

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 60308 / July 15, 2009**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13547**

**In the Matter of**

**DONALD F. MCCRACKEN,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTIONS 15(b) and**  
**17A(c) OF THE SECURITIES EXCHANGE**  
**ACT OF 1934, MAKING FINDINGS, AND**  
**IMPOSING REMEDIAL SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Sections 15(b) and 17A(c) of the Securities Exchange Act of 1934 (“Exchange Act”) against Donald McCracken (“Respondent” or “McCracken”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Sections 15(b) and 17A(c) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that

1. McCracken is a former Managing Director and Head of Global Operations Services for Putnam Fiduciary Trust Company ("PFTC"), a transfer agent registered with the Commission and under the common control with a broker-dealer also registered with the Commission. McCracken, age 62, is a resident of Naples, Maine.

2. On June 29, 2009, a final judgment was entered by consent against McCracken, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act") in the civil action entitled Securities and Exchange Commission v. Karnig H. Durgarian, Jr., et al., Civil Action No. 05-12618-NMG, in the United States District Court for the District of Massachusetts.

3. The Commission's complaint alleged that beginning in January 2001, various PFTC employees, including McCracken, engaged in transactions in violation of Section 17(a)(3) of the Securities Act and other provisions, which prevented disclosure of an error that had occurred in the account of a client of PFTC. According to the Complaint, the transactions involved reversing and re-executing certain trades in the client's account and adjusting expense accounting entries in certain mutual funds. The Complaint alleged that these actions transferred the loss arising from the error from one client to others and prevented discovery of the error.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent McCracken's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Sections 15(b)(6) and 17A(c)(4) of the Exchange Act, that Respondent McCracken be, and hereby is, barred from association with any broker, dealer, or transfer agent, with the right to reapply for association after one year to the appropriate self-regulatory organization, or if there is none, to the Commission.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the

Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Elizabeth M. Murphy  
Secretary