

## Smith Found Guilty On Campaign Gifts

San Diego

Financier C. Arnholt Smith, a major contributor to Republican politicians, was found guilty yesterday on two counts of causing illegal campaign donations to be made in 1970.

The U.S. District Court jury of six men and six women found Smith guilty on two counts of causing illegal gifts totaling \$4000 to be given to the 1970 campaign of former Senator George Murphy (Rep-Calif.).

Both counts were misdemeanors, and Smith faces a maximum fine of \$5000 on each count when he appears April 21 for sentencing be-

fore U.S. District Judge Robert Schnacke.

The jury could not reach a verdict on two other counts, one of which could have resulted in a jail term. Each of the undecided counts involved a \$3000 donation to the 1972 reelection campaign of former President Nixon.

Smith, former board chairman and majority stockholder of the now-defunct U.S. National Bank, was a longtime friend to Mr. Nixon.

Three similar counts against Sovereign State Capital Inc. were left hanging because the jury failed to reach a decision. Sovereign



AP Wirephoto

**C. ARNHOLT SMITH**  
**Jury's split decisions**

State reportedly is one of the firms controlled by Smith in a large number of corporate holdings.

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