

NYTimes APR 16 1974  
**Refunds to Holders Asked  
Of Steinbrenner by S.E.C.**

By FELIX BELAIR Jr.

WASHINGTON, April 15 — The Securities and Exchange Commission charged the American Ship Building Company today with making illegal political contributions and asked a Federal court here to require George M. Steinbrenner 3d, its chairman, to reimburse stockholders by more than \$120,000.

It was the second Federal citation this month against Mr. Steinbrenner, who is also the principal partner in the New York Yankees, and against American Ship Building for alleged political contributions. On April 5, in an action signed by the special prosecutor, Leon Jaworski, a Federal grand jury in Cleveland indicted Mr. Steinbrenner on 14 felony charges in connection with contributions to Republicans and Democrats.

The S.E.C.'s action was developed from a separate investigation, and was the first time that the commission had moved against a company of its officers in the current crackdown on political contributions.

The commission's complaint charged the company and Mr. Steinbrenner with attempting to disguise the illegal contributions to the Finance Committee to Re-elect the President and to other "political campaigns" as ordinary business expenses. Company employees testified during the commission's investigation that they had been paid "bonuses" and instructed to whom the money should be paid as contributions.

The S.E.C. also asked the court to appoint a special mas-



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ter "to inquire into and examine books and records of American Ship Building and all other relevant matters in order to render a correct accounting of the company's financial position to this court and its company's shareholders, and to report all corporate funds which may have been used in political campaigns."

The court was further requested to order Mr. Steinbrenner "to account to the court and pay to the company all corporate funds used for political campaigns, which said Steinbrenner caused American

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Ship Building to expend for political purposes and other unauthorized corporate purposes."

The complaint contained no mention of specific recipients of the alleged illegal contributions but investigators said they included both Democratic and Republican campaigns and identified the Finance Committee to Re-elect the President as the largest recipient.

The illegal political contributions were alleged in the complaint to have covered the period from Sept. 1, 1970, to the present. To conceal the contributions, the commission charged, American Ship Building submitted false and misleading statements to the S.E.C.

Other alleged violations of Federal securities laws included the company's failure to disclose in proxy statements "that corporate funds were being used for political contributions and that the defendant Steinbrenner and certain other officers who were standing for election as directors were participating in such activities."