

From: Fred Nerz <arnjnk@comcast.net>
Sent: Sunday, January 31, 2010 8:22 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Sir or Madam,

I am an independent retail FX trader in the US and am strongly opposed to the proposal of limiting leverage to 10:1. This would require that I submit additional margin funds into non-insured or protected accounts, thus exposing me to greater risk in the event of bankruptcy of my Forex broker. It will essentially put me out of business unless I can somehow find a way around the rule.

There are many traders like myself who use leverage responsibly and pay primary attention to risk management.

While some legislation such as requiring dealer registration, appropriate reporting and responsible behavior of the brokers/dealers could be beneficial in eliminating predatory "bucket shop" practices, the arbitrary placement of leverage limits to protect traders against themselves will be highly damaging to most of us.

Please do NOT consider the implementation of a 10:1 leverage limitation. It may sound politically attractive, but it is not a good choice.

Regards,
Alfred Nerz