

Nixon Unit to Pay For Stans Legal Bill

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President Nixon's campaign committee has agreed to pay nearly \$400,000 in legal expenses owed by former Nixon fund-raiser Maurice H. Stans, who with former Nixon campaign director John N. Mitchell was acquitted in April of federal charges of conspiracy and perjury.

A report filed yesterday with the General Accounting Office shows that the legal expenses of the two former Cabinet officers and other former employees of the Committee to Re-elect the President—including a new bill from Edward Nixon, the President's brother—have now passed \$1.4 million, with additional trials to come.

In addition, the committee has agreed to settle for \$775,000 a civil suit brought by the Democratic National Committee and arising out of the Watergate break-in.

The report filed with GAO was submitted by the 1972 Campaign Liquidation Trust, a three-man group of trustees which has assumed the assets and liabilities of the now-defunct Finance Committee to Re-elect the President.

Last February the committee transferred \$3.57 million left over from the \$60 million raised during the 1972 presidential campaign to the trust. Under its charter, the trust will pay the legal fees of any former

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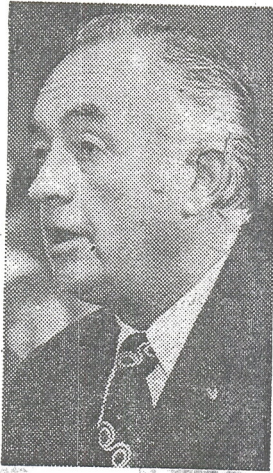
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mer or present committee employees incurred up to the time of indictment and after acquittal. In the event of a guilty verdict, the employee presumably must pay the legal expenses.

Stans' bills stemming from his New York trial for criminal conspiracy, obstruction of justice and perjury have not yet been paid. Payment has been approved, pending an audit.

Stans, former Secretary of Commerce, has submitted the largest bills of any former committee employee. Including the expenses of his New York trial, his total bill is now about \$468,000.

Former Attorney General Mitchell has not yet submitted a bill for legal expenses



MAURICE H. STANS
... committee will pay

incurred in connection with the New York trial, but has turned over bills for \$54,000 in legal expenses in other cases. Sources in the legal community expect Mitchell's bill for the New York case to be about the same size as Stans'. Mitchell still faces charges of perjury, obstruction of justice, conspiracy and making false statements to a federal grand jury and the FBI in the Watergate cover-up case.

Stans' bills were submitted by two Washington law firms—Wilkinson, Cragun & Barker and Carr, Bonner, O'Connell, Kaplan & Thompson. The first was for \$98,504.26 and the second for \$283,188.55. In addition, the report lists another \$8,678.88 disbursement to Stans himself for legal fees, an opinion survey, travel expenses and the cost of a New York apartment used during the trial.

Lawyers connected with both firms explained that only part of both bills were for legal fees. They said the bills cover an 11-month period but that expenses for the 10-week trial were considerable, and included such costs as hotel bills, meals, travel and other incidentals. In addition, the legal team—which consisted of as many as 14 lawyers at one time—incurred such expenses as the cost of court transcripts, which one of them estimated at \$10,000 to \$15,000 alone.

One lawyer said that of the \$283,188.55 bill submitted by the firm of Carr, Bonner, more than \$50,000 represented expenses

According to the spending reports on file at GAO, the committee itself had the largest legal bill. Up to yesterday, the committee has spent about \$720,000 defending itself in various lawsuits stemming from the June, 1972, break-in at the Watergate headquarters of the Democratic National Committee.

All together, the committee has disbursed legal fees to more than 25 law firms and on behalf of nearly 30 former employees. One of the latest to appear in the report is Edward Nixon, who has submitted a bill for \$27,873.43 from the Los Angeles

law firm of McKiernan, Blatt & May. The report notes that the "claim" has not yet been approved by the trustees.

Neither the trustees nor a representative of the Los Angeles law firm could be reached for comment. Edward Nixon, who served as a consultant to the committee, has testified before the Senate Watergate committee. Other former employees who testified had their legal bills paid by the committee.

The trustees' policy of paying legal fees of employ-

ees facing court action as a result of their official duties is not unusual; most American corporations have a similar policy.

The trust's report to GAO also notes the refund of an illegal \$40,000 contribution to Braniff Airways, Inc. Braniff pleaded guilty last November to violating federal election law in making the contribution and was fined \$10,000. Its board chairman, Harding L. Lawrence, was fined \$1,000.

In addition, the report notes that DeLaureal Engi-

neers Inc. of New Orleans has asked for a refund of a \$2,000 contribution. The contribution was made by W. David DeLaureal "with funds drawn from the corporation," the report states. The claim has not yet been approved by the trustees.

The report also notes a \$15,200 owed by John Dean "for funds held." It represents money not returned to the committee following an exchange of funds with the White House.

While the trustees have

expended gargantuan sums for legal expenses, they also continue to take in money. The \$3.57 million surplus has been deposited in various Washington banks and has earned the committee about \$80,000 in interest. The committee had \$3.37 million in cash on hand on May 31, according to the report.

Legal sources point out that the committee's legal bills represent just a small portion of the money expended for legal fees arising from the Watergate break-in

and related scandals. On the government's side, the prosecution of the Mitchell-Stans trial, the office of the special prosecutor and the staff of the Watergate committee have spent several million dollars in investigating and prosecuting former White House or committee employees.

And in the White House itself, at least 13 staff aides, most of them lawyers, were working full or part-time on Watergate for President Nixon, according to another GAO report.