

Stans Pleads Guilty to Five Violations Of Election Laws in Campaign of 1972

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He Is Third Member of
the Nixon Cabinet
to Be Convicted

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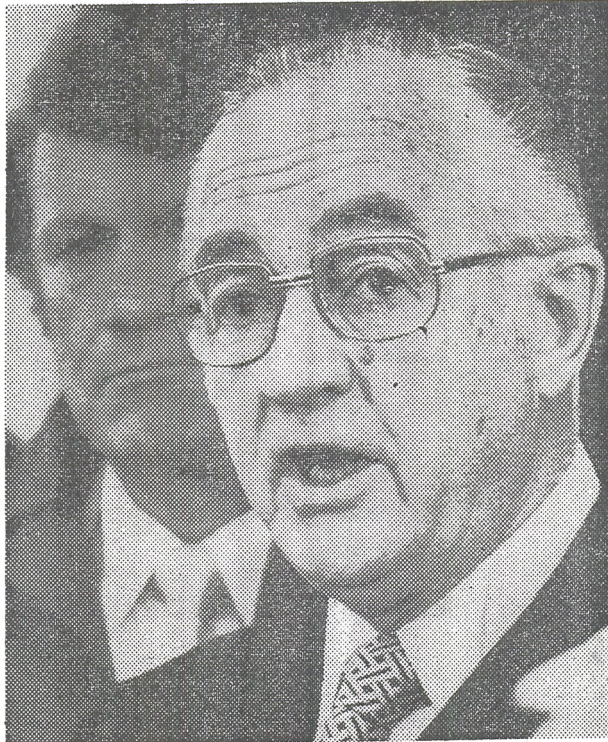
WASHINGTON, March 12—
Former Secretary of Commerce
Maurice H. Stans pleaded guilty
in Federal court today to five
misdemeanor charges of violat-
ing campaign laws while he
was finance director of the
1972 Nixon re-election cam-
paign.

He is the third member of
President Nixon's Cabinet, after
former Attorneys General John
N. Mitchell and Richard G.
Kleindienst, to be convicted
either through plea or jury ver-
dict of criminal activity.

His plea made him subject
to a possible maximum sen-
tence of either two or five
years in prison, depending on
how the statutes are interpret-
ed, and \$5,000 in fines.

Mr. Stans, who told the Sen-
ate Watergate committee in
1973 that he was one of the
"innocent victims" of Water-
gate, defended today his ac-
tions in the 1972 campaign
and reasserted his noninvolvement
in Watergate.

Standing in the rain outside
the courthouse after his plea,
and reading from a prepared
text to television crews and



Associated Press

Maurice H. Stans talking to reporters in Washington
after pleading guilty to violating campaign laws.

reporters, he said that the five
violations "were not willful,
and at the time they occurred
were not believed to be viol-
ations."

He said that one of the rea-
sons he decided to plead to
the five counts, in an arra-
ngement with the Watergate
special prosecutor that ends

his liability for most but not
all other possible violations
was that the plea "establishe
once and for all" that he has
"no guilty involvement" in the
Watergate break-in and cover
up and related matters.

earlier, the judge, John Lewi
During the court proceedin

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quired to establish a violation.
Essentially, though, persons
who are charged with a misde-
meanor violation of the law
are charged with a "nonwillful"
violation; persons charged with
a felony, with a "willful" vio-
lation.

Plea bargaining generally en-
tails charging a defendant with
a lesser offense to obtain the
plea. Many of the negotiated
pleas arranged by the prosecu-
tion in campaign contribution
cases have thus involved the
"nonwillful" violation.

The arrangement between Mr.
Stans, and the prosecution, as
outlined in a letter to one of
Mr. Stans's attorney, which Mr.
McBride filed with Judge
Smith, was that Mr. Stans
would plead to the five counts
and also make "full and truth-
ful disclosure," under oath if
necessary, to the prosecution.

In return, his guilty plea to
the five counts would dispose
of "criminal liability of Mr.
Stans for any past acts" with
violating either campaign or
perjury laws, or other matters
under the prosecution's investi-
gation.

The arrangement leaves Mr.
Stans open to prosecution for
any possible violations related
to the Vesco case in New York
the case in which he went
to trial last year and was ac-
quitted—and any perjury com-
mitted after last Nov. 8.

That, apparently, was the
day on which the understand-
ing was worked out, and Mr.
Stans began cooperating with
the prosecution.

Mr. Stans and Mr. Mitchell
were indicted in New York on
charges of conspiracy to ob-
struct justice. They were ac-
cused of impeding a Securities
and Exchange Commission in-
vestigation of Robert L. Vesco,
the fugitive financier, in return
for a secret \$200,000 cash con-
tribution to President Nixon's
re-election campaign. Mr.
Mitchell was also acquitted.

The proceeding before Judge
Smith this morning was brief
and unemotional. The charges
were read aloud. Mr. Stans
entered his plea in a loud,
clear voice, saying, "I plead
guilty to the five counts as
charged." Judge Smith released
Mr. Stans on his own recogni-
zance, pending a presentence
report.

Later, when Mr. Stans went
out into the rain and read
his statement to the press, the
tenor changed.

Mr. Stans said that he had
decided to plead guilty for four
reasons. First, he said, the dis-
position established that he had
no guilty involvement in the
cover-up and other matters.

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Smith Jr., asked the prosecutor
what the "essential elements"
would have been if the case
had gone to trial.

The prosecutor, Thomas F.
McBride, replied that one ele-
ment of two of the counts,
charging Mr. Stans with accept-
ing illegal corporate contribu-
tions, would have been "that
Stans knew or acted in reck-
less disregard of the corporate
source of the funds."

In addition to the two charges
of accepting illegal corporate
contributions, the charges
against Mr. Stans include three
counts of failing to make accu-
rate reports of transactions to
the finance committee's treasur-
er, and thus causing the com-
mittee to fail to make the re-
quired reports to the General
Accounting Office.

The three transactions that
Mr. Stans failed to report, ac-
cording to the charges, were
a \$30,000 contribution to the
campaign in June, 1972, from
Ernesto Lagdameo, a former
Ambassador from the Philip-
pines to the United States; Mr.
Stans's transfer of \$81,000 in
the summer of 1972 to Frede-
rick C. LaRue, another cam-
paign official, and contribu-
tions totaling \$39,000 delivered
between Nov. 3, 1972, and Jan.
17, 1973, by Tim Babcock, the
former Governor of Montana.

The information listing the
five charges did not say so,
but much of that money was
involved in the Watergate af-
fair, as shown by a chart trac-

ing the flow of money to the
original Watergate burglars
that the Watergate special
prosecution introduced at the
Watergate cover-up trial.

The \$30,000 contribution, ac-
cording to persons involved in
the case, was part of a total
of \$75,100 that Mr. Stans alleg-
edly transferred in June, 1972,
to Herbert W. Kalmbach, the
former personal attorney to Mr.
Nixon and, for a while, the
person in charge of transferring
the so-called "hush money" to
the Watergate burglars in re-
turn for their silence.

Of the total of \$39,000 deliv-
ered by Mr. Babcock, \$14,000
was allegedly transferred to
Mr. LaRue, who ultimately took
over Mr. Kalmbach's role of
transferring money to the bur-
glars.

Mr. Kalmbach, Mr. LaRue
and Mr. Babcock have all plead-
ed guilty to various Watergate-
related charges, with only Mr.
LaRue still to be sentenced.
He will be sentenced Friday.

Arrangement Described

One of the corporate contri-
butions that Mr. Stans was
accused of accepting was \$40,-
000 from the Goodyear Tire
and Rubber Company. The oth-
er was a \$30,000 contribution
from the Minnesota Mining and
Manufacturing Company.

Goodyear and Minnesota
Mining and Manufacturing, and
one officer of each company,
pleaded guilty Oct. 17, 1973,
to making those contributions.

The statute covering such
contributions is unclear as to
the degree of knowledge re-