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U.S. SECURITIES AND  
EXCHANGE COMMISSION**sec news digest**

Issue 77-216

November 9, 1977

**NOTICE OF COMMISSION MEETINGS**

Following is a schedule of Commission meetings which will be conducted pursuant to 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 mornings. Meetings on Wednesday, and if necessary on Thursday afternoons, will be either open or closed according to the requirements of agenda items under consideration. The Commission will not normally meet on Mondays or Fridays.

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

Meetings will be held in the Commission Meeting Room on the eighth floor of the Commission's headquarters building at 500 North Capitol Street, Washington, D.C. All visitors are required to sign in and obtain passes at the Reception Desk in the lobby. Persons wishing to photograph or tape record Commission meetings must obtain permission in advance from the Secretary of the Commission.

**CLOSED MEETING - TUESDAY, NOVEMBER 15, 1977 - 10 A.M.**

The subject matter of the November 15 closed meeting will be: Formal orders of investigation; Referral of investigative files to Federal, State or Self Regulatory authorities; Authorization of staff members to testify; Institution of injunctive actions; Settlement of injunctive actions; Institution of administrative proceedings; Settlement of administrative proceedings; 2(e) proceedings; Freedom of Information Act appeals; Other litigation matters.

**OPEN MEETING - TUESDAY, NOVEMBER 15, 1977 - 2:30 P.M.**

The subject matter of the November 15 open meeting will be:

Oral argument in the matter of International Research and Management Corporation and Richard D. Braverman for review of the adverse initial decision of an administrative law judge.

**OPEN MEETING - WEDNESDAY, NOVEMBER 16, 1977 - 10 A.M.**

The subject matter of the November 16 10 a.m. open meeting will be:

(1) An application filed by The Variable Annuity Life Insurance Company for an order exempting the company from certain reporting requirements under the Securities Exchange Act of 1934.

(2) Proposed publication for comment of a proposed schedule and rule related to going private transactions by public companies or their affiliates.

(3) Proposed drafting of a release which would invite public comment and announce public hearings to be held in connection with the possible revision of disclosure requirements as related to small business.

(4) Consideration of soliciting public comment on proposed amendments to reporting forms and schedules which would provide simplified registration procedures for small issuers under the Securities Act of 1933.

(5) Proposed publication for comment of a new rule and related schedule concerning issuer tender and exchange offers.

(6) Proposed publication for comment of amendments to Rule 146, concerning private offering exemptions under the Securities Act of 1933.

(7) Consideration of a request filed by counsel for the New Orleans Cotton and Commodity Exchange for a "no-action" letter.

(8) Meeting with representatives of the Financial Executives Institute Committee on Corporate Reporting, to discuss the following proposed topics: (a) Financial Accounting Standards Board and SEC relationships, (b) segment reporting, (c) inflation accounting, (d) shareholders' participation in corporate governance, and (3) recommendations of the Advisory Committee on Corporate Disclosure.

OPEN MEETING - WEDNESDAY, NOVEMBER 16, 1977 - 2:30 P.M.

The subject matter of the November 16 2:30 p.m. open meeting will be:

Oral argument in the matter of Douglass & Co., Incorporated and Donn Charles Douglass for review of the adverse initial decision of an administrative law judge.

OPEN MEETING - THURSDAY, NOVEMBER 17, 1977 - 10 A.M.

The subject matter of the November 17 open meeting will be:

Meeting with representatives of the Federal Regulation of Securities Committee of the American Bar Association to discuss recent rule proposals by the Commission and related issues in securities laws.

CLOSED MEETING - THURSDAY, NOVEMBER 17, 1977 - FOLLOWING THE 10 A.M. OPEN MEETING

The subject matter of the November 17 closed meeting will be: Opinion

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## ADMINISTRATIVE PROCEEDINGS

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### RESIGNATION OF STEPHEN KNEAPLER, HARVEY FEIN AND BRUCE FLAM FROM PRACTICE ACCEPTED

The Commission has determined to accept the resignation from practice before the Commission of accountants Stephen Kneapler, Harvey Fein and Bruce Flam, each of whom was enjoined in the U.S. District Court for the Southern District of Florida from violations of the antifraud, periodic reporting and proxy rules of the Securities Exchange Act of 1934. The resignations of Kneapler and Fein are permanent and the resignation of Flam provides that he may apply for readmission after six months. (Rel. ASR-230)

### JOHN F. SWART, JR., OTHERS SANCTIONED

The Commission announced that administrative proceedings have been instituted pursuant to Section 2(e) of the Commission's Rules of Practice against John F. Swart, Jr., William A. Owens and Luke J. Lalande, each a certified public accountant and partner in the Arlington, Virginia, accounting firm of Swart, Owens & Lalande, to determine what, if any, remedial action should be taken against them based upon breaches of professional responsibility involving lack of independence. Contemporaneously the Commission accepted offers of settlement from the respondents in which, without admitting or denying the allegations in the order and findings, each respondent consented to a suspension from appearing or practicing before the Commission as an accountant for six months subsequent to the date of entry of the order, and each respondent further represented that he currently did not intend to appear or practice before the Commission and undertakes that he will notify the Commission's Office of the Chief Accountant prior to appearing or practicing in the future. (Rel. 34-14108)

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## INVESTMENT COMPANY ACT RELEASES

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### AMERICAN GENERAL EXCHANGE FUND

An order has been issued on an application of American General Exchange Fund (a California limited partnership), a registered open-end, diversified, management investment company, American General Capital Management, Inc. (Management), the Fund's investment adviser and subsidiary of American General Insurance Company (Insurance), and Maryland Casualty Company, also a subsidiary of Insurance, pursuant to Section 17(b) of the Act exempting from the provisions of Section 17(a) of the Act the proposed sale by Maryland Casualty of a single joint errors and omissions insurance policy to the Fund and Management, and pursuant to Section 17(d) of the Act and Rule 17d-1 thereunder permitting an appropriate allocation of the premium costs between Fund and Management. (Rel. IC-9991 - Nov. 4)

## KEYSTONE CUSTODIAN FUNDS

A notice has been issued giving interested persons until November 30 to request a hearing on an application of Keystone Custodian Funds, Inc., as trustee of the Keystone Custodian Funds, Series B-1, B-2, B-4, K-1, K-2, S-1, S-3 and S-4 (Funds), each of which is registered as an open-end, diversified, management investment company under the Act, and The Keystone Company of Boston and Cornerstone Financial Services, Inc., principal underwriters for the Funds for an order (1) pursuant to Section 11(a) of the Act to permit offers to exchange shares of the Funds on a basis other than their relative net asset values and (2) pursuant to Section 6(c) of the Act granting an exemption from Section 22(d) of the Act in connection with such exchanges. (Rel. IC-9995 - Nov. 7)

## ISRAEL INVESTORS CORPORATION

A notice has been issued giving interested persons until November 29 to request a hearing on an application of Israel Investors Corporation, a registered closed-end, investment company, and ICC Handels, A.G., a Swiss corporation which is a wholly-owned subsidiary of ICC Industries, Inc., a New York corporation, and which is affiliated with an affiliated person of the fund, filed pursuant to Sections 6(c), 17(b) and 17(d) of the Act, and Rule 17d-1 thereunder, for an order exempting the proposed purchase by Handels from the fund of a 30% common stock interest in Electrochemical Industries (Frutarom) Limited, an Israeli chemical company; and exempting, to the extent necessary, certain custodial arrangements attendant to the transaction. (Rel. IC-9996 - Nov. 7)

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## HOLDING COMPANY ACT RELEASES

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### SYSTEM FUELS

An order has been issued authorizing financing arrangements related to the purchase of fuel oil by System Fuels, Inc. (SFI), subsidiary of Arkansas Power & Light Company, Louisiana Power & Light Company, Mississippi Power & Light Company, and New Orleans Public Service, Inc. (collectively, the Operating Companies), all subsidiaries of Middle South Utilities, Inc. The fuel oil is being purchased by SFI for use by the Operating Companies. (Rel. 35-20246 - Nov. 7)

### NORTHEAST UTILITIES

A notice has been issued giving interested persons until December 2 to request a hearing on proposals of Northeast Utilities, a registered holding company, and Northeast Nuclear Energy Company, subsidiary of Northeast, to engage in the financing of nuclear fuel cores and related transactions. (Rel. 35-20247 - Nov. 7)

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## TRUST INDENTURE ACT RELEASES

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### REAL ESTATE PARTICIPATIONS IN ISRAEL LTD.

A notice has been issued giving interested persons until November 21 to request a hearing on an application of Real Estate Participations in Israel Ltd., an Israeli corporation, pursuant to Section 310(b)(i)(ii) of the Trust Indenture Act of 1939, declaring that the trusteeship of Bank Leumi Trust Company of New York under (a) an indenture, dated as of January 1, 1970, relating to the 6-1/2% subordinated guaranteed debentures maturing serially 1976-1985 of Real Estate Participations in Israel, Ltd., and guaranteed by Tefahot Israel Mortgage Bank Limited, and (b) the indenture dated as of September 1, 1976, relating to the 4% to 7% redeemable investment notes of Tefahot Israel Mortgage Bank Limited is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify Bank Leumi Trust Company of New York from acting as trustee under the first of the above indentures. (Rel. TI-491)

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## LISTING, DELISTING AND UNLISTED TRADING ACTIONS

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### UNLISTED TRADING GRANTED

An order has been issued granting the application of the Philadelphia Stock Exchange, Inc. for unlisted trading privileges in the common stock, \$2.50 par value, of Columbia Pictures Industries, Inc. (Rel. 34-14142)

## SECURITIES ACT REGISTRATIONS

The following registration statements have been filed with the SEC pursuant to 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; and File number and date filed.

- (S-14) THE E.F. HUTTON GROUP INC., One Battery Park Plaza, New York, N.Y. 10004 (212) 742-5000 - 961,667 shares of common stock. (File 2-60240 - Nov. 7)
- (S-7) ITT FINANCIAL CORPORATION, 212 South Central Ave., St. Louis, Mo. 63105 (314) 863-8010 - \$100 million of senior debentures, due 2002. Underwriters: Kuhn Loeb & Co. Inc. and Lazard Freres & Co. (File 2-60250 - Nov. 8)
- (S-7) UNION TANK CAR COMPANY, 90 Half Day Rd., Lincolnshire, Ill. 60015 (312) 295-4200 - \$40 million of equipment trust certificates, Series 15. Underwriter: Salomon Brothers. (File 2-60251 - Nov. 8)
- (S-8) WALLACE BUSINESS FORMS, INC., 4600 West Roosevelt Rd., Hillside, Ill. 60162 - 150,000 shares of common stock. (File 2-60252 - Nov. 8) and (S-16) WALLACE BUSINESS FORMS, INC., 4600 West Roosevelt Rd., Hillside, Ill. 60162 - 22,000 shares of common stock. (File 2-60253 - Nov. 8)
- (S-7) HOMESTEAD FINANCIAL CORPORATION, 555 California St., San Francisco, Cal. 94104 (415) 434-1371 - 200,000 of convertible non-cumulative participating preferred stock. (File 2-60254 - Nov. 8)
- (S-8) PEOPLES DRUG STORES, INC., 6315 Bren Mar Dr., Alexandria, Va. 22312 - 115,000 shares of common stock. (File 2-60255 - Nov. 8)
- (S-7) PETRO LEWIS CORPORATION, 1600 Broadway, Suite 1400, Denver, Colo. 80202 (303) 892-6010 - \$15 million of subordinated debentures, due 1997. Underwriter: Oppenheimer & Co., Inc. (File 2-60256 - Nov. 8)
- (S-14) AMERICAN CREDIT CORPORATION, 201 South Tryon St., Charlotte, N.C. 28234 (704) 333-7791 - 170,442 shares of common stock. (File 2-60257 - Nov. 8)
- (S-1) COMPUTER NETWORK CORPORATION, 5185 MacArthur Boulevard, N.W., Washington, D.C. 20016 - 440,000 shares of common stock. Underwriter: Shearson Hayden Stone Inc. (File 2-60258 - Nov. 8)
- (S-7) VIRGINIA ELECTRIC AND POWER COMPANY, 700 East Franklin St., Richmond, Va. 23261 (804) 771-3225 - 540,737 shares of \$8.60 dividend preferred stock, cumulative (\$100 par value) Underwriters: E. F. Hutton & Company Inc. and Wheat, First Securities, Inc. (File 2-60259 - Nov. 8)
- (S-7) RPM, INC., 2628 Pearl Rd., Medina, Ohio 44256 (216) 225-3192 - 890,000 shares of common stock. Underwriters: White, Weld & Co. Inc. and McDonald & Co. (File 2-60260 - Nov. 8)
- (S-7) SOUTHERN INDIANA GAS AND ELECTRIC COMPANY, 20-24 N.W. Fourth St., Evansville, Ind. 47741 - 750,000 shares of common stock. Underwriters: Goldman, Sachs & Co. and E.F. Hutton & Co. Inc. (File 2-60262 - Nov. 9)

### NOTICE

Many requests for copies of documents referred to in the SEC News Digest have erroneously been directed to the Government Printing Office. Copies of such documents and of registration statements may be ordered from the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549. The reproduction cost is 10c per page plus postage (7 days) (\$3.50 minimum); 20c per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30c per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given or request. All other reference material is available in the SEC Docket.

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