

PUBLIC SUBMISSION

As of: September 28, 2015
Received: September 21, 2015
Status: Pending_Post
Tracking No. 1jz-8l9c-g4aq
Comments Due: September 24, 2015
Submission Type: Web

Docket: EBSA-2010-0050

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

Document: EBSA-2010-0050-DRAFT-6237

Comment on FR Doc # 2015-08831

Submitter Information

Name: John Pritchett

General Comment

To the extent that this new rule will restrict a typical brokerage from allowing me to trade options (or even provide options education on its website) within an IRA account I offer the following comments:

I realize that some, perhaps many, people unwisely use options to increase leverage and make big, dangerous bets with their retirement savings. I, and many investors and traders that I know, do not use options in this way. I use options to sell covered calls in order to generate income while also increasing capital appreciation when I sell positions using this approach. I also use options to generate income by selling uncovered puts. In so doing I generate income on the front end, and in those cases I "have" to buy a security, I am able to offset the share price I pay with the option premium I receive to sell the put. I only use this particular approach on securities I am happy to own and at a price I am readily willing to pay. The margin rules my broker has in place for such transactions prevent getting overextended with too many such transactions at a given time. You see, I've taken time to learn how to use options trading to safely increase my gains and even to reduce risk of certain positions I may hold, rather than increase it. It doesn't always work out perfectly, but most transactions work out quite well.

It seems like you're trying to play Big Daddy and protect investors like me from ourselves. But it's difficult to safely make a good return on anything these days, and I deserve every retirement savings tool at my disposal. It would be patently unfair to take this one away.