

**From:** Paul Wollos <pwollos@gmail.com>  
**Sent:** Monday, January 25, 2010 4:08 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex RIN 3038-AC61

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Dear Mr. Stawick and Memeber of CFTC,

I do feel strongly that although regulating Forex market is an important, even crucial factor in preventing frauds and unethical practices, however the proposed regulation of reducing leverage to 10:1 is quite out of line. Please, let me explain:

1. What it won't do - it won't prevent short-term strategies and non-committed positions, since these are entered by small, amateur, as well as by huge companies, such as banks, funds, etc. We should remember that it is the big orders that move this enormous market, not the tiny ones (for example: micro-lots or mini-lots) placed by traders, no matter long, medium, or short-term.
2. What it will do - is to force all amateurs, no matter their hard acquired knowledge and future potential in trading, to be forced to stop trading or to move to brokers outside the U.S. (!). Yet, the big companies and huge traders will stay in, manipulate the markets as suits them, in even easier way, since they have nothing on the way of their orders.

The results will be markets that are vilatile and resistant to government (central banks) inteventions.

Lastly, please do take into consideration people who invest with smaller amounts, thus unable to enter orders if they don't have at least 50:1 leverage.

Additionally, I feel all of us are mature enough and responsible enough to understand the meaning of leverage and what benefits as well as damages it can do to our trading accounts. I feel we should have our own right to chose the appropriate leverage. At the same time I feel that the maximum leverage should not exceed 100:1 on all dollar positions, and 50:1 on all exotics. I personally trade with Oanda as well as FXSolutions. Oanda maximum leverage 50:1 suits me very well, but if it drops to 10:1, I don't think I can continue exploring this fascinating career in the markets, since the risk will be just too high.

Please, don't force good, hard-working and highly motivated people to move their money out of U.S. based brokers (regulated by CFTC). Rather make sure that you are doing all you can in preventing unfair orders manipulation, unfair Swap practices, untruthful advertisements, and finally fake spreads and "platform crashes" - all of which I have noted and experienced from brokers like FXCM, GFT, InerbankFX, etc.

This should be the priority of CFTC for which all of us traders will be truly grateful.

Very Sincerely,

Paul Wollos