURTS-mad-1_17-cv-12214-0.pdf).

Fundamentally, the revenue stream directed to investors from share lending must come from somewhere. Investors are starting to realise it can only come from their positions being damaged by the actions of borrowers. Personally, I would like to see share lending banned entirely, and I am convinced that share prices would go up if borrowers were required to buy on the open market instead of borrowing, but I concede that the commission is unlikely to take this step.

Suggested Amendment: Once this regulation gives better short interest measurements, Reg SHO should be amended to explicitly require location of genuine shares rather than hypothetical ones, either using Direct Registered Shares or DTCC 'shares' pro-rata the short position.

The locate requirement should be adjusted to take account of the lack of genuine shares caused be shorting. For example: if a stock is shorted by 20%, a borrower wishing to borrow 1000 shares should be required to locate either 1200 'street name' shares (as these are statistically likely to be backed by 1000 actual shares) or 1000 direct registered shares (held outside the DTC system) or some equivalent combination thereof.

The SEC's lack of action on shorts in the many years since Dodd-Frank instructed them to act has caused a lack of confidence in the SEC's effectiveness among grass-roots investors.

On pages 167/168 of the proposal the Commission *"encourages commenters to identify, discuss, analyze, and supply relevant data, information, or statistics regarding any such costs or benefits."* While I realise Twitter polls are at best unscientific, retail investors such as myself have to work with whatever we can find (as the SEC clearly understands given their rationale for this proposed rule), so I present these recent polls as evidence of how little trust the investing public currently have in the SEC:

Poll by @AntonioTheMexi, 23rd November 2021

Do you trust the SEC?

- Yes 2.6%
- **No 97.4%**

(4,805 votes) (source: https://twitter.com/AntonioTheMexi/status/1463232830679433225?s=20)

Poll by @AMC_Apee, 3rd December 2021

Do you trust the SEC??

- Yes 1.7%
- **No 98.3%**

(3.594 votes) (source: https://twitter.com/AMC_Apee/status/1466805074773094404?s=20)

While these polls undoubtedly have skewed audiences, they point to a lack of public faith in the SEC that is shocking.

The effect of lack of action may be devastating to the US economy

Confidence in the US financial markets is essential to prevent investors moving their money to other markets such as London, Frankfurt or Tokyo.

Investors in Gamestop and other stocks no longer trust the SEC or DTC. The movement to remove shares from the DTC by Direct Registering Shares (DRS) in Gamestop has the potential to expose massive levels of what might technically be 'rehypothecation' or 'short selling', but will be considered by the public at large to simply be fraud on a monumental scale. Exposing the true level of short selling in US markets may cause financial turmoil (particularly if an 'infinity pool' is formed), doing so is the only way to restore confidence and order to the market.

Participants with short positions have huge incentives to lie, and little incentive to tell the truth

Exposing the magnitude of very large short positions may risk triggering a 'short squeeze' as investors rush to take advantage of an under-priced stock (shorting necessarily involves downward price pressure, unbalancing supply and demand by falsely increasing supply), but this must not be interpreted as an argument against better reporting, instead it is precisely the reason for requiring it.

Huge efforts have been made to hide the magnitude of short positions (see: Evans, Richard B. and Moussawi, Rabih and Pagano, Michael S. and Sedunov, John, *ETF Short Interest and Failures-to-Deliver: Naked Short-Selling or Operational Shorting?* (March 3, 2021). Darden Business School Working Paper No. 2961954, 2019 Academic Research Colloquium for Financial Planning and Related Disciplines, Available at http://dx.doi.org/10.2139/ssrn.2961954)

Many loopholes allow short sellers to hide their positions

Gamestop investors have published many theories on how shorts are hidden, and there is a public archive of them titled "The Superstonk Library of DD, Art Books and Periodicals" available for free at https://fliphtml5.com/bookcase/kosyg While the quality of research presented there is unarguably mixed, and some are less credible than others, the following loopholes are commonly mentioned:

Failing to Deliver.
Married Puts.
Marking Shorts as Longs.
Shorting ETFs with large holdings in Gamestop.
Failing to deliver ETFs with large holdings in Gamestop.
Synthetic positions.
Counting extremely out of the money option positions that are practically certain to expire worthless as 'longs' that offset 'short' positions.
Hiding positions offshore.
Naked shorts.
etc.

While some of these may be far-fetched, or simply wrong, many have already been the subject of SEC enforcement action (albeit action without sufficient penalty to deter repeat offending), and can therefore be assumed to exist, and of course this list is likely to be incomplete. *Any action by the SEC that does not close these loopholes will be treated with extreme suspicion by retail investors.*

Luckily, a simple method of closing potential loopholes exists:

Suggested Amendment: Double check reported short data by measuring long positions.

For every short position, there is an equal and opposite long position. Reported short data can therefore easily be checked by using the following formula

Short position = Long position - Float.

By simply requiring brokers to report the number of shares their customers hold in street name, the authenticity of short data can easily be verified. Any discrepancy between the reported numbers (after taking into account direct registered shares) would be clear evidence of fraud.

Suggested Amendment: Prohibit security loans with no end date.

A loan of infinite duration creates 'phantom shares' that permanently dilute the float. This is clearly not in the interest of investors, as it affects supply and demand, dilutes voting rights, causes misleading market cap figures and usurp's the Company's right to determine how many shares are issued.

Suggested Amendment: Require lenders and borrowers to put in place robust processes to prevent borrowed shares being used to manipulate prices

This would neither be easy or cheap, but it is necessary to protect investors from being party to a conspiracy to manipulate share prices downwards by dumping shorted shares into the market in bulk, with the intention to either repurchase them later once the price has crashed, or simply fail to deliver anything. While this would be difficult, costly, and unlikely to be taken seriously by all concerned, there is a simpler alternative:

Suggested Amendment: Prohibit security loans for Reg SHO purposes.

While I realise this approach is unlikely to be adopted, it is still the simplest, most prudent, and least burdensome way of controlling this problem. Adopting this measure would reduce short interest to less dangerous levels, reduce the regulatory burden of loan reporting by reducing loan volume massively, and would protect investors from being party to a conspiracy to manipulate share prices by dumping shorted shares.

Suggested Amendment: Prohibit Brokers from using "loan or else" clauses.

The broker Trading212 is refusing to allow investors to opt out of share lending (see https://helpcentre.trading212.com/hc/en-us/articles/360011897917-Can-I-opt-out-of-share-lending-). Exposing a broker's customers to the risk of being party to a conspiracy to manipulate share prices by dumping shorted shares with no option to opt-out is shameful.

Suggested Amendment: Prohibit onward lending by requiring borrowers in inform shareholders who have lent shares of borrower's name, the size of the loan, it's duration and purpose, as well as the fees due to the broker and the shareholder

This would increase transparency and reduce the chance of rehypothecation, and allow shareholders who wish to lend to see the split of earnings offered to them and 'shop around' for brokers offering the best rates.

Suggested Amendment: The above, but prior to lending, and requiring an explicit opt-in from the shareholder before shares are loaned.

This would further increase transparency and reduce loans for nefarious purposes, provide shareholders with an actionable grievance if they have been misled, and allow shareholders to avoid dealing with 'bad actors' such as firms with a long record of SEC enforcement actions against them.

Suggested Amendment: Failure to deliver must explicitly be within the scope of this rule

As mentioned by at least one other respondent, there is a danger that this rule (as proposed) would simply encourage participants to strategically Fail To Deliver (FTD) as way of hiding their short positions. The use of FTDs is even more problematic than share lending (See https://www.bloomberg.com/news/articles/2021-02-17/sec-data-show-359-million-of-gamestop-shares-failed-to-deliver).

The commission makes a mistake on page 55 of the proposed rule:

"....broker-dealers may lend securities to their customers to close out the failure to deliver...."

This statement implies a fundamental misunderstanding of the situation. A failure to deliver is permanent, a loan is temporary. When the loan ends, the failure to deliver will still be present. Thus a loan cannot *"close out"* a failure, it can only reset the timer on it. This is a loophole that allows FTDs to persist well past T+2, T+6 or even T+35. It is precisely this ability to 'kick the can' on FTDs that has allowed the GameStop short position to grow unchecked. This regulatory failure needs to be addressed if confidence in the market is to return.

It is important for the commission to understand that FTDs should to be within the scope of any proposals regarding stock lending, because **an FTD constitutes an involuntary loan.** It is effectively a loan with no consent from the lender, no recompense for the lender, no end date, and little to no prospect of eventual settlement. To clarify: If a participant wishes to increase their balance in a stock they trade often by 100 shares, they can buy 100 shares (clearly not a loan), they can borrow 100 shares (clearly a loan), or they can sell 100 shares but fail to deliver them. This last route creates an obligation to deliver 100 shares at a later date, as does borrowing 100 shares. For the participant, *the two are functionally identical*, but the latter incurs no fees and (under the current proposal) would be exempt from reporting.

Excluding FTDs from the proposal would be a grave error, as a participant wishing to hide the extent of their short position could simply choose to fail to deliver instead of taking loans.

Suggested Amendment: Reduce the loan reporting burden by performing a simple broker-side 'sanity check' and then only requiring full loan reporting only where problematic levels of short selling are suspected.

For the vast majority of securities, there is (one would hope) a safe and sensible level of shorting, rather than the absurd and destabilising levels seen with GameStop the like. A simple test could be devised to check which are at risk. By requiring all brokers to report net positions that exceed their market share by a specified ratio (for example if a broker has a 10% share of the retail market but their customers own 15% of the free float, as determined from quarterly reports the

SEC already hold, then that would hint that a 50% short position may exist) it would be simple to draw up a list of the securities most at risk of excess shorting, and to only enforce detailed loan reporting on those where a problem is likely. In addition, it would be prudent to allow shareholders representing a stated percentage of the float to petition for full reporting, and to synchronise quarterly reporting dates.

The systemic danger of an 'Infinity Pool'

The commission's attitude to gamification perplexes me. It appears to me that a fixation on 'fireworks' and other graphical trinkets, and how they might mislead 'dumb money' displays a complete misunderstanding of the situation. Game playing is a way of life. Gamers have trained their whole life to be good at games. Gamers are used to the odds being stacked against them, to unfair rule changes, to hidden game mechanics, to battling overpowered evil forces with well-hidden weak points. Massively multiplayer online games regularly see astonishing feats of cooperation. Gamers are, to put it bluntly, *spectacularly good at games*.

The danger of gamification in the stock market is not that gamers will fail and lose everything, it is that they will win, spectacularly, and that their definition of winning may be shocking. GameStop investors have weathered everything that the industry has been able to throw at them, and the single most blatant act of market manipulation in the history of the US markets (the removal of the buy button in January 2021) coupled with a complete lack of any visible regulatory action has simply strengthened their resolve.

While the SEC, hedge funds and market makers may have benefits such as inside information, experience and individual financial strength, Gamers have the ability to take this situation into uncharted territory, where these attributes are useless. Consider a traditional short squeeze, in a company with a short interest of x%. The retail investor's strategy is to ensure that they are within the first x% of sellers, otherwise they will miss out on potential gains when shorts have covered and the price returns to normal. Gamers have already considered this strategy and found it to be less than optimal. A more effective strategy, if retail has purchased over 100% of the float (as it is widely believed they have in the case of GameStop) is to simply refuse to ever sell shares totalling over 100% of the float (this being termed an 'infinty pool'. This, coupled with a short squeeze would force the price to become practically infinite. Investors would then sell a small number of shares, but at a vastly higher price so the overall profit is higher. In this situation, the price *never comes back down*.

While it is probably already too late to prevent this from happening with GameStop, as the move to convert diluted DTC shares into provably genuine DRS shares is already underway, and brokers are likely to rush to direct register in the near future lest their customers find out that they paid for shares but were sold CFDs, the commission should consider the preventing such a situation from happening again, by setting an upper limit on shorting of a few percent of the float.

Robust Enforcement is required

All the above is meaningless if penalties for breaking the rule are trivial enough to be considered a mere cost of doing business.

Suggested Amendment: Add specific and substantial index linked fines, multipliers for repeat offenders leading to sanctions and a commitment not to accept payment of fines without an admission of wrongdoing

Penalties must act as both a deterrent and reassurance to the investor that fines for not following the proposed rule are not simply a mere cost of doing business. Affected investors must also be compensated from the proceeds of these fines, investors will not be reassured if their perception is that fines simply go 'into the SEC's pocket'.

Conclusions

The SEC must take urgent action to regain consumer confidence, and I argue that it should not merely *measure lending* (as proposed) but *actively prohibit excessive security lending*, by setting an upper limit to the percentage of a stock that can be lent at a level where the effect on share price and market capitalisation is trivial. I would suggest a low single digit percentage as an appropriate level. Beyond this level, buy-ins should be enforced to protect investors from price manipulation, unfair dilution of their rights and to protect share issuers from inaccurate market capitalisation values, which may prevent their inclusion in indices that have a market capitalisation threshold such as the S&P500.

Addressing the commission's numbered questions:

1. No - Limiting reporting to only persons regulated by the commission would provide a massive loophole. There is plenty of anecdotal evidence that shot interest is already being hidden in the case of GameStop, such as Bloomberg reporting put and call options in Brazil totalling over 200% of the float
(source:
https://www.reddit.com/r/Superstonk/comments/otnu92/wtf_are_these_puts_financial_companies_listed_in/) and Massive fail to deliver (FTD) numbers in both GameStop and ETFs containing Gamestop:
https://www.reddit.com/r/Superstonk/comments/obd2zp/ftd_data_for_gme_etfs_just_released_lots_to/

2. This is not a question of efficiency, it is a question of fraud. Exposing the sale of mere CFD positions to people who paid for what they thought were genuine shares could have seismic short term effects on the market, but it is necessary for faith to be regained in the US markets.

3. Obviously not. This would create a loophole that is sure to be exploited to hide short positions.

4. Yes, borrowers should be required to provide this information in addition to lenders, so that faking the figures would be harder to accomplish, as it would require collusion and agreement to defraud.

5. Yes. Short sellers have proved amazingly skilful at finding loopholes, a (likely far from complete) list of which I have given above. The only way to be sure that loopholes do not exist is to double check by counting long positions, using the formula

Short position = Long position - Float.

6. Yes, this is appropriate. If certain securities are not lent, then it can hardly be argued that reporting requirements add a significant burden!

7. No.

8. Yes. One only has to look at XRP to see the dangers of the commission being vague about definitions.

9. No. The overview fails to take into account that the lending of securities is usually, if not always, harmful to the interests of investors. The danger of stock lenders becoming unwitting participants in a conspiracy to manipulate the price of a stock is not mentioned.

10. Possibly. The only way to be sure that loopholes do not exist is to double check by counting long positions, using this formula;

Short position = Long position - Float.

11. Yes. Double check the reported short positons by also counting long positions and ensuring the two match up, using this formula;

Short position = Long position - Float.

12. No opinion.

13. Reporting directly to the commission would be best, as it reduces the chance of 'mistakes' such as reporting short positions as long happening at an intermediary stage.

14. No. To put it bluntly, I (and other retail investors) trust FINRA about as far as I could throw them. The SEC should take on this role, and do so as openly as possible.

15. No, reporting should be direct to the commission, so bad actors cannot blame a middleman.

16. Yes. Allowing any entity to be exempt would open up loopholes.

17. Reporting should be direct to the commission, so bad actors cannot blame a middleman.

18. No opinion.

19. Reporting should be direct to the commission, so bad actors cannot blame a middleman.

20. Reporting should be direct to the commission, so bad actors cannot blame a middleman.

21. Shorter increments would always be better. I'm writing this the day after my GameStop shares jumped 31% after hours, at a time when I am unable to make any transactions. This clearly shows why 'End of day reporting' would be a terrible idea, as it would restrict the ability to make timely trades based on that information to only the class of market participants who can trade out of hours.

22. Shorter increments would always be better, however reporting should be direct to the commission, so bad actors cannot blame a middleman.

23. Shorter timing would always be better, however reporting should be direct to the commission, so bad actors cannot blame a middleman.

24. Name of borrower, borrower's total short or long position on this security, borrower's SEC enforcement action history, purpose of loan, duration of loan, revenue split between broker and lender, size of total loan (if the lender is one of multiple sources the borrower is borrowing from at the same time).

25. No.

26. Yes.

27. See 24 above.

28. No opinion

29. No.

30. See 24 above.

31. All elements increase transparency and are therefore positive.

32. It would be simpler to only allow early repayment of loans, and no other modifications.

33. It would be simpler to only allow early repayment of loans, and no other modifications.

34. It would be simpler to only allow early repayment of loans, and no other modifications.

35. Lenders recalling shares is not discussed sufficiently in the proposal. I am in favour of this, but it needs to be a guaranteed right rather than an option only given to one class of lenders.

36. Yes. Many investors (including myself) find 'shorting' to be both unethical and too risky (due to the potential for infinite losses). I would welcome the ability to avoid investing with organisations that have large short positions, and I'm sure many investment 'whales' would want to know exactly who is currently short GamesStop, so they can avoid being caught up in the impending carnage.

37. Yes, both, at loan level and in the aggregate. Increased transparency is always a good thing.

38. No opinion.

39. No.

40. Yes, see 24 above.

41. No. Increased transparency is always a good thing.

42. This issue could be avoided by removing the RSNA concept from the proposal in favour of reporting direct to the commission.

43. Yes, for reasons of simplicity and transparency, however removing the RSNA concept from the proposal in favour of reporting direct to the commission would be preferable.

44. Yes. Increased transparency is always a good thing.

45. All securities should be included, although I note that the definition of a security needs urgent clarification. Despite Chairman Gensler's much lampooned (see https://twitter.com/search?q=Gary%20Gensler%20XRP) statements to the contrary, I have yet to encounter a single investor who would have corectly predicted the SEC's position on the status of both XRP and Etherium.

46. No opinion.

47. Yes. I would not claim to be able to provide the SEC with a methodology free from loopholes, but I do know I wouldn’t trust an RNSA to do so!

48. This would not be an issue if the reporting is sufficiently fine-grained. End-of-day numbers for example would quickly become outdated, but the closer to a 'live' number the reporting system is, the lower the need for future information. Having said this I would argue that lenders should have control over individual lending decisions, it is reasonable for a shareholder to be willing to lend to a participant they trust but unwilling to lend to one that suspect of being a bad actor, or of being close to bankruptcy, so 'available to lend' ought not be a fixed number.

49. GameStop clearly demonstrates that this is not possible. Despite being famously one of the most shorted and hard to borrow securities in history, the borrow fee never seems to go above a paltry 1%, regardless of the number of shares available fluctuating from hundreds to hundreds of thousands (see https://iborrowdesk.com/report/GME). I would dearly love to hear an

explanation of why this number is exempt from the law of supply and demand and how a seemingly infinite supply of GameStop shares available to borrow manages to appear from thin air, particularly if such an explanation was delivered to a jury. Perhaps the SEC could devote some resources to solving this mystery?

50. No. Revealing portfolios increases transparency, which is a good thing!

51. Yes, see 49.

52. No opinion.

53. More frequently, see 48.

54. My preferred option of removing the RSNA concept from the proposal in favour of reporting direct to the commission would resolve this.

55. Six years plus the current year as a retention period would simplify GDPR and UK tax compliance.

56. See "Suggested Amendment: Reduce the loan reporting burden..." above.

57. None.

58. Given that storage and web-server costs are trivial, transparency is a good thing, and lessons can be learned from history, 'in perpetuity' would be the ideal period of time, if only to reduce the use of archive.org, which would be likely to keep this data forever anyway.

59. If websites are to be used, a commitment to accessibility and a service level agreement specifying a sensible minimum uptime percentage should be a requirement, to prevent RSNAs 'accidentally on purpose' not using reliable servers or obfuscating data through web design dark patterns.

60. No. Transparency is a good thing.

61. No.

62. No opinion.

63. Weaning the US securities market off it's self-destructive addiction to shorting may be temporarily unpleasant, but it is necessary part of ensuring market stability, and urgent action is needed as the danger of an 'infinity pool' is increasing.

64. Yes, see sections starting with "Suggested Amendment" above.

65. No, to avoid loopholes and to avoid securities outside the rule becoming toxic.

66. See... well, pretty much my entire submission.

67. There should be no exemptions, as they would create exploitable loopholes.

68. Shorter is always better. See 48 above.

69. I'm perplexed by the concept that information could somehow be delivered in a shorter timeframe than is practicable. Surely this would be, by definition, impractical?

70. This should all be made public in the interest of transparency. In addition, name of borrower, borrower's total short or long position on this security, borrower's SEC enforcement action history, purpose of loan, duration of loan, revenue split between broker and lender, size of total loan (if the lender is one of multiple sources the borrower is borrowing from at the same time) should all be made public.

71. Yes. Clarification is essential here, as 'shares' of a shorted stock held in street name are diluted and do not have a 1:1 correspondence with the actual shares of a company. As detailed above, for the purposes of locating a share, there cannot be a reasonable belief that a 'street name share' represents an actual share, because more of those exist than real shares. Direct registered shares of a shorted stock do, by contrast, have a 1:1 relationship to actual shares. The SEC's Investor Education team could do more to make Shareholders aware of the difference.

In particular, there needs to be a way to properly account for options that are exceptionally out of the money. For example, there is currently a mountain of GameStop Put options at $0.50, which is less than 1/250th of the current share price. These don't have a snowball's chance in hell of being exercised, and therefore do not constitute a credible short or long position for their buyers or sellers.

72. No opinion.

73. No opinion

74. No opinion

75. No opinion

76. There are additional market failures, some of which are detailed in the main body of my comments.

77. No. This is addressed in the main body of my comments.

78. Yes, definitely!

79. Broadly yes, but see the main body of my comments.

80. Broadly yes, but see the main body of my comments.

81. Broadly yes, but it does not go far enough or plug loopholes. See the main body of my comments.

82. No opinion.

83. No, the rule does not go far enough. See the main body of my comments.

84. No opinion.

85. No opinion.

86. If commercial providers of security lending data are adversely affected, then that's their own fault for providing data that is so laughably bad that the SEC has had to step in. The detail that I believe is missing is that the world would be a better place if they all went bust.

87. No opinion.

88. Broadly yes, provided the rule is tightened up enough to be effective, as described in the main body of my comments.

89. This would introduce too many loopholes.

90. No, this does not meet the goal of increased transparency, and would lead to accusations of corruption and cronyism. See 70 above.

91.Broadly, yes, but see caveats throughout this document, and the list in 70 above.

92. See 21 above.

93. This is a terrible idea, pricing small investors out of useful knowledge would be a dreadful move, totally contrary to the goals of this rule.

94. Yes. See 58 above.

95. Reporting to the commission would be preferable as it would remove the potential for bad actors to blame a middleman. The burden on the SEC of apportioning blame for breaches between RSNAs and their clients might be substantial, and risk a RSNA being a 'fall guy' taking a penalty that their customer deserves.

96. No opinion.

97. Yes, see the main body of my response above.

Finally, a word on requests for an extended comment period

I note that there has been an unexplained gap of eleven years between the Dodd-Frank Act mandating that the SEC do something about this issue and the SEC finally making this proposal. Bearing in mind this eleven year delay, I strongly object to any further postponement. When considering extension requests from other respondents, the SEC should weigh up the likelihood that they have made those requests strategically to extend the time that their members can take advantage of market opacity to the detriment of private investors such as myself.

Sincerely,

Andrew Robinson
Private Investor