

From: Marjorie Miller <marjiemiller@gmail.com>
Sent: Saturday, March 20, 2010 8:12 PM
To: secretary <secretary@CFTC.gov>
Cc: President Barack Obama <president@messages.whitehouse.gov>; AmericanVoices@mail.house.gov; contact@wexlerforcongress.com; info@barackobama.com; info@hillaryclinton.com; info@kucinich.us; lloyd.doggett@mail.house.gov; Rep.Paul@mail.house.gov; SenateWebmail@cornyn.senate.gov; sf.nancy@mail.house.gov; Kay Bailey Hutchison <Kay@email.texansforkay.com>; Rep Michael McCaul <tx10ima@mail.house.gov>
Subject: No hedging, bad leverage, no segregation of Funds: Why would anyone do Forex in the US instead of the UK?

Re: RIN 3038-AC61

Mr Chairman,

Let me say first that I think it is ironic that US citizens are moving their money to the UK to escape the incompetent US regu-dictators, who jerk people around for a year about the right to hedge and leverage, and don't even bother requiring segregated funds like the UK. Perhaps the US still has alot to learn from the UK.

Let me then say, that besides being jerked around by the CFTC/NFA on whether I should have the right to hedge, and then the 100:1 leverage restriction, and now the 10:1 leverage restriction, I refer you to the attached link below, dated in 2007 even, for another reason to not do FX trading in the US. Apparently, my funds aren't even safe in the US. In the UK they are segregated, and even guaranteed up to 30000 pounds at the brokerage and 50,000 pounds at the bank. Broker funds in the US aren't even guaranteed. What a joke. I've already moved 3 accounts to the UK, when hedging was outlawed in the US in 2009, and I will now be moving my other 3 accounts to the UK as well. Great job destroying yet another segment of the US economy. Will the US Retail Forex industry now get a bailout to revive what the CFTC/NFA has destroyed?

Lastly, I'm sending a copy of this to President Obama who is apparently your boss, and I'd like to ask him where he'd rather do business, and why we don't have segregated funds rules in the US, and why we've got morons like you telling intelligent people whether they can hedge and how much leverage they can use. Ever think of asking about the security of their funds? You're a waste of taxpayer money. Hire someone from England. Everybody else is. Why don't you just look at the UK FSA rules and try to copy them and you won't look like such morons.

Marjorie Miller

In US, REFCO uses investors funds to pay off bankruptcy creditors - no segregation of client investment funds

<http://www.robbooker.com/special/>

FSA Segregation of Funds regulations

see <http://www.financial-spread-betting.com/Segregation-bankrupt.html>

All the reasons not to do Forex in the US

<http://www.fxcm.com/segregated-accounts-news-release.jsp>

About FXCM

FXCM Holdings, LLC: News Release

FXCM Offers Segregated Forex Accounts Through FXCM LTD

New York, July 25, 2007 (Revised on November 9, 2009)—The FXCM Group announced that accounts with Forex Capital Markets, LTD (FXCM UK) are segregated in accordance with FSA Client money rules. FXCM UK accepts accounts from the United States and over 100 countries.

In the unlikely event of FXCM UK's bankruptcy, clients of FXCM UK would be considered secured creditors and receive priority in bankruptcy proceedings.

FXCM Holdings, LLC is offering this option through FXCM UK because funds held by US-registered Forex Dealer Members are not segregated. If a Forex Dealer Member becomes insolvent, clients do not automatically receive priority status in bankruptcy proceedings.

Recently, a U.S.-registered forex broker went into receivership due to undercapitalization. For a period of time, clients of the broker were unable to access their funds and faced the possibility of financial losses. This situation may recur because current capital requirements for US-registered forex brokers are minimal.

FXCM is financially strong, with reserves that far exceed regulatory requirements. The FXCM Group has over \$120,000,000 in firm capital (assets minus liabilities).*

Drew Niv, Chief Executive Officer of the global currency trading firm, pointed out several features of the FXCM UK segregated account:

- Forex regulations in the UK differ from the ones in the United States;
- FXCM UK is now accepting accounts from over 100 countries, including the United States;
- The Financial Services Authority (FSA), one of the world's most respected financial regulatory bodies, administers these regulations;
- Opening an account is quick and easy: Applications may be submitted online.

Drew Niv stated, "FXCM is offering segregated funds through FXCM LTD as an additional value to our clients. While FXCM is one of the largest U.S.-registered Forex Dealer Members, we still want to provide our clients with additional legal protections for those who want their funds segregated."

"Many forex firms are teetering on the brink of bankruptcy; FXCM is strong. We believe that it is vitally important that all currency trading clients have complete and verified information on the financial strength of forex trading firms. That is why FXCM has taken the major step of making our balance sheet public, and challenged other firms in the industry to follow our lead," said Niv.