July 24, 2009

SEC Decision Makers,

My name is Joe Kubic, and I am one of the founders of Fairlane Investment Advisors in Dearborn Michigan. Through Fairlane, we are NAAIM members and also SEC-Registered Investment Advisors and the purpose of this letter is to comment on the proposed changes to the Custody Rule included in release IA-2876. We are opposed to any changes in the custody rule that would somehow turn our firm into a custody shop and thus subject us to the surprise audits being considered. This is especially onerous to us because we have diligently tried to avoid being a custodian by following all the rules and engaging a third party to custodialize assets.

The notion that we somehow have custody simply because we can deduct a fee from the account is a complete change of the rules upon which we have built our business and many other RIAs have built theirs. An invoice is provided to completely substantiate whatever amount is deducted for a fee. We deduct the fee in arrears, only after we have provided service, never in advance. Finally, and perhaps most importantly, we have no way to access client assets except for deducting this fee. We have no way to move assets en masse into accounts that somehow benefit us in a nefarious way. In no way should the deducting of a fee trigger something that makes us custodians.

We certainly do not know of all the issues involved with the highly publicized fraud cases of the recent past. However, we do know that most businesses like ours have chosen to use independent custodians. These independent custodians have, in turn, chosen to create a business model whereby they have the infrastructure to keep track of these assets efficiently and as such have as part of their cost structure, staff and procedures to deal with audits to make sure the assets are where they should be. The fact that custody houses exist has allowed us to then optimize our business to focus on what we do best, which is to match client needs with investment strategies. We have processes and staff to do this very well. Obviously we comply with all SEC rules as well and we know where our client's assets are at all times, but that is different than what would be required if we had custody of these assets. It would change our business model, with no additional benefit to the client in terms of security of their assets. It would simply decrease our bottom line and at the same time endanger our true core competence, which is preparing our client's assets for retirement.

The business model we have created includes the use of a third party record keeper, in our case Orion. On our behalf they reconcile and report based on the data provided by our custodians. That alone makes three sets of eyes already on the information and if you add in the client's eyes that makes four. Do we really think that the cost of a fifth set of eyes will make a difference?

Finally, let us be clear about one thing, we are not getting rich doing this. We have grown large enough that we have a steady income but nothing extravagant and today we only employ 4 people in addition to my partner and I. The cost of the additional staff to manage an audit combined with the cost of a PCAOB level auditing firm would significantly impact the bottom line. Frankly, based on the last two years, these costs would be the difference between earning a small profit and realizing a loss for the year.

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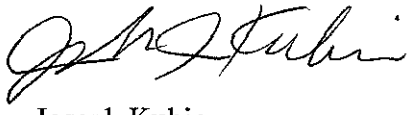
We ask you to please reconsider this direction and do not make a change to the current custody rules.

Yours,



Joseph Kubic