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

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SUSPENSION OF LUM'S OFFERING VACATED. The SEC today announced the issuance of a decision under the Securities Act (Release 33-4850) vacating its January 1965 order temporarily suspending a Regulation A exemption from registration with respect to a secondary offering of stock of Lum's, Inc., Miami Beach, Fla.

The Regulation A filing related to the proposed offering of 35,900 outstanding shares of Class A common stock of Lum's, 25,200 by Stuart and Clifford Perlman, its two principal officers, and 10,700 by Aetna Securities Corporation. The offering commenced on November 4, 1964; and 10,700 shares had been sold by Aetna and 21,285 by the Perlman's by December 7, 1964, when the offering was discontinued. Following the issuance of the January 1965 temporary suspension order, a hearing was held before a Hearing Examiner on the question whether the suspension order should be vacated. In his initial decision, the examiner found (as alleged) that there had been a failure to file copies of certain sales literature, as required by Rule 258 of Regulation A; that certain of such material contained incorrect or misleading information; that the offerors had engaged in "manipulative activities," and that the offering circular failed to disclose such activities. Although observing that certain mitigative factors were present, the examiner concluded that the suspension should be made permanent.

Upon the basis of its review of the record, the Commission concluded that the offerors, ^{had not} engaged in a manipulation of the market in connection with the offering. The Commission agreed with the examiner's finding that unfiled sales material was used in the form of a reprint of a newspaper article which contained statements about Lum's expansion rate and operations that were materially misleading. It also found that during the offering Aetna engaged in bidding and purchases prohibited by SEC Rule 10b-6 and that this should have been disclosed in the offering circular. However, the Commission concluded, in light of mitigating factors, including the facts that the newspaper article in question was the result of an unsolicited interview and that Aetna had withdrawn from the market more than a month before the distribution began and resumed its bids and purchases only upon advice of counsel after selling its part of the offering, the temporary suspension order should be vacated.

PEASE, FIRST BANKERS CORP. INDICTED. The SEC Boston Regional Office announced December 19 (LR-3626) the return of an indictment (USDC, Boston) charging J. Harlan Pease, William B. Pease and First Bankers Corporation, all of Springfield, Mass., with violations of the anti-fraud provisions of the Federal securities laws in the sale of 8% certificates of deposit of First Bankers.

CONDEC PROPOSES DEBENTURE OFFERING. Condec Corporation, Boston Post Rd., Old Greenwich, Conn. 06830, filed a registration statement (File 2-25832) with the SEC on December 21 seeking registration of \$2,500,000 of 6% convertible subordinated debentures, due 1982. The debentures are to be offered for public sale, at 100% of the principal amount, through underwriters headed by Van Alstyne, Noel & Co., 40 Wall St., New York, which will receive a 5% selling commission.

The company manufactures products for military, aerospace, and industrial and commercial applications. Net proceeds of its debenture sale will be used to increase working capital, for the purpose of financing the "increasing commercial and military business" of the company, and for other corporate purposes. In addition to indebtedness and preferred stock, the company has outstanding 1,443,923 common shares, of which management officials own 26.6% (including 23% owned by Norman I. Schafler, president).

CAROLINA CARIBBEAN PROPOSES OFFERING. Carolina Caribbean Corporation, P. O. Box 277, Blowing Rock, N. C. 28605, filed a registration statement (File 2-25833) with the SEC on December 22 seeking registration of 300,000 shares of common stock. The stock is to be offered for public sale at \$7.50 per share, through Southern Investment Company, Johnston Bldg., Charlotte, N. C. 28202, which will receive a \$0.375-per-share selling commission.

Organized under North Carolina law in 1965, the company proposes to engage in the business of developing and selling real estate for retirement, vacation and resort purposes, and constructing and operating year-round resort facilities in the Blue Ridge Mountains of western North Carolina. Its wholly-owned subsidiary, St. Croix, Ltd., was organized in December 1966 to develop and operate companion resort facilities on St. Croix in the Virgin Islands. The company owns approximately 4,475 acres of undeveloped land in the Blue Ridge Mountains and 9 acres of ocean-front land on the Island of St. Croix. Development of the properties planned for the initial three-year period is estimated to cost \$3,275,000. Net proceeds of the company's stock sale will be used in such development program. In addition to indebtedness, it has outstanding 156,900 common shares. In addition, organizers have subscribed for 63,700 more shares. Upon payment for such shares, the organizers will own 220,600 for which they will have paid \$991,995 in cash and land equity. Management officials own or have subscribed for 98,600 shares. Grover C. Robbins, Jr., is president of the company.

GULF STATES UTILITIES PROPOSES BOND OFFERING. Gulf States Utilities Company, 285 Liberty Ave., Beaumont, Texas 77701, filed a registration statement (File 2-25836) with the SEC on December 22 seeking registration of \$35,000,000 of first mortgage bonds, due 1997. The bonds are to be offered for public sale at competitive bidding. Net proceeds of its bond sale will be used to pay some \$29,900,000 of short-term notes, to carry forward the company's construction program, and for other corporate purposes. The company's construction expenditures for 1966-1967 are estimated at \$127,500,000.

OVER

FOUR STOCK PLANS FILED. Form S-8 registration statements have been filed with the SEC by the following companies, seeking registration of securities for offering under employee and/or officer stock plans:

Russ Togs, Inc., 1372 Broadway, New York 10018 (File 2-25824) (294,087 shares)
 United States Plywood Corporation, 777 Third Ave., New York 10017 (File 2-25831) (34,000 shares)
 Abbey Rents, 600 S. Normandie Ave., Los Angeles, Calif. 90005 (File 2-25834) (78,550 shares)
 Continental Copper & Steel Industries, Inc., 100 E. 42nd St., New York 10017 (File 2-25835) (150,000 shares)

SEVEN TRADING BANS CONTINUED. The SEC has issued orders under the Securities Exchange Act suspending exchange and/or over-the-counter trading in securities of the following companies for the additional ten-day period December 24 to January 2, inclusive: Continental Vending Machine Corporation, Lincoln Printing Company, Pinal County Development Association, Underwater Storage, Inc., United Security Life Insurance Company, and Westac Corporation. The Commission also has issued an order suspending exchange and over-the-counter trading in securities of Sports Arenas, Inc., for the further ten-day period December 27 to January 5, inclusive.

STEKLOF-COHEN BAR ORDER BECOMES FINAL. In an initial decision of the Hearing Examiner in proceedings involving the broker-dealer firm of Billings Associates, Inc., of Syracuse, N. Y., and seven individual respondents, the Examiner ordered among other things that Mitchel Steklof and Morris Cohen be barred from further association with any broker-dealer firm because of violations of the anti-fraud and other provisions of the Federal securities laws in their transactions in stock of Consolidated Mogador Mines, Ltd. (a Canadian company). Neither Steklof nor Cohen sought Commission review of the Examiner's decision; accordingly, that decision has become final as to them. The Division of Trading and Markets sought Commission review of the initial decision as to Billings Associates and the five other individual respondents, and Billings Associates and two of those respondents have also applied for review. The review petitions were granted, and the Examiner's decision as to such other respondents is under review by the Commission.

SEC JOINS SOUTHERN LAND TITLE PROCEEDING. The Securities and Exchange Commission announced today that, at the request of Judge Lansing L. Mitchell, it has entered an appearance in the proceeding under Chapter X of the Bankruptcy Act for the reorganization of Southern Land Title Corporation and six subsidiaries pending in the Federal Court at New Orleans, Louisiana. The Debtor filed a voluntary petition for reorganization on December 7, 1966. Judge Mitchell appointed Kermit Frymire as temporary Trustee and set a hearing for January 12, 1967, to consider approval of the Chapter X petition.

The Debtor is a real estate investment company with holdings principally in the city of New Orleans. The petition states that the Debtor owns, directly and through subsidiaries, real estate with an aggregate fair market value of over \$27,000,000. No consolidated financial statements are available; the liabilities of the parent only are stated at \$9,331,000, including mortgage debt of \$6,383,000 and unsecured debt of \$2,756,000. The petition asserts that the Debtor has no available cash with which to pay its maturing obligations and that several mortgagees have instituted foreclosure proceedings.

PENNZOIL RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15630) authorizing Pennzoil Company, Houston, Tex., and its nonutility subsidiary, Wolf's Head Oil Refining Company, Inc., to sell to Bright Star Foundation, Inc., a non-affiliated Texas non-profit corporation, an oil and gas production payment in a primary sum not to exceed \$14,250,000 in the case of Pennzoil and \$750,000 in the case of Wolf's Head, plus certain other considerations.

INDIANA & MICHIGAN ELECTRIC RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15632) authorizing Indiana & Michigan Electric Company, Fort Wayne, Ind., to acquire the Albion, Ind., electric utility distribution system. According to the application, I&M has offered to pay \$320,000 as consideration for the properties if the appraisal price is not in excess of its offer. The Albion system presently serves about 730 customers.

GPU RECEIVES ORDER. The SEC has issued an order under the Holding Company Act (Release 35-15633) authorizing General Public Utilities Corporation, New York, to extend to February 15, 1970, the maturity date of outstanding notes of Laing Vortex, Inc., and to acquire an additional \$200,000 of Laing's 6% promissory notes, due 1970. By a previous order, the Commission authorized GPU to acquire 50,000 common shares (50%) of Laing stock and its unsecured 6% three-year promissory note in the amount of \$230,000. The original filing stated that GPU would divest itself of its interest in Laing within three years after its acquisition thereof, unless an extension of not more than two years is granted by the Commission. The application states that the additional borrowings will be used by Laing to develop electric heating and air-conditioning products and to promote their manufacture for national marketing.

SECURITIES ACT REGISTRATIONS: Effective December 22: Airmedia, Inc., 2-25337 (90 days); Chester Electronic Laboratories, Inc., 2-25476 (Jan 31); Giddings & Lewis Machine Tool Company, 2-25759, Green Giant Company, 2-25730; Provident Fund Accumulation Plans, 2-25277; The Granby Mining Company Limited, 2-25376.

NOTE TO DEALERS: The period of time dealers are required to use the prospectus in trading transactions is shown above in parentheses after the name of the issuer.