

Nixon Campaign Funds -- New Charges

Washington

About \$70,000 in funds from President Nixon's campaign was transferred in apparent violation of the law last July from the same account that financed the Watergate bugging to a principal assistant of former Attorney General John N. Mitchell, according to investigative

The 70,000 — mostly in \$100 bills — was given to former White House aide Frederick C. Larue, one of

Mitchell's closest political advisers, for purposes yet undetermined.

The transfer came two weeks after the arrest of five men June 17 in the Democrats' Watergate headquarters and several days after Mitchell resigned as the president's campaign manager, the sources said.

STANS

The transfer was approved by former Commerce secretary Maurice H. Stans, the finance chairman

of the Nixon campaign, according to sworn testimony given this month to federal investigators in New York City.

The fact of the \$70,000 transfer is the first indication that the president's re-election committee continued to maintain a secret account of some sort after the arrests in the Watergate.

The General Accounting Office was not told of the transfer, as required by the new federal election cam-

paigned act, which directs full public accounting of all campaign money after April 7, 1972.

HEAD

Philip S. Hughes, head of the federal elections office in the GAO, responded yesterday to an inquiry about the \$70,000 by saying:

"It seems that the law is loud and clear that all money in their hands after April 7 had to be fully accounted for. If this money went out in July — and I

never heard of it before — I don't think any reasonable person could argue that it was not a violation — even Stans hasn't argued that."

The \$70,000 came from a large cash fund which was kept in Stans' office safe and was used to finance a broad campaign of political espionage and sabotage.

FUND

That intelligence-gathering fund, which fluctuated in size between \$350,000 and \$700,000, was

the source of at least \$235,000 for convicted Watergate conspirator G. Gordon Liddy, the former finance counsel to the Nixon committee.

According to two sources at the Nixon committee, the \$70,000 dollars was given to purposes which are apparently known only to Mitchell, Larue and other top campaign officials.

Larue was one of two per-torney general Mitchell to investigators from learning many details about the Nixon committee's involvement in the Watergate bugging, according to highly placed sources in the Nixon campaign.

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