

Ashland fined \$25,000 for illegal gifts

Washington (AP)—Ashland Oil Inc., of Kentucky, was fined \$25,000 yesterday on a second round of charges pegged to the firm's unlawful contributions to political candidates between 1970 and 1972.

Ashland pleaded guilty to each of five counts in a surprise information brought by the Watergate special prosecutor's office. Chief Judge George L. Hart, Jr., in United States District Court imposed the maximum \$5,000 fine on each of the charges, which involved a total of \$169,365 in corporate campaign gifts.

According to the prosecutor, \$50,000 was delivered in cash between June, 1970, and February, 1972, to Robert S. Strauss, then treasurer of the Democratic National Committee, for use by the party organization. Mr. Strauss is now the Democrats' national chairman.

The remainder of the funds went to various Senate and House candidates of both parties, including Senator Hubert

H. Humphrey (D., Minn.) and Senator John G. Tower (R., Texas).

Unlike the custom in similar cases, neither the acting prosecutor, Thomas F. McBride, nor the paperwork he filed specified whether any recipients were aware that the contributions were unlawful.

Mr. Strauss told reporters, however, that "the record clearly reflects that there was no knowledge on the part of anyone at the [Democratic National Committee] that these gifts were corporate. As a matter of fact, they were clearly represented as being the gifts of individual executives."

In some instances, the charges said, the contributions were indeed made by executives—who in turn were reimbursed by the oil company.

A spokesman for the prosecutor's office said the question of knowledge by the recipients was left unanswered largely because of time limitations. A new, three-year statute of limitations—which could have pre-

cluded much of the case against Ashland—takes effect in just two days. The current limitation is five years.

"The investigation will continue to the extent the new statute allows," said James Doyle a spokesman.

In 1973, Ashland was fined \$5,000 and its board chairman, Orin E. Atkins, \$1,000, after voluntarily disclosing that the firm had contributed \$100,000 to the re-election campaign of former President Nixon.

In Ashland, Ky., a spokesman for the oil company said the company had been advised by its attorneys "that there was a valid defense to these charges. However, the decision was made not to contest the matters in order to avoid protracted litigation."

The charges said \$3,864 went

to committees backing the 1970 Senate race and the 1972 primary campaign for the Democratic presidential nomination of Mr. Humphrey. Another \$2,500 went to the 1972 re-election campaign of Mr. Tower, and \$10,000 was contributed to Louie B. Nunn, a Kentucky Republican, in his unsuccessful race for the Senate in 1972.

An additional \$100,000 was distributed by Carl Arnold, an oil industry lobbyist, in Ashland's behalf to other 1972 Senate and House candidates, the charges said. The candidates were not named.

Mr. Arnold, who was not charged, has admitted that he made cash deliveries for the Gulf Oil Corporation to the abortive presidential campaign of Representative Wilbur D. Mills (D., Ark.) two years ago.