

May 13, 2005

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

I trade OTC and Pink Sheet stocks and for some time I have been very concerned about the laxity of regulation re: these stocks. There is not a level playing field here and market makers, hedge funds etc. have an unconscionable license to print money here by manipulating the market. One particular concern is the rampant use of naked short selling. Small stocks traded on the Pink Sheets and the OTCBB deserve the same transparency and oversight of short selling as those listed on the big exchanges.

I urge the SEC to seek an amendment of NASD Rule 3360 and require NASD broker dealers to keep 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 access of the short positions by security. This action is urgently needed to stop fraud, expose market manipulation, promote fair principles of trade and protect investors.

Erich Eipert