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To: EBSA, E-ORI - EBSA
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TO :: POLICY Maker's (Do not Change the rules now allowing (BUYING OPTIONS in IRA's)

Options in IRA's allows "protection of major market declines". They are fully Paid at the time of investment. Therefore the IRA owner actually would be much much better off by using options to "buy" stocks.

CALL options can buy 100 shares of stock.
PUT options can also Buy 100 shares of stock.

Don't confuse "Selling of options" vs. "Buying of options" (They are totally different)

I BELIVE YOU ALL SHOULD KNOW-----"Selling" options IS ALREADY BARRED in ALL IRA's. And that is perfectly OK.

But, There would be a tremendous unfairness to Bar "BUYING" Puts or Calls in IRA's.

Selling options has potential "unlimited" loss. BUYING options (Puts or calls) actually allows less \$\$'s risk than buying the stock outright.

Example: How to use CALLS as an investment (No more risk than outright purchase of stock)

- 1) Regular investment ----Cash of \$8,000 is needed to BUY 100 shares Exxon stock at \$80). (If Exxon goes down to \$70, a loss of \$1,000 results)
- 2) Alternative (As I do) Buy 1 call option for \$300 total maximum loss for 100 shares of Exxon.
- 3) If Exxon goes down to \$70, I would only lose \$300, NOT the \$1,000.

Example: How to use PUTS as an investment (No more risk than outright purchase of stock)

- 1) Buy 1 Put on Exxon allows me to buy Exxon at a Lower price than \$80.
- 2) So, I invest \$200 to buy Exxon at \$70. That means if Exxon goes down from \$80 to \$70, I ONLY need to Pay \$7,000 to own 100 shares.
- 3) I SAVED \$1,000 in losses.

So, You see options allow one to make a profit exactly the same way as Owning the stock. There is "ZERO" risk of losing more money than is in the IRA.

The Government should not take away that freedom to invest.

There are also Many "Mutual Funds" or ETF's (Exchange Traded Funds) available today that do essentially the same thing as "Option investing".

Literally hundreds are available through the NY stock exchange. They are totally legitimate "STOCKS" to OWN in IRA's. You would have to Bar every one of them.

By my personally investing in the options---- I SAVE thousands in Management fees to these Mutual fund investments allowing "Covered call writing".

If you people do not know what covered Call writing is, Let me suggest YOU ALL BECOME INFORMED, before you make rules that force IRA owners to PAY exorbitant fees to those who do the SAME THING. You would have to bar "Mutual fund" and ETF's as investments.

My IRA was set up years ago. To change how and where I choose to invest MY MONEY is Ludicrous.

To not allow "buying of options" to all Existing IRA's would be a "TRAVESTY" to all Retirement Plan owners who need these tools to limit market risk.

I URGE YOU TO keep the current Options rules AS IS. Frankly, our Social security Money is being spent entirely on running the Government waste programs.

IT is already LOST. So, maybe the policy makers should BAR THE FEDERAL GOVERNMENT from taking our Pensions and "Spending it" rather than INVESTING it.

As a matter of fact--- If the Federal Government actually Bought Options in the stock market with our social security money----We could eliminate ALL of our Debts.

Market declines offer million dollar gains with ZERO additional risk, when using OPTIONS.

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