

October 8th, 2022

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

**Re: 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".

It is great to finally see some proposals that directly encourage a more transparent market. Currently, retail investors are at a significant disadvantage compared to those operating as aggregates or conglomerates. This rule proposal, as it reads, is a breath of fresh air. The proposal for a 15-minute reporting requirement is a particular favorite of mine. It may end up costing those who need to report a little more, but it is pennies compared to how much is gained overall and assists in preventing fraud as well as using loopholes for personal gain.

Transaction by Transaction reporting is another point I strongly support. It prevents aggregates from shielding those hiding within. An aggregate is not conducive to an open, transparent market.

As previously stated, retail investors have been cast aside while financial predators use the labors of the working man to line their pockets further. Normal folk are told to say thank you for being able to retire in their golden-years with a pittance of a retirement. Meanwhile the money they invested was used and abused to short the very same companies they were trying to support. It seems odd to me that these companies can manage retirement funds and investment accounts (having access to investor information in its entirety) while also being able to not disclose their short positions. Retail is forced into total transparency at all times. Any time I engage in options or investment, there is a record created and visible to whatever broker I used. Could they not take an opposite position immediately using that information? With the vast fund they have access to, could they not just short the company I threw my life savings into? Seems like a win-win for them since they get to collect my money when the security tanks due to short sales, and again on the returns from the shortsale itself. What discourages a company from doing this? Transparency would at least hold them accountable and this rule proposal is a huge leap in that direction.

Short sellers are not investors. A point that is an important distinction. The whole point of the stock market is to invest in companies you believe in. This gives that company access to funds to further whatever business they're engaged in while offering a slice of the pie to those who had faith. Short sellers do the opposite. Being forced to disclose their short positions will reduce

the amount of short sales being opened. New strategies will have to be developed. In the mean time, the risk of the ever feared "Short Squeeze" that lead to astronomical volatility will be reduced. That risk for infinite loss should be taken seriously. Having to report these positions may reveal strategies, but it levels the playing field more than it has ever been leveled. We are a far cry from being on even footing, but this is the first rule proposal I have seen where I feel the SEC is looking out for the working class. The majority. We will be able to make more informed decisions with a greater window into the market. Seeing the short positions within minutes of them being opened will allow retail to see *required* information when it comes to researching investment opportunities. It is hard to invest with confidence when major market factors are hidden to us for long periods of time. By the time we glean some of that information, it is likely already too late to reduce the impact of those shorts on personal finances.

Our market is showing dangerous signs of instability. This is not caused by the retail investor. The "meme" phenomenon is a great example of this. Most of those folks are doing deep dives into what little information we actually have access to and the results are undeniably haunting. Lending activities can hide the incredibly damaging actions and obligations of those who not only lend the shares, but short securities. It cripples the national market and the faith of the majority of *regular people* invested in it. The whole point of the SEC is to protect the investor. I don't feel protected. I feel afraid. That being said, this rule restores some faith I have lost over the years. In fact, it excites me for the future.

Sincerely,

A Concerned Investor