

LIBRARY
APR 10 1986
U.S. SECURITIES AND
EXCHANGE COMMISSION

sec news digest

Issue 86-50

March 14, 1986

NOTICE OF COMMISSION MEETINGS

Following is a schedule of Commission meetings which will be conducted under provisions of the Government in the Sunshine Act. In general, the Commission expects to follow a schedule of holding closed meetings on Tuesdays, and open meetings on Thursday morning. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration.

Visitors are welcome at all open meetings, insofar as space is available.

Meetings will be held in the Commission Meeting Room, Room 1C30, at the Commission's headquarters building, 450 Fifth Street, NW, Washington, DC. Persons wishing to photograph or videotape Commission meetings must obtain permission in advance from the Secretary of the Commission. Persons wishing to tape record a Commission meeting should notify the Secretary's office 48 hours in advance of the meeting.

CLOSED MEETING - THURSDAY, MARCH 20, 1986 - 10:00 a.m.

The subject matter of the March 20 closed meeting will be: Settlement of injunctive actions; Institution of administrative proceedings of an enforcement nature; Settlement of administrative proceedings of an enforcement nature; Institution of injunctive actions; Opinions.

AT TIMES CHANGES IN COMMISSION PRIORITIES REQUIRE ALTERATIONS IN THE SCHEDULING OF MEETING ITEMS. FOR FURTHER INFORMATION AND TO ASCERTAIN WHAT, IF ANY, MATTERS HAVE BEEN ADDED, DELETED OR POSTPONED, PLEASE CONTACT: Douglas Michael at (202) 272-2467

RULES AND RELATED MATTERS

COMMENTS REQUESTED ON PROPOSED AMENDMENTS TO RULES 134, 436(g) and 482

The Commission is proposing for public comment amendments to Rules 134, 436(g) and 482 under the Securities Act of 1933. The proposed amendments would permit money market funds to use securities ratings assigned by nationally recognized statistical rating organizations (NRSROs) in statutory and omitting prospectuses and tombstone ads without first obtaining the consent of the NRSRO to being named as an expert under Section 7 of the Securities Act.

Comments should be submitted in triplicate to John Wheeler, Secretary, Securities and Exchange Commission, 450 Fifth Street, NW, Washington, DC 20549. Comments must be received by May 16 and should refer to File No. S7-8-86. All submissions will be available for public inspection in the Public Reference Room. (Rel. 33-6630)

FOR FURTHER INFORMATION CONTACT: Jay Gould at (202) 272-2107

CRIMINAL PROCEEDINGS

NADINE GAN PLEADS GUILTY

The Boston Regional Office and the U.S. Attorney in Massachusetts announced that on February 14 Nadine Gan of Chicopee, Massachusetts, pled guilty to 23 felony counts, including two counts of securities fraud.

The criminal action followed a Commission civil action filed in September 1981 in which Gan was permanently enjoined from further violations of the securities laws [SEC v. Nadine Gan, USDC DMA, 891-0261-F]. The Commission's action alleged that Gan

offered and sold unregistered securities and engaged in fraudulent conduct in connection with the offer, purchase and sale of the securities by, among other things, selling approximately \$2.5 million in unregistered securities in the form of investment contracts, namely shares in investment clubs, to over 150 investors in at least six states. Additionally, the complaint alleged that Gan misrepresented material facts and omitted to state material facts concerning, among other things, commingling, conversion and diversion of proceeds, the source of funds used to pay off investors, profits to be realized by investors and the guarantee against loss of investors funds.

U.S. District Court Judge Frank H. Freedman has scheduled Gan's sentencing for March 21. (U.S. Nadine Gan, USDC DMA, CR-85-295-F). (LR-11023)

INVESTMENT COMPANY ACT RELEASES

BANKERS SECURITY LIFE INSURANCE SOCIETY

An order has been issued exempting Bankers Security Life Insurance Society, Bankers Security Variable Life Separate Accounts I and II, USLICO Securities Corporation and Bankers Centennial Management Corp. from Sections 2(a)(32), 2(a)(35), 18(i), 22(c), 22(d), 26(a)(1), 26(a)(2), 27(c)(1), 27(c)(2), 27(f) and 27(h) of the Investment Company Act and Rules 6e-2(b)(1), (b)(10), (b)(12), (b)(13) and (c), and 22c-1 and 27f-1 in connection with the issuance and funding of certain single premium variable life insurance contracts. (Rel. IC-14982 - March 11)

FEDERATED CAPITAL APPRECIATION FUND, INC.

An order has been issued declaring that Federated Capital Appreciation Fund, Inc. has ceased to be an investment company. (Rel. IC-14985 - March 11)

METLIFE-STATE STREET INVESTMENT TRUST

An order has been issued permitting MetLife-State Street Investment Trust and MetLife-State Street Tax-Exempt Trust to assess (and waive) a contingent deferred sales load. (Rel. IC-14986 - March 11)

DEAN WITTER REYNOLDS INC.

An order has been issued amending a prior order permitting certain offers of exchange involving existing and future unit investment trusts sponsored by Dean Witter Reynolds Inc. [Rel. IC-13341, June 21, 1983] and permitting certain additional offers of exchanges. (Rel. IC-14987 - March 13)

HOLDING COMPANY ACT RELEASES

CONSOLIDATED NATURAL GAS COMPANY

An order has been issued authorizing Consolidated Natural Gas Company, a registered holding company, to amend its Certificate of Incorporation and issue common stock in connection with a two-for-one stock split. Consolidated was previously authorized to solicit proxies regarding the proposed amendment to its Certificate of Incorporation. (Rel. 35-24048 - March 12)

SELF-REGULATORY ORGANIZATIONS

PARTIAL ACCELERATED APPROVAL OF PROPOSED RULE CHANGE

The Philadelphia Stock Exchange, Inc. filed a proposed rule change under Rule 19b-4 (SR-Phlx-86-7) to extend trading hours in foreign currency options on the day prior to expiration to 2:30 p.m. (EST) and to eliminate closing rotations in expiring foreign currency options. The Commission granted accelerated approval to the portion of the proposed rule change extending trading hours until 2:30 p.m. at expiration. (Rel. 34-22990)

NOTICE OF PROPOSED RULE CHANGES

The Philadelphia Stock Exchange, Inc. filed a proposed rule change under Rule 19b-4 (SR-Phlx-86-3) to extend until December 31, 1986 the pilot program for its Designated Underlying Index Transaction.

Publication of the proposal is expected to be made in the Federal Register during the week of March 17. (Rel. 34-22991)

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change filed under Rule 19b-4 by the Boston Stock Exchange, Inc. (SR-BSE-84-4) to establish a 12-month Specialist Performance Evaluation and Improvement Pilot Program, and to authorize the BSE to take specified actions respecting specialists who do not meet the standards set forth therein. (Rel. 34-22993)

IMMEDIATE EFFECTIVENESS OF PROPOSED RULE CHANGE

A proposed rule change filed by the Chicago Board Options Exchange, Incorporated (SR-CBOE-86-5) has become effective under Section 19(b)(3)(A). The rule change amends Sections 3.2 and 5.3 of CBOE's Constitution to reflect the fact that its Appeal Committee is an appointed and not an elected body. (Rel. 34-22994)

SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC under the Securities Act of 1933. The reported information appears as follows: Form, Name, Address and Phone Number (if available) of the issuer of the security; Title and the number and/or face amount of the securities being offered; Name of the managing underwriter or depositor (if applicable); File number and date filed; Assigned Branch; and a designation if the statement is a New Issue.

- S-18 CAMPBELL SIXTY SIX EXPRESS INC, 2333 E CHESTNUT EXPWY, SPRINGFIELD, MO 65802 (417) 862-6622 - 1,057,665 (\$923,342) COMMON STOCK. (FILE 33-2970-C - JAN. 28) (BR. 4 - NEW ISSUE)
- S-18 COASTAL FINANCIAL CORP. 5469 SOUTH WACO ST, AURORA, CO 80015 (303) 693-2730 - 15,000,000 (\$750,000) COMMON STOCK. 15,000,000 (\$1,050,000) COMMON STOCK. 15,000,000 (\$1,500,000) COMMON STOCK. 1,500,000 (\$120,000) COMMON STOCK. (FILE 33-3560-D - MAR. 03) (BR. 12 - NEW ISSUE)
- S-18 COMPUFLIGHT OPERATIONS SERVICE INC, 48 HARBOR PARK DR, PORT WASHINGTON, NY 11050 (516) 625-0702 - 400,000 (\$2,000,000) COMMON STOCK. 800,000 (\$2,000,000) COMMON STOCK. 160,000 (\$160) WARRANTS, OPTIONS OR RIGHTS. 160,000 (\$240,000) COMMON STOCK. (FILE 33-3716-NY - MAR. 03) (BR. 10 - NEW ISSUE)
- S-3 ITT CORP. 320 PARK AVE. NEW YORK, NY 10022 (212) 752-6000 - 200,000,000 (\$200,000,000) STRAIGHT BONDS. UNDERWRITER: LAZARD FRERES & CO, SALOMON BROTHERS INC. (FILE 33-3724 - MAR. 07) (BR. 13)
- S-3 SOUTHWESTERN BELL TELEPHONE CO. 1010 PINE ST. ST LOUIS, MO 63101 (314) 247-9800 - 800,000,000 (\$800,000,000) STRAIGHT BONDS. (FILE 33-3725 - MAR. 07) (BR. 13)
- S-3 CIT FINANCIAL CORP/NEW/, 135 W 50TH ST. NEW YORK, NY 10020 (201) 740-5000 - 500,000,000 (\$500,000,000) STRAIGHT BONDS. (FILE 33-3763 - MAR. 07) (BR. 12)
- S-18 CREATIVE MEDICAL SYSTEMS INC, 725 N BLACK HORSE, RUNNEMEDE, NJ 08078 (609) 939-1782 - 10,000,000 (\$1,000,000) COMMON STOCK. 3,333,334 (\$500,000) COMMON STOCK. 1,000,000 (\$120,000) COMMON STOCK. 333,334 (\$50,000) COMMON STOCK. 1,000,000 (\$100) WARRANTS, OPTIONS OR RIGHTS. (FILE 33-3769-NY - MAR. 05) (BR. 8 - NEW ISSUE)
- S-1 TULLOS CORP. 900 LARKSPUR LANDING CIRCLE STE 250, LARKSPUR, CA 94939 (415) 461-7633 - 2,246,875 (\$2,246) COMMON STOCK. (FILE 33-3784 - MAR. 04) (BR. 11 - NEW ISSUE)
- S-6 NATIONAL MUNICIPAL TRUST NINETY FOURTH SERIES, ONE NEW YORK PLZ, C/O THOMSON MCKINNON SECURITIES INC, NEW YORK, NY 10004 - 13,000 (\$14,300,000) UNIT INVESTMENT TRUST. (FILE 33-3787 - MAR. 05) (BR. 18 - NEW ISSUE)
- N-1A FIRST UTILITY FUND INC, 5 PIEDMONT CTR STE 417, ATLANTA, GA 30305 (404) 239-0707 - INDEFINITE SHARES. (FILE 33-3794 - MAR. 05) (BR. 18 - NEW ISSUE)

- N-1A EATON VANCE HIGH INCOME TRUST, 24 FEDERAL ST, C/O H DAY BRIGHAM JR, BOSTON, MA 02110 (617) 482-8760 - INDEFINITE SHARES. UNDERWRITER: EATON VANCE DISTRIBUTORS INC. (FILE 33-3795 - MAR. 05) (BR. 16 - NEW ISSUE)
- S-8 BANCSEVFE GROUP INC, 1100 BROADWAY, ROCKFORD, IL 61110 (815) 968-3761 - 60,000 (\$1,410,000) COMMON STOCK. (FILE 33-3801 - MAR. 04) (BR. 1)
- S-1 SYSTEM INTEGRATORS INC, 4111 N FWY BLVD, SACRAMENTO, CA 95834 (916) 929-9481 - 900,000 (\$13,050,000) COMMON STOCK. 1,400,000 (\$20,300,000) COMMON STOCK. (FILE 33-3803 - MAR. 06) (BR. 10)

RECENT 8K FILINGS

Form 8-K is used by companies to file current reports on the following events:

- Item 1. Changes in Control of Registrant.
- Item 2. Acquisition or Disposition of Assets.
- Item 3. Bankruptcy or Receivership.
- Item 4. Changes in Registrant's Certifying Accountant.
- Item 5. Other Materially Important Events.
- Item 6. Resignations of Registrant's Directors.
- Item 7. Financial Statements and Exhibits.

The companies listed below have filed 8-K reports for the date indicated and/or amendments to 8-K reports previously filed, responding to the item(s) of the form specified. Copies of the reports may be purchased from the Commission's Public Reference Room (when ordering, please give the date of the report). An invoice will be included with the requested material when mailed.

COMPANY	ITEMS NO.	DATE	
BADDOUR INC	2,5,7	02/19/86	
BARCLAYSAMERICANCORPORATION	5,7	03/06/86	
CHASE MANHATTAN CORP	5,7	03/03/86	
CLARK EQUIPMENT CREDIT CORP	5	02/21/86	
CREDITTHRIFT FINANCIAL CORP	5,7	03/04/86	
FOMOS CORP	7	12/20/85	AMEND
FIDELCOR INC	5	03/07/86	
GENERAL DYNAMICS CORP	5	02/28/86	
HOUSEHOLD FINANCE CORP	7	03/01/86	
HUGHES SUPPLY INC	5,7	02/21/86	
INTERNATIONAL MINERALS & CHEMICAL CORP	5	03/10/86	
INTERNATIONAL TEXAS INDUSTRIES INC	4,7	02/18/86	
MICHIGAN CONSOLIDATED GAS CO	4,7	02/24/86	
MISSISSIPPI RIVER TRANSMISSION CORP	1	02/21/86	
NATURAL GAS PIPELINE CO OF AMERICA	1	02/21/86	
NEISON RESEARCH & DEVELOPMENT CO	5	02/14/86	
NORCEN ENERGY RESOURCES LTD	1,7	02/20/86	
OCCIDENTAL PETROLEUM CORP	5,7	02/27/86	
OLIN CORP	5	02/27/86	
PIONEER CORP /TX/	5	03/05/86	
PRIMARK CORP	4,7	02/24/86	
SALEM FINANCIAL CORP	5,7	02/24/86	
SCOTT SCIENCE & TECHNOLOGY INC	4	02/05/86	
SOUTHDOWN INC	2,7	02/20/86	
STANLEY WORKS	2,7	02/21/86	
STRUTHERS 1980 OIL & GAS PROGRAM SERIES	2,7	03/29/86	
SUMMIT MORTGAGE INVESTORS	5,7	03/05/86	
TAX COMPUTER SYSTEMS INC	NO ITEMS	03/01/86	
THOMASTON MILLS INC	5	03/04/86	
TRW INC	5,7	03/06/86	
TVX BROADCAST GROUP INC	NO ITEMS	02/01/86	AMEND
UNION CAMP CORP	5,7	03/06/86	
UNITED ENERGY RESOURCES INC	1,5,7	02/21/86	
WESTCHESTER FINANCIAL SERVICES CORP	5,7	03/07/86	