

**From:** Barry Chin <toisan\_boy@yahoo.com>  
**Sent:** Thursday, March 18, 2010 5:58 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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To: David Stawick:

Re: Regulation of Retail Forex RIN 3038-AC61

Mr. Stawick:

I am sending this email to express my concerns about the proposed changes to Forex regulations, in particular, the proposed change in leverage. The rationale stated by FINRA for this change is based on the assumption that traders do not use leverage properly. The FINRA proposal fails to recognize that leverage merely allows a trade to exercise more precise risk management in relation to the size of their positions. Having leveraging capabilities allows a trader to adjust the size of their stop dynamically, while still maintaining a fixed position risk. Moreover, not having adequate leverage available will punish the traders who are already exercising appropriate risk management. Leverage reduction would actually increase the risk of a margin call when risking the same amount in both scenarios. The bottom line is that the expected end result would be US based traders investing their money with overseas brokers.

Thank you for your attention.

Barry Chin  
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