Study on Extraterritorial Private Rights of Action AGENCY

SUMMARY: Section 929Y of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") directs the Securities and Exchange Commission (the "Commission") to solicit public comment and thereafter conduct a study to determine the extent to which private rights of action under the antifraud provisions of the Securities Exchange Act of 1934 (the "Exchange Act") should be extended to cover transnational securities fraud. The Commission is soliciting comment on this question and on related questions.

With reference to above provisions of Dodd Frank Act, I would like to comment as under:

I am a non US citizen and residing out of USA. I have been duped of huge sum of my life long savings by so called private bankers who are affiliates outside USA of US banks either as their subsidiaries, branches, chain subsidiaries, holdings or affiliates.

These banks have marketed and distributed to innocent investors worldwide, risky securities and risky structured notes by profiling them as conservative and low risk notes. These have been marketed by them to individual investors as well as other Financial Institutions which in turn have sold them to their individual customers.

After Lehman crisis and 2009-10 worldwide financial meltdown, these securities and notes turned sour and these so called out of US subsidiaries and affiliates of US banks did not take any responsibilty for their fraudulent risk profiling of these papers nor they took any responsibility for the ownership of these securities. They responded themselves as a mere agent of the Issuer Bank which in many case were either a US bank/FI or some other bank where one of the party to the transaction was a US entity.

Similarly the Financial Institutions who bought from these outside US subsidiaries and affiliates and distributed to their individual customers also shirked their responsibility in entertaining any claim from their customers for losses on these securities by terming them as mere selling agents. Nor these FIs were inclined to take any action against the ultimate Issuers of the note on behalf of its customers as it had no beneficial interest in doing so.

As a result, the ultimate loosers were the innocent individual small customers. They bought these securities and notes only on the conviction that these securities were issued by a reputed US banks and US securities law being so strict and well defined, there were no chances of their loosing money by investing in so called Low risk (as they were represented) notes.
These outside US entities in turn took advantage of the GAP in the US laws and took the whole world into its stride in looting the wealth of small and gullible investors.

Small investors by their sheer monetary limitations in fighting the legal battle against US giants in their own country (on grounds of jurisdiction, discovery, forum inconvenio etc etc....) also was shocked to learn that US securities law has limitation for bringing in private party law suits against these erring US entities, after Morrison judgement.

If this GAP in the US law is not filled in immediately, the United States will again be the ground of origination of more such fraudulent activities in bringing out riskier securities for marketing to

gullible customers OUTSIDE USA and that too without attracting any risk of any private legal actions or class actions by such investors.

In this background, I would like to comment that US securities laws should be amended immediately to allow the transnational private parties to bring in law suits in United States against erring US entities without any limitations of claim sum or minimum numbers or % age of investors or class of investors.

This should be done immediately, urgently and in all sincerity so that investor community can once again see United States as a creator of safe and secure Investment securities.

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