

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-1090
United States
www.sec.gov

Chris Barnard

03 May 2011

- **17 CFR Part 240**
- **File No. S7-10-11**
- **Beneficial Ownership Reporting Requirements and Security-Based Swaps**

Dear Sir,

Thank you for giving us the opportunity to comment on your proposed rule: Beneficial Ownership Reporting Requirements and Security-Based Swaps.

To preserve the application of your existing beneficial ownership rules to persons who purchase or sell security-based swaps after the effective date of new Section 13(o) of the Securities Exchange Act of 1934, you are proposing to readopt without change the relevant portions of Rules 13d-3 and 16a-1. The proposals are intended to clarify that following the July 16, 2011 statutory effective date of Section 13(o), which was added by Section 766 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank), persons who purchase or sell security-based swaps will remain within the scope of these rules to the same extent as they are now.

As a de minimis proposal, I would support your proposed rule. However, the time is right to thoroughly review the beneficial ownership definitions and reporting requirements in this arena. You allude to this in your commentary, where you state that:

While these proposals are only intended to preserve the existing application of the beneficial ownership rules as they relate to security-based swaps, our staff is engaged in a separate project to develop proposals to modernize reporting under Exchange Act Sections 13(d) and 13(g).

I look forward to providing input and comments on the results of this project.

Please note that the comments expressed herein are solely my personal views

In the meantime I would strongly recommend that you shorten the current ten day reporting deadline under 13(d) concerning the disclosure statement on Schedule 13D. This ten day reporting deadline dates back to the Williams Act of 1968. Whilst a ten day reporting deadline may have been reasonable then, it is certainly inappropriate now, and allows large security acquisitions and movements to occur “under the radar”. This is contrary to the spirit of the rules, potentially inhibits the price discovery mechanism for the security and does not “appropriately protect the interests of its security holders”. I would therefore recommend that this reporting deadline should be shortened to one business day. I cannot find any reasonable rationale for allowing a longer reporting deadline than this.

Yours faithfully

Chris Barnard