

Demos Take Money, Drop Watergate Suits

Washington

The Democratic party formally agreed yesterday to end its Watergate break-in civil suits against two of President Nixon's 1972 re-election committees, accepting a cash settlement of \$775,000.

The agreement was announced in a hearing before U.S. District Judge Charles R. Richey. The attorneys had tentatively agreed on the settlement and the figure about six months ago, but the official agreement was delayed while the parties in the suit were consulted and legal points cleared up, the lawyers said.

Two Democratic organizations, the Democratic National Committee and the Democratic State Chairmen's Association, sued the Committee to Re-Elect the President and the Finance Committee to Re-Elect the President for a total of \$16.4 million in damages growing out of the June 17, 1972, break-in at the Democratic

headquarters in the Watergate office complex.

According to the terms of the settlement, the Democrats have agreed not to file future suits and to withdraw pending suits "relating to what is commonly known as the 'Watergate affair' or political espionage or political

sabotage or any other political activities" ranging from conspiracy to libel.

The settlement does not "constitute an admission of liability or denial of liability" on the part of the re-election committees or 52 Watergate figures listed in the agreement.

In return for the settlement, the Republicans agreed to drop countersuits charging libel against the Democrats.

Democratic National Chairman Robert Strauss has said that the major incentive for both sides in settling the suit was financial — the desire to cut legal costs that have surpassed \$250,000 for the Democrats alone.

Former Democratic Chairman Lawrence O'Brien said he would return his portion of the settlement — \$400,000 — to the Democratic party with a request "that it be applied to a program designed to re-enlist the confidence of the American peo-

ple in our two-party system."

Still outstanding is a separate suit for \$5 million in damages against both Nixon committees by Spencer Oliver, former executive director of the state chairman's association. Also pending are countersuits against Oliver by convicted Watergate conspirator James W. McCord and four other men who were found inside the Democratic headquarters.

Washington Post