

Dear Chairman Cox,

Ms. Nancy M. Morris, Secretary
Securities and Exchange Commission
100 F. Street, NE
Washington, DC 20549-1090

Re: Comments on Proposed Amendments to Regulation SHO
File No S7-19-07

Dear Secretary Morris:

I appreciate the opportunity to provide comments on the Commissions proposed amendments to Regulation SHO. I am a shareholder of a company that has appeared on the Regulation SHO threshold list day after day after week and month after year. The lack of general public understanding of the financial "piracy" that has permeated the market over the last two decades is both a positive and a negative.

It is positive in that it manages the potential financial panic and outrage so a market clean up can occur without devastating the U.S. and, potentially, the world economy. It is negative in that there has been no real political pressure to enforce or regulate the major traders. It has led to a sense of "salutary neglect" which has encouraged the less honest traders and financial houses to "lawyer up" and milk the common shareholders (like cows in a field - I live in Vermont and grew up among farmers) for whatever they can cough up.

I support the Commissions proposed elimination of Regulation SHOs options market maker exception and encourage the Commission to complete the administrative steps to accomplish this change as quickly as possible (e.g., by years end). The options market maker exception has been a well known tool of manipulation and must be eliminated promptly to ensure a level playing field for public companies and shareholders. The supporting and evolving research on the enormous wealth gathered by the few because of the trust of the small, trusting, and ignorant investors (like myself) condemns those who we have placed our trust in. Most don't even know they have been scammed.

However, as ignorant as we are, we are starting to wake up. It would be better if the SEC acted before a common understanding of past and present market neglect and criminal behaviors infuses itself in public consciousness. That would completely dissolve the remaining trust in our economy and those who were the supposed caretakers of that trust which would make the SEC's honest efforts suspect and the Commission a pariah of our neglected financial condition. That would be counter productive. I would

rather have your expertise and clear action guide market recovery and redistribution of ill-gotten assets than a mob. If that happens you have no one to blame but yourselves and your lawyers.

I commend the Commissions recent action to strengthen Regulation SHO through the elimination of Regulation SHOs grandfather provision. I am also pleased that over the past several months Chairman Cox has personally spoken about the abuses of naked short selling and the need to end this manipulative practice. However, I remain concerned that, despite the Commissions recent efforts and Chairman Cox's public comments, these abuses continue. As they say on the common turf of survival, "if the dog barks and the chickens still disappear, that dog don't hunt. Time for a new dog."

I will quote one of the many shareholders that are waking up:

"While the elimination of the options market maker exception and the grandfather provision will significantly strengthen Regulation SHO, these changes alone will not adequately solve the problem that results in continued naked short selling and failures-to-deliver. I request that the Commission (1) impose in Regulation SHO a requirement of a firm location of shares to be borrowed before a short sale can be executed, and (2) enable transparency by requiring timely disclosure of the volume of failures-to-deliver shares of companies on the Regulation SHO threshold list. The Commission should issue and complete promptly a notice of proposed rulemaking to implement these two critical components of effective Regulation SHO reform."

I live in Woodstock, Vermont and grew up in Canton, NY. Land of the Free, Home of the Brave. As we say on the hockey rink..."We go into the corner to come out with the puck."

Sincerely,

Bill Elberty
Drop-Out Prevention Coordinator
Hartford, VT.

PS The SEC might help it's cause by suggesting that required public school education in a Capitalist or Free Market Society include micro and macro economics and practical investment processes and procedures courses. You folks could probably build and supply the course curriculum. I have been designing courses for 30+ years and would be happy to help..."don't complain unless you plan to help solve the problem." I would be happy to help.