

sec news digest

Issue 77-28

(SEC Docket, Vol. 11, No. 9 - February 22)

FEB 11 1977

February 10, 1977

DECISIONS IN ADMINISTRATIVE PROCEEDINGS

U.S. SECURITIES AND EXCHANGE COMMISSION

AMERICAN AIRLINES, INC.

The Commission announced that on February 8 it instituted an administrative proceeding pursuant to Section 15(c)(4) of the Securities Exchange Act of 1934 (Exchange Act) to determine whether American Airlines, Inc. (American) has made certain filings with the Commission which were false and misleading in that such reports failed to disclose, among other things, the circumstances surrounding the existence of off-the-books funds of corporate money or other assets and that by reason of the foregoing, these reports contained financial statements which did not accurately present the income, expenses and assets of American and its subsidiaries.

Simultaneously with the institution of these proceedings, the Commission determined to accept an offer of settlement submitted by American, without admitting or denying any of the findings set forth in the order instituting proceedings, and ordered that American amend the reports filed with the Commission from 1964 through 1972, including its annual reports filed on Form 10-K pursuant to Section 13(a) of the Exchange Act and proxy statements filed on Schedule 14A and mailed to stockholders pursuant to Section 14(a) of the Exchange Act by filing, as an exhibit to a current report on Form 8-K and as an exhibit to an amendment to application or report on Form 8, a document which details the facts and circumstances of the procurement, maintenance and disposition of any off-the-books funds of corporate money or other assets in connection with corporate political contributions and which details also any subsequent questionable payments or receipts unrelated to such political contributions. (Rel. 34-13249)

JAMES V. O'BRIEN AND SYLVIA AUSTIN SCHWINGER BARRED

The Commission has barred James V. O'Brien of Staten Island, New York and Sylvia Austin Schwinger of Passaic, New Jersey from association with any broker or dealer. The sanction against O'Brien and Schwinger was based on findings that they wilfully violated and wilfully aided and abetted violations of the antifraud, books and records, and broker-dealer registration provisions of the securities laws and findings that they failed to supervise salesmen under their direction and control, and that they were officers and directors of Kenneth Bove & Co., Inc. at the time a SIPC trustee was appointed for that broker-dealer. O'Brien and Schwinger had failed to appear at a hearing and were deemed in default. (Rel. 34-13228)

HOLDING COMPANY ACT RELEASES

MONONGAHELA POWER COMPANY

An order has been issued approving a proposal of Monongahela Power Company, The Potomac Edison Company and West Penn Power Company, all subsidiaries of Allegheny Power System, Inc., to issue promissory notes to a county authority to evidence its obligation to pay the purchase price of pollution control equipment. The cost of construction of the pollution control equipment will be financed by county pollution control revenue bonds in an amount not to exceed \$27-1/2 million. As the construction is completed title will be transferred by the county authority to each of the companies in respect of their ownership interest. (Rel. 35-19875 - Feb. 4)

LISTING, DELISTING AND UNLISTED TRADING ACTIONS

UNLISTED TRADING GRANTED

Orders have been issued granting the applications of the following stock exchanges for unlisted trading privileges in the common stock of the specified companies: Midwest Stock Exchange, Inc. - Varian Associates. Philadelphia Stock Exchange, Inc. - National Mines Service Co. (Rel. 34-13252)

SECURITIES ACT REGISTRATIONS

(S-1) BOSTON OIL LIMITED 1977

1116 Southwest Tower, Houston, Tex. 77002 - \$5 million of limited partnership interests, to be offered for sale in 250 units each in the amount of \$20,000. The primary business of The Boston Company of Texas, the general partner, is to advise clients of the affiliates of its parent company, The Boston Company, Inc., One Boston Place, Boston, Mass. 02106, a Massachusetts corporation, concerning investments in oil and gas properties and operations. (File 2-58191 - Feb. 8)

(S-5) SIGMA TAX-FREE INCOME FUND, INC.

Greenville Center, 3801 Kennett Pike, Wilmington, Del. - 500,000 shares of common stock, to be offered for sale at net asset value plus a sales charge of 4-3/4% on purchases under \$25,000 (the estimated offering price is \$10.50 maximum) through its National Distributor, Delfi Capital Sales, Inc., Greenville Center, 3801 Kennett Pike, Wilmington, Del. The company is an open-end, diversified, management investment company seeking current tax-exempt interest income through investments in municipal bonds. Delfi Management, Inc. is the investment adviser. (File 2-58106 - Jan. 25)

REGISTRATIONS EFFECTIVE

Feb. 8: Alco Standard Corp., 2-58050; The First Trust of Insured Municipal Bonds, Series 23, 2-57991; Ivac Corp., 2-58000; Tax-Exempt Municipal Trust, Fourteenth National Series, 2-58049.

Feb. 9: Mite Corp., 2-58046; The Municipality of Metropolitan Toronto, 2-58105; New York State Electric & Gas Corp., 2-58044; St. Jude Medical Inc., 2-57792; Wisconsin Gas Co., 2-58089.

NOTE TO DEALERS. When applicable the 90-day period of time dealers are required to use the prospectus is noted above in parentheses after the name of the issuer. As to the other issuers, there may be no such requirement to use a prospectus, or the requirement may be for a period of only 40 days; see Section 4(3) of the Securities Act of 1933 and Rule 174 (17 CFR 230.174) thereunder.

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 10¢ per page plus postage (7 days) (\$3.50 minimum); 20¢ per page plus postage for expedited service (4 days) (\$5.00 minimum) and 30¢ per page plus postage for priority service overnight (\$5.00 minimum). Cost estimates are given on request. All other reference material is available in the SEC Docket.

SEC NEWS DIGEST is published daily. Subscription rates: 64.45/yr in U.S. first class mail; \$80.60 elsewhere.

SEC DOCKET is published weekly. Subscription rates: \$43.70/yr in U.S. first class mail, \$54.65 elsewhere. The News Digest and the Docket are for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.