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" which plays against dangers inherent in long, untracked lending chains, that can lead to economic fragility. Securities lending activity can hide massively destructive chains of obligation that can even be a threat to national security therefore transparency in this area has become more important than ever before. The risks associated with reckless securities lending and short selling go far beyond any theoretical benefits of secret short selling for superior returns.

I strongly support the 15-minute reporting requirement, since the cost and effort are more than justified to prevent securities fraud and prevent rogue players hiding in loopholes. I explicitly support transaction-by-transaction reporting as it eliminates the ability to hide within the aggregate. I consider aggregates to be highly non-transparent, enabling secret short selling which leads to degradation of the actual investment as funds attempt to suck profit off the backs of honest investors. Timely detection of fraudulent and abusive activity comes before Wall Street profiteering.

Currently, the SEC seems to be prioritizing large hedge funds over investor protection and market transparency. While short sellers are exposed to a risk of a short squeeze that can follow the identification of their short selling strategy, such risk by itself can not be a reason for the SEC to decide against market transparency. Quite on the contrary, with greater oversight over the short selling practices, honest investors will quickly learn to avoid positions that could result in dangerous volatility, a move which will clearly benefit the market overall.

Companies victimized by naked short selling urgently need a greater ability to defend themselves against predators whose short selling activities without oversight harms competition and almost completely eliminates true price discovery. Massive short selling also hurts individual investors in the name of greater profits for short hedge funds.

It is retail investors and working families who will benefit from increased transparency by having a much better idea of the risks of their decisions and transactions if they can see which company is being directly targeted. By exposing the short hedge funds strategies, retail investors will become aware of the risks they take on when purchasing securities.

We have to account for the fact that most individual investors cannot afford to buy Bloomberg terminal data nor do they have the time to analyze data themselves. Nevertheless, with the help of internet communities, a new phenomenon of the well-informed public serving as first-line watchdogs in monitoring short selling data for securities fraud has appeared. Such public activities can only help strengthen the position of the SEC and better enable it to fulfill its mandate, at virtually zero cost.

I shall end this letter by using SEC's own words and arguments to support my stance. Here an excerpt from the 13f-2 rule where the SEC explicitly noted its awareness of the myriad ways in which short selling can be used to abuse individual investors and working families. Most notably, the Commission said it was "...mindful of concerns that certain short selling activity can be carried out pursuant to potentially abusive or manipulative schemes. For instance, market manipulators may seek to spread false information about an issuer whose stock they sold short in order to profit from a resulting decline in the stock's price. The Commission has previously noted various other forms of manipulation that can be advanced by short sellers to illegally manipulate stock prices, such as 'bear raids.'"

Since the SEC's new strategic plan puts working families in the very front and center, I genuinely believe that the new rule 10c-1 will enable high resolution reporting of the short selling activities. This will result in numerous very precise analyses of the data performed by individual investors which then make the results of their analysis publicly available. Outcome of such analysis can then be re-analyzed and disseminated, hence spurring even more activity and providing even greater transparency and investor protection. The SEC must not remain ignorant of how social media facilitates a protective web of information sharing that protects investors and empowers whistleblowers, who then furthermore extend the SEC's reach leading towards greater market transparency.

Sincerely,

Ivana Jurcova
Retail Investor