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Sent: Wednesday, September 09, 2015 3:43 PM
To: EBSA, E-ORI - EBSA
Subject: Comments on RIN 1210-AB32

To whom it may concern

As an individual, self-directed investor who manages his own IRA, I appreciate the opportunity DOL has provided to comment on the Conflict of Interests Proposed Rule. My financial security in retirement is very important to me and my family. While I am in favor of the Rule in so far as the current conflicts of interests that it seeks to address, I am concerned with some aspects of it that appear would limit the investment options and educational material available to me. I have never before provided input on such matters at this level but, after the economic crash, I have become much more astute about my financial planning and the conflicts of interests that affected my accounts prior. For this reason, I am compelled to share my concerns and offer recommendations that I believe will address my needs and that of other self-directed investors.

Currently, I manage my investments on my own using the tools and education provided by my broker and other private and on-line sources. Although my broker also provides fee-based advice services, I do not partake in them. However, I do recognize that the vast majority of people do use such services and it is this type of service that I believe this rule would provide greater security. Knowing that one's broker is acting in one's best interest should never be a concern much like knowing that their doctor is acting in the same capacity regarding their health.

I also believe that to some extent advice stemming from conflicted interests skews an otherwise efficient market where prices are set on an underlying's value as perceived by the market. Stuffing a fund to obtain a goal or reward adversely affects underlying asset pricing, which misrepresents the true value of those assets to the public. I already have enough challenges as an individual investor to have to question whether pricing has been in any way improperly influenced. I recognize that this is not the main thrust of the rule but it is in a sense collateral damage.

My greatest concern are the instruments available to me and the training and education needed to execute them to my full benefit. Under the current rules, I can use many of the same investment strategies and products in my IRA that I do in my non-retirement accounts. My understanding of the Department of Labor's proposed retirement rule would limit if not preclude my ability to trade listed options in my IRA. I had to qualify with my broker for the privilege to trade options in my IRA. FINRA and options exchange rules exist that govern a broker's due diligence in

approving an account for options trading. Approval is not universally granted to whomever opens an account but, for those who have it and are knowledgeable in its use, it greatly benefits their account management and growth.

Whereas I do not wish to see options eliminated from IRA accounts, I offer the following two recommendations to address the needs of individual investors like myself.

First, the Best interest Contract Exemption would permit compensation for services provided to “Retirement Investors” in connection with a purchase, sale, or holding of an “Asset” by, among others, an IRA. However, the definition of “assets” currently excludes exchange traded options. It includes near everything else but not options. Thus, if the Proposal passes as—is it would deprive me of the ability to use listed options in my IRA account. It is my recommendation that exchange-traded options should be added to the list of permissible products under the Best Interest Contract Exemption.

Second, as an individual investor, I rely heavily on electronic media for my continual education and training. While certain fiduciary conduct regarding investment advice is listed in the Investment Education Carve-Out, I believe the language is too general in scope to adequately cover training media that addresses exchange traded options. As written, it includes an exception for the providers of investment education to a plan, plan fiduciary, plan participant, IRA or IRA owner, provided that the education does not include specific recommendations on investment products. This is a rather broad description that I believe does not adequately cover the nuts and bolts of trade selection criteria and execution training that is so critical to option investments. Understand, this type of training does not identify or make recommendations for specific products; it just educates investors on how to properly select and execute various strategies.

It is my recommendation that instructional videos and interactive training materials for listed options be included in the Investment Education Carve-out to the definition of investment advice. This will benefit numerous investors like myself with the How-To knowledge needed for self-directed investing.

I thank you for your time and consideration, and I hope to see a Rule that both addresses the current conflict of interests that plague our retirement system and provides the tools needed by the individual investors.

Regards, Ken Henderson

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