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Definition of the Term ‘Fiduciary’; Conflict of Interest Rule—Retirement Investment Advice; Notice of proposed rulemaking and withdrawal of previous proposed rule.

Comment On: EBSA-2010-0050-0204

Definition of the Term Fiduciary; Conflict of Interest Rule- Retirement Investment Advice

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Submitter Information

Name: Dennis Wong

Address:

1066 Egret Street
Foster City, CA, 94404

General Comment

I want to voice my disagreement with the part of the regulation that disallows investors from trading IPOs and listed options in their IRA. I am a self directed investor and I should be making those decisions, not the government. For educated investors, they should be able to invest and trade as they see fit. It has been shown that using a covered call strategy is safer and delivers better performance than just buying and holding the stock (and a similar risk strategy of selling cash secured puts significantly outperforms the covered call). At this time of low interest rates, investors should be allowed to pursue the best return on their investments as long as they aren't being lied to. This makes people less dependent on social security and government programs (which is a good thing).

I believe full disclosures of fees (similar to mutual funds) is needed and that investment advisors should have to disclose where they make their money. That said, disallowing the use of options takes away a key tool for investors to manage the risk in their IRAs as well as improving potential returns. A diversification of investment types and strategies has been how pension funds, endowments, etc. have generated better performance and lowered risk. We need that capability as well if we are to outlast our savings and not have the large drawdowns when the market is in corrections.

Thank you for hearing my comments.