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**Defense Concern and Chairman
Fined Over Illegal Gift to Nixon**

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WASHINGTON, May 1 — A major defense contractor for the Government and the chairman of the concern's board of directors pleaded guilty today to charges of illegally contributing \$150,000 in company funds to President Nixon's re-election campaign.

The company, the Northrup Corporation, and the chairman, Thomas V. Jones, were each fined \$5,000 by United States District Judge George L. Hart Jr. Judge Hart implied that Mr. Jones might have received a prison term as well were it not for the fact that the statute that he violated — prohibiting campaign contributions by government contractors — had never before been enforced.

"If there ever comes before me a case of violation of this law on or after this date," he warned, "somebody will most certainly go to jail."

The office of the special Watergate prosecutor, which brought the Northrup case, issued its own warning.

Law Called Clear

"The plain meaning of the statute evidences special concern for those instances of prohibited corporate contributions where the contributor is a major government contractor," a statement issued by the prosecution said.

"Thus we wish to advise the court, and the public, that in this instance and in future instances in which prohibited corporate contributions are made, where a substantial percentage of the firm's business is in government contracts, the special prosecutor's office will, absent unique considerations, proceed under (the statute in question) 18 United States Code 611."

A unit of the special prosecution headed by Thomas McBride has brought a number of cases against corporations and their executives based on a more general statute prohibiting corporate contributions.

A vice president of Northrup, James Allen, pleaded guilty today to a "nonwillful violation" of the general statute.

Mr. Allen, who is also assistant to the President, was fined \$1,000. According to the charge against him, he consented to \$24,000 of Northrup's contribution to the Nixon campaign.

The information, or recital of charges, filed against Northrup and its chairman state that the defendants used back-dated documents and other means to represent to government investigators that the contributions consisted of personal funds contributed by Northrup executives. It also said that the concern's European consultant had been used in the course of conveying the corporate funds to the re-election campaign.

The Northrup corporation issued a statement today saying that both Mr. Jones and Mr. Allen had expressed their "deep regret that corporate funds had been used for political purposes." The statement added that the officers involved had reimbursed the corporation for the funds.

It also pointed out—as Mr. McBride had noted in court—that the prosecution's investi-



United Press International

Thomas V. Jones, head of Northrop Corp., leaving court after being fined for illegal contributions to President Nixon's re-election campaign.

gation had not yet turned up any evidence of a "quid pro quo" in which the company received anything in return for its contribution.

The statement concluded by saying that in view of the facts that Mr. Jones "clearly recognizes the seriousness of the violations," and that the actions had been an abnormal departure from Northrop's "high standards of business conduct," the board of directors had decided that it was best that the company "be served by the continued leadership of Mr. Jones."