

July 31, 2008

I support the SEC's recent announcement that it would extend its emergency order and consider a permanent ruling targeting naked short selling that could lead to dramatic changes in the way the stock loan business is conducted. I understand that the software technology exist to automate the matching of borrowers and lenders in the stock loan business, and that this software was successfully demonstrated to the SEC last week.

I also know that there are day trading hedge funds and many others lobbying for the Commission to scrap all aspects of the pre-borrow rule in a short sale due to the cost increase such rule making will have on the overall short trade. Please do not give into their "convincing arguments." In today's world, there is no excuse for shorting shares without first finding the shares to borrow. You know what naked shorting has done to the market and it is time to implement corrective actions to protect the investors and effected companies, both large and small.

Robert Leggett, Investor
Hunstville, Texas