

Title: SEC has zero tolerance for abusive naked short selling since 2008, yet IBC is expressing a desperate need for regulatory intervention to protect the market from abusive naked short selling in 2022.

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May 23, 2022

Vanessa A. Countryman
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U.S. Securities and Exchange Commission
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Re: Short Interest Position Reporting and Other Changes Related to Short Sale Reporting

Ladies and Gentlemen:

The following comments are submitted by International Bancshares Corporation ("IBC"), a publicly-traded, multi-bank financial holding company headquartered in Laredo, Texas. IBC maintains 170 facilities and 263 ATMs, serving 76 communities in Texas and Oklahoma through five separately state-chartered banks ranging in size from approximately \$474 million to \$9.5 billion, with consolidated assets totaling over \$16 billion. IBC is one of the largest independent commercial bank holding companies headquartered in Texas.

The purpose of this letter is to express the desperate need for regulatory intervention to protect the market from the abusive and manipulative practices of short sellers. While IBC has been a longtime advocate for greater market transparency and the implementation of regulatory safeguards to defend against short-seller bad actors,¹ addressing short-sale predation is more important than ever

¹ See e.g., Letter from Dennis Nixon, Chief Exec. Officer & Chairman, IBC, to Elizabeth M. Murphy, Sec'y, SEC (July 18, 2011), <https://www.sec.gov/comments/4-627/4627-169.pdf> (commenting in support of real-time reporting of short positions to "protect against market manipulation and panic-fueled stampedes" and for greater transparency to "allow security holders to more efficiently invest, analysts to better understand the market, and agencies to craft rules that more accurately reflect the behavior of market participants"); Letter from Dennis Nixon, Chief Exec. Officer & Chairman, IBC, to Robert E. Feldman, Off. Corp. Sec'y, FINRA (Apr. 24, 2012), https://www.fdic.gov/resources/regulations/federal-register-publications/2012/2012-ad91-e_07.pdf (warning of the short-sale abuse that would result from the publication of banks' stress-test results, which would "be used as