SECURITIES EXCHANGE ACT OF 1934
Release No. 10428/October 10, 1973

The Securities and Exchange Commission announced pursuant to Section 15(c) (5) of the Securities Exchange Act of 1934 ("Exchange Act") the temporary suspension of over-the-counter trading in all securities of Pennsylvania Life Company, ("Pennsylvania") located in Santa Monica, California, for a ten day period commencing at 2:45 p.m. (EDT) on October 10, 1973 through midnight October 19, 1973.

The Commission initiated the trading suspension in the securities of Pennsylvania pending clarification and dissemination by Pennsylvania of information concerning its operations, including information concerning transactions between subsidiaries of Pennsylvania and subsidiaries of Equity Funding Corporation of America.

The Commission cautions broker-dealers, shareholders and prospective purchasers that they should consider carefully the foregoing information along with all other currently available information and any information subsequently issued by the company.

Furthermore, brokers and dealers should be alert to the fact that, pursuant to Rule 15c2-11 under the Exchange Act, at the termination of the suspension, no quotation may be entered unless and until they have strictly complied with all of the provisions of said rule. If any broker or dealer has any questions as to whether or not he has complied with said rule, he should not enter any quotation but immediately contact the staff of the Securities and Exchange Commission, Division of Enforcement in Washington, D. C. If any broker or dealer is uncertain as to what is required by Rule 15c2-11, he should refrain from entering quotations relating to the securities in question until such time as he has familiarized himself with said rule and is certain that all of its provisions have been met. If any broker or dealer enters any quotation which is in violation of said rule, the Commission will consider the need for prompt enforcement action.

SECURITIES EXCHANGE ACT OF 1934
Release No. 10429/October 12, 1973

GUIDELINES FOR CONTROL LOCATIONS FOR FOREIGN SECURITIES PURSUANT TO SUBPARAGRAPHS (c) (4) AND (c) (7) OF RULE 15c3-3 UNDER THE SECURITIES EXCHANGE ACT OF 1934

Rule 15c3-3 under the Securities Exchange Act of 1934 requires a broker or dealer promptly to obtain possession or control of all fully paid and excess margin securities carried for the account of its customers and to take action within designated time frames where possession or control has not been established. Subparagraphs (c) (4) and (c) (7) of Rule 15c3-3 deem control of customer securities to have been established if such securities are in the custody of a foreign depository, foreign clearing agency, foreign custodian bank, or such other location which the Commission upon application shall designate as a satisfactory control location for such securities.

Introduction

On January 30, 1973, in Securities Exchange Act Release No. 9969, the Commission indicated it had received numerous requests to designate certain entities as satisfactory control locations for customers' foreign securities lodged in foreign locations (abroad) pursuant to subparagraphs (c) (4) and (c) (7) of Rule 15c3-3 in order that brokers or dealers may comply with the requirements of that rule to reduce such customer securities to their possession or control. The Commission anticipated that after reviewing the requests and obtaining such additional information as may be necessary it would publish guidelines for control locations for foreign securities. The release stated that the Commission had determined that, "to the extent a broker-dealer has utilized a foreign entity (e.g., a foreign custodian bank) for holding customers' foreign securities in a foreign location, or a domestic entity which holds such broker's or dealer's customers' foreign securities in a foreign location, as of January 15, 1973, or at any time within two years immediately preceding such date, such broker-dealer shall be permitted to utilize such entity as a satisfactory control location for such foreign securities under Rule 15c3-3 until May 31, 1973." On May 30, 1973, in Securities Exchange Act Release No. 10178 the Commission announced its intention to continue the availability of these locations as permissible control locations for foreign securities and that it would publish guidelines for control locations for foreign securities.

The Commission has now determined to establish the following criteria for satisfactory control locations for foreign securities pursuant to subparagraphs (c) (4) and (c) (7) of Rule 15c3-3.

Criteria for Control Locations for Foreign Securities

The Commission has determined:

(1) pursuant to subparagraphs (c) (4) and (c) (7) of Rule 15c3-3 that foreign securities lodged in the custody of foreign depositories, foreign clearing agencies, foreign custodian banks or foreign brokers or dealers for the account of customers of brokers or dealers shall be deemed to be lodged in satisfactory control locations for brokers or dealers subject to Rule 15c3-3; and

(2) pursuant to subparagraph (c) (7) of Rule 15c3-3 that foreign securities carried by registered brokers or dealers for the account of customers of other brokers or dealers shall be deemed in satisfactory control locations for brokers or dealers subject to Rule 15c3-3,

provided, that:

(a) The foreign securities lodged abroad shall be considered to be in the control of the broker or dealer for whom they are held pursuant to subparagraphs (c) (4) and (c) (7), (1) to the extent that such securities are not subject to any right, charge, security interest, lien or claim of any kind in favor of the foreign entity except for their safe custody or administration and (2) to the extent that beneficial ownership of such securities is freely transferable

without the payment of money or value other than for safe custody or administration; 1/ and

(b) With respect to a registered broker or dealer carrying such foreign securities for another broker or dealer, (1) such securities shall be carried by the carrying broker or dealer in an account to be designated as a "Special Custody Account for the Exclusive Benefit of Customers of (name of the broker or dealer)" pursuant to subparagraph (c) (7), (2) the account shall contain only the securities of customers of that particular broker or dealer and (3) the particular broker or dealer for whose customers those securities are carried shall have instructed the carrying broker or dealer to maintain physical possession or control of such securities free of any charge, lien, or claim of any kind in favor of such carrying broker or dealer. Additionally, security transactions shall not be effected through the account; its purpose being exclusively for the custody of customers' foreign securities. The carrying broker or dealer must also comply with the conditions set forth in (a) above.

The Commission has also determined in addition to the above criteria that, within 120 days of the publication of this release, any broker or dealer utilizing such locations must submit to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 500 North Capitol Street, Washington, D. C. 20549 the name, address and principal place of business of the foreign entity which serves as a location for the lodgment of customers' foreign securities and the name and address of the governmental agency or other regulatory authority which supervises or regulates the respective foreign entity or in the case where such securities are carried in a "Special Custody Account" as described above by another registered broker or dealer, the name of that broker or dealer must be submitted. 2/ Such submissions shall be considered an application to utilize such entities as satisfactory control locations pursuant to subparagraphs (c) (4) or (c) (7) of Rule 15c3-3 and shall contain a representation of the broker or dealer that such entities meet the criteria specified above. An application submitted shall be considered accepted unless the Commission rejects such application within 90 days of its receipt by the Commission. During the 120 day period immediately following publication of this release, or during any period when an application is being considered by the Commission, to the extent a broker or dealer has utilized a foreign entity (*e.g.*, a foreign custodian bank) for holding customers' foreign securities in a foreign location, or a domestic entity which holds such broker's or dealer's customers' foreign securities in a foreign location, as of January 15, 1973, or at any time within two years immediately preceding such date, such broker or dealer shall be permitted to continue to utilize such entities as satisfactory control locations for customers' foreign securities.

To the extent a broker or dealer wishes to utilize a new foreign entity or registered broker or dealer as a control location for customers' foreign securities and such entity meets the criteria outlined above he shall be permitted to do so provided he submits to the Secretary of the Commission the information required above prior to commencing the use of such locations. 3/ An application submitted shall be considered accepted unless the Commission rejects such application within 90 days of its receipt by the Commission. Such new locations shall be deemed satisfactory control locations during any period that such applications are being considered by the Commission.

The above criteria are initial guidelines to be supplemented or altered as the Commission gains further experience in the operation of Rule 15c3-3. The Commission may find that any specific entify, although meeting the above criteria, shall not be a satisfactory control location for customers' foreign securities if the Commission determines that it would not be in the public interest or for the protection of investors to permit such entity to continue as a satisfactory control location.

In establishing the above criteria the Commission wishes to emphasize that these criteria are in no way intended to diminish a broker's or dealer's responsibility to (1) periodically compare and verify in conformity with the requirements of Rule 17a-13 under the Securities Exchange Act of 1934 foreign securities for which he has accountability; (2) be aware at all times of the amount of customers' fully paid foreign securities required to be in possession or control pursuant to Rule 15c3-3; and, (3) take prompt steps to reduce fully paid foreign securities to the possession or control of the broker or dealer where such possession or control is required by Rule 15c3-3.

Definition of the term Customer

Paragraph (a) (1) of Rule 15c3-3 defines the term customer for the purposes of that rule. The Commission has also determined that the term customer shall be further interpreted to include a broker or dealer to the extent he maintains with another broker or dealer an account designated as a "Special Custody Account for the Exclusive Benefit of Customers of (name of the broker or dealer)" which meets the criteria set forth above.

By the Commission.

George A. Fitzsimmons
Secretary

1/ While the Commission recognizes that it is the practice in many foreign countries for the foreign entity to maintain a lien, claim, or other charge on customers' foreign securities for custody and administration charges, it is the broker's or dealer's responsibility to pay charges, claims, etc., promptly and to be certain that the amount of such charges, claims, etc., remain at all times minimal.

2/ The submission shall be filed in duplicate and shall be entitled "Application for Control Locations for Foreign Securities" pursuant to subparagraphs (c) (4) or (c) (7), as appropriate. The Commission has examined the question of whether an "Application for Control Locations for Foreign Securities"should be treated as confidential and is satisfied that it may and should treat such applications as confidential. Under Section 24(a) of the Securities Exchange Act of 1934, 15 USC 78 x(a), the Commission is forbidden to require disclosure of trade secrets. The identity of these foreign entities is information that may fall within that description. Even if it is not, the Commission is satisfied that the identity of these foreign entities is the type of sensitive commercial information exempt from the disclosure requirements of the Freedom of Information Act

under 5 USC 552(b) (4).

3/ If a broker or dealer wishes to utilize an entity other than a foreign depository, foreign clearing agency, foreign custodian bank or registered broker or dealer as a control location for foreign securities pursuant to subparagraphs (c) (4) and (c) (7) of Rule 15c3-3, it shall make application pursuant to subparagraph (c) (7).

SECURITIES EXCHANGE ACT OF 1934
Release No. 10430/October 11, 1973

Admin. Proc. File No. 3-2783

In the Matter of

GEORGE C. VAN AKEN
Cove Neck, New York

FINDINGS AND ORDER BARRING ASSOCIATION WITH BROKER-DEALER

In these broker-dealer proceedings under the Securities Exchange Act, George C. Van Aken, who was a partner of Baerwald & Deboer ("registrant"), formerly a registered broker-dealer, 1/ filed a stipulation and consent. Solely for the purpose of settling this proceeding, and without admitting or denying the allegations in the order for proceedings as amended, Van Aken consents to certain findings of misconduct as alleged in that order, and to the entry of an order barring him from being associated with a broker or dealer subject to Commission regulation.

Accordingly, on the basis of the amended order for proceedings and Van Aken's consent, it is found that:

1. During the period from about June 1969 to January 1970, Van Aken willfully violated Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder in connection with a public offering of 60,000 shares of common stock of Health Evaluation Systems, Inc. ("HES") pursuant to Regulation A under the Securities Act, and a registered public offering of 100,000 shares of common stock of Bio-Derivatives Corp. Van Aken withheld shares of those securities from the public offerings and placed them in nominee accounts which he controlled, later selling the shares for a substantial profit at prices considerably in excess of the offering prices.

2. During the same period, Van Aken willfully violated and willfully aided and abetted violations of Section 10(b) of the Exchange Act and Rule 10b-6 thereunder in that, while participating in the HES distribution, he bid for and purchased the stock for accounts in which he had a beneficial interest, aided and abetted other participants' bids and purchases for accounts in which he and they had a beneficial interest, and induced others to purchase the stock.

3. During the period from about October 1967 to January 1970, Van Aken willfully aided and abetted violations of Section 7(c) (1) of the Exchange Act in that registrant extended and arranged for the extension of credit to customers in violation of Sections 3 and 4 of Regulation T adopted by the Board of Governors of the Federal Reserve System.

4. During the period from March 1965 to about February 1970, Van Aken failed to exercise reasonable supervision with a view to preventing violations of the Securities Act and the Exchange Act, and the rules and regulations thereunder, by persons under his supervision.

In view of the foregoing, it is in the public interest to impose the sanction to which respondent has consented.

Accordingly, IT IS ORDERED that George C. Van Aken be, and he hereby is, barred from being associated with any broker or dealer subject to Commission regulation.

For the Commission, by the Office of Opinions and Review, pursuant to delegated authority.

George A. Fitzsimmons
Secretary

1/ Registrant's broker-dealer registration was revoked pursuant to the consent of its liquidator. *Baerwald & DeBoer,* Securities Exchange Act Release No. 9273 (August 2, 1971).

SECURITIES EXCHANGE ACT OF 1934
Release No. 10431/October 11, 1973

Admin. Proc. File No. 3-4234

In the Matter of

RIDGWAY, MCLEOD & ASSOCIATES
203 Park Avenue
Plainfield, New Jersey
(8-10940)

WILLIAM MCLEOD

FINDINGS AND ORDER IMPOSING REMEDIAL SANCTIONS

Ridgway, McLeod & Associates ("registrant"), a registered broker-dealer, and its president, William McLeod, respondents in these proceedings pursuant to Sections 15(b) and 15A of the Securities Exchange Act, have consented, without admitting or denying the allegations in the order for proceedings, to findings of violations as alleged in that order and to the entry of an order revoking registrant's broker-dealer registration and barring McLeod from association with any broker, dealer, investment company, or investment adviser. 1/

On the basis of the order for proceedings and respondents' consent, it is found that registrant, willfully aided and abetted by McLeod, willfully violated:

1. Sections 15(c) and 17(a) of the Exchange Act and Rules 15c3-1, 17a-3, 17a-4, and 17a-5 thereunder in that during the period from about November 1, 1971 to March 28,