

From: MWCRUM@aol.com [mailto:MWCRUM@aol.com]

Sent: Sunday, September 20, 2015 1:13 AM

To: EBSA, E-ORI - EBSA

Cc: mwcrum@aol.com; eecrum@aol.com

Subject: Conflict of Interest Rule, RIN 1210-AB32

Re: Conflict of Interest Rule, RIN 1210-AB32 , my comments.

Having spent more than 30 years in the federal workforce, a third of those years in the Senior Executive Service, I am dismayed at some of the things I see coming out of government today. And, while your rule has a laudable goal, the execution so often just works to every investor's disadvantage. Hence, my comments on the above rule. As I see this, it is a two part problem, the first is the effort to make financial advisers accountable for their advice, which I agree with; but, the second part which would limit our ability to trade listed options in our IRA's which is a really bad idea that would seriously hurt my ability to better my family's financial future.

Financial advisers should be working in our best interests I agree. It's time to close this loophole and ensure a high standard that holds anyone who gives financial advice genuinely accountable for helping everyday Americans choose the best retirement investments for us, our families, and our future -- not just the ones that make our brokers and bankers richer. In fact, you should make every effort to lower our costs.

A good rule will ensure that all financial professionals who offer retirement investment advice must make recommendations designed to serve the best interests of consumers by keeping costs low, and recommending sound investments. I even agree that in some situations, they should be required to protect their client's interests (**such as a managed account.**) I believe this to be true for all accounts in which the investor has filed for **managed investment advice** from their broker or fund manager. In fact, you should require all financial advisers who provide retirement investment advice, in accounts that want investment advice, to put their customers' interests first! This should not include such things as financial tools, education, platforms, instructional videos, testing of strategies, online services, etc.

However, any part of the rule which would affect my ability to invest and manage my **"self directed" account**, including which type of investment I can trade, such as stocks, listed options, futures, currencies, or forex is a terrible idea. If anything, the existing restrictions on my self directed account should be removed rather than placing any further restrictions on my account. For example, the portfolio margin requirements should be a standard margin requirement on self directed accounts with no dollar requirements such as the \$125,000 to be eligible.

Today, it is not easy for Americans to achieve a financially secure retirement and policymakers should actively be promoting proposals that make it easier to do so, particularly as wages have stagnated, Social Security covers less and less of retirees' expenses, and traditional pensions are no longer as common. Along those lines, products with lifetime income guarantees – which essentially provide a “paycheck for life” similar to how a traditional pension did for previous generations of retirees - have never been more vital for helping consumers achieve their retirement objectives. Putting any limits on a **self directed account** only limits my ability to make money and improve my financial status or financial objectives.

Recently, I became aware of this proposed rule that I believe would undermine my ability to plan for my retirement in ways I believe to be best for me and my family. My understanding is that the Department of Labor's (DOL's) proposed retirement rule would limit my ability to trade listed options in my IRA. It's a limitation that, to me, damages my ability to meet my financial objectives.

I have traded options in my IRA, just as I have in non-retirement brokerage accounts, and I had to qualify for this privilege. Education and support from my brokerage firm are available to me 24-7 to answer questions or validate ideas. I can join online communities, take courses, watch instructional

videos, test and back-test strategies, or speak to a representative any time I want. This proposed rule would change all of that by making my brokerage firm a fiduciary for my IRA – responsible for looking out for my best interests – if it provides any research, tools or education that the rule views as “advice.” My account in its current state would likely be considered an “**advised IRA**,” and as I understand the rule, options trading would be prohibited in it. That. Is not what we should want as our public policy objective.

But, my account is a SELF DIRECTED ACCOUNT WHICH MEANS I AM RESPONSIBLE TO TRADE AND MANAGE MY ACCOUNT AS I SEE FIT. In order to trade options in my IRA, my brokerage firm would likely be required to remove most research, tools and educational resources so my account would not be considered an “**advised IRA**.” Or, my firm could convert my account to more expensive investment advisory one. **Neither appeals to me.** With this rule, it seems the government has determined that I am not smart enough to make my own informed investment decisions. I strongly oppose any such determination by DOL or any other federal agency. The rule will only divert my attention and assets away from my IRA and toward other, non-retirement accounts. Saving for retirement is difficult enough. Why add more obstacles and complexity? I urge you to please preserve the freedoms investors currently enjoy to choose how we invest in our retirement accounts and plan for a better financial tomorrow.

I do not believe the provisions in this rule should be implemented for those accounts (IRA or otherwise) that are opened as “**self directed**” accounts.

Sincerely.

Michael Crum

Senior Executive Service (Ret.)

now Options trader