SECURITIES EXCHANGE ACT OF 1934
Release No. 56374 / September 7, 2007

INVESTMENT COMPANY ACT OF 1940
Release No. 27966 / September 7, 2007

ADMINISTRATIVE PROCEEDING
File No. 3-12753

PROCEEDINGS INSTITUTED AGAINST PRITCHARD CAPITAL PARTNERS, LLC, THOMAS W. PRITCHARD, JOSEPH J. VANCOOK AND ELIZABETH A. MCMAHON

The Commission today announced that it has instituted administrative and cease-and-desist proceedings pursuant to Sections 15(b) and 21C of the Securities Exchange Act of 1934 (Exchange Act) and Sections 9(b) and 9(f) of the Investment Company Act of 1940 (Investment Company Act) against:

- Pritchard Capital Partners, LLC (Pritchard Capital), a registered broker-dealer headquartered in Mandeville, Louisiana.
- Joseph J. VanCook, a resident of Rye, New York, who was formerly associated with Pritchard Capital in its New York office between approximately March 2001 and February 2004.
- Elizabeth A. McMahon, a resident of Long Beach, New, York, who was formerly associated with Pritchard Capital in its New York office between approximately March 2001 and January 2004.

The Commission also announced that it has instituted administrative proceedings pursuant to Section 15(b) of the Exchange Act against:

- Thomas W. Pritchard, a resident of Covington, Louisiana and the managing director of Pritchard Capital.

The Division of Enforcement alleges in the Order Instituting Proceedings that, among other things:

- From as early as approximately November 2001 through July 2003, Pritchard Capital allowed some of its mutual fund customers to late trade mutual fund shares.
- Virtually all of the late trading occurred through Pritchard Capital's New York office and involved VanCook and McMahon.
- VanCook and McMahon permitted some of Pritchard Capital's mutual fund customers to place or confirm orders to buy or sell mutual funds after 4:00 p.m. Eastern Time, the time as of which funds typically calculate their net asset value (NAV), but receive the price based on the NAV already determined as of 4:00 p.m. Eastern Time.

- Pritchard Capital generally did not document the time of its customers' final confirmations of tentative mutual funds trades.
- Pritchard Capital and Thomas Pritchard failed reasonably to respond to red flags of potential late trading by VanCook, and the firm's written supervisory procedures did not contain policies or procedures reasonably designed to prevent or detect late trading.

Based on the above, the Division of Enforcement alleges that:

- VanCook willfully violated the antifraud provisions of the Exchange Act;
- McMahon caused, and Pritchard Capital and VanCook willfully aided and abetted and caused, violations of Rule 22c-1, promulgated under Section 22(c) of the Investment Company Act;
- Pritchard Capital willfully violated, and VanCook and McMahon willfully aided and abetted and caused Pritchard Capital's violations of, the books and records provisions of the Exchange Act; and
- Pritchard Capital and Thomas Pritchard failed reasonably to supervise VanCook with a view to preventing VanCook's violations of the federal securities laws.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order Instituting Proceedings are true, to provide the respondents an opportunity to dispute the allegations, and to determine what sanctions, if any, are appropriate and in the public interest.

The Administrative Law Judge shall issue an initial decision no later than 300 days from the date of service of the Order Instituting Proceedings.