

October 9th, 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:

I am writing in strong support of rule 10c-1, "Reporting of Securities Loans".

For too long, information on securities lending and short selling has been opaque. The Fact sheet for proposed rule 10c-1 is a baseline level of transparency that is essential to a free market and will benefit the public investor. Working families and passive investors invest their money into a market they are told to trust, but do not have the same data as active investors, who benefit from opaque and complex markets at the cost of working families.

It is essential that securities lenders report their investments completely, which is to say transaction-by-transaction and on a timely basis; aggregated figures do not constitute complete information. A fair market to both passive and active investors depends upon equal information among all parties. The lack of reporting by short sellers creates an imbalance in their favor, to which massive firms are exploiting at the cost of working families. I speculate the greater-than-average annualized returns by massive investment firms and hedge funds are in large part to short sales. With the current reduced/trivial reporting requirements for short sales, massive firms have significant opportunity to use short selling with malicious intent. If short selling is believed to serve a critical function in the market, data on all short sales should be available to all. Unreported short sales impede price discovery for the entire market.

Given the ownership inequality in the markets today - the top 1% wealthiest represent nearly 54% of ownership; the top 10% wealthiest represent 89% ownership, the massive firms who manage this money have a clear interest to keep the rules as they are so they can continue business as usual, which is to bet against American prosperity in the dark and swindle American working families' humble earnings and retirement savings. It is fundamentally unfair that firms can have short positions that are undisclosed and the positions' data not available to the entire market.

Sincerely,

A Concerned Investor