

October 8th, 2022

Vanessa Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

Re: Reporting of Securities Loans (File No. S7-18-21)

Dear Secretary Countryman:

To begin with, I would like to express my appreciation for the opportunity to comment on the aforementioned proposed rule. I am writing in strong support of rule 10c-1, "Reporting of Securities Loans", as I feel it will be a major step towards a more transparent market.

It is a strong belief of mine that this is a great initiative. However, it is necessary to examine every aspect of the rule in a thorough manner in order to avoid disadvantaging any investor or leaving behind loopholes that could be taken advantage of. Hence, following are my comments on certain aspects that I strongly support and feel that should be implemented.

- **Transaction-by-transaction reporting** because it eliminates the ability to "hide within the aggregate"; transparency means transparency and aggregates are not transparent.
- **15-minute reporting requirement**, as it is information that should be made available immediately for fairer markets. The costs and time in the implementation of such reporting will be more than justified as, if not, the investors are the ones who will be paying the price in the case of fraud, and possibly on a much larger scale.
- **A short seller is not an investor, but the opposite.** While short sellers might be afraid of 'short squeezes' that can follow the identification of their short selling strategy, that is not a reason for the Commission to decide against greater transparency. If short selling is chilled, then short squeezes and dangerous volatility become less common.
- **Clear reporting will provide for a fairer market.** Working families and individual investors are awfully disadvantaged compared to institutions when it comes to access to information. Thus, lack of reporting puts them in an even worse spot. Hence, as mentioned earlier, in the case of fraud, the average individual investor will have to pay the price as they are the most probable to be caught uninformed on the supply and demand of a given asset. So, they will be the ones carrying potential losses, while hedge funds and institutions would be on the opposite side of the table.
- **A major need for public serving.** Monitoring short selling data for securities fraud, strengthening the SEC and better enabling it to fulfill its mandate are functions that the system lacks at its current state. Individual investors are unprotected against the complexity that has been developed in the financial derivatives market. Thus, the need for **first-line watchdogs** is significantly larger than it has ever been, with fraud and lack

of reporting running rampant in our era (e.g many occasions where institutions avoid or misconduct reporting).

- **Most importantly, with all the complex investment vehicles, uncontrolled lending chains can lead to great instability and economic fragility.**

I hope my comments will be taken into consideration in a fair and unbiased manner. Thank you for your work and effort on the matter.

Sincerely,

A Concerned Investor