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July 15, 2009

Elizabeth M. Murphy, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Reference File Number S7-09-09

Dear Secretary Murphy:

I am writing to urge the Securities and Exchange Commission to reconsider the proposed custody rule (IA-2876) which would subject SEC Registered Investment Advisers, who have the authority to debit advisory fees from client custodial accounts to undergo an annual surprise audit by an independent certified public accountant. I believe this rule is unnecessary and unreasonable as it places an unjustified financial burden on my firm.

Currently my firm does not custody any assets. We use several organizations to custody our client assets. We allow our clients the choice of paying the advisory fee we charge them directly or we will get their written authorization to debit their custodial account. If they choose to have their account debited it is automatically done based on a written contract with the client. The client then receives a statement from the custodial firm and our firm.

This seems to be a very effective check and balance system. An independent audit would be very costly and totally unnecessary in my opinion. I speak as a small business owner, CCO of an SEC RIA firm, and a firm that already spends a great deal of time and money making sure we are compliant. An independent audit costing several thousand dollars would be a tremendous burden and one that would cause my small firm financial hardship.

Please reconsider the proposed custody rule.

Thank you for time and consideration

Sincerely,

John D. Black
Managing Partner

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