

From: Rick Church <slicyman@optonline.net>
Sent: Monday, January 25, 2010 8:50 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

I have read Regulation of Off-Exchange Retail Foreign Exchange Transactions and Intermediaries and the proposed rule changes.

My principal concern is the proposed leverage limitation of 10:1. I understand the capital risk associated with forex volatility and the associated use of leverage however I consider the management and use of such leverage to be my responsibility based on my own capitalization and risk tolerance circumstances. I also understand the desire to protect consumers however why not apply a tiered leverage approach (e.g., 10:1, 25:1, 100:1) based on applying capitalization hurdles or other appropriate criteria. NFA applies a tiered approach. The reduction of leverage to 10:1 I consider to be severe. This will have the effect of eliminating some participants it seems to me. The retail forex participant does, among other things, help to diminish currency market volatility based on the nature of the retail trading style which is predominantly to enter/exit at/near tops/bottoms.