



ARMAND HAMMER
Millionaire Oilman

Guilty Plea For Illegal Nixon Gift

Washington

Armand Hammer, the millionaire oilman and art collector who pioneered in U.S.-Soviet trade, pleaded guilty in U.S. District Court yesterday to three misdemeanor charges of making illegal contributions in the names of other persons in the 1972 Nixon re-election campaign.

Hammer, 77, also admitted that he subsequently concealed the illegal contributions, which totaled \$54,000, by lying to the Senate Watergate Committee and by agreeing to use yet another person as the "fictitious source" of the funds — an agreement that led to the execution of a "sham promissory note" to that person.

These acts were not essential

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elements of the three misdemeanors to which Hammer pleaded. However, the special Watergate prosecution apparently insisted upon Hammer's admission as a condition of the plea bargain.

Hammer, who is president of the Occidental Petroleum Corp., seemed embarrassed by the proceedings. Before the court convened, he was approached by a reporter and asked if he was Armand Hammer. He replied, "No."

U.S. District Judge William B. Jones almost refused to accept the guilty plea, because of Hammer's failure, at first, to answer affirmatively when he was asked whether he understood that his plea might subject him to as much as three years in prison.

The three charges against Hammer were each violations of the federal provisions that prohibit making a contribution in the name of another person.

The maximum penalty for each offense is one year in prison, a \$1000 fine, or both.

In the case of a conviction where no prison sentence is imposed, the conviction shall be considered a misdemeanor conviction. Some defense lawyers contend that this means that when someone is charged with a misdemeanor, that person cannot be sentenced to prison.

The Court of Appeals here is currently considering an appeal based on just this contention — brought by former Governor Tim M. Babcock of Montana, who was sentenced to four months in prison last December after pleading guilty to a charge that he had illegally channelled the \$54,000 involved in yesterday's case to the Nixon committee.

Yesterday Judge Jones followed the usual proceedings for guilty pleas: He asked Hammer such questions as whether he understood the charges, and whether he committed the offenses charged. Each time Hammer answered, "yes," or "yes, sir," nodding his head.

Then, however, Judge Jones came to the equally routine question of whether the defendant understood the possible maximum sentence he faced — in this case, one year in prison, \$1000 fine, or both, for each of the three counts.

"I'm advised by my counsel," Hammer replied, "that while the statute so says, the maximum will be a fine" — an that the issue is currently under review in the court.

The judge repeated the question twice only to get the same response from Hammer.

Finally, the prosecutor, Thomas F. McBride, said that unless Hammer understood he could get three years, the plea should not be accepted because it would be "defective."

Judge Jones finally ended the discussion by suggesting a recess, and saying, "If I do not get an affirmative answer, I cannot accept the plea."

When the court reconvened after noon, the parties to the case returned to court. Judge Jones asked his question again. This time Hammer answered, quickly, "yes, sire."

The judge said he would sentence Hammer after receiving a pre-sentence report by the probation authorities. He released Hammer with no requirement of bond but with instructions that he go to the probation authorities.

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