A. SUMMARY OF THE SALES STRUCTURE AND EXPERIENCE OF THE FUNDS INDICATED TO HAVE SALES CHARGES RANGING FROM 3 TO 5.5 PERCENT

Name of fund	Percent maximum sales charge	Fiscal yearend net assets
1. Equity Fund	[1] 7.5	$39,115,822
2. Insurors Mutual Fund	3.0	(2)
3. Teachers Association Mutual Fund of California	4.0	5,034,517
4. Keystone, B-1 Fund	4.15	9,341,858
5. Hampden Fund	4.0	1,128,249
6. Horace Mann Fund	4.0	6,786,248
7. Istel Fund	3.0	62,062,313

[1] On Nov. 30 1966 United Pacific Corp., the parent of Pacific Northwest Co. merged with Van Waters & Rogers, Inc. As a result, United Pacific Corp. the principal underwriter became the wholly owned subsidiary of VWR United Corp. The sales load on shares of this fund was raised from 3 percent in 1966 to the present rate of 7.5 percent.

[2] Shares are not distributed to the general public. Shares are made available solely for the common investment of surplus funds and reserves held by certain town mutual insurance companies located in the State of Wisconsin.

1. EQUITY FUND

Sales are now made through dealers under sales agreements allowing up to 6% dealers concession depending upon the amount invested. The fund is a diversified, open-end company whose objective is "to seek growth of capital and income." Shares are available to the general public.

SALES EXPERIENCE

	1966	1965	1964
Proceeds from sale of new shares	$5,713,104	$6,436,470	$5,655,971
Redemptions as a percent of new shares issued	29.6	23.2	22.1

2. INSURORS MUTUAL FUND

While this company is categorized as a mutual fund, it is not in the same category as the normal mutual fund. The shares of this company are available solely for the common investment of surplus funds and reserves held by certain town mutual insurance companies located in the State of Wisconsin. The town mutuals are insurance companies organized pursuant to Wisconsin law during the period from 1860–1927 in order to provide fire insurance coverage to persons within a limited rural vicinity. Thus, while IMF is a registered investment company, its shares are not available to the general public.

3. TEACHERS ASSOCIATION MUTUAL FUND OF CALIFORNIA

Sales of the fund shares are made directly by the principal underwriter. No sales are made through other brokers or dealers. The fund is an open-end, diversified investment company whose objectives are "long-term growth of capital and increasing income for the future." Shares of the fund are offered exclusively to members and employees of the California Teachers Association and their families rather than to the general public. The principal underwriter of the fund is the wholly-owned subsidiary of the California Teachers Association—Southern Section.

SALES EXPERIENCE

	1966	1965	1964
Proceeds from sale of new shares	$908,407	$678,904	$566,175
Redemptions as a percent of new shares issued	26.3	45.0	58.9