

Dismissal of suit against Mandel is upheld by U.S. appeals court

Richmond (AP)—An appeals court here has upheld the dismissal by a federal judge of a civil damage suit against former Governor Marvin Mandel and others in connection with his political corruption case.

The 4th U.S. Circuit Court of Appeals, in an opinion issued Thursday, agreed with the lower court judge that the suit was filed after Maryland's statute of limitations had expired.

The suit was filed against Mr. Mandel and others by James F. O'Hara III and Michael P. O'Hara, individually and as guardians of the property of Josephine M. O'Hara, their mother.

It contended they were defrauded by the mail fraud-racketeering scheme in which Mr. Mandel and five associates were convicted by a federal court jury in

Baltimore, which found that Mr. Mandel received lavish gifts from his friends in return for influence on legislation benefiting Marlboro Race Track, which his co-defendants secretly owned.

The suit alleged the scheme artificially lowered the value of Marlboro stock when the corporation merged with Bowie Race Course.

The appeals court concurred with U.S. District Court Judge Joseph H. Young of Baltimore that the suit was filed too late under the one-year statute of limitations that applies specifically to stock fraud.

The O'Haras argued that the judge should have applied the three-year statute of limitations under Maryland's law dealing with other civil actions, contending the scheme was more analogous to common fraud.