

**From:** Syed Omar <hilmy83@gmail.com>  
**Sent:** Monday, January 25, 2010 12:08 PM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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Dear cftc.

How does 10:1 make sense to you guys? Leverage is a tool, a double edge sword. Smart traders use it properly and gamblers always lose.

Forcing 10:1 leverage down our throats will result in the following:

1. US clients leaving the US brokers for foreign brokers that offer high leverage. US brokers are forced to establish overseas services.
2. Dumb traders will always be there, will always make risky trades and blow their accounts (maybe at a slower rate this time). You're not helping them either way. You're hurting the smart traders who need the high leverage from time to time to take advantage of their well thought out research. By the way, smart traders are not always the ones with the most money.
3. You're encouraging scams. You know people want leverage and scam brokers know that.

I think it would be a lot more constructive to require ALL US brokers to have a trading basics section in their account forms. It would be a questionnaire form where each client will be asked basic questions on leverage, margin, types of orders, risk management and the market itself. This will allow the clients to be more informed before they open their accounts. If they fail to answer the questions correctly, they will have to continue taking lessons that will explain those terms.

Thanks and keep our liberty alive. Cause we're not as stupid as you think.

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Syed H. Omar