

**From:** Talvin Poole <tpoolejr@hotmail.com>  
**Sent:** Monday, March 22, 2010 6:31 AM  
**To:** secretary <secretary@CFTC.gov>  
**Subject:** Regulation of Retail Forex

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To the CFTC in regard to the proposed leverage requirements for forex trading.  
RIN 3038-AC61

Hello,

I want to start this email by stating that I have been trading Forex for 5 years now. Prior to that I spent the preceding 5 years researching, studying, and practicing (via demo accounts) Forex Trading and continue this practice to the present day. During my 5 years of actual trading I have only had to switch brokers once and that was due to the failure of RefcoFX. I currently have an account with GFT Forex. I have traded using leverage as low as 200:1 and as high as 400:1 and have found through my experience that the only difference between the amount of leverage utilized was the amount of capital I had to put up to enter and maintain a trade. Based on the strategy/system that I have developed and employ, my risk stayed the same. In essence, my system generates a signal of when to get in and when to get out. And while it's not perfect, it's my system that protects me from large losses and allows me to profit, not the use of lower leverage. Last November, my broker informed me that due to new CFTC requirements, the maximum amount of leverage I would be able to use would be 100:1. For me, this meant that I had to put up 4x the amount of money to trade with the potential to earn less profit. However, my risk has actually increased because I have to put more money at risk to make (at best) less money for the same type of trade. Although extremely inconvenient, I was able to adjust my system to deal with this disadvantage. With your latest proposal, traders like myself will have to put up 10x the amount of money (on top of the previous requirement) just to trade (at best) with even greater risk (more exposure) and even less profit expectation. Now I understand the need for protection for what I call the casual investor/trader and I believe that is the intent of the proposal. Instead of reducing leverage for everyone that trades forex, why not give the choice to the individual investor/trader? Why not require new accounts to have a default setting for leverage at 10:1, and if a trader feels confident they can trade using more leverage, have the option to request from their broker a higher ratio up to 100:1? In this way, there is still the (perceived) protection for the casual (or inexperienced) trader without hurting the business of the professional (or more experienced) trader? In any case, all I ask is that you not pass a proposal that will not protect any trader but cause more harm to those traders that are experienced and took the time to learn how to trade before trading their own money.

Best regards and thank you for your time.

Sincerely,

Talvin E. Poole Jr.

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