

From: Harvey Organ <harveyorgan@rogers.com>
Sent: Saturday, April 10, 2010 4:42 PM
To: Metals Hearing <metalshearing@CFTC.gov>
Cc: Chilton, Bart <BChilton@CFTC.gov>; Bill Murphy <lepatron@lemetropolecafe.com>; j@silverstockreport.com; info@butlerresearch.com
Subject: FW: cftc hearings...correct my English.

Dear Chairman Gensler and Commissioners:

First and foremost, I would like to thank you for inviting me to testify before the commission as to the need for position limits on the precious metals this past March.

In the latest banking participation report, there has been no improvement in the massive short positions in silver of the two banks named in the hearings, namely the

ring leader, JPMorgan and its cohort HSBC. There has been a slight improvement of some 5000 contracts in gold.

Although, the commission is dealing with position limits on all precious metals, it was silver that has got the attention of the enforcement division of the CFTC.

I pointed out to the commission through reports from the BIS that the total notional derivatives of silver reached an alltime high of 203 billion usa dollars. The increase from the previous BIS report

in tonnage of silver represented almost 4 times the annual production of silver and the total notional derivative amount in oz represents 10 times annual production.

Next month the BIS will release the next semi annual report and judging from the activity in the market place, I can only visualize an increase in silver derivatives.

The BIS is the central bank to all the central banks and they monitor the risks inherent in the economy globally from the derivative risk that banks under their control have engineered.

The BIS removes all non bank derivative risk from their equation. They are only concerned with risks to the banking sector.

They are signalling to you possible default alarm bells and you must be cognizant of these developments.

We are witnessing problems in Greece where citizenry over there are moving their euros out of the banking system fearful of expulsion of Greece from the EMU.

No doubt, much of the movement out of the banking system in Greece is accompanied by an increase in precious metal purchases.

I urge the commission to place position limits on all precious metals. As well, the commission should stop the phony exemptions issued to JPMorgan

as to the empheral hedges that they have in London or elsewhere. There is just not enough metal per outstanding paper obligations in the global world.

I would like to thank Bart Chilton, who has spearheaded the hearings and is of the position that these positions limits are needed and that exemptions

must not be given unless bona fide inventories are at hand.

Again, I would like to thank the Commision for letting me be part of the experience although it was a little terrifying for me.

Sincerely,

Harvey Organ BScPhm. MBA