

From: Lee Hendrick <lwhendrick@gmail.com>
Sent: Tuesday, March 16, 2010 3:54 PM
To: secretary <secretary@CFTC.gov>
Subject: RE: Regulation of Retail Forex

I am writing to comment on the CFTC's proposed regulation (RIN 3038-AC61) of leverage requirements in the retail foreign currency market (Forex). I am strongly opposed to lowering the leverage requirements to 10:1.

I write as a JD/MBA/CPA 55 year-old who left teaching in the College of Business Administration at the University of Tennessee when elderly parents needed a caregiver. In addition, my oldest daughter has epilepsy and cannot drive. She will deliver her first child in May, and I will be the driver. Her husband and my wife both work.

I have been trading my own account on the Forex market for over a year now. It is a way to have an income and still be able to drop everything to attend to parents or my daughter. I do not oppose some reduction in leverage limits, but 10:1 is too low. In some endeavors, 10:1 leverage would be too high, but not in the Forex market.

While I routinely trade with 5:1 and 10:1 leverage, there are some instances when a greater leverage is necessary. The risk is not as great as you might think. I believe that 50:1 would be reasonable. A 10:1 limitation would result in more negative trades and larger losses. It might force me from this career.

I know you have heard complaints about unfair competitive advantage for banks not regulated by the CFTC. You also are likely aware of the unfair competitive disadvantage such low leverage requirements would place on U.S. banks, Forex brokers, and traders like me.

Please do not promulgate the proposed regulation (RIN 3038-AC61) with such unacceptably low leverage requirements as 10:1.

Thank you for your thoughtful consideration. I do not want to lose my income in this economy.

Sincerely,

Lee W. Hendrick

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Lee W. Hendrick
712 Valley Dale Road
Knoxville, TN 37923
(865)691-0909 home
(865)924-9659 cell