

SEP 12 1972

Demos Claim Stans Paid Spy Squad

SF Chronicle
N.Y. Times Service

Washington

The Democratic party yesterday accused Maurice Stans, finance chairman of the Nixon campaign, and three other campaign aides of conspiring "to commit political espionage" against Democratic officials and candidates.

The charges were made in an amended complaint to a suit filed by the Democrats that seeks \$3.2 million in damages as a result of the break-in at the Democratic party headquarters in the Watergate office building last June 17.

The suit charges that Stans, former Secretary of Commerce who resigned earlier this year to become finance chairman of the Committee for the Re-election of the President, and Hugh W. Sloan Jr., former treasurer for the committee, of delivering \$114,000 to finance the operations of

See Back Page

From Page 1

A spy squad.

The suit said that Stans and Sloan, "while falsely stating that the said \$114,000 accounted for in the records of the finance committee of the Committee for the Re-election of the President, have destroyed financial records and have refused to disclose what the money was used for.

The plaintiff in the suit is Lawrence F. O'Brien, chairman of the McGovern presidential campaign.

The amended complaint added Stans, Sloan, two former White House aides, G. Gordon Liddy and E. How-

ard Hunt Jr., and the Committee for the Re-election of the President as defendants. The complaint also raised the amount of damages being sought from \$1 million to \$3.2 million.

Stans said yesterday that "Mr. O'Brien's allegations against me are a scurrilous pack of lies and he knows it."

REACTION

Clark MacGregor, chairman of the Committee for the Re-election of the President, said that he has instructed his attorney to file suit for punitive damages "for malicious prosecution and abuse of process."

The complaint filed yesterday by the Democrats in federal district court here said that the money was given to Liddy, then counsel to the Committee for the Re-election of the President.

The complaint said that Liddy and Hunt, a former White House consultant and intelligence agent for the committee, commanded the espionage squad that was formed on or about last March.

LEADER

In immediate charge of the squad, the complaint said, was James W. McCord, the chief security officer of the Committee for the Re-election of the President, who along with four other men was caught in the Watergate by the police.

The complaint said that the squad was responsible for the following acts of political espionage:

- Before May 25, the squad broke into the offices of the Democratic National committee and stole and photographed private documents of O'Brien, the chairman of the committee.

- O'Brien's phone was tapped from May 25 to June 17, and a listening post was set up across the street from the Watergate in a room at the Howard Johnson motor lodge. Liddy, Hunt and McCord paid periodic visits to the listening post, and McCord prepared confidential memoranda of the conversations.

- The squad tried to break into the headquarters of Senator George McGovern to install wiretaps.

- On June 17, Liddy, Hunt and the five men caught by the police entered the offices of the Democratic national committee at the Watergate to service existing wiretaps, put in new ones and steal and photograph documents. Liddy and Hunt got away after being warned that the police were coming by a lookout left with a walkie talkie in the Howard Johnson motor lodge.

Lawyers for the firm of Edward Bennett Williams, who is handling the suit for the Democrats, refused to disclose whether the new complaint was based on information turned up by their own investigators or on depositions obtained from many Republican officials during the last month.