

July 22, 2009

United States Security and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: Proposed Amendments to Rule 206(4)-2  
File No. S7-09-09

To Whom It May Concern:

While I appreciate concerns for safeguarding the public, the effect of this new rule for fee deduction would put onerous costs and procedures on firms like ours that already place investor security as a high priority.

This specific change to the current Rule 206(4)-2 would result in financial strain on small investment advisory firms such as ours due to the costs of surprise annual audits and implementation of new procedures. These costs would necessarily be passed on to our clients with no additional benefit or service to them.

We, like many others, do not exercise any other form of “custody” over client assets and have standing approval from our clients to deduct our fees. The fee deduction capability is not at the root of recent fraud or abuse cases. We strongly recommend that the Commission leave the rules and procedures, with respect to deducting advisory fees from clients, unchanged.

Respectfully,

Thomas N. Alvaré, CPA/PFS  
Managing Member