

From: Hardman, Harold <hhardman@CFTC.gov>
Sent: Monday, March 22, 2010 10:43 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex
Attach: Doc2.docx

TO: The Comment File
FROM: Harold L. Hardman
RE: Comment on Proposed Retail Foreign Exchange Rules
Date: March 19, 2010

On March 18, 2010, a meeting was held with FXSolutions in which they discussed their concerns with the Commission's proposed rules regarding retail forex. In attendance from the Commission were Dan Berkovitz, Harold Hardman, Vince McGonagle, William Penner, Sue McDonough, and Duane Andresen. Michael Cairns, and Walter Zuck, FXSolutions, Scott Segal and Susan Molinari, Bracewell & Giuliani, and Mark Ruddy, Ruddy Law Office, PLLC represented FXSolutions. The major concern expressed with regard to the proposed rule was the leverage requirement. In their words, the proposed leverage amount would cause them to lose a number of customers, either forcing the demise of their business or pushing their business offshore. From their prospective, there is not direct connection between the amount of leverage and the goal to eliminate fraud in this market. They also noted that they have complied with the NFA leverage amount of 100 to 1. They noted that they will be sending a formal written comment for the rulemaking record along these lines.