Saturday, 8th October 2022

Vanessa Countryman, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

Subject: Reporting of Securities Loans - File No. S7-18-21

Dear Secretary Countryman:

I am writing in strong support of rule 10c-1, “Reporting of Securities Loans”.

I support this rule because I simply believe transparency means transparency and **aggregates are not transparent**. Secret short selling could and will dissuade actual investment as funds attempt to profit off the backs of true investors. The same investors who are working hard for their money and investing with the hope of getting a decent amount of retirement money.

My understanding is that the SEC's new strategic plan puts "working families" front and center. This is good, and comes from the top, so I’m hoping I can hold you to it;\\

I agree that a small number of short-selling funds "know best" and can hammer unsuspecting companies in the dark is shameful. Secret short selling hurts individual investors in the name of greater profits for hedge funds. It’s that simple.

Is that what the public would want from its government? Timely detection of fraudulent and abusive activity comes before Wall Street profiteering.

Let’s be clear, a short seller is not an investor, but the opposite. The SEC seems to be prioritizing hedge fund comfort and profiteering over investor protection and market transparency. While short sellers might be afraid of ‘short squeezes’ that can follow the identification of their short selling strategy, that is not a reason for the Commission to decide against greater transparency. If short selling is chilled, then short squeezes and dangerous volatility become less common. ‘Sophisticated investors’ will quickly learn to avoid positions that could result in such dangerous volatility, which will clearly benefit the market overall.

We have a much better idea of the risks of our decisions and transactions if we can see who is targeted which companies. If funds are allowed to short in the dark, retail investors remain dangerously unaware of the risks they take on when purchasing securities. More timely reporting allows for more timely reactions; slower reporting prevents retail investors and working families from protecting themselves from abusive and predatory short selling practices. Working families and the individual investors need to be able to look both ways before they cross Wall Street. No one wants working families to get run over in the name of “superior returns for hedge funds.

Securities lending activity can hide massively destructive chains of obligation that can even be a threat to national security, and so transparency in this area is more important than it has ever been. The risks associated with reckless securities lending and short selling - highlighted with terrifying clarity following the events of Jan 28 2021, go far beyond any theoretical benefits of secret short selling for “superior returns”. Investor protection comes first.

Regards,

A concerned retail investor