

# Kalmbach Is in Tears at Watergate Trial, Telling of Funds Used for Hush Money

11-13-74  
By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The first tears from a witness in the 22-day-old Watergate cover-up trial were shed for a corporate executive whose campaign contribution was used to pay hush money.

Herbert Kalmbach, Richard Nixon's personal attorney during his presidential years, broke down as he recounted how he obtained \$75,000 in cash from Thomas Jones, chairman of Northrop Corp., for distribution to the original defendants in the 1972 break-in at Democratic headquarters in the Watergate Office Building.

According to Kalmbach, currently serving a prison term for illegal campaign fund-raising activities, Mr. Jones never knew what the money was for. Mr. Jones was "a fine man," Kalmbach testified, his voice breaking as he explained: "I told Tom 'this is confidential.'" The witness glumly nodded his assent when James Neal, assistant special prosecutor, asked if he felt he had "betrayed" Mr. Jones.

At that point Judge John J. Sirica declared a five-minute recess so that Kalmbach could regain his composure, and Kalmbach left the courtroom with his lips quivering and his eyes brimming with tears.

Mr. Jones pleaded guilty earlier this year to approving \$150,000 in illegal corporate contributions to Mr. Nixon's reelection campaign. That sum, which prosecutors said was delivered to central campaign headquarters, was apparently a separate transaction from the \$75,000 in \$100 bills Kalmbach said he received from Mr. Jones in early August 1972.

Actually, Mr. Jones had only promised him \$50,000, Kalmbach explained, but when he opened the package of bills at home, he

discovered an extra \$25,000. He phoned Mr. Jones to tell him of the mistake, offering to bring it back the next day, but the executive said "Oh, no, just keep the whole amount and credit it toward my goal figure," Kalmbach related, adding that Mr. Jones "goal figure" for Nixon contributions was \$250,000.

Kalmbach testified that he went to Mr. Jones for money after getting a "directive to go forward" with fund raising for the Watergate defendants from John Ehrlichman, President Nixon's top domestic adviser and a defendant in the current trial. Mr. Kalmbach also said he remembered "with absolute certainty" that Mr. Ehrlichman had told him that secrecy must be maintained about the payments to the burglars because "they have our heads in their laps."

Under cross-examination by defense attorneys, Kalmbach said he had thought the money he raised was simply for legal fees and family support and he said Mr. Ehrlichman had never asked him to do anything illegal. However, after the jury had been dismissed for the day Judge Sirica took over the questioning, pressing Kalmbach incredulously on his lack of suspicion about cash transactions, secret money drops and use of code names.

Judge Sirica undertook similar questioning of witnesses in the original Watergate break-in trial, later reading some of the testimony to the jury. He indicated yesterday that he was emboldened by last week's appeals court decision upholding the conviction in that case of G. Gordon Liddy and praising some of the judge's unorthodox methods of conducting a trial. "I have a perfect right under the Liddy case to get all of the facts out," he declared.