

**By Email**

November 1, 2022

**To: Vanessa A. Countryman**

Secretary  
U.S. Securities and Exchange Commission  
100 F Street, N.E. Washington,  
D.C. 205499-1090  
[rule-comments@sec.gov](mailto:rule-comments@sec.gov)

## **Re: Release No. 34-93613; File No. S7-18-21 Proposed Rule 10c-1: Reporting of Securities Loans**

Dear Ms. Countryman,

My name is Tobias Deml and I am the director of “*Gaming Wall Street*”, an investigative docu-series on HBO Max that deals with market structure issues and the securities lending world.

The SEC is truly fulfilling its role as a regulator with the proposal of 10c-1, and I strongly support it. Its design is sophisticated and addresses real, important issues in the market. Most investors would consider 10c-1 a common-sense and necessary addition to the current rule set. The only threat the rule poses is that it makes it much harder to game the system.

Given the conversations I had for the research of my documentary series, much of securities lending is done behind closed doors - over the phone, in 1-on-1 negotiations, with very little disclosure requirements and generous reporting intervals, optimized for financial power players.

The SEC aptly calls lending data “incomplete” and in some cases “unavailable”, which is against everything a modern market should be. The total securities on loan on any given day is about \$1.5 Trillion USD according to the SEC - yet this massive market remains largely deregulated. This needs to end.

In the *SEC GameStop Report* on pg.29, the SEC repeatedly has to admit that it is difficult to trace or prove activities like illegal naked short selling (short of a brave whistleblower like Tobin Mulshine featured in *Gaming Wall Street* providing the regulator with information, or a special audit discovering the rule breach), due to the lack of reporting requirements and therefore regulatory oversight. This kind of opaque nature of the business allows ill-intended behavior to go undetected and threaten the public’s trust in a fair and free market. 10c-1 is the best current step towards ensuring that trust can be restored.

Last, the biggest brokers and best-capitalized banks currently have outsized insights in market data around securities lending, barring competition and discouraging new market entrants.

Thank you for your hard work and time.

Tobias Deml  
*Director, “Gaming Wall Street”*  
*Co-Founder, Prodigium Pictures*