

Big Donor to Nixon Forms Agnew Defense Fund

By LINDA CHARLTON

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WASHINGTON, Sept. 28—W. Clement Stone, the multimillionaire insurance executive who was the largest single contributor to President Nixon's Presidential campaigns, announced today the formation of an "Agnew defense fund" to give the Vice President "the best possible legal counsel to defend himself."

Mr. Stone, who announced the fund's formation by "a non-partisan group of citizens" from his Chicago office, said in his statement that he was one of three trustees; the others are Senator Barry Goldwater of Arizona, a Republican, and former Gov. Warren E. Hearnes of Missouri, a Democrat.

A spokesman for Mr. Stone said that the announcement had been made prematurely, forced by a leak in a Chicago newspaper, and that there were, as yet, no available answers to questions about the details of the fund's operations—such as whether the names of contributors would be made public and whether its operations would be subject to independent audit.

'Just Lent His Name'

Mr. Agnew himself has spoken of the establishment of such a fund to meet his anticipated legal expenses; it has been estimated that they could reach \$500,000. He said that the defense fund would identify all contributors.

Such a defense fund is a device made familiar through the use of similar groups to finance the legal defense of such liberal and left-wing defendants as Angela Davis, Dr. Daniel Ellsberg, various Black Panthers and others who have been subject to Federal prosecution during the Nixon Administration.

A spokesman for Senator Goldwater said that the Arizona Republican had "just lent his name" to the fund, and that the position as "trustee" was an honorary one. He said he knew of no plan for the Senator to take an active fundraising role. "Men like that never do," he said, adding that Mr. Goldwater occupied similar honorary positions on a variety of groups and committees.

Mr. Stone, who has said that he makes his enormous contributions because to do so provides him with his "one chance as a citizen to perhaps affect the course of history for the better," said he felt it an "honor" to be a trustee of the fund. He said there were "an



W. Clement Stone

impressive number of spontaneous offers of financial support" coming to him from all parts of the country, and the fund "has been formed to receive and administer" them.

Citing "the American tradition that a man is innocent until he is proven guilty," he asked in his initial statements for contributions to be sent to the fund's headquarters at 222 Adams Street, Chicago. The spokesman said this was the headquarters of W. Clement Stone Enterprises, which she said, handled Mr. Stone's "collateral activities."

Legal Jurisdiction

Mr. Stone's business, the basis of a fortune that has been estimated at \$400-million, is the Combined Insurance Company of America, of which he is chairman. While he has stated repeatedly that he sought no return for his campaign largesse, neither did he make any secret of his willing-

ness to accept a major ambassadorship, if one were offered. His feelings were publicized extensively, and no such offer was made.

Phillip S. Hughes, the director of the Federal Elections Office, which administers the law defining and restricting the circumstances under which contributions "influencing the nomination and election of any person to Federal office" may be made, was asked whether the Agnew fund would be within the office's jurisdiction.

If Mr. Agnew is cleared of

all the allegations against him, he could be a potential 1976 Presidential candidate.

"It seems to me," he said, "that if the fund is accumulated solely for the Vice President's defense against charges to be brought against him in this particular situation, then the act does not apply." That, he stressed, was "an important 'if,'" and he said he had not talked with Mr. Stone or any of the fund's personnel, adding: "If it is limited to that particular purpose, then it is outside of the purview of the act."