

Wall Street Cash For a Governor

Washington

Loeb, Rhoades & Co., a leading Wall Street investment banking house, said yesterday that its partners made "a contribution . . . to a political committee working to meet campaign deficits" for Governor David Hall of Oklahoma.

The firm said the payment, reported to have been \$25,000, was made in December, 1970. This was the month after Hall's election and seven months before the Oklahoma Turnpike Authority selected Loeb, Rhoades to underwrite two-thirds of a \$74 million bond issue.

Sources in Oklahoma City said that the payment had not been reported, although the state Election Board told a reporter that the recipient of a contribution made in December, 1970, would have been required by state law to disclose it no later than six months and ten days after election.

In New York City, Loeb, Rhoades said, "We felt then and believe now this was a proper contribution. We have answered all questions concerning this contribution put to us by the authorities."

Governor Hall's press secretary, Ed Hardy, said that he could make no comment because of pending litigation and because of investigations by a federal grand jury and the Internal Revenue Service into Hall's financial affairs.

The Loeb, Rhoades statement is the latest in a series of developments arising from an investigation by the Daily Oklahoman that is troubling to the Wall Street house and to the governor, who is seeking re-election.

A year ago, the firm's senior partner, John L. Loeb Sr., pleaded no contest to charges that he had used the names of eight employees to conceal a \$48,000 contribution in 1972 to the campaign of Senator Hubert H. Hum-



GOV. DAVID HALL
Campaign deficits

phrey for the Democratic presidential nomination.

Loeb was fined \$3000.

In the grand jury investigation, a key concern is whether the payment by Loeb, Rhoades could correctly be claimed to be "a contribution."

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