

From: Giscard Nazon <giscard.nazon@yahoo.com>
Sent: Monday, February 1, 2010 12:53 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038-AC61

Dear Regulator,

On November 30th, 2009, new regulation went into effect that resulted in setting the leverage to 1% in my Forex account. This was a change from the 0.5% leverage previously associated with my account. I believe the move was a sound one, as it encouraged me to seek a more balanced exposure to risk, which was more appropriate to my available investment capital.

I oppose your current proposed leverage change to 10%. This will immediately put an end to the possibility for me to supplement my income through Forex trading as has been the case for the past few years. I cannot support a measure that will effectively favor larger participants in the market, which I do not believe could be your intention.

I have read your proposal and believe in your best intentions. But be mindful that often the ills in a system are not from the system itself, but the people involved. A lack of personal discipline and excessive risk appetite will always be a trader's first threat in the market. People have labeled Forex companies as scams. This is a gross lack of understanding in most cases. I suggest that you consider how your agency could instead encourage or even ensure the proper training of all market participants, as education can in fact be the best protection to a Forex trader, along with other safeguarded you aim to put in place with the RFEDs. But by considering the proposed change to leverage, you are looking at a measure that cannot be fairly applied to all and that I am afraid will miss an important point about risk, which is the adequacy of one's knowledge and training to be involved in the forex market at first.

If the leverage change that will apply to me goes into effect, I believe I will have no choice but to conduct my business where it may be still affordable.

I thank you for your time and consideration.

Giscard Nazon