

Bernard E Klein

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Jonathan G. Katz, Secretary
U.S. Securities and Exchange Commission
450 Fifth Street, NW
Washington, DC 20549-0609

rule-comments@sec.gov
cc: pubcom@nasd.com

Re: File No. 4-500 – *Request for Rulemaking Regarding Member Records of “Short” Positions and Reporting and Public Dissemination of Aggregate Positions by Security*

Dear Mr. Katz:

I am concerned about naked short-selling, “hidden” short selling, and in general, the lack of transparency regarding short selling. I support the Pink Sheets LLC petition on this matter to cause the amendment of NASD Rule 3360 to require NASD broker dealers to maintain a record of total “short” positions in all customer and proprietary firm accounts in all publicly traded equity securities as well as report this information to the NASD for public dissemination of the aggregate short positions by security.

In addition, to allow issuers to better reconcile their stockholder listings, I want the rule change to require the DTCC and any similar recordkeeping and reporting organization such as ADP to include as part of any shareholder list (or sub-list) report to issuers (a) the aggregate short positions, and (b) a breakdown of the aggregate short positions held by (i) each holder who has not blocked the reporting of the Name of Beneficial Owner, and (ii) each member (brokerage) firm. As it is today, for an issuer it seems that the number of shares reported to be held long is out of balance by the number of shares short.

As a consequence of this public reporting, and in consideration of the benefits derived by issuers and the marketplace, I ask that the Final Rule include a provision for any short seller to elect, account-wide or by specific security, with any broker, to receive all the communications from an issuer that a holder of a long position receives. This will eliminate the need for a short seller to maintain some long shares solely for the purpose of receiving usual shareholder communications. The additional cost to issuers of these communications would be very modest compared to the value of having that information.

Thank you.

Sincerely,

/s/ Bernard E Klein
Bernard E Klein