

New Demo Break-in Suit Filed--Stans a Defendant

Washington

A federal judge ruled yesterday that Maurice H. Stans, President Nixon's chief campaign fundraiser, can be named by attorneys for Lawrence F. O'Brien as a defendant in a revised \$3.2 million suit arising from the Water-gate break-in.

At the same time, however, U.S. District Judge Charles R. Richey granted a motion to dismiss an earlier civil action by O'Brien, the former Democratic party chairman, against five men arrested during the June 17 raid on the Democrats' headquarters in the Water-gate complex.

The amended complaint, which in addition to Stans named as defendants Hugh W. Sloan Jr., the former Nixon campaign treasurer, and G. Gordon Liddy and E. Howard Hunt Jr., both former White House aides, is thus the Democratic party's only remaining legal action in the matter.

ACCUSED

The suit, filed yesterday, accused Stans and Sloan of having passed to Liddy \$114,000 in Nixon campaign contributions "for the purpose of financing the activities of the espionage squad"

which allegedly carried out wiretapping and other surveillance operations against the Democrats during a six-week period in May and June.

Last week, a federal grand jury indicted Hunt, Liddy and the five arrested men on charges of conspiring to obtain and use information gleaned from overheard telephone and other conversations and from documents stolen from the party's files. But the eight-count indictment did not indicate how the operation was financed or to whom, if anyone, the stolen information was passed.

The \$114,000, in the form of five checks that Sloan has said he gave to Liddy, then general counsel for the Finance Committee to Re-elect the President, were later deposited in a bank account controlled by Bernard L. Barker, one of the five men arrested in the raid.

DISMISSED

The suit dismissed yesterday by Judge Richey was an earlier class-action filed by O'Brien, on behalf of all Democrats, charging Barker and the four others involved in the break-in with trespass and invasion of privacy.

Earlier this month, Henry

B. Rothblatt of New York, the attorney for the five defendants, moved to dismiss the complaint on the ground that O'Brien, who had resigned as party chairman to head Senator George McGovern's presidential campaign, no longer had the necessary legal standing to sue on behalf of the broadly defined class.

The judge gave O'Brien's lawyers until September 11 to file their reply to Rothblatt's motion, but they chose instead to reply with the amended suit naming Stans, arguing that this rendered Rothblatt's motion moot.

Edward Bennett Williams, the lawyer representing O'Brien, had sought to include the names of the five original defendants in the new complaint, but yesterday Judge Richey dismissed them as defendants in both actions on the technical ground that filing the amended suit had not been a proper response to Rothblatt's motion to dismiss.

Joseph Califano, a partner in Williams' firm, said yesterday he would file an appeal on the dismissal.

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