

From: J D Adams <jdavisadams@yahoo.com>
Sent: Wednesday, September 23, 2015 12:54 PM
To: EBSA, E-ORI - EBSA
Subject: RIN 1210-AB32
Attachments: AR-M257_20150923_123324.pdf

SEE ATTACHED

As requested, we are writing comments on the above.

We are a small business which in 2001 received a favorable determination letter from the Internal Revenue Service on a qualified (non-prototype) Money Purchase Pension Plan. Each of our Participants has signed papers relieving the Trustee of any fiduciary responsibilities concerning investments since the Participants self-direct 100% of their investments in the Plan through a platform provided by a major brokerage such as TD Ameritrade and Fidelity. For a number of years we have used options to increase our return on quality stocks. Particularly we sell covered calls on which there is little or no risk and sell puts only on stocks that we want to own. So, if they are put to us and we are required to purchase them, the platform has already reserved 100% of the necessary funds to purchase at the agreed upon strike price of any stocks on which we have sold a put. So we always have the funds available in either case.

Our success rate on these puts and calls OPTIONS has been above 90% for a number of years, and, it enables us to increase our yield by 4-6% annually. This has been most important during the last few years when the Fed funds rate has been held so low that we only receive meager returns from Banks on funds held on deposit.

Any change prohibiting the use of options for people who are self-directing their investments would be devastating. Currently it would reduce our returns by 50%!!!!

We would like to ask to be carved out from the new proposed regulations prohibiting our use of OPTIONS given that we are 100% self-directing our own funds through a qualified (non-prototype) Money Purchase Pension Plan for which the funds for options are being properly reserved if required for purchase and the entire fund is being properly accounted for by a major brokerage platform. There is no investment advisory fee or fiduciary status related to investments.

Your serious consideration in this matter would be appreciated.