

# SECURITIES AND EXCHANGE COMMISSION

# NEWS DIGEST



A brief summary of financial proposals filed with and actions by the S.E.C.

Washington 25, D.C.

FOR RELEASE February 14, 1957

Appalachian Electric Power Company, Roanoke, Va., filed a registration statement (File 2-13084) with the SEC seeking registration of \$29,000,000 of First Mortgage Bonds, Series due 1987, to be offered for public sale at competitive bidding. Prior to or concurrently with the sale of the new bonds, American Gas and Electric Company (parent) proposes to make a capital contribution to Appalachian Electric of \$5,000,000 in cash and a further capital contribution of all of the outstanding shares of common stock of Kanawha Valley Power Company which, according to the prospectus, will represent an equity of \$3,179,398, plus net income earned between December 31, 1956 and the date of the latter capital contribution. Of the net proceeds of the sale of the bonds and of the cash contribution by the parent, \$22,500,000 will be applied to the prepayment of a like amount of bank notes, issued for construction purposes; and the balance will be applied to the company's construction program. Construction expenditures for 1957 are estimated at \$56,370,000.

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The Israel American Industrial Development Bank Limited, Tel Aviv, Israel, filed a registration statement (File 2-13085) with the SEC on February 13, 1957, seeking registration of \$2,500,000 Perpetual 6% Debenture Stock. The securities are to be offered for public sale at 110% of par. The offering is to be made on a best efforts basis by Israel Securities Corporation; and the selling commission is to be 5% of par.

The Industrial Development Bank was organized on April 25, 1956, under the laws of the State of Israel. It was formed by Ampal-American Israel Corporation and the Workers' Bank Ltd., each of which owns 50% of its authorized and outstanding stock. According to the prospectus, the two parent companies have felt that there was a great need in Israel for a bank which would specialize in the extension of medium and long term credits to a broad clientele, and that a bank performing this function will aid in the economic growth of the country and can operate on a profitable basis. The Industrial Development Bank was organized for this purpose. It plans to emphasize the extension of medium and long term credits, and also to conduct a general banking business, including acceptance of deposits, granting of short term credits and general banking functions.

If all the debenture stock is sold, the net proceeds will approximate \$2,600,000. These funds will be converted by the Industrial Development Bank into Israel pounds and will be used by them as working capital to extend the medium and long-term credits to enterprises in Israel. The proceeds of this issue will constitute the major part of the Bank's working capital. (Abraham Dickenstein, of New York, is named as Managing Director and Board Chairman, Abraham Zabarsky of Tel Aviv as Managing Director and principal Financial Officer, and John Furman of Tel Aviv as Deputy Director and Manager).

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SECURITIES AND EXCHANGE COMMISSION  
Washington, D. C.

Chairman J. Sinclair Armstrong of the Securities and Exchange Commission today issued the following statement concerning J. ARNOLD PINES, Chief Financial Analyst, Division of Corporate Regulation, one of ten recipients of the Ninth Annual Arthur S. Flemming Awards of the Junior Chamber of Commerce of Washington, D. C.

"Upon behalf of the Commissioners and the entire staff of the Securities and Exchange Commission, I take great pleasure in congratulating J. Arnold Pines for the honor bestowed upon him by the Arthur S. Flemming Awards Commission of the Junior Chamber of Commerce of Washington, D. C. in designating him as one of the ten outstanding young men in the Federal service.

"Mr. Pines was awarded a B.S. degree in business administration with high honors by the Rutgers University School of Business Administration in 1939, and he became a Certified Public Accountant of the State of New Jersey in 1940. He joined the Commission's staff on October 6, 1941 and has been continuously employed in progressively more responsible positions since that time. Mr. Pines has made many significant contributions to the enforcement of the Federal securities laws and has demonstrated outstanding competence during his entire period of service.

"One of the most difficult and exacting problems constantly faced by the Commission and its staff in administering the Public Utility Holding Company Act of 1935 has been the determination of sound protective provisions to be included in indentures securing first mortgage bonds, and in corporate charters in respect of preferred stock, issued by public utility subsidiaries of registered holding companies.

"During 1956 Mr. Pines played a major part in the formulation of the Statements of Policy issued by the Commission to provide public knowledge of its considered views as to appropriate protective provisions, consistent with the standards of the Act, applicable to bonds and preferred stock. Mr. Pines also rendered outstanding performance in a number of other highly important cases under the Act.

"The winners were chosen by a panel of distinguished judges from among 74 nominations submitted by 25 different Federal departments and agencies. Mr. Pines may be justifiably proud of this award, and we extend to him our sincerest congratulations for a fine example of devoted public service and his important contributions to investor protection and the public interest."

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