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Sent: Wednesday, March 31, 2010 8:03 PM
To: Metals Hearing <metalshearing@CFTC.gov>
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Subject: Metals Positions Limits

To: CFTC

Gentlemen:

I have reviewed much of the CFTC meeting notes of Wed March 25 2010, as well as much commentary and analysis about it since. As I am a holder of PMs I have a vested interest in free, honest markets.

I do not trade in the futures markets, nor understand them completely, yet I realize that these markets have been used to rob me and others of my capital by artificially moving the price of these commodities.

It also appears that the 'physical' metal reportedly traded in LBMA does not in fact refer to literal bullion derived from the ground, but to "paper bullion" derived from paper or a computer, thus perpetrating a huge fraud, possibly the biggest in history.

My suggestions for consideration are:

Increase transparency to make illegal deeds more difficult to commit.

- Require identification of entities holding position sizes over a pre-determined amount. (change the law)
- Make the identities public record.
- Have stiff penalties, civil and criminal for violating those limits, knowing that those who do are stealing from the rest, by their manipulation of the PM price.
- Sanction violators (both company and officers) additionally with the inability to ever trade in any futures markets.
- Publicize accurate reports and facts that illuminate manipulation.

Listen to those with real knowledge and real facts.

- Do not be like the SEC who ignored Markopolous.
- Do not surround yourselves with fraudsters as advisers.
 - would Elliott Ness hire Al Capone to investigate illegal production of alcohol?
 - Has the CFTC taken a sworn statement from Andrew Maguire regarding his alleged knowledge of price manipulation in London?
 - if by swearing falsely, he is willing to go to prison for at least 5 years, why would you ignore his testimony? (unless there is complicity with the fraudsters?)
 - why not hire Andrew Maguire, allow him and sworn colleagues to collect further evidence, like a real investigative agency would?

Require proof of bullion ownership in allocated accounts for short positions over a certain size.

- The option to deliver cash rather than bullion is just encouraging fraud and theft of bullion by "paper bullion" contract writers.
- Require certified auditing of such accounts on a regular basis
- Require ETFs like GLD and SLV to prove the existence of all metals claimed, as well as any of their sub-contracted bullion storage holders, by certified auditors.
- Verify that Allocated and unallocated bullion is not being counted more than once.

Investigate charges of fraud vigorously.

- Hire out the investigation if necessary and empower them to subpoena documents and testimony from participants.
- Make the investigative hearings public!
 - since their deeds are done in the public market, affect the public, make their hearings public.
 - quit making it easy for criminals to do their dirty work!
- Investigate Alan Greenspan for starters, and all his compatriots, who openly admitted to Congress that "we stand ready to lease gold should the price rise." If that is not premeditated conspiracy to artificially force down the price of gold, then how do you define conspiracy?
 - Conspiracy- "A combination, or an agreement between two or more persons, for accomplishing *an unlawful end or a lawful end by unlawful means.*"
 - - Black's Law Dictionary, Revised Fourth Edition
 - "A conspiracy *may be a continuing one; actors may drop out, and others drop in; the details of operation may change from time to time; the members need not know each other or the part played by others; a member need not know all the details of the plan or the operations; he must, however, know the purpose of the conspiracy and agree to become a party to a plan to effectuate that purpose.*"
 - - Black's Law Dictionary, Revised Fourth Edition
- So who did Alan Greenspan include when he said "we"?
 - Did he ever make plans with GS, JPM, HSBC executives?
 - What about Hank Paulsen and his almost daily calls to GS?

Don't try to manage the markets. Let the market find its own equilibrium, as required by law.

- Otherwise, just admit the markets are manipulated and close up shop...no need to waste money on a watchdog with no bark and no teeth.

Enforce the law

- Give the market a short period of time to unwind their positions in an orderly manner.
 - those who want silver can get silver
 - those who want cash can get cash
 - those who defraud can go out of business and to jail
 - for a change, suggest that uncle Sam bail out defrauded investors with cash, if no bullion is available. What's another few billion at this point in time?
 - let insolvent and/or criminal banks fail

I have suffered monetary damages greater than \$15,000 as a direct result of market manipulation by the likes of JP Morgan and HSBC intentionally using paper futures contracts to drive down the price of PMs. I believe this alone is a valid cause of action for a (class action) lawsuit against these parties, as

well as possibly any watchdog organizations that turn a deaf ear to valid complaints, thus breaching their sworn duty to regulate trading and enforce penalties for those engaging in unlawful trading practices.

Sincerely,

George Andrew Saffas, California state