

From: Neil D. Rosenthal <traderjo@nycap.rr.com>
Sent: Wednesday, February 3, 2010 10:15 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038-AC6

Dear Secretary,

I am against the proposal to limit Retail Forex leverage to 10:1. Though this regulation is intended to protect Retail Forex traders from the dangers of over-leveraging their accounts, it will do quite the opposite. Many traders, in order to continue to trade with high leverage, will move their accounts overseas. Though there are many scrupulous and safe overseas brokers, there are many who are unscrupulous, unsafe, and located in countries where regulation and enforcement are quite lax. In addition, some of these overseas brokers still offer 200:1 or even 400:1 leverage, whereas U.S. brokers currently adhere to NFA-mandated 100:1 leverage. The regulation will have the net effect of putting U.S. traders in more, not less, danger of losing their account equity.

The new leverage regulation should be stricken from the proposed rule changes.

Sincerely yours,

Neil D. Rosenthal