

**From:** Chuck W. <cdwashi@hotmail.com>  
**Sent:** Thursday, January 21, 2010 11:06 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Opposition to Regulation of Retail Forex

---

Dear Mr. Secretary, David Stawick;

I have just been made aware of many of the new restrictions to leverage amounts in retail US Forex accounts, that are part of the proposed rule changes included in CFTC identification RIN 3038-AC61 . I want to go on record as opposed to any such changes or any further changes to the existing leverage and/or margin requirements. I do not feel and have been shown reasonable proof that such restrictions and limitations will NOT prevent the causes of last years meltdown from occurring again. Even if these rule changes are not part of the wave of regulation attempting to prevent the next crisis, I still believe these specific changes are onerous and will unduly penalize the small investor.

As a retail forex customer, I use the forex market as an alternative to the equity markets in certain times of turmoil in the economy, political scene, or corporate landscape here in the US. I take advantage of the liquidity and leverage offered in forex to try and recover or maintain my equity positions, when they are adversely affected by negative circumstances. In a time when more and more individuals are taking the initiative to actively manage their own savings, taking such a life saving tool out of their toolbox would be criminal. We need a way to protect our investments through diversification into other equally rewarding asset classes.

I've been trading off and on for the better part of my adult life and I'm not a rich, fat cat Wall Street speculator, gambling with someone else's money. My trading accounts represent all of my risk capital and I'm not about make careless mistakes or carefree decisions with them. Like most other responsible middle-aged investors, I perform my due diligence when it comes to caring for my liquid assets. This means that the vast majority of us little guys do the same thing, we perform a considerable amount of research, risk management, and position sizing before any trade order is ever placed.

The assumption that reducing the amount of leverage or increasing the amount of margin required in retail Forex in order to prevent the systemic problems that caused the issues of the past, is like assuming that limiting the amount of bullets a nation can have will prevent the next war. If such needless limitations are implemented, I predict you will see a general exodus away from US regulated forex brokers toward foreign or less reputable Internet based operators working in the shadows of any regulatory authority. Then we'll be facing a much larger problem, well beyond the reach of current government authority.

So please reconsider and submit other remedies for what ailed the markets last year other then punishing the small, baby-boomer middle class private traders, like myself, who are the most removed from the epicenter. If you need more proof of my claims, feel free to respond directly to me either by phone or email and I would be glad to discuss in detail my representative methodologies and procedures for forex trading to insure you that I have no intention or desire to game the existing system outside the spirit of rules currently in place.

Thank you,

Chuck Washington  
Individual Investor  
646-533-1041  
[cdwashi@hotmail.com](mailto:cdwashi@hotmail.com)