

From: Adam Bradley <afbradley@gmail.com>
Sent: Saturday, February 6, 2010 6:15 PM
To: secretary <secretary@CFTC.gov>
Subject: 4x retail leverage levels

Dear Sir/Madame,

While I recognize the importance of regulation in the 4x market, forcing US brokers to require 10:1 leverage on all retail 4x accounts is... not a good idea.

As you well know, one's tolerance for risk can not be controlled, assuaged, or diminished by others', or by rules; if one wants a specific degree of risk, one **will** find an outlet for that risk.

Take me for example. 98% of my retirement savings are invested in mutual funds, CD's, real estate, and bonds. Now, I consciously maintain 2% of my funds in higher risk, higher return investments. I am comfortable with this, and therefore will maintain such a strategy. Preventing me from using 100:1 leverage on a US retail 4x account will only accomplish one thing: it will force me to move my account to a foreign 4x broker who will allow me to use 100:1 leverage.

Look, if you honestly want to "protect" individuals from extreme losses, capping the allowable leverage is not the way to go! Investors need opportunities to invest across the risk spectrum: from secure (say, a CD), to risky (say 4x or options). Forcing a 10:1 leverage in retail US brokerage firms will make the 4x option no different than many other investment choices and products already out there. Maybe you could put caps on the amount of money one can deposit monthly into a 4x brokerage account, or a similar action. This way, those of us (such as myself) who have 4x brokerage accounts in the US would keep their money here.

PLEASE DO NOT TIE THE HANDS OF THE NOT-MULTI-MILLIONAIRES JUST BECAUSE HUGE BANKS HAVE MADE SOME GREEDY CHOICES:
PLEASE DO NOT FORCE RETAIL 4X TO LOGARITHMICALLY REDUCE ITS LEVERAGE.

Thank you for your time,
Adam
retail 4x trader.

. We agree with policing and regulating the industry, as was Congress' intent when empowering the CFTC to create additional rules. However, we don't agree with policies that might clearly disadvantage firms in the United States which in turn disadvantage you, the client. We encourage you to voice your individual opinion directly to the CFTC. The Public Comment Period is open for 60 days from the date of publication, which was January 13, 2010. You may find the entire draft proposal here: CFTC.Gov and you may contact the CFTC directly by sending an email to secretary@cftc.gov with "**Regulation of Retail Forex**" in the subject line.