

sec news digest

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March 11, 1986

U.S. SECURITIES AND
EXCHANGE COMMISSION

RULES AND RELATED MATTERS

ADOPTION OF FINAL AMENDMENTS TO RULE 10a-1

The Commission adopted amendments to Rule 10a-1 (short sale rule) under the Securities Exchange Act of 1934 that exclude from its application transactions in National Market System Securities that are traded on an exchange on a listed or unlisted trading privilege basis. (Rel. 34-22975)

FOR FURTHER INFORMATION CONTACT: Andrew E. Feldman at (202) 272-2414

RULE 3a12-9 ADOPTED

The Commission adopted Rule 3a12-9 under the Securities Exchange Act of 1934. Subject to certain conditions, the rule will permit direct participation program interests that are publicly offered to be sold on an installment basis. Provided that all the conditions of the rule are met, such securities will be deemed "exempted securities" for purposes of Section 7(c) and 11(d) of the Exchange Act. Among other things, the investor must make a down payment of 50% of the purchase price, and the installment payments must bear a reasonable relationship to the capital needs of the program as disclosed in the prospectus. (Rel. 34-22979)

FOR FURTHER INFORMATION CONTACT: Edward L. Pittman at (202) 272-2848

CIVIL PROCEEDINGS

CIVIL ACTION FILED AGAINST DOUGLAS E. PATTY, OTHERS

The Commission filed a civil action on March 10 in the U.S. District Court for the Central District of California against Douglas E. Patty, Kenneth R. Thompson, Helen S. Wilson, Herbert E. Slezinger, Jr. and Roger A. Saevig. The Commission's complaint alleges that during 1981 and 1982 the defendants violated the antifraud provisions of the securities laws by engaging in a manipulation of the common stock of Heritage Bank and later, Heritage Bancorp, headquartered in Anaheim, California. The defendants are former directors and/or officers of Heritage Bank and Heritage Bancorp.

The complaint further alleges that Saevig violated the antifraud provisions of the securities laws by selling 25,800 shares of Heritage Bancorp common stock in February 1984 while in possession of material nonpublic information.

The complaint seeks a permanent injunction against violations by the defendants of those provisions of the securities laws which are alleged to have been violated and an order requiring Saevig to disgorge \$23,575. Simultaneously with the filing of the complaint, and without admitting or denying the allegations made therein, Thompson, Patty and Wilson consented to the final judgments of permanent injunction. The action remains pending against Slezinger and Saevig. (SEC v. Douglas E. Patty, et al., USDC CDCA, Civil Action No. 86-1498). (LR-11022)

INVESTMENT COMPANY ACT RELEASES

AMERICAN CAPITAL GOVERNMENT SECURITIES, INC.

A notice has been issued giving interested persons until March 28 to request a hearing on an application filed by American Capital Government Securities, Inc., for an order exempting it from the provisions of Section 19(b) of the Investment Company Act and Rule 19b-1. (Rel. IC-14971 - March 7)

A notice has been issued giving interested persons until March 31 to request a hearing on an application filed by Paribas Trust for Institutions, for an order exempting it from the provisions of Sections 2(a)(32), 2(a)(35), 22(c) and 22(d) of the Investment Company Act and Rule 22c-1 to permit a contingent deferred sales charge. (Rel. IC-14972 - March 7)

CONTINENTAL U.S. GOVERNMENT PLUS FUND TRUST

A notice has been issued giving interested persons until March 31 to request a hearing on an application filed by Continental U.S. Government Plus Fund Trust, Continental Capital Appreciation Plus Fund Trust, Continental Option Income Plus Fund II Trust, Continental Money Market Fund Trust and Continental Tax-Exempt Money Market Fund, for an order to permit assessment (and waiver) of a contingent deferred sales load, and permitting certain offers of exchange. (Rel. IC-14973 - March 7)

HOLDING COMPANY ACT RELEASES

LOUISIANA POWER AND LIGHT COMPANY

A notice has been issued giving interested persons until March 31 to request a hearing on a proposal by Louisiana Power & Light Company, subsidiary of Middle South Utilities Inc., to issue and sell up to \$200 million aggregate principal amount of intermediate-term secured notes, under a negotiated private placement with an institutional investor(s). (Rel. 35-24045 - March 7)

NEW ENGLAND ENERGY INCORPORATED

An order has been issued authorizing New England Energy Incorporated, subsidiary of New England Electric System, to extend through 1987 its existing authorization to enter into contractual arrangements with one or more parties for the purpose of exchanging interest payment obligations and increase the principal amount of the contractual arrangements from \$150 million to \$200 million. (Rel. 35-24046 - March 7)

MIDDLE SOUTH ENERGY, INC.

A notice has been issued giving interested persons until March 31 to request a hearing on a proposal by Middle South Energy, Inc. (MSE), subsidiary of Middle South Utilities Inc., to enter into a Fifth Amendment to the Credit Agreement used to finance the obligations of MSE relating to the nuclear fuel and facilities incident to its use, to be used in Unit No. 1 at MSE's Grand Gulf Nuclear Generating Station. The Fifth Amendment to the Credit Agreement will eliminate references to Libor Rate Loans, change the interest rate payable on any future credit loans to 125% of the Base Rate, change the penalty interest rate on future drawings under the Letter of Credit or under the revolving credit loans to 135% of the Base Rate, and amend the definition of the "Termination Date" in the Credit Agreement. Concurrently, MSE and Port Gibson will amend the Lease to provide that the Lease will also terminate on the amended Termination Date. (Rel. 35-24047 - March 7)

SELF-REGULATORY ORGANIZATIONS

NOTICE OF PROPOSED RULE CHANGE

The Municipal Securities Rulemaking Board filed a proposed rule change under Rule 19b-4 (SR-MSRB-86-5) clarifying the application of MSRB confirmation rules to bonds with call features.

Publication of the proposal is expected to be made in the Federal Register during the week of March 10. (Rel. 34-22965)

APPROVAL OF PROPOSED RULE CHANGE

The Commission approved a proposed rule change filed by the Pacific Stock Exchange, Incorporated (SR-PSE-85-37) to amend its trade comparison and reconciliation process. (Rel. 34-22968)

MISCELLANEOUS

CH2M HILL COMPANIES, LTD.

An order has been issued granting the application of CH2M Hill Companies, Ltd., for an exemption from the registration requirements under Section 12(g) of the Securities Exchange Act of 1934. (Rel. 34-22992)

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-8 BORG WARNER CORP/DE/, 200 S MICHIGAN AVE, CHICAGO, IL 60604 (312) 322-8500 - 100,000 (\$2,806,300) COMMON STOCK. (FILE 33-3554 - FEB. 26) (BR. 13)
- S-1 NAVISTAR INTERNATIONAL CORP/DE/, 401 N MICHIGAN AVE, CHICAGO, IL 60611 (312) 836-2000 - 150,000,000 (\$150,000,000) STRAIGHT BONDS. (FILE 33-3555 - FEB. 28) (BR. 13)
- S-3 ARCHER DANIELS MIDLAND CO, 4666 FARIES PKWY, DECATUR, IL 62525 (217) 424-5200 - 1,179,030 (\$32,128,567) COMMON STOCK. (FILE 33-3556 - FEB. 27) (BR. 13)
- S-6 EQUITY INCOME FUND 1986 CAPITAL APPRECIATION STOCK SERIES 1 - INDEFINITE SHARES. DEPOSITOR: MERRILL LYNCH PIERCE FENNER & SMITH INC. (FILE 33-3557 - FEB. 28) (BR. 17 - NEW ISSUE)
- S-8 UNITED HEALTHCARE CORP, 300 OPUS CTR, 9900 BREN RD EAST, MINNETONKA, MN 55343 (612) 936-1380 - 1,440,500 (\$18,726,500) COMMON STOCK. (FILE 33-3558 - MAR. 03) (BR. 6)
- S-2 MUNSINGWEAR INC, 724 N 1ST ST, P O BOX 1369, MINNEAPOLIS, MN 55401 (612) 340-4700 - 1,437,500 (\$25,875,000) COMMON STOCK. (FILE 33-3559 - MAR. 04) (BR. 7)
- S-1 IDS CERTIFICATE CO RETIRE PLAN CERT SINGLE PAY INTEREST, IDS TOWER, MINNEAPOLIS, MN 55474 (612) 372-3131 - INDEFINITE SHARES. (FILE 33-3562 - MAR. 04) (BR. 17)
- S-18 BELLEVIEW CAPITAL CORP, 7100 E BELLEVIEW STE 201, ENGLEWOOD, CA 80111 (303) 740-8801 - 15,000,000 (\$150,000) COMMON STOCK. 15,000,000 WARRANTS, OPTIONS OR RIGHTS. 15,000,000 (\$300,000) COMMON STOCK. (FILE 33-3682 - FEB. 28) (BR. 5)
- S-3 PULTE HOME CREDIT CORP, 6251 S ULSTER ST, ENGLEWOOD, CO 80111 (303) 740-8800 - 50,000,000 (\$50,000,000) STRAIGHT BONDS. (FILE 33-3683 - MAR. 03) (BR. 12)
- S-3 GANNETT CO INC /DE/, 1100 WILSON BLVD, ARLINGTON, VA 22209 (703) 284-6000 - 300,000,000 (\$300,000,000) STRAIGHT BONDS. (FILE 33-3684 - MAR. 03) (BR. 11)
- S-8 MICRON TECHNOLOGY INC, 2805 E COLUMBIA RD, BOISE, ID 83706 (208) 383-4000 - 1,000,000 (\$10,000,000) COMMON STOCK. (FILE 33-3686 - MAR. 03) (BR. 3)
- S-8 CADNETIX CORP, 5757 CENTRAL AVE, BOULDER, CO 80301 (303) 444-8075 (FILE 33-3689 - FEB. 28) (BR. 10)
- S-8 ADAGE INC, ONE FORTUNE DR, BILLERICA, MA 01821 (617) 367-7500 - 300,000 (\$1,350,000) COMMON STOCK. (FILE 33-3690 - FEB. 28) (BR. 10)
- S-3 EMPIRE DISTRICT ELECTRIC CO, 602 JOPLIN ST, JOPLIN, MO 64801 (417) 623-4700 - 500,000 (\$13,000,000) COMMON STOCK. (FILE 33-3691 - MAR. 03) (BR. 8)
- S-8 AVANT GARDE COMPUTING INC, 8000 COMMERCE PARKWAY, MT LAUREL, NJ 08054 (609) 778-7000 - 300,000 (\$1,575,000) COMMON STOCK. (FILE 33-3693 - MAR. 03) (BR. 9)
- S-4 ALLIED PRODUCTS CORP /DE/, 10 S RIVERSIDE PLZ, CHICAGO, IL 60606 (312) 454-1020 - 150,000 (\$5,053,500) COMMON STOCK. (FILE 33-3694 - MAR. 03) (BR. 6)

- S-3 COLECO INDUSTRIES INC, 999 QUAKER LN SOUTH, WEST HARTFORD, CT 06110 (203) 725-6000 - 115,000,000 (\$110,975,000) STRAIGHT BONDS. (FILE 33-3695 - MAR. 03) (BR. 11)
- S-8 BELL W & CO INC, 12401 TWINBROOK PKY, ROCKVILLE, MD 20852 (301) 881-2000 - 150,000 (\$1,050,000) COMMON STOCK. (FILE 33-3696 - MAR. 03) (BR. 2)
- S-6 FIRST TRUST GNMA SERIES 15, 300 W WASHINGTON ST, C/O CLAYTON BROWN & ASSOCIATES INC, CHICAGO, IL 60606 - INDEFINITE SHARES. (FILE 33-3697 - FEB. 28) (BR. 18 - NEW ISSUE)
- S-3 BOSTON EDISON CO, 800 BOYLSTON ST, BOSTON, MA 02199 (617) 424-2000 - 2,000,000 (\$101,750,000) COMMON STOCK. (FILE 33-3698 - MAR. 03) (BR. 7)
- S-3 SOUTHMARK CORP /GA/, 1601 LBJ FRWY STE 800, DALLAS, TX 75234 (214) 241-8787 - 1,550,000 (\$77,500,000) PREFERRED STOCK. (FILE 33-3700 - MAR. 04) (BR. 5)
- S-8 CORDURA CORP /DE/, 2029 CENTURY PK E STE 3210, LOS ANGELES, CA 90067 (213) 553-4646 - 500,000 (\$12,750,000) COMMON STOCK. (FILE 33-3701 - MAR. 03) (BR. 11)
- S-8 PATTERN PROCESSING TECHNOLOGIES INC, 5929 BAKER RD STE 470, MINNETONKA, MN 55345 (612) 938-1809 - 129,175 (\$452,113) COMMON STOCK. 40,250 (\$181,125) COMMON STOCK. 5,000 (\$32,300) COMMON STOCK. 393,175 (\$2,383,623) COMMON STOCK. (FILE 33-3702 - MAR. 03) (BR. 10)
- S-3 FLOATING POINT SYSTEMS INC, P O BOX 23489, PORTLAND, OR 97223 (503) 641-3151 - 85,000 (\$2,613,750) COMMON STOCK. (FILE 33-3703 - MAR. 04) (BR. 9)
- S-8 NEW HAMPSHIRE SAVINGS BANK CORP, 27 N STATE ST, CONCORD, NH 03301 (603) 224-7711 - 79,092 (\$3,400,956) COMMON STOCK. (FILE 33-3704 - MAR. 03) (BR. 1)
- S-8 MEDICAL DYNAMICS INC, 99 INVERNESS DR EAST, ENGLEWOOD, CO 80112 (303) 790-2990 - 266,500 (\$326,740) COMMON STOCK. 2,500,000 (\$2,738,950) COMMON STOCK. (FILE 33-3705 - MAR. 03) (BR. 12)
- S-8 REEVES COMMUNICATIONS CORP /DE/, 708 3RD AVE, NEW YORK, NY 10017 (212) 573-8600 - 42,000 (\$5,472,000) COMMON STOCK. (FILE 33-3707 - MAR. 03) (BR. 1)
- S-3 HERLEY MICROWAVE SYSTEMS INC, 10 INDUSTRY DR, LANCASTER, PA 17603 (717) 397-2777 - \$800 WARRANTS, OPTIONS OR RIGHTS. 80,000 (\$516,000) COMMON STOCK. (FILE 33-3708 - MAR. 03) (BR. 3)
- S-8 APPLIED COMMUNICATIONS INC, 330 S 108TH AVE, OMAHA, NE 68154 (402) 390-7600 - 150,000 (\$2,475,000) COMMON STOCK. (FILE 33-3709 - MAR. 03) (BR. 13)
- S-3 FOREST LABORATORIES INC, 150 E 58TH ST, NEW YORK, NY 10155 (212) 421-7850 - 12,350 (\$372,043) COMMON STOCK. (FILE 33-3710 - MAR. 03) (BR. 4)
- S-4 NATIONAL BANCSHARES CORP, FIFTH & PINE STS, PINE BLUFF, AR 71611 (501) 541-8000 - 375,360 (\$11,853,006) COMMON STOCK. (FILE 33-3711 - MAR. 03) (BR. 2)
- S-8 XIDEX CORP/CA, 2141 LANDINGS DR, MOUNTAIN VIEW, CA 94043 (415) 965-7350 - 14,125 (\$14,125,000) COMMON STOCK. (FILE 33-3712 - MAR. 03) (BR. 12)
- S-8 AIRBORNE FREIGHT CORP /DE/, 3101 WESTERN AVE, P O BOX 662, SEATTLE, WA 98111 (206) 285-4600 - 400,000 (\$8,514,407) COMMON STOCK. (FILE 33-3713 - MAR. 04) (BR. 4)
- S-2 PRESIDIO OIL CO, 1700 BROADWAY, STE 1411, DENVER, CO 80290 (303) 861-1411 - 1,500,000 (\$7,500,000) PREFERRED STOCK. (FILE 33-3714 - MAR. 03) (BR. 3)
- S-6 MUNICIPAL INVESTMENT TRUST FUND MONTHLY PAYMENT SERIES 388, ONE LIBERTY PLZ 21ST FL, C/O MERRILL LYNCH PIERCE FENNER & SMITH, NEW YORK, NY 10080 - INDEFINITE SHARES. (FILE 33-3719 - MAR. 04) (BR. 17 - NEW ISSUE)
- S-8 ADAGF INC, ONE FORTUNE DR, BILLERICA, MA 01821 (617) 367-7500 - 125,000 (\$562,500) COMMON STOCK. (FILE 33-3764 - FEB. 28) (BR. 10)
- S-4 MARSHALL & ILSLEY CORP/WI/, 770 N WATER ST, MILWAUKEE, WI 53202 (414) 765-7801 (FILE 33-3809 - MAR. 04) (BR. 1)