10-001
COMMENT
CL-03110

From: Robert Steele <rgsteele@windstream.net>
Sent: Saturday, January 23, 2010 1:48 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038–AC61

The extreme volatility of the foreign currency markets exposes retail forex customers to substantial risk. Forex dealers currently extend leverage to their customers at ratios of between 25:1 to 400:1 or higher, which allows customers to control contracts worth significantly more than their cash investment. Given these high leverage ratios, even minor fluctuations in currency rates can exponentially increase a customer's losses and gains. Even a small move against a customer's position can result in a significant loss. Under current practices, customer positions are usually closed out once the losses in an account exceed the initial investment. However, if, for any reason, the positions are not closed out at a zero balance, the customer could be liable for additional losses.

The above was taken directly from the propsoed CFTC Changes. You state "positions are usually closed out once the losses in an account exceed the initial investment". I do not believe any one that was involved with this proposal has spoken with any USA based broker. The accounts are always closed when the balance is zero dollars. They also use a thing called a "Stop Out". Has any one researched this in your deparment?

Before you send alot more Americans out of work read the following please>
>>>http://www.forexpeacearmy.com/forex-forum/forex-articles/8342-if-cftc-does-say-goodbye-retail-forex-usa.html

Thank you,

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