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July 9, 2009

Elizabeth M. Murphy, Secretary  
United States Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-0609

Re: Release No. IA-2876  
File No. S7-09-09

Dear Ms. Murphy:

I am General Counsel and Chief Compliance Officer for the Loring, Wolcott and Coolidge Office, a fiduciary services firm. Our firm's business primarily involves the management of trusts and estates, but we also provide investment advisory services to clients through an affiliated SEC registered investment advisor. Unless the client requests otherwise, all non-retirement assets are held by a qualified custodian in omnibus accounts. We maintain an internal sub-accounting system and send out account statements directly to our clients. Given recent events and the relative small number of firms which maintain global custody, we are concerned that the SEC may be less sensitive to the impact of these rules upon the affected advisors and clients. We want to insure that the SEC understands that there are reasons why some firms maintain global custody of the assets which they advise and want to be sure that new rules do not effectively foreclose this as an option.

Clients are attracted to our firm because of our stability and the continuity of service which we provide. In contrast due to mergers and acquisitions our master custodian was Shawmut Bank, which was acquired by Bank of Boston, which then was acquired by Fleet Bank, which was then acquired by the Bank of America, all within the span of the last several years. Each of these corporate transitions caused numerous service issues for us. But, our clients were insulated from these issues because their

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relationship was with us and not the underlying custodian. Maintaining our own custody gives us the ability to control the quality of our services, assure privacy of client transactions and more efficiently manage our proxy voting process. Having global custody also allows us to respond more quickly to client requests and to integrate most aspects of our business on a common technology platform.

When we serve as trustees, we are also subject to numerous reporting and filing obligations. We must account to trust beneficiaries, prepare probate court filings and file both federal and state tax returns. Our internal accounting system produces trustee accounts, estate inventories, state specific probate court accounts and allows for the automated production of all necessary federal/state income tax returns. There is a significant cost savings associated with our business model, especially when dealing with the volume of trust accounts which we do.

We also assist our clients with implementing various estate planning strategies. These planning vehicles often require same day pricing and the posting of numerous transactions to client accounts. Operational control is critical to this process which would be unavailable in a business model which required us to use a qualified custodian and to work through an institutional account representative. During year end and tax time we also regularly produce checks and process transactions after regular business hours and on weekends. If we were forced to utilize a qualified custodian and separate account model, we would be subject to institution deadlines which may in fact make it difficult, if not impossible, to meet client service expectations.

The SEC and registered advisors may view the requirement that all investment advisors use an independent qualified custodian as a solution to the recent fraud issues, but private fiduciaries have a legitimate reason to resist this delegation of their custodial responsibilities. We do not question that clients need to be protected from advisor errors or fraud. We have traditionally managed this risk exposure through errors and omissions insurance and a crime bond covering employee theft. We also rely on our surprise SEC rule 206 and SAS 70 Type II audits to assess risks and deter fraud. In addition to external audits, we employ a full time internal auditor and have a direct data link with the Bank. We have separated the operations and reconciliation functions, automated the position reconciliation process and have online account access to resolve in a timely manner any exceptions noted.

We feel that the point of any new regulation should be on determining a reasonable combination of internal controls, audits and oversight to protect the client from risk of loss. While the expense of these 206 and SAS 70 audits are already a significant burden on advisors, we believe they are critical to a proper culture of compliance within the firm and are necessary for client confidence. We do not agree with any rule that would require a third party custodian for all investment advisors.

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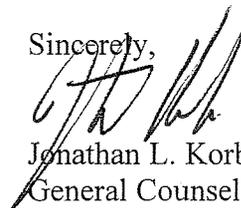
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We have legitimate business reasons as fiduciaries to maintain custody of our clients' assets. We ask that any rules enacted by the SEC allow us to continue to provide services to the firm's clients in a manner consistent with our past business practices. We agree with the SEC assessment that to detect and deter fraud, advisors with custody must undergo an annual surprise Rule 206 audit and SAS 70 Type II procedures audit. We strongly support the proposed rule changes, as well as the requirement that any audit firm be a PCAOB approved accounting firm.

Sincerely,

A handwritten signature in black ink, appearing to read "Jonathan L. Korb", is written over the typed name and title.

Jonathan L. Korb  
General Counsel