

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-60643; File No. 4-590]

Securities Lending and Short Sale Roundtable

AGENCY: Securities and Exchange Commission.

ACTION: Notice of roundtable discussion; request for comment.

SUMMARY: The Commission will host a one and a half day roundtable to solicit the views of investors, issuers, financial services firms, self-regulatory organizations and the academic community regarding securities lending and short sales. The roundtable will include a comprehensive overview of securities lending and also analyze possible short sale pre-borrowing requirements and additional short sale disclosures.

The roundtable discussion will be held in the auditorium of the Securities and Exchange Commission headquarters at 100 F Street, NE, in Washington, DC on September 29, 2009 from 9:30 am to approximately 4:00 pm (securities lending) and September 30, 2009 from 9:30 am to approximately 12:30 pm (pre-borrowing and possible additional short sale disclosures). The public is invited to observe the roundtable discussion. Seating will be available on a first-come, first-served basis. The roundtable discussion also will be available via webcast on the Commission's Web site at www.sec.gov.

The roundtable will consist of panels focused on securities lending and possible short sale pre-borrowing requirements and additional short sale disclosures. The panelists will consider a range of securities lending topics, such as current lending practices and participants, compensation arrangements and conflicts, the benefits and risks of securities lending, risks related to cash collateral reinvestment, improvements to transparency, and consideration of

whether the securities lending regulatory regime can be improved for the benefit of investors. The panelists will also consider short sale disclosure topics, such as whether investors would benefit from adding a short sale indicator to the tapes to which transactions are reported for exchange-listed securities, and requiring public disclosure of individual large short positions. In addition, the panelists will evaluate the potential impact of imposing a pre-borrow or enhanced “locate” requirement on short sellers, potentially on a pilot basis, as a way to curtail abusive “naked” short selling.

DATES: The roundtable discussion will take place on September 29, 2009 (securities lending) and September 30, 2009 (pre-borrowing and possible additional short sale disclosures). The Commission will accept comments regarding issues addressed in the roundtable discussion until October 30, 2009.

ADDRESSES: Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission’s Internet comment form (<http://www.sec.gov/rules/other.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number 4-590 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number 4-590. This file number should be included on the subject line if e-mail is used. To help us process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s Internet Web site (<http://www.sec.gov>). Comments are also available for public inspection and

copying in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10:00 am and 3:00 pm. All comments received will be posted without change; we do not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly.

FOR FURTHER INFORMATION CONTACT: The Division of Trading and Markets, at (202) 551-5720, Securities and Exchange Commission, 100 F Street NE, Washington DC 20549-7561.

By the Commission.

Elizabeth M. Murphy
Secretary

Dated: September 10, 2009