From: daveogilvie@email.com
Sent: Saturday, January 16, 2010 2:29 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Sir or Madam,

In reference to RIN 3038-AC61, I wish to offer the following comments:

The proposal to require registration of all counterparties to retail forex transactions is excellent and overdue. Broker reliability and integrity is a hot topic in the FX trader community. The lack of comprehensive registration requirements allows disreputable operators to exploit confusion and ambiguity, making it too easy to deceive and defraud the public. Mandatory registration, along with clarification of CFTC's authority to pursue and prosecute fraudulent operators is much-needed reform to the current environment of retail FX.

I believe the minimum capitalization requirements for FCMs and RFEDs should allow for smaller firms to scale-in. Rather than imposing a minimum $20,000,000 requirement, regardless of size, couldn't smaller and startup brokers be subject to increased scrutiny? Retail FX is a fast-growing industry, and this minimum requirement would impose a hardship, limiting diversity and innovation.

Finally, the proposed 10:1 leverage restriction is unacceptable by any rationalization, and if this is imposed to protect me from myself, I will simply transfer my account to an offshore brokerage. Judging from the reactions I've heard and read, the enactment of this well-meaning but paternalistic proposal will result in billions of dollars of taxable commerce and thousands of well-paying jobs leaving our country. As distasteful as it would be to me to participate in such an exodus, it's more distasteful to have my trading practices dictated to me. I am quite aware of the great risk inherent in high-leverage trading. My rules for risk-management and capital exposure are well-developed. These, and the opportunity to take advantage of beneficial market moves will remain under my control. I truly hope this proposal will be removed from the pending rule change.

Regards,
David Ogilvie