Joan, I understand you're seeking investor comments on the proposed rule making on short selling and other items... here's mine strictly off the top of my head without extended time for contemplation.

1. Short sellers MUST have a written, confirmed locate; this prevents "naked" short selling and the other "good old buddy" tactics used such as "I can locate you some stock to sell"... wink, wink or nod, nod....

2. Eliminate the Market Makers exemption; it does NOT provide liquidity to markets... supply and demand more than adequately control stock prices.

3. How about just enforcing the existing RULES some of which go all the way back to 1931 or thereabouts? instead of promulgating "new" rules with the attendant delay in implementation....

4. Short sellers must report shorting the same percentages of a company as long owners owning stock percentages in a company now have to do.

5. Institute oversight of the DTCC to know which company's are being FTD and to prevent the facilitating of FTDs.

6. Reg SHO was instituted 3+ years ago to reduce/prevent FTD's... it's been nothing but a sham to show how long the crooks and naked shorts can continue to FTD sales... some companies have been on the list how long? 600+ days?

It is a national SHAME that the SEC has let that situation continue for years now with simply enforcing the law.

7. Put in a MANDATORY buy-in on shorts in T+3 who FTD. At a minimum, it'll force the IB's and Broker/Dealers who participate in or facilitate FTD's to have to bear the burden financially if their clients cannot or will not deliver.

8. Reg SHO. Eliminate the "Grandfather clause" and make those who are FTS to buy-in... phase it in over no more than 6 months.

9. I see today's news says the SEC is going to "propose new rules". I presume that you folks will them put them up for "public comment" for 30 days or more. Seems like last year you had a public comment period on similar topics mentioned above and they've lasted and been extended for a year or more now. Put in emergency regulations while allowing public comment.

10. Put "teeth" into rule violations. What good does it do to get some crook to "settle" with the SEC for, say $10 million, when he's gained $100 million in illegal profits. That just makes the $10 mil (10% of his take) a "cost of doing business" and does not send a DETERENT message to the market that the SEC is serious about enforcing regulations.

How about trotting a few more accused out of their NYC offices in handcuffs to let others think long and hard about whether the SEC is still a pushover or if it's going to protect ALL investors--big or small?

It is my opinion that the run on Bear Stern's in March was primarily caused by those naked shorting and/or others participating in unethical and illegal activities. Look at the requests for the way "Out of the Money" options and the MM's instituting them... who'd have thought there was any chance with days or a week or two of BS failing like it did?

Again, IMO, those wreaking havoc in our financial markets and profiting from such illegal activities OVER YEARS have created such a huge FTD and "phantom" share problem that the markets are on the edge of collapse and that has been allowed to happen by the SEC and others.

I think BS was a "wake up" call to our government that the situation is grave and the SEC is the major culprit for allowing this to happen.
After all, isn't it the SEC who have said for years that there is no "problem" with FTD's and "naked" shorting even after instituting Reg SHO? Now, all of a sudden, the SEC wakes up and finds things are not only bad, they're are almost insurmountable.

YOU FOLKS BETTER QUIT FIDDLING BECAUSE ROME IS ALREADY ABLAZE!

I genuinely trust THIS TIME the SEC is actually working to insure that the massive loopholes and lack regulation by the SEC is coming to an end. You've had your warning shot over the bow with BS incident and you guys know the "inside" dope on that financial collapse. Forewarned is forearmed.

I appreciate you hearing me out on the more major items on my list.

With Best Wishes that the SEC, this time, is REALLY listening,

Tony F
Virginia Beach, VA