

Office of Regulations and Interpretations
Employee Benefits Security Administration
Attn: Conflict of Interest Rule, Room N-5655
U.S. Department of Labor
200 Constitution Avenue N.W.
Washington, D.C. 20210

Office of Exemption Determinations
Employee Benefits Security Administration
Attn: D11712 and D-11713
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

RE: *Proposed Conflict of Interest Rule and Related Proposals, RIN 1210-AB32 and ZRIN: 1210-ZA25*

September 2, 2015

I disagree with the proposed changes that will eliminate the use of options in an IRA.


As a CPA I have clients who are looking to lessen the risks of a market downturn. Instead of selling the stock, they find it more prudent to place a put option that in effect neutralizes their potential loss. That is just one example of how options protect the investor.

I am by no means directly comparing these proposed actions by your organizations, with China's efforts to prop up their financial markets, but please think through what is currently occurring to investors in that country. The Chinese government has stated that they will punish anyone who attempts to profit from a decline in stock prices through shorting. Options are a main tool to either go long or go short.

There is a classic lesson from history that involved Joseph Kennedy back when the 1929 market crash occurred. He was having his shoes shined and heard the shiners remark how much money they were making in the market. Without us passing a moral judgment on his reasoning, but, rather learning from it, it is said that Kennedy had a revelation. He figured that if these boys were pouring funds into the market than there was a bubble and he promptly shorted the market. From that the Kennedy fortune was made.

I do believe that there is another side to issues such as this. Please accept my comments as a modest attempt to show that there are serious repercussions to attempts to "protect" our country's citizens from themselves.

Respectfully,


Richard Lamm
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