

SFChronicle

DEC 20 1972

# Nixon Funds 'Returned'

## Washington

President Nixon's campaign organization received and returned \$50,000 in donations from San Diego businessman C. Arnholt Smith earlier this year while he was facing three federal investigations, it was reported yesterday.

The Washington Evening Star-News quoted an unidentified "high-ranking source close to the campaign" as saying the money was sent back to Smith, a close friend of the President's, because

"it was politically sensitive" and "that kind of trouble we didn't need."

Smith, a banker, financier and owner of the San Diego Padres baseball team, could not be reached immediately for comment.

The Star-News said Smith, 73, wrote a series of checks — most for about \$3000 and totaling \$50,000 — on March 1 to several Nixon campaign groups and they were deposited two weeks later in several Washington bank accounts for the political committees.

"The secret checks were

withdrawn from campaign bank accounts and sent back to Smith in late March when his business empire was facing various probes before the Securities and Exchange Commission, the Civil Aeronautics Board and the Justice Department," the report said.

The newspaper said the contributions never were made public because they were made and returned before April 7, the date on which the new federal campaign spending disclosures law took effect.

United Press

Much fuller account filed Nix Ad, 19 Dec 72.