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Sent: Wednesday, March 17, 2010 7:33 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Secretary CFTC

Re: id # RIN 3038-AC61

It would appear that you are proposing to use a large 12 lb canon ball to kill a gnat.

I have been trading Forex for over three years and have not had any problem with the present 100:1 leverage.

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TAKE ACTION - TIME IS RUNNING OUT!

Recently, the U.S. Commodity Futures Trading Commission (CFTC) announced that it is seeking public comment on proposed regulations concerning Forex trading.

WHAT ARE THE PROPOSED CHANGES?

- Require retail foreign exchange dealers to limit the leverage available to their retail customers to 10 to 1.

Below is an example of how the proposed leverage reduction would affect your Forex trading account.

Current Leverage Maximum 100:1 Leverage		Proposed Leverage Maximum 10:1 Leverage	
Sell Price	\$109.47	Sell Price	\$109.47
Unit Size	10,000	Unit Size	10,000
Number of lots	10	Number of lots	10
Trade Size	\$100,000.00	Trade Size	\$100,000.00
Margin Required @ 100:1 leverage	\$1,000.00	Margin Required @ 10:1 leverage	\$10,000.00

- Require all retail Forex industry players, including Introducing Brokers, to register with the CFTC.
- Implement a \$20 million minimum net capital standard, with an additional volume-based minimum capital threshold.

HOW WILL THESE CHANGES AFFECT FOREX TRADERS AND THE AMERICAN ECONOMY?

Should the 10 to 1 leverage rule proposed by the CFTC be adopted:

- Funded accounts currently in the U.S. system can be expected to go offshore.
- Forex fraud may worsen, not improve. Unregulated dealers from around the world will thrive, while operating without requirements for capital adequacy, risk management models, marketing ethics, dealing practices or even returning of customers funds.
- The United States may cost itself millions of dollars in trade revenue.
- Thousands of white collar jobs that require an advanced education and range from software developers to accountants to foreign exchange dealers may be eliminated, or move out of the United States.