

Senator Hart. ... You have indicated that your legal counsel decided there was no reason to investigate Mr. Segretti's activities. Was that opinion provided you by a written legal memorandum opinion or was it oral?

Mr. Gray. I think that opinion was a written opinion and as I recollect the Department attorneys were also consulted.

Senator Hart. Have we been provided a copy of that legal opinion?

Mr. Gray. No, sir; you have not been provided that.

Senator Hart. Can we get it?

Mr. Gray. No, sir. I must respectfully decline because that is a part of the Watergate file.

Senator Hart. Remember, that is just a legal opinion.

Mr. Gray. That is right, but it is a part of that file, Senator Hart. It is in connection with that case.

Senator Hart. Well, at least on the 4th of September the U.S. attorney thought it important to find out the details concerning payments of money to Segretti and what reports were made by Segretti and where the money was coming from.

Your agents were told by Mr. Kalmbach that he paid out to Mr. Segretti sizable sums in cash and he had no idea why this unusual arrangement was used, no idea what services Segretti was performing, or to whom Segretti was reporting, or from whom he received instructions. No questions were asked.

Now, on the basis of what I suggest is a rather extraordinary interview with a man of the stature and sophistication of Mr. Kalmbach, what kind of full-court press did you use to find out for the U.S. attorney what the heck was going on with all that money? Did you go back to Chapin and ask?

Mr. Gray. I believe you may be reading from that insert I put in the record. Is that the one you are referring to?

Senator Hart. Referring to it. I was not reading from it.

Mr. Gray. That is the insert I put in?

Senator Hart. Yes.

Mr. Gray. That is information that came from an FBI report of interview, as I recall it, and that information was furnished to the assistant U.S. attorney. We would take whatever other instructions the U.S. attorney might have given to us.

But I submit once again, this is substance and I am not permitted to discuss substance.

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Senator Hart. As I get it, the U.S. Attorney wanted to know this information about Mr. Segretti, and Mr. Kalmbach was not able to answer. Now, would not an investigator then go to other sources to seek the information and the answers?

Mr. Gray. I think I can say to you that whatever the assistant U.S. attorney would ask us to do in the way of gathering information, if he specifically said go do this, we would do it. I think that must be the obvious conclusion here, Senator Hart.

Senator Hart. Then that aspect of the full-court press was controlled by the U.S. attorney, not by you?

Mr. Gray. I was not operating that close to the leads that were being sent out at all on this. ...

Senator Hart. Did any of your agents seek to go back to Chapin when they ran into "I do not know" with Kalmbach?

Mr. Gray. No such request was made to me. ...

Senator Hart. Why would you and the Bureau not want to know exactly what Mr. Silbert and the U.S. attorney wanted to know; namely, where the money came from and where it was going?

Mr. Gray. I think we have to conclude we gave Mr. Silbert the information he wanted to have, otherwise we would have ~~been~~ come back again.

Senator Hart. It is manifestly clear you were not able to give Mr.

Silbert the information he wanted because Mr. Kalmbach was not -

Mr. Gray. We gave Mr. Silbert the information he asked for, and when Mr. Kalmbach says I do not know, that is the answer we get. We have to take that answer back to the U.S. attorney.

Senator Hart. Sure, but having gotten "I do not know" as your answer, would not just a recently licensed private investigator say, "Well, maybe Chapin can give me the answer"?

Mr. Gray. If he were investigating political work of some kind, perhaps, but we were investigating, Senator Hart - and I think you have to keep that in mind- we were investigating an interception of communications offense. There was enough interest on our part later on to ask, as more information came in, whether or not Segretti has committed any offenses and should we investigate. We did that.

Senator Hart. Did you obtain the bank records or telephone records of Mr. Kalmbach?

Mr. Gray. That I do not know, whether we did or not.

Senator Hart. Would you provide for the record, in that connection -

Mr. Gray. No, sir. ...