

January 29, 2020

Members of the SEC,

I am a retail investor that uses leveraged funds as an important part of my portfolio. I have used them for the past 4 years and experienced both the upside and downside of them, including daily leverage resets. These funds help me to enhance my returns and meet my financial goals. It is important to me to be able to access these funds, which I would otherwise not be able to replicate. I think I speak for the majority of those who use these funds that we support a variety of products suited to our goals.

I appreciate that the proposal allows existing funds that are specifically advertised as leveraged/inverse and do not meet the VaR requirements. I hope it remains that way. However, the new eligibility requirements are unnecessary in my opinion. Every one of my brokers that I trade leveraged products with has a waiver that must be acknowledged, which says something to the effect that the products are not for long term buy-and-hold strategies and require an understanding of how they work. The new requirements would simply be another hoop for me to jump through. Based on the questionnaire, it's possible that my request might be rejected by my brokers; for example, I might not meet the broker's requirement for "percentage of the retail investor's liquid net worth that he or she intends to invest in leveraged/inverse investment vehicles" or my "investment objectives" might not align with the broker's expectations. That would be a huge disappointment. I don't see any point in going through this process because there is no new protection or knowledge that I would gain from it. Why not leave this the way it is?

Regards,

Louis O'Bryan