



DIVISION OF
ENFORCEMENT

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

October 26, 1983

Robert M. Lam, Chairman
Pennsylvania Securities
Commission
471 Forum Building
Harrisburg, Pa. 17120

Dear Chairman Lam:

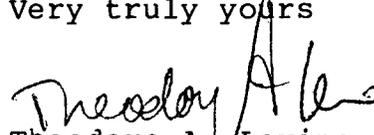
This is to acknowledge receipt of your letter, dated October 12, 1983, concerning the interest of the Pennsylvania Securities Commission ("PSC") in various matters relating to savings and loan associations ("S & L") and offerings of their securities.

Your letter raises a number of very important and significant disclosure and accounting issues with respect to S & L's securities offerings. The SEC and the PSC share a mutual interest in assuring that members of the public who purchase such securities are provided with adequate disclosures concerning the risks of investing in such securities and that the financial institutions comply with generally accepted accounting principals in the presentation of their financial condition.

I am personally heartened by the interest that the PSC has shown in the issues and I am sure that the staff at the SEC will provide to you and your staff whatever help it can to aid the PSC in carrying out its responsibilities. Moreover, the SEC staff has ongoing communications with the Federal Home Loan Bank Board ("FHLBB") and I am taking the liberty of circulating your letter to other staff members at the SEC in order to alert them to the concerns you raised. I am confident that the issues will be addressed in future communications with the FHLBB.

Thank you again for your interest in this matter. I am enclosing herewith a copy of the recent administrative proceedings instituted by the Commission against two S & L's which was referred to in the article in the Wall Street Journal on Friday, October 7, 1983.

Very truly yours


Theodore A. Levine
Associate Director

Enclosure