

Dear Secretary Securities and Exchange Comision;

Reference # 34-87607 57-24-15

In regards to restricting or eliminating 2x and 3x ETFS, please do not initiate this now or any time in the future. It is sufficient to make people aware of the risks of 2x and 3x ETFS, but do not restict their use. Thank you!

With Respect,

JAMES R. ZINK

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OFFICE OF THE SECRETARY

SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 239, 240, 249, 270, 274 and 275

Release No. 34-87607; IA-5413; IC-33704; File No. S7-24-15

RIN: 3235-AL60

Use of Derivatives by Registered Investment Companies and Business Development Companies; Required Due Diligence by Broker-Dealers and Registered Investment Advisers Regarding Retail Customers' Transactions in Certain Leveraged/Inverse Investment Vehicles

AGENCY: Securities and Exchange Commission.

ACTION: Proposed rule.

SUMMARY: The Securities and Exchange Commission (the "Commission") is re-proposing rule 18f-4, a new exemptive rule under the Investment Company Act of 1940 (the "Investment Company Act") designed to address the investor protection purposes and concerns underlying section 18 of the Act and to provide an updated and more comprehensive approach to the regulation of funds' use of derivatives and the other transactions addressed in the proposed rule.

The Commission is also proposing new rule 15l-2 under the Securities Exchange Act of 1934 (the "Exchange Act") and new rule 211(h)-1 under the Investment Advisers Act of 1940 ("Advisers Act") (collectively, the "sales practices rules"). In addition, the Commission is proposing new reporting requirements and amendments to Form N-PORT, Form N-LIQUID (which we propose to be re-titled as "Form N-RN"), and Form N-CEN, which are designed to enhance the Commission's ability to effectively oversee funds' use of and compliance with the proposed rules, and for the Commission and the public to have greater insight into the impact that funds' use of derivatives would have on their portfolios. Finally, the Commission is proposing to amend rule 6c-11 under the Investment Company Act to allow certain

leveraged/inverse ETFs that satisfy the rule's conditions to operate without the expense and delay of obtaining an exemptive order.

DATES: Comments should be submitted on or before March 24, 2020.

ADDRESSES: Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission's internet comment form (<http://www.sec.gov/rules/proposed.shtml>); or
- Send an email to rule-comments@sec.gov. Please include File No. S7-24-15 on the subject line.

Paper comments:

- Send paper comments to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to File Number S7-24-15. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method of submission. The Commission will post all comments on the Commission's website (<http://www.sec.gov/rules/proposed.shtml>). Comments are also available for website viewing and printing in the Commission's Public Reference Room, 100 F Street NE, Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make publicly available.

Studies, memoranda, or other substantive items may be added by the Commission or staff to the comment file during this rulemaking. A notification of the inclusion in the comment file of