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Humphrey Ex-Aide Sentenced

By William Claiborne
Washington Post Staff Writer

NEW YORK, June 26—Jack L. Chestnut, manager of Sen. Hubert H. Humphrey's 1970 Senate campaign, was sentenced today to four months in prison and fined \$5,000 for accepting an illegal \$12,000 campaign contribution.

Chestnut was convicted last May in a federal court here of arranging for a Manhattan advertising agency to receive contributions from the Associated Milk Producers, Inc., in violation of federal campaign laws.

In imposing the sentence, Judge Edward Weinfeld said he considered a prison term necessary "to protect the integrity of the political system against the improper use of money."

Chestnut, a Minneapolis lawyer and former assistant attorney general of Minnesota, could have received a maximum of two years in prison and fines of up to \$10,000. Weinfeld stayed imposition of the sentence pending the disposition of Chestnut's appeal.

Chestnut, who was also Humphrey's campaign manager in the 1972 presidential primary campaign, had sought a new trial on the grounds there was insufficient evidence showing he "willfully" accepted the contribution with knowledge that it was from an illegal corporate source. That motion was denied Wednesday.

During Chestnut's trial here, Humphrey testified that he sought the support of AMPI, but that he had no "personal knowledge" of the dairy cooperative's contribution. He said he had given instructions to his campaign staff on which contributions were legal and which were illegal.

In Washington, Humphrey issued the following statement: "I'm most disheartened and distressed over Mr. Chestnut's conviction and the sentence he received today. He is a man who is regarded by those in his profession and others who know him as a man of rigid integrity. I am convinced that Mr. Chestnut would not have intentionally violated the law. To do so would have jeopardized his reputation. I understand that he has appealed the verdict of the court. I wish him success.

Chestnut was convicted of making arrangements with AMPI, a major corporate contributor to President Nixon's re-election campaign, to pay for one month's services by Lennen & Newell Inc., a now defunct Madison Avenue advertising firm.

The purpose of the billing arrangement, the jury found, was to circumvent federal prohibitions against acceptance of campaign contributions from banks, labor unions and corporations.

The dairy co-op pleaded guilty last August in federal court to one count of conspiracy and five counts of violating the campaign law in connection with the \$12,000 payment. It was fined \$35,000.

AMPI was involved in another contribution to Humphrey's 1972 campaign in which \$25,000 in computer services were paid for by the cooperative, based on a contract drafted by Chestnut. Norman Sherman, a former press secretary for Humphrey, pleaded guilty last August to charges of having aided and abetted the use of the AMPI contribution.

While a number of corporations have been charged with making illegal campaign contributions, Chestnut was the first individual recipient to be indicted under the federal campaign contributions law.

In January, former Montana Gov. Tim M. Babcock was sentenced to four months in jail and fined 1,000 for relaying an illegal \$54,000 campaign contribution to President Nixon's 1972 re-election campaign.

Last month, Maurice H. Stans, former President Nixon's chief political fund-raiser, was fined \$5,000. Among the charges to which he pleaded guilty were two counts of unwittingly accepting illegal corporate contributions.