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OFFICE OF THE SECRETARY

## Via US Mail

May 31, 2005

Jonathan G. Katz, Secretary, Securities Exchange Commission 450 Fifth Street, NW Washington, DC 20549

Re: SEC File No. 4-500

Dear Mr. Katz:

I'm writing to express my concern regarding the menace of short selling in the OTC market. I'm concerned that if NASD Rule 3360 is not amended to require NASD broker dealers to maintain a record of total "short" positions in all customer and proprietary firm accounting in <u>all</u> publicly trade equity securities, that potential fraudulent acts may occur in the OTC market.

To promote fair principles of trade and to protect investors, I'm asking you to strongly consider adopting Pink Sheets' petition on this issue, SEC File No. 4-500 Request for Rulemaking Regarding Member Records of "Short" Positions and Reporting and Public Dissemination of Aggregate Positions by Security.

As a company that trades in the OTC market (SEHI), this issue is extremely important to protect our investors. I thank you in advance for your support.

Regards,

mes L. Stariha

Chief Financial Officer

cc: Barbara Z. Sweeney, Senior Vice President and Corporate Secretary, NASD