

DEAN AND PAYOFFS

Counsel Said to Have Overseen Payments of \$175,000 in Case

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WASHINGTON, April 20—

John W. Dean 3d, the White House Counsel, supervised cash payments of more than \$175,000 in Republican campaign funds to the seven Watergate defendants and their lawyers after the bugging of the Democratic headquarters in June, 1972, sources close to the case reported today.

The payments, all in \$100 bills, were made to the defendants in return for their silence, the sources said. The payoffs were said to have continued at least until January of this year.

Mr. Dean could not be reached. His attorney, Robert C. McCandless of Washington, said that the report that Mr. Dean had supervised the payments was "absolutely untrue."

It was not explained how Mr. Dean, a key White House aide, had received the payoff cash from the Republican re-election committee or how the money had been delivered to the men and their attorneys.

\$3,000 a Month

Sources said that the top leaders of the break-in team — G. Gordon Liddy, E. Howard Hunt Jr. and James W. McCord Jr. — had each received \$3,000 a month in return for their silence, and that the four other defendants, all from Miami, got \$1,000 a month each.

According to the sources, McCord told the grand jury investigating the case and the Senate Watergate investigating committee that he received \$18,000 in cash — all in \$100 bills — in one lump payment in September. The funds were to cover his monthly "salary" from June through November, he reportedly testified.

At least four of the attorneys who represented the defendants during their pre-trial hearings last fall and during the subsequent Federal trial here were paid fees — in \$100 bills — ranging from \$11,000 to at least \$25,000, the sources said.

In his testimony, McCord reportedly said that the Republican re-election officials had established a payroll totaling \$13,000 a month for the seven defendants, and that most of the

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cash was delivered to the men by Hunt's wife, Dorothy, who was killed in an airliner crash last December.

Two weeks ago, The New York Times reported that McCord had cited Kenneth M. Parkinson, an attorney for the Committee for the Re-election of the President, as the source named by Mrs. Hunt for the cash payments. Mr. Parkinson categorically denied any knowledge of the payments.

Last weekend, Jeb Stuart Magruder, a former White House and re-election committee official, met with Federal prosecutors and told them that former Attorney General John N. Mitchell and Mr. Dean had conspired to set up the payoffs after the break-in.

A Government source subsequently acknowledged that Mr. Dean had been named in Federal grand jury testimony as the official who supervised those payments.

The Washington Post reported today that one of Mr. Dean's colleagues had said that the counsel had been ordered by superiors in the White House to handle arrangements for paying the Watergate defendants.

Statement Repudiated

Mr. Dean, who is 34 years old, issued a statement yesterday declaring that no one would succeed in making him a scapegoat in the Watergate affair. The statement was quickly repudiated by Ronald L. Ziegler, the White House press secretary.

Mr. Ziegler also made it clear to newsmen that the White House was abandoning its oft-cited support for Mr. Dean.

The only Watergate attorney to acknowledge receiving a cash payment is Henry B. Rothblatt of New York, who said that he was paid \$11,000 in \$100 bills by Bernard L. Barker, one of his four Miami-area clients, sometime last August. After that, he said in a recent tele-

phone interview, he received no more payments, although he repeatedly sought them. He subsequently submitted a bill for \$125,000 to his clients.

"I had the feeling that maybe they were trying to make me hungry," Mr. Rothblatt said, adding that he always "assumed" that the ultimate source of his one cash payment was the Republican re-election committee.

He left the case at the start of the trial in January when he refused to plead his clients guilty in response to their request.

Says He Complained

At one point, Mr. Rothblatt said, he complained to Mr. Parkinson about not getting any further payments in the case.

"I talked to him because I thought if he represented C.R.P. [the Committee for the Re-election of the President]," he said, "obviously he's got control over these people."

But Mr. Parkinson only "shrugged" and indicated that he could do nothing about it, the lawyer said.

Mr. Parkinson subsequently said that he did not recall any such conversation with Mr. Rothblatt.

McCord is also known to have told associates that he paid his attorney, Gerald Alch of Boston, at least \$25,000 in cash that had been supplied to him by the Republicans.

Mr. Alch could not be reached for comment despite repeated attempts over five days.

Other sources said that William O. Bittman, the attorney for Hunt, had been paid at least \$25,000 in cash by his client. Asked about this, Mr. Bittman said, "I am never going to discuss my fee arrangements with any client."

At least one of Liddy's attorneys, Thomas A. Kennelly of Washington, has also been paid in cash, sources said. Liddy's other attorney is Peter L. Maroulis of Poughkeepsie, N.Y., a long-time friend.

One of the attorneys in the case said that he planned to file a suit against the Republican re-election committee for his unpaid fees.