

SFChronicle
**Stans Pleads Guilty to
Violating Campaign Law**

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Washington

Former Commerce Secretary Maurice H. Stans pleaded guilty yesterday to five misdemeanor violations of federal campaign laws, committed while he was raising \$60 million for the 1972 re-election of former President Richard M. Nixon.

Stans, who will be 67 next

week, said all five violations were committed unknowingly when he served as chairman of the Finance Committee to Re-Elect the President.

Assistant special prosecutor Thomas McBride, who negotiated the plea with Stans and his lawyers over

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the past several months said two of the violations were committed "in reckless disregard of the corporate source of those funds."

Under one count, Stans turned over \$81,000 in cash to Frederick C. LaRue, a re-election official who will be sentenced tomorrow for his admitted part in the Watergate coverup. The \$81,000 was in turn passed to another Nixon fund-raiser, Herbert W. Kalmbach, and distributed to the original defendants in the Watergate break-in trial.

Stans has testified he did not know the purpose of the payment and Kalmbach has said he never told him. Stans pleaded guilty to failing to report the \$81,000 expenditure to the General Accounting Office.

The graying, distinguished looking ex-accountant also admitted these violations:

- Failing to report a \$39,000 contribution delivered by former Montana Governor Tim Babcock on behalf of Occidental Petroleum chairman and art collector Armand Hammer. Babcock is serving a four-month jail term.

- Failing to list a \$30,000 contribution to the campaign from Ernesto Lagdameo, a former ambassador from the Philippines to the United States. That money also went to Kalmbach.

- Secretly accepting

\$40,000 in illegal corporate contributions from the Goodyear Tire and Rubber Co. and another \$30,000 from the Minnesota Mining and Manufacturing Co. Both firms have pleaded guilty and have been fined for making the contributions.

Stans could receive up to one year in jail and \$1000 in fines on each of the five counts, although much less than the maximum sentence is likely.

In U.S. District Judge John Lewis Smith's courtroom, Stans spoke loudly and clearly when asked if he wished to plead guilty.

"I plead guilty to five counts as charged," Stans said firmly. He was released under no bond. Smith set no sentencing date, pending an investigation of Stans' background.

In a statement read outside the courthouse, Stans

said the guilty plea clears him of any possible involvement in "the Watergate burglary, the Watergate coverup, the Segretti sabotage, the ITT case, the White House plumbers affair or the 1971 dairy industry dealings."

Stans said his decision to plead guilty was based in part on the illness of his wife, who suffers from a rare blood disease. He said she has been hospitalized six times over the past 2½ years "with several illnesses undoubtedly caused in part by the stresses of my situation."

Along with former Attorney General John H. Mitchell, Stans was acquitted on April 28, 1974, after a ten-week trial in New York, on charges of obstructing justice in the government investigation of financier Robert L. Vesco.

Stans was a fund-raiser for the 1968 and 1972 Nixon presidential campaigns. He was Secretary of Commerce from 1969 to 1972.

Associated Press



MAURICE H. STANS
Ex-Commerce secretary