

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 strongly supporting rule 10c-1, "Reporting of Securities Loans".

I find it hard to believe this type of comment is necessary, yet here we are. We are in the early stages of what is likely to be another massive financial crisis. If the SEC truly serves the citizens of this country rather than the elite of Wall Street, it is ESSENTIAL to show positions that are inherently destabilizing to the well-being of the country's security & financials.

It is hard to believe Wall Street short selling is conducted legitimately due to limited reporting requirements. Is actual price discovery, rampant price manipulation, dilution, & cellar boxing is occurring? Could it be that the fines they are voluntarily paying for the YEARLY infractions such as "misstating positions" & "marking short positions as long" are the industry standard & are the secret to success in the current economic reality?

I support transaction-by-transaction reporting because it eliminates the ability to "hide within the aggregate"; aggregates are not transparent. Secret short selling could dissuade actual investment as funds attempt to glean profit off the backs of true investors. I support the 15-minute reporting requirement, saying the cost and effort are justified to prevent fraud and prevent hiding in loopholes. Victimized companies need a greater ability to defend themselves against predators, and "short selling in the dark" harms true competition and price discovery. The idea 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. Is that what the public would want from the government? Timely detection of fraudulent and abusive activity comes before Wall Street profiteering.

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 becomes less common. 'Sophisticated investors' will quickly learn to avoid positions that could result in such dangerous volatility, which will clearly benefit the market overall. Retail will benefit from increased transparency. We have a much better idea of the risks of our decisions and transactions if we can see who is targeting 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. No one wants working families to get run over in the name of “superior returns for hedge funds. Inherent long, untracked lending chains, can lead to economic fragility. Securities lending activity can hide massively destructive chains of obligation that can even be a threat to national security, 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.

Why would anyone need to hide their short position unless they are actually ashamed of their actions & it would be detrimental to show them? A condescending video about meme stock investors who have shined the light on the systemic fraud, showing retail investors that the SEC is filled with those who are hoping to work for the same people they oversee & not at all concerned with its primary mandate of preventing market manipulation. Shame on you. Know that you are taking part in the financial terrorism that will result in the culmination of a financial crisis engineered by short sellers & enforced by the corruption of the enforcement body.

Sincerely,

A Concerned Investor