

From: Mikenlori9@aol.com
Sent: Thursday, April 15, 2010 2:31 PM
To: Metals Hearing <metalshearing@CFTC.gov>
Subject: Proposed Federal Speculative Position

Dear Secretary Stawick:

Thank you for the opportunity to offer my comments on your recent hearings concerning position limits for precious metals. I am a retired partner of one of the big 4 accounting firms. During my active career I had the opportunity to observe several of my natural resource clients participate in legitimate hedging programs. For several years, I have questioned the need for a bank to hedge at all, let alone hedge in such a way that they are a major controlling factor in a market. I urge the Commission to establish and enforce trading limits and to seriously consider prohibiting banks from hedging at all. The limits for precious metals should be established in such a way that they are consistent with the limits for other commodities. For example, holding contracts representing more than 1% of the market might be considered controlling.

It is my understanding that other commodities have position limits in place and that the purpose of such limits is to allow for the free flow of the markets and to assure that manipulation does not take place. I see no reason why limits applied to some commodities should not be applied to all. Otherwise, those who hedge as a legitimate business strategy are not afforded the opportunity of a free and fair market.

Sincerely yours,

Michael D. Hendrickson