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COMMENT
CL-02232

From: randall layne <laynerandall@yahoo.com>
Sent: Thursday, January 21, 2010 8:36 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

IN regards to the "Regulation of Retail Forex" I am opposed to such regulation. At this time the forex market provides a portion of my income. this regulation would seriously affect my income.
Please do not allow this to be passed or actec upon.

Randy Payne
Utah.

CFTC Seeks Public Comment on Proposed Regulations Regarding Retail FOREX Transactions

Washington, DC □ The U.S. Commodity Futures Trading Commission (CFTC) today announced the publication in the Federal Register of proposed regulations concerning off-exchange retail foreign currency transactions. The proposed rules follow the passage of the Food, Conservation, and Energy Act of 2008, Pub. L. No. 110-246, 122 Stat. 1651, 2189-2204 (2008), also known as the □Farm Bill,□ which amended the Commodity Exchange Act in several significant ways. In particular, the Farm Bill:

□ clarified the scope of the CFTC□s anti-fraud authority with respect to retail off-exchange foreign currency transactions;

□ provided the CFTC with the authority to register entities wishing to serve as counterparties to retail forex transactions as well as those who solicit orders, exercise discretionary trading authority and operate pools with respect to retail off-exchange foreign currency transactions; and

□ mandated minimum capital requirements for entities serving as counterparties to such transactions.

□These proposed rules for retail foreign exchange trading are important steps in implementing the additional consumer protections authorized in the 2008 Farm Bill,□ CFTC Chairman Gary Gensler said. □The Commission looks forward to receiving and considering the public□s comments on this important issue.□

Pursuant to this authority, the Commission is proposing a comprehensive scheme that would put in place requirements for, among other things, registration, disclosure, recordkeeping, financial reporting, minimum capital, and other operational standards. Specifically, the proposed regulations would require the registration of counterparties offering retail foreign currency contracts as either futures commission merchants (FCMs) or retail foreign exchange dealers (RFEDs), a new category of registrant created by the Farm Bill. Persons who solicit orders, exercise discretionary trading authority and operate pools with respect to retail forex would also be required to register, either as introducing brokers, commodity trading advisors, commodity pool operators, or as associated persons of such entities. As was the case prior to the passage of the Farm Bill, □otherwise regulated□ entities such as financial institutions and SEC-registered brokers or dealers remain able to serve as counterparties in such transactions under the oversight of their primary regulators.

The proposed regulations also include financial requirements designed to ensure the financial integrity of firms engaging in retail forex transactions and robust customer protections. For example, FCMs and RFEDs would be required to maintain net capital of $20 million plus 5% of the amount, if any, by which liabilities to retail forex customers exceed $10 million. Leverage in retail forex customer accounts would be subject to a 10-to-1 limitation. All retail forex counterparties and intermediaries would be required to distribute forex-specific risk disclosure statements to customers, and comply with comprehensive recordkeeping and reporting requirements.

Comments regarding the proposed regulations may be submitted by any of the means listed in the Federal Register release and should be received by the Commission within 60 days of the date of publication.

Last Updated: January 13, 2010