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U.S. SECURITIES AND  
EXCHANGE COMMISSION

# sec news digest

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## RULES AND RELATED MATTERS

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### COMMENTS REQUESTED ON RULES 26a-1 AND 26a-2

The Commission requests public comment on Rules 26a-1 and 26a-2 under the Investment Company Act of 1940. Rule 26a-1 would allow as an expense to the trustee of any unit investment trust (or any insurance company separate account) administrative fees paid to the trust's depositor or principal underwriter. Rule 26a-2 would provide insurance company separate accounts with exemptive relief from various provisions of the Act to permit them to engage in certain custodianship activities and make certain routine deductions.

Comments should be submitted in triplicate to George A. Fitzsimmons, Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. Comments must be received on or before February 25 and refer to File Nos. S7-1-84 (Rule 26a-1) and S7-2-84 (Rule 26a-2). All submissions will be available for public inspection in the Commission's Public Reference Room. (Rel. IC-13705 and IC-13706)

FOR FURTHER INFORMATION CONTACT: Robert E. Plaze at (202) 272-2622

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## CRIMINAL PROCEEDINGS

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### JAMES A. MASIELLO INDICTED

Rudolph W. Giuliani, U.S. Attorney for the Southern District of New York, and the New York Regional Office announced that on December 27, 1983 a federal grand jury in New York returned a nine-count indictment against James Masiello. The indictment charges that Masiello, a former employee of several now bankrupt brokerage firms, defrauded investors through entering several "partnerships" with his victims, purportedly to trade in securities. The indictment also charges that Masiello induced his victims to give him money and securities based on false representations that, inter alia, he would use their monies and securities as collateral to secure stock trading and they would receive 50 percent of the profits. Instead, Masiello is charged with appropriating the money and securities and using them for his own purposes.

Arraignment is scheduled for early January 1984 and if convicted, Masiello faces a maximum penalty of 90 years' imprisonment and fines totaling \$90,000. (U.S. v. James Masiello, No. 83 Cr. 820, S.D.N.Y., filed December 27, 1983). (LR-10254)

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## INVESTMENT COMPANY ACT RELEASES

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### VMS CAPITAL CORPORATION

A notice has been issued giving interested persons until January 31 to request a hearing on an application filed by VMS Capital Corporation for an order exempting it from all provisions of the Investment Company Act. (Rel. IC-13700 - Jan. 6)

### PLANNED INVESTMENT FUND, INC.

An order has been issued exempting Planned Investment Fund, Inc. from the provisions of Sections 2(a)(32), 2(a)(35) and 22(c) of the Investment Company Act and Rule 22c-1 to permit it to assess a contingent deferred sales load on redemptions of its initial and future series of shares. (Rel. IC-13701 - Jan. 6)

DEAN WITTER REYNOLDS, INC.

An order has been issued approving the terms of certain offers of exchange and granting an exemption from the provisions of Section 22(d) of the Investment Company Act in those exchanges by Sears Tax-Exempt Investment Trust, Long Term Municipal Portfolio Series 1 and Subsequent Series, Sears Tax Exempt Investment Trust, Intermediate Term Municipal Portfolio Series 1 and Subsequent Series, Sears Tax-Exempt Investment Trust, Short Term Municipal Portfolio Series 1 and Subsequent Series, Sears Tax-Exempt Investment Trust, Discount Municipal Portfolio Series 1 and Subsequent Series, Sears Tax-Exempt Investment Trust, Multiple Maturity Portfolio Series 1 and Subsequent Series, Sears Tax-Exempt Investment Trust, Multi-State Program Series 1 and Subsequent Series, Sears Tax Exempt Investment Trust, California Municipal Portfolio Series 1 and Subsequent Series, Sears Government Investment Trust, GNMA Portfolio Series 1 and Subsequent Series, Sears Tax-Exempt Investment Trust and Similar Series of Trust, Sears Government Investment Trust, Sears Corporate Investment Trust and Similar Series of Trust, and Dean Witter Reynolds Inc. (Rel. IC-13702 - Jan. 6)

CIGNA HIGH YIELD FUND, INC.

An order has been issued exempting CIGNA High Yield Fund, Inc. (Fund) and CIGNA Securities, Inc. from the provisions of Section 22(d) of the Investment Company Act to permit: (a) the inclusion of certain accumulated annuity values in determining the applicable sales load for purchases of the Fund where rights of accumulation, statements of intention, or aggregation of amounts invested are employed; (b) the no load sale of Fund shares where the purchase payments represent transfers of certain accumulated annuity values; and (c) the application of amounts payable under insurance contracts issued by Connecticut General Life Insurance Company to the purchase of Fund shares at a reduced sales load. (Rel. IC-13703 - Jan. 6)

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## HOLDING COMPANY ACT RELEASES

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AEP GENERATING COMPANY

A notice has been issued giving interested persons until January 30 to request a hearing on a proposal by AEP Generating Company (AEGCo), subsidiary of American Electric Power Company, Inc. (AEP), to extend a revolving credit agreement (Agreement) with a group of banks so as to permit AEGCo to incur indebtedness under the Agreement through December 31, 1989 rather than December 31, 1987. AEGCo and AEP also propose to amend to a capital funds agreement to provide that AEP maintain at least a 35% equity component of capitalization in AEGCo at all times after June 30, 1986 rather than December 31, 1987. (Rel. 35-23196 - Jan. 6)

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## SELF-REGULATORY ORGANIZATIONS

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APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change filed by the American Stock Exchange, Inc. (SR-Amex-83-28) to: (a) amend Section 125 of the Amex Company Guide to apply only to indentures not qualified under the Trust Indenture Act of 1939; and (b) amend Section 710 of the Amex Company Guide to rescind the clause requiring that the shareholder vote cast represent over 50% in interest of all securities entitled to vote. (Rel. 34-20534)

ACCELERATED APPROVAL OF PROPOSED RULE CHANGES

The Commission approved, on an accelerated basis, proposed rule changes filed by the New York Stock Exchange, Inc. (SR-NYSE-83-59) to extend its pilot program under NYSE Rule 103A from December 31, 1983 to March 31, 1984. (Rel. 34-20536); and (SR-NYSE-83-58) to extend the pilot program testing the operation of enhancements to the Automated Bond System from December 15, 1983 to April 30, 1984. (Rel. 34-20537)

## SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The information noted below has been taken from the cover page and the facing sheet of the prospectus and registration statement and will appear as follows: Form, Name, address and phone number (if available) of the issuer of the security; Title and the number or face amount of the securities being offered; Name of the managing underwriter (if applicable); Whether the offering is a Rights Offering; File number and date filed; Assigned Branch; If the registration statement is a New Issue; and [S] denoting SHELF REGISTRATION under Rule 415.

- (S-18) ATI MEDICAL, INC., 640 Paula Ave., Glendale, CA 91201 (213) 502-9981 - 600,000 shares of common stock. Underwriter: James J. Duane & Co., Inc. The company rents and sells medical equipment. (File 2-88599-LA - Dec. 22, 1983) (Br. 5 - New Issue)
- (S-18) NASTECH PHARMACEUTICAL COMPANY INC., 800 Veterans Memorial Highway, Hauppauge, NY 11788 (516) 361-8880 - 50,000,000 units. Underwriter: J. Brooks Securities, Inc., 5 Orchard Lane, Great Neck, NY 11024. The company is developing pharmacologically active agents that will be effective in humans when administered through the nasal route. (File 2-88605-NY - Dec. 23, 1983) (Br. 4 - New Issue)
- (S-18) HONKY TONK NIGHTS COMPANY LIMITED PARTNERSHIP, GRQ Productions, Ltd., 165 West 46th St., New York, NY 10036 (212) 354-3060 - 50 units of preformation limited partnership interests. (File 2-88622-NY - Dec. 27, 1983) (Br. 3 - New Issue)
- (S-8) PIPER JAFFRAY INCORPORATED, Suite 800, 733 Marquette Ave., Minneapolis, MN 55402 (612) 371-6111 - 300,000 shares of common stock. (File 2-88599 - Dec. 30, 1983) (Br. 2)
- (S-8) ADVANCED COMPUTER TECHNIQUES CORPORATION, 16 East 32nd St., New York, NY 10016 (212) 696-3600 - 300,000 shares of common stock. (File 2-88710 - Jan. 3) (Br. 9)
- (S-2) FIDELITY MEDICAL, INC., 306 Main St., Millburn, NJ 07041 (201) 379-5400 - 978,100 shares of common stock/978,100 common stock purchase warrants. The company researches and develops projects relating to proprietary medical devices. (File 2-88712 - Jan. 4) (Br. 6) [S]
- (S-6) NUVEEN TAX-EXEMPT BOND FUND - MULTI-STATE, SERIES 123, 209 South LaSalle St., Chicago, IL 60604 - an indefinite number of units. Depositor: John Nuveen & Co. Incorporated. (File 2-88713 - Dec. 30, 1983) (Br. 18 - New Issue)
- (S-2) IRT PROPERTY COMPANY, 6540 Powers Ferry Rd., Suite 160, Atlanta, GA 30339 (404) 955-4406 - 750,000 shares of common stock. Underwriters: Alex. Brown & Sons, Inc. and Thomson McKinnon Securities Inc. The company invests in shopping centers and apartment complexes. (File 2-88716 - Jan. 4) (Br. 5)
- (S-3) FIRST UNION REAL ESTATE EQUITY AND MORTGAGE INVESTMENTS, Suite 1900, 55 Public Sq., Cleveland, OH 44113 (216) 781-4030 - 85,500 shares of beneficial interest. (File 2-88719 - Jan. 4) (Br. 5) [S]
- (S-8) MARK TWAIN BANCSHARES, INC., 8820 Ladue Rd., St. Louis, MO 63124 (314) 727-1000 - 500,000 shares of common stock. (File 2-88720 - Dec. 30, 1983) (Br. 7)
- (S-8) GIBSON GREETINGS, INC., 2100 Section Rd., Cincinnati, OH 45237 (513) 841-6600 - 506,669 shares of common stock. (File 2-88721 - Jan. 4) (Br. 2)
- (S-1) NITRON, INC., 10420 Bubb Rd., Cupertino, CA 95014 (408) 255-7550 - an undetermined number of shares of common stock. (File 2-88722 - Jan. 4) (Br. 7) [S]
- (S-8) BOLT BERANEK AND NEWMAN INC., 10 Moulton St., Cambridge, MA 02238 (617) 491-1850 - 400,000 shares of common stock. (File 2-88724 - Dec. 30, 1983) (Br. 8)
- (S-2) ACME-CLEVELAND CORPORATION, 30195 Chagrin Blvd., Suite 300, Cleveland, OH 44124 (216) 292-2100 - 1,000,000 common shares. Underwriters: Blyth Eastman Paine Webber Incorporated and Kidder, Peabody & Co. Incorporated. The company designs and provides systems, equipment, tools, components, and services for improving productivity and quality in manufacturing industries. (File 2-88725 - Jan. 4) (Br. 6)
- (S-8) TEXAS EASTERN CORPORATION, 1221 McKinney St., P.O. Box 2521, Houston, TX 77252 (713) 759-4597 - 116,286 shares of common stock. (File 2-88726 - Jan. 4) (Br. 8)

## ACQUISITIONS OF SECURITIES

Companies and individuals must report to the Commission within ten days on Schedule 13D if after the acquisition of equity securities of a public company their beneficial interest therein exceeds five percent. Persons eligible to use the short form (Schedule 13G) may in lieu of filing a Schedule 13D file a Schedule 13G within 45 days after the end of the calendar year in which the person became subject to Section 13(d)(1). Companies and individuals making a tender offer must have on file at the time the tender offer commences a Schedule 14D-1.

Below is a list of recent filings of Schedules 13D and 14D, which includes the following information: Column 1 - the company purchased (top), and the name of the purchaser; Column 2 - the type of security purchased; Column 3 - the type of form filed; Column 4 - the date the transaction occurred; Column 5 - the current number of shares (in 000's) owned (top) and the current percent owned; Column 6 - the CUSIP number (top) and the prior percent owned; and Column 7 - the status of the filing, i.e., new, update, or revision.

	FORM	EVENT DATE	SHRS (000) / % OWNED	CUSIP / PRIOR %	FILING STATUS
BREWWOOD DEVELOPMENT NOMAS & NETTLETON FIN CORP	COMMON STOCK 13D	12/29/83	3,781 79.3	10480810 79.2	UPDATE
CORE LABS INC LITTON INDS INC	COM 14D-1	1/4/84	606 10.2	21867710 10.2	UPDATE
ENTERPRISE TECHNOLOGIES INC MILLER JERRY & KENNETH	COM 13D	12/20/83	13,333 9.7	29379910 0.0	NEW
PHACIENDA RESORTS INC LOWDEN PAUL W	COM 13D	12/22/83	2,503 72.9	40451210 72.9	UPDATE
HACIENDA RESORTS INC LOWDEN PAUL W	COM 13D	12/22/83	2,503 72.9	40451210 72.9	UPDATE
HOUSE FABRICS INC KAPLAN MYRON M	COM 13D	12/14/83	489 7.6	44175810 7.6	UPDATE
INTERNATIONAL SEAWAY TRADING GREAT AMERICAN INDS INC	COM 13D	12/22/83	131 20.0	46030810 0.0	NEW
KING JAMES CORPORATIONS SNYDER JAMES R ET AL	COM 13D	1/3/84	208 50.8	49548510 0.0	NEW
NASHUA CORP SHARON STEEL CORP ET AL	COM 13D	12/22/83	0 0.0	63122610 7.1	UPDATE
SALANT CORP CONNOR, CLARK & CO	COM 13D	11/22/83	437 13.4	79389710 9.2	UPDATE
SOLID ST SCIENTIFIC INC MATTEL INC	COM PAR \$0.40 13D	12/23/83	1,714 47.6	83420720 47.6	UPDATE
TELECO DILFIELD SVC INC SOCIETE NATL ELF AQUITAINE	COM 13D	12/19/83	0 0.0	87927210 57.9	UPDATE
UNIVERSITY GROUP INC SOUTHMARK CORP	COM 13D	12/1/83	1,190 81.0	91428020 100.0	UPDATE
WESTERN INVT REAL ESTATE TR MAC PHEE CHESTER R	COM 13D	12/2/83	98 6.4	95846810 6.7	UPDATE
VALLEY FED S&L ASSN VAN NUYS UNICORP AMERICAN CORP ET AL	COM 13D	12/30/83	0 0.0	91961510 9.8	NEW
WESTERN INVT REAL ESTATE TR MACPHEE CHESTER R JR.	COM 13D	12/2/83	32 2.6	95846810 2.5	UPDATE
WOLVERINE ALUM CORP RHODAS D DEAN ET AL	COM 13D	12/23/83	251 18.9	97787810 19.5	UPDATE