

\$30,000 Watergate Funds Linked to Philippine Donor

By ANTHONY RIPLEY

Special to The New York Times

6/12/73

WASHINGTON, June 11—The Finance Committee to elect the President received \$30,000 from an unnamed "Philippine national," used the money in an "urgent White House project" and then, believing the money was donated illegally, returned it, according to a report made public today by the General Accounting Office.

That secret project was payment for the Watergate burglars and their lawyers, according to statements made earlier to the G.A.O. by Herbert W. Kalmbach, President Nixon's former personal lawyer.

It was the third foreign money operation involved in the Watergate investigation. The \$30,000 was part of \$210,000 that Mr. Kalmbach said he

had raised for the Watergate defendants and their lawyers.

A grand jury in Houston is investigating the sending of \$89,000 in cash through Mexico to conceal its source. Some of that money in \$100 bills was traced to the Watergate burglars.

In addition, a grand jury in New York has returned indictments against John N. Mitchell, former Attorney General, and Maurice H. Stans, former Commerce Secretary, for their alleged role in the handling of \$200,000 in cash donated from the Bahamas by Robert L. Vesco, a New Jersey financier.

Meanwhile, it was disclosed that in the last year the Democratic party has managed to pay off more than half of its

Continued on Page 34, Column 6

Continued From Page 1, Col. 3

long-term indebtedness, with some help from the Watergate scandal, according to reports filed with the G.A.O. and made public today.

The Washington Star-News reported today that the source of the \$30,000 contribution to the Nixon finance unit was Ramon Nolan, a prominent sugar planter in the Philippines. He served as the sugar quota administrator for the Philippines from 1965 to 1969, according to John A. O'Donnell, a Washington lawyer and lobbyist for sugar interests in the Philippines.

Mr. O'Donnell said, however, that he knew nothing of such a donation and added, "I don't think he has anything to do with this."

Mr. Nolan was said to be in New York City and could not be reached for comment.

It is illegal for a principal of a foreign government to give money to an American political campaign, but it is not known if the \$30,000 contribution might have come under such a law.

In A memorandum that accompanied the filing of the report by the finance committee, it was stated:

"On June 9, 1972, a Philippine national tendered to the committee contributions totaling

\$30,000 in cash on behalf of himself and certain friends.

"The committee was not then certain of its legal right to accept contributions from foreign nations and the funds were held for a brief time to permit a new legal opinion to be secured.

"The opinion being negative, the funds were returned. (The committee has since learned that under an opinion of the Department of Justice such contributions could have been legally accepted.)"

However, during that "brief period" the funds were part of \$75,000 that Mr. Stans gave Mr. Kalmbach on June 29, 1972.

In its statement the committee noted that on that date "Herbert Kalmbach requested of Stans that all possible cash funds be given to him for an urgent White House project not related to the campaign which he said had the approval of high authorities but which he could not describe."

The report went on to say that the "Philippine National" money and another \$45,000 in a contingency cash fund held by Mr. Stans were given to Mr. Kalmbach.

In a G.A.O. report of May 20, the same \$75,000 shows up.

"Herbert W. Kalmbach informed us of additional unreported cash funds which he solicited and received during the summer of 1972 for distribution through intermediaries to the Watergate defendants or their attorneys," the

May 20 report noted. It then listed the \$75,000 from Mr. Stans, along with other funds that came from Frederick C. LaRue, an aide to the Nixon campaign committee, and another \$75,000 from Thomas V. Jones, president and chairman of the Northrop Corporation.

Mr. Jones later reported to the G.A.O. that he had given only \$50,000.

Reports made public today by G.A.O. showed these other items:

¶The finance committee, the Victory '72 Dinner Committee, elect the President and the Television Committee to re-

Radio Committee to Re-elect the President list a total of \$4,769,166 in cash on hand, with perhaps another \$100,000 held at about 10 of the 53 state finance committees to re-elect the President. Most of the state committees have been closed out.

¶More than \$145,000 in legal fees were paid for the lawyers representing Mr. Stans, Jeb Stuart Magruder, former second in command at the Committee for the re-election of the President, and other top officers in various civil actions.

¶Mr. Magruder was paid at least \$1,265 in expenses between April 3 and May 31. At that time he was working as an official for the Commerce Department.

¶In June, 1972, the committee received \$10,000 in cash from Mr. and Mrs. Charles Saunders of Greenwood, Miss. The money was later returned, executive.

Mr. Saunders is a broadcasting executive. ¶The committee received \$39,000 from a Montana contributor through former Gov. Tim Babcock between last Nov. 3 and Jan. 17.

Mr. Kalmbach, according to the Watergate investigation, has agreed to testify for the prosecution against the President's two top assistants who both resigned April 30, H.R. Haldeman and John D. Ehrlichman.

Purpose of \$210,000

The \$210,000 raised by Mr. Kalmbach was money that was intended for the Watergate defendants.

The raising of the \$210,000 by Mr. Kalmbach came after the Watergate burglars were discovered, and the funds were intended to go for those arrested and their lawyers.

Hugh W. Sloan Jr., who resigned July 14, 1972, as treasurer of the finance committee, said he paid out \$199,000 to G. Gordon Liddy before the break-in last June 17 at the Democratic offices in the Watergate complex. Herbert L. Porter, former scheduling director for the Committee for the Re-election of the President, said that he had also paid Liddy \$30,000 to \$35,000.

Liddy was convicted in the Watergate trial.