

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 WASHINGTON, D.C. 20549

FORM 4

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

(X) Check this box if no longer subject to Section 16.

Form 4 or Form 5 obligations may continue. See Instructions 1(b).

1. Name and Address of Reporting Person

Benefit Capital Management, Corporation  
 39 Old Ridgebury Road  
 Danbury, CT 06817

2. Issuer Name and Ticker or Trading Symbol

Tegal Corporation  
 (TGal)

3. IRS or Social Security Number of Reporting Person (Voluntary)

4. Statement for Month/Year

10/30/1998

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)

( ) Director (X) 10% Owner ( ) Officer (give title below) ( ) Other  
 (specify below)

7. Individual or Joint/Group Filing (Check Applicable Line)

(X) Form filed by One Reporting Person  
 ( ) Form filed by More than One Reporting Person

<TABLE>

<CAPTION>

Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security	2. Transaction Date	3. Code	4. Securities Acquired (A) or Disposed of (D)	5. Amount of Securities (D) or Beneficially Owned at End of Month	6. Director or Indirect Beneficial Ownership	7. Nature of Indirect Beneficial Ownership
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Common Stock				1,028,891(1)	I	Through limited partnership
Common Stock	10/30/98	S	1,195,814	D \$2.00	0	

<CAPTION>

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date	4. Number of Derivative Securities Acquired (A) or Disposed of (D)	5. Expiration Date (Month/Day/Year)	6. Date Exercised (Month/Day/Year)	7. Title and Number of Underlying Securities	8. Price of Underlying Security	9. Number of Derivative Securities Owned at End of Month	10. Director or Indirect Beneficial Ownership	11. Nature of Indirect Beneficial Ownership
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Explanation of Responses:

(1) Represents the maximum number of shares that may be distributed to the Reporting Person in a pro rata distribution by Nazem III to its partners. The number of shares may vary depending on the fair market value of Nazem III's portfolio securities at the time of any distribution, among other factors.

SIGNATURE OF REPORTING PERSON

/s/ Susan DeCarlo, Senior Vice President

DATE

November 6, 1998