

# Agnew Benefactor Said Under Probe, Asked to Cooperate

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Harry A. Dundore Sr., a Maryland fund-raiser for Vice President Spiro T. Agnew and a partner with him in a controversial land deal in the 1960s, has been questioned by federal investigators in Baltimore and asked to cooperate in the Agnew probe, according to informed sources.

Dundore, a longtime Agnew benefactor, was interviewed by members of the Maryland U.S. attorney's office and told that he is under investigation, sources said. He was asked, these sources said, to cooperate with the investigation of Agnew for possible violations of bribery, extortion and tax laws.

It could not be learned when Dundore was interviewed by the U.S. attorney's staff. At the moment, the same sources said, Dundore is not cooperating with the prosecution.

The retired Baltimore County industrialist is one of Agnew's close friends. The Vice President spent the Labor Day weekend at Dundore's Ocean City, Md., home, going there directly after a Saturday morning meeting at the White House with President Nixon in which the two discussed the federal investigation of Agnew.

Calls to Dundore's Baltimore County office have not been returned and he could not be reached for comment. His wife said from their Ocean City home that he would not talk to The Washington Post.

It could not be learned whether allegations were made against Dundore or exactly how the U.S. attorney's office in Maryland expects the Baltimore County millionaire to help them in their investigation of Agnew.

Dundore has been a close friend of Agnew's for years, a major fund-raiser for him and a business partner in a land deal that later became a campaigning issue.

Dundore joined with Agnew and seven other partners in 1965 to purchase a 107-acre tract located about two miles from the Chesapeake Bay Bridge in Anne Arundel County and near the path of the then-planned parallel Bay Bridge that opened this summer.

Among the other partners in the \$267,000 transaction were J. Walter Jones, Lester Matz and John Childs, all of whom figure in the investigation of Agnew on allegations that he may have violated bribery, extortion, conspiracy and tax laws while governor of Maryland from 1966 to 1968.

Jones, a wealthy Annapolis banker and Agnew friend, has been notified that he is under investigation. He is accused, sources have said, of collecting money from consulting engineers and architects who did business with the state. Jones, in a statement, denied any wrongdoing, saying the money collected was for campaign purposes.

Jones, like Dundore, has been asked to cooperate with the prosecutors, but reportedly has rebuffed the offer, saying he has no information on Agnew to furnish.

Matz and Childs were partners in the consulting engineering firm of Matz-Childs, Associates, which has since been bought by a New Jersey-based conglomerate. Both men have remained as officers of the firm.

Matz, according to sources, has told the prosecutors that he personally turned over cash payments to Agnew on a periodic basis. He also has testified that Jones was present when one of the alleged payments was made, as assertion Jones's lawyer, Plato Cacheris, has denied.

Agnew became a director of Jones's Chesapeake National Bank in 1964, and as county executive designated the bank as a repository of county funds. Later, when Agnew became Maryland governor, his name appeared on the bank's letterhead as "Spiro T. Agnew, Governor of Maryland."

Agnew defended his purchase of the Anne Arundel County property, arguing that it was bought while he was county executive of another county and in no position to influence the site of the second bay crossing. He and Jones later sold their interest in the parcel to the other partners.

Dundore and Jones later joined a select group of Maryland millionaires who provided the hard core of Agnew's financial support in his gubernatorial bid in 1966. The group also included I.H. (Bud) Hammerman, another longtime Agnew friend, and Irvin Kovens, a Democratic Baltimore power broker and one of Gov. Marvin Mandel's closest friends.

Hammerman has also been notified that he is under investigation. He has asserted his innocence. Informed sources say he is now cooperating with the investigation of Agnew in the expectation—or promise—that he will receive lenient treatment.

Like Jones, Hammerman is accused, sources said, of acting as an intermediary between engineering firms and

Agnew. His lawyer, Sidney Sachs of Washington, has refused to comment on either the nature of the charges or reports that Hammerman is cooperating with the government.

Dundore is perhaps the least well-known of Agnew's wealthy friends. In 1932, Dundore founded Diecraft, Inc., in the Baltimore County town of Sparks. The company manufactured precision metal components. Dundore's first government appointment came from former Baltimore County Executive Christian Kahl, the Democratic boss of the county organization. Kahl named Dundore to an interim appointment on the eight-member Baltimore County planning board.

In 1963, then-County Executive Agnew named Dundore chairman of the planning board. Dundore resigned the post on May 26, 1966, leaving the post before his six-year term was up and about six months before Agnew was elected governor.

During the time Agnew was county executive, Dundore was closely associated with him and the two have remained friends since. Dundore, according to Agnew's press secretary, J. Marsh Thomson, is a frequent Agnew host at his Ocean City home and it was there, Thomson said, that Agnew went after his meeting with Nixon.

Dundore's firm was sold in January, 1966, to Bausch and Lomb for about \$2.5 million and is now a division of that company headed by his son, Harry A. Dundore.