

Excerpts From Testimony at Inquiry by

Special to The New York Times

WASHINGTON, June 6—Following are excerpts from a transcript of testimony in the seventh day of hearings on the Watergate case today before the Senate Select Committee on Presidential Campaign Activities:

MORNING SESSION

Hugh W. Sloan Jr.

MR. DASH: With regard to cash contributions, could you give us a general idea as to the total amount that you handled and over what period this took place.

MR. SLOAN: Yes, sir. I would say in terms of the total campaign effort up to the April 7 period, the receipts in behalf of the President's re-election in total amount to approximately \$20-million. Of that figure, my best recollection would be that \$1.7-million or \$1.8-million came in the form of currency.

Q. Going back to the balance of cash which was not deposited, could you give—and I refer to a chart which is just in place up on the easel to my left—could you give us an accounting of the individuals who received cash disbursements and, as you do that, to the best of your knowledge tell the committee what was the basis of that cash disbursement? Why was the money given, if you know?

A. In the case of Mr. Kalmbach, he, in a period from March, '71, up until Secretary Stans came into the campaign, was essentially my senior, from whom I took instructions. He was the principal fund raiser for the President's reelection campaign, during that period. He, over this period, from March until April 7, received, to the best of my recollection, approximately \$250,000 in cash.

Mr. Gordon Strachan, who was the political liaison between Mr. Haldeman at the White House and the campaign committee—this \$350,000, Mr. Kalmbach, on a day just prior to April 7—and I am not sure of the precise date but my best recollection would be within 10 days prior to the effective date of the new law—came to me and indicated that he had had a request from the White House for \$350,000 in cash, would I get that together for him. In the conversation, he indicated that he had talked to Bob Haldeman.

At some point in the same day, Mr. Strachan was present in the committee. Mr. Kalmbach indicated to me that Mr. Strachan would arrange to have this picked up.

Mitchell Approval Needed

Mr. Herbert Porter, who was a member of the staff of the Committee for the Re-election of the President—he was in charge of scheduling surrogates, speakers for the President, in place of the President. This hundred thousand dollars covered a period probably starting in either December of 1971 or January of '72. He had a blanket authority to draw cash funds from Mr. Magruder.

Q. I think you have indicated that Mr. Porter had a blanket authority from Mr. Magruder and that later you checked or it was checked with Mr. Mitchell. Generally, who had the authority to approve your making cash payments to anybody?

A. In the earlier period, it would have been Mr. Kalmbach. He did not physically spend much time in Washington, D.C. He would be in and out every week or two. He would visit with Mr. Mitchell. At one point in time, fairly early, he indicated to me—and I believe that initially it was with regard to all funds—that I was not to disburse any money without Mr. Mitchell's approval.

Q. This is what period you are now talking about?

A. This would be prior to Mr. Mitchell leaving the Justice Department. It would be in probably the summer of '71. Mr. Liddy's situation is very similar to Mr. Porter's situation.

Q. I think the chart shows a total amount of \$199,000.

A. Mr. Porter had blanket authority from Mr. Magruder to come to me and give me a figure of how much cash he would need. There came a time when—it came very close to the April 7 date and I am not positive whether it was before or after and my best recollection would be the chart—he came to me with a budget of \$250,000. He did not release that from his hand; he merely showed me the figure. He said, I will be coming to you for substantial cash payment, the first item of which will be \$83,000, and I would like to pick that up in a day or two.

Took Issue to Stans

He said, in the case of these additional expenditures, distributions beyond what I had given him previously—he indicated that the procedure had changed, that I was to clear each and every distribution from that point on with Mr. Magruder. I called Mr. Magruder with regard to this \$250,000 budget. He indicated to me that what Mr. Liddy told me was correct, that I was to go ahead and pay the \$83,000 on request, but that subsequent distributions were to be per-

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sonally cleared with him by telephone prior to their being made and he wanted at that time to review both the timing and the amount.

Confronted with this, I at that point in time took up with Secretary Stans—I went to see him, I indicated to him that here was a situation where we had a budget running into the post-April 7 period out of pre-April 7 cash funds. I said, in my judgment, because I had been sitting on top of the total figures, that it seemed to me that the cash distributions were becoming massive and that this particular distribution of \$83,000 was totally out of line with anything we had done before.

At that point in time, I requested that he reconfirm to me Mr. Magruder's authority to make these kinds of decisions and he indicated to me that he would take the matter up with Mr. Mitchell.

He returned from that meeting with Mr. Mitchell and he confirmed that Mr. Magruder continued to have this authority, that I should pay these funds, and with regard to my question of concern about purpose, he said, I do not want to know and you don't want to know.

Q. Your next item on the chart is Mr. Magruder. The figure indicates \$20,000 cash disbursement to him. A. That was to the best of my knowledge, on his direct request to me.

Liddy in a Hurry

Q. Now, what I would like to do, Mr. Sloan, is move ahead to the period of June 17, 1972, which was the date of the break-in of the Democratic national headquarters. Did anything occur on that date with regard to Mr. Liddy and you?

A. I ran into Mr. Liddy. I stopped him. He was obviously in a hurry. He was essentially heading down the hall. At that point in time he made the statement to me, to the best of my recollection, that: "My boys got caught last night. I made a mistake. I used somebody from here which I told them I would never do. I am afraid I am going to lose my job."

Q. On or about June 21 did you have a conversation with Mr. Magruder?

A. I believe he called me to his office. He indicated to me that we are going to have to—or suggested to me a figure of what I had given to Mr. Liddy in the range of somewhere \$75,000 to \$80,000. I did not know the precise amount of money that I had given to Mr. Liddy at that point. However, I did know that the sum was considerably larger than that because Mr. Magruder himself had authorized a payment for \$83,000 in one simple installment.

I must have indicated to him, well, that just is not the right figure. I did not have the right figure, but that is too low. He must have been insistent because I remember making to him on that occasion a statement, "I have no intention of perjuring myself."

Q. What did he say to you when you said that? A. He said you may have to.

Q. Did you have shortly after, either on that day or any day following, a conversation with Mr. Fred LaRue? A. Yes, sir.

Q. Who was Fred LaRue at that time?

A. He was a special assistant to Mr. Mitchell, who was the campaign director at that time. I believe by that point in time there was a general awareness within the campaign that an internal investigation was going on and that Mr. LaRue was conducting it in behalf of Mr. Mitchell.

A Lack of Guidance

I had a call from my own office from Jane Dannenhauer, my secretary, which indicated there were two agents from the F.B.I. in my office, who would appreciate the pleasure of seeing me at that point. Mr. LaRue indicated that I do not think he should go down there without seeing John Mitchell first. He said wait here, and he went down the hall to Mr. Mitchell's office. He came back and got me and I believe Mr. Mardian was in the room as well. I entered with Mr. LaRue in Mr. Mitchell's office.

Q. Did you have any discussion with Mr. Mitchell at that time?

A. I was essentially asking for guidance. The campaign literally at this point was falling apart before your eyes, nobody was coming up with any answers as to what was really going on. I had some very strong concerns about where all of this money had gone. I essentially asked for guidance, at which point he told me when the going gets tough the tough get going.

Q. Did you understand what he meant by that?

A. I am not sure I did but I understood that I was not getting any particular helpful guidance at that point.

Q. What did you do thereafter?

A. I believe some of these events I am describing today, or a moment ago, the Magruder-Mitchell-F.B.I. meetings probably happened on that Thursday, the 22d, because there was a party that evening on a boat on the Potomac.

I went to this cocktail party on this boat. I guess my mood would be essentially anger. I sought out at that party a number of people. I talked to Ken Cole, Mr. Erlichman's assistant on the Domestic Council; Mr. Chapin, the President's appointments secretary, and Mr. Pat Buchanan, who was a speech writer for the President. I really do not remember the depth with which I expressed my concern with the problem, but I believe I was generally expressing a concern that there was something very wrong at the campaign committee.

Meeting With Chapin

Mr. Cole indicated to me that night that I was expressing to him and to Mr. Chapin that I felt that John Ehrlichman and Bob Halde- man should be aware that there was a problem. Mr. Chapin asked me to come see him the next day at noon.

Ken Cole, the next day, called me at some point—I do not know whether he called me himself or somebody in his office—but that John Ehrlichman would like to see me at 2 o'clock that afternoon.

I went to the Chapin meeting. I again—there has been a year here—I do not precisely know what degree of knowledge or what conclusions I had come to at this point. But I believe probably the tone of the conversation was that there is a tremendous problem there, something has to be done.

Mr. Chapin evaluated my condition at that point as being somewhat overwrought and suggested a vacation, which, in fact, I was planning to leave on the next week. It had been planned for a long time. He suggested that the important thing is that the President be protected.

In the Ehrlichman meeting —

Q. When did that occur? A. That happened around—I believe it was a 12 o'clock meeting on the 23d. The Ehrlichman meeting—it would have been a Friday. In the Ehrlichman meeting at 2—I started into generally the same discussion of problems.

Q. Mr. Sloan, when you say problems, did that include any statements by you about cash disbursements that had been made to Mr. Liddy.

A. I do not believe I at that point in time was pointing fingers. I do not believe I mentioned the Magruder remark. I do not believe I mentioned the money to Liddy or the Liddy remark. I just said I believe somebody external to the campaign has to look at this because it raised in my mind at that point possibility of the entire campaign being involved and it—

Q. What was Mr. Ehrlichman's response?

A. I believe I expressed my

Figures in Senate Inquiry

Special to The New York Times

WASHINGTON, June 6 — Following the the names of individuals who figured today in hearings by the Senate select committee on the Watergate case:

COMMITTEE MEMBERS

Sam J. Ervin Jr., Democrat of North Carolina, chairman.

Herman E. Talmadge, Democrat of Georgia.

Daniel K. Inouye, Democrat of Hawaii.

Joseph M. Montoya, Democrat of New Mexico.

Howard H. Baker Jr., Republican of Tennessee.

Edward J. Gurney, Republican of Florida.

Lowell P. Weicker Jr., Republican of Connecticut.

COMMITTEE COUNSEL

Samuel Dash, chief counsel and staff director.

Fred D. Thompson, chief minority counsel.

WITNESSES

Hugh W. Sloan Jr., former treasurer of the Committee for the Re-election of the President.

James R. Treese, attorney for Mr. Sloan.

PERSONS NAMED IN TESTIMONY

James W. McCord Jr., convicted participant in Watergate break-in; free on \$100,000 bail while awaiting sentence.

John N. Mitchell, former Attorney General.

John W. Dean 3d, former counsel to the President.

G. Gordon Liddy, former White House aide, convicted of conspiracy, burglary and wiretapping in the Watergate case; in jail.

Robert C. Odle Jr., former employe of the Committee for the Re-election of the President.

Gordon C. Strachan, former assistant to H. R. Halde- man.

H. R. Haldeman, former White House chief of staff.

Herbert L. Porter, scheduling director, Committee for the Re-election of the President.

Herbert W. Kalmbach, President Nixon's former personal attorney.

Maurice H. Stans, former Commerce Secretary, former chairman of the Finance Committee to Re-elect the President.

Jeb Stuart Magruder, former deputy director of the Committee for the Re-election of the President.

Kenneth W. Parkinson, chief attorney for the Committee for the Re-election of the President.

Paul O'Brien, attorney for the Committee for the Re-election of the President.

concern, my personal concern with regard to the money. I believe he interpreted my being there as personal fear and he indicated to me that I had a special relationship with the White House, if I needed help getting a lawyer, he would be glad to do that, but "do not tell me any details; I do not want to know." My position would have to be until after the election that I would have to take executive privilege.

Sum Surprises Mardian

Q. On Saturday, the 24th, did you receive a call from Mr. Mardian?

A. He called and asked if I would come in to see him. I believe I went down and found there was a meeting going on in John Mitchell's office. Mr. Mardian and I went back to Mr. Mardian's office. He asked me, he said, we really have to get into this money thing. He said, where did all the money go?

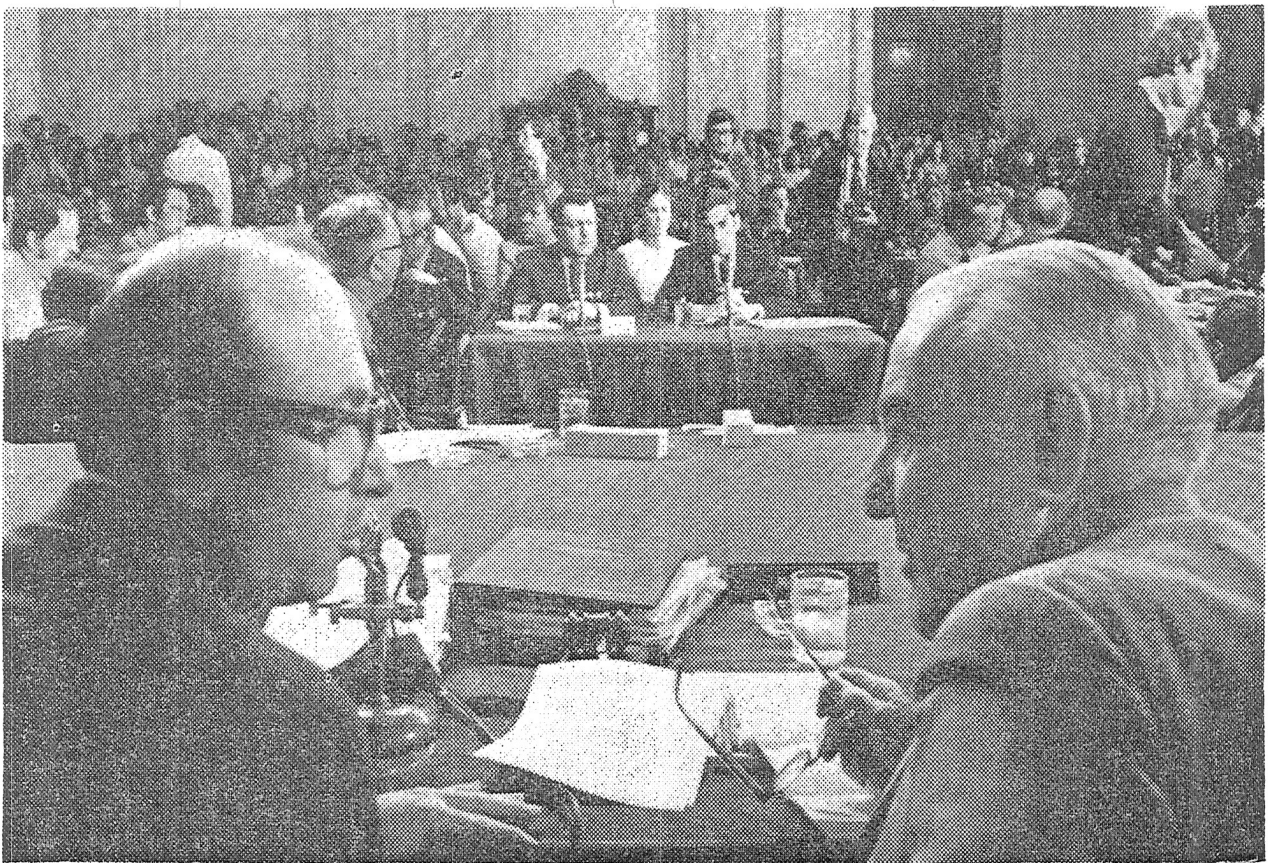
I started—I do not know if we went through the entire list. The focus was very much in the Liddy-Porter area. When he got to Mr. Liddy, he blew up, staggered

by the amount! He said, "God damn, Magruder lied to John Mitchell. He told him it was only \$40,000." (199, 050)

We continued on beyond that point and covered the ground, the information requested from me. I indicated to him, asked him whether under these circumstances, with known investigations under way, whether I should proceed with my plans to take a vacation. He gave me a call later that evening, and said, why don't you go ahead.

Q. On July 5, did Mr. Magruder get in touch with you again?

A. Yes sir. If I can go back for a minute to the earlier Mardian meeting before I went to Bermuda, because it is pertinent to this particular item. I on that occasion had indicated to Mr. Mardian that Mr. Magruder had made this suggestion to me that it might be necessary to perjure myself, and I had indicated to Mr. Mardian at that point in time—I understood Mr. Mardian essentially to have taken over the investigation from Mr. LaRue at this point. I said I just did not want to have any further dealings with Mr.



The New York Times/George Tames

Senator Sam J. Ervin Jr., right, talks with Samuel Dash, chief counsel, at the Watergate hearing. At right at witness table in background is Hugh W. Sloan Jr., former treasurer of President Nixon's 1972 re-election campaign.

Magruder if things are going to be done that way.

I had a call from Mr. Magruder during the day, on the 5th of July. He said he wanted to get together with me, would I like to do it then, would I like to have a drink with him after work. It was a very busy day, since I had just gotten back. I said, well, let's do it after work.

Talk Held at Tavern

We went to the Black Horse Tavern, I believe. He said, you know, we have to resolve this Liddy matter. He said, what we should do is you and I should go down to see the U.S. Attorney, Mr. Harold Titus. He said, I will tell Mr. Titus that I authorized the payments to Mr. Liddy and you merely have to confirm the fact that you did make those distributions under my instructions.

Then he said, but we have to agree on a figure. This time, the figure was even less than the time before; it was \$40,000 or \$45,000. No resolution was made on that occasion.

Q. What did you say to him? A. I was a little flabbergasted, I guess, and I just told him I would think about it and let him know the next morning.

Q. What happened at that time? *S? 631246*

A. I told Mr. Magruder when I saw him in his office—I believe I said I had absolutely no objection to going down to see the U.S. Attorney; however, you know, if I am asked point-blank, did Mr. Liddy ever receive \$45,000, of course, I will say yes. But I said, I will not stop there. If I am asked more than that, I will also say yes. If he asks what the total figure is, I will tell him to the best of my knowledge.

Q. Did Mr. Magruder say anything when you told him that? A. He just sort of said, fine, and dropped the subject. He never suggested going down to Mr. Titus again.

Q. Did Mr. LaRue meet with you shortly after that?

A. Yes, sir, I believe it was practically on the way out of Mr. Magruder's office. He took me by the arm and pulled me into an adjoining conference room and said, did you and Jeb get together?

I said, well, we had a discussion last night and one just now. He said, did you decide on the figure?

I told Mr. LaRue precisely what I told Mr. Magruder, and he dropped the subject.

Q. Now, the next day, on July 6, did you have a meeting with Mr. Parkinson and Mr. O'Brien, who were the attorneys for the Committee for the Re-election of the President?

A. I believe at the time I sought them out, they were essentially in a debriefing process of people who had been before the grand jury. Mr. Robert Odle was also

there. I had asked everyone else to leave the room, I wanted to talk to the attorneys alone.

I recounted as fully as possible all the facts that I then had with regard to the money, also with regard to the Magruder continued suggestions of agreeing to a different figure.

Their reaction was incensed; they were angry.

They said, well, we have been lied to by the people here. We have not been able to see John Mitchell and we are a month into this thing. They seemed to have an extreme frustration about the information I had given them at that point. It was certainly my judgment that they, from their reactions, that they had not heard any of the critical information

before from anybody and it had been told to other people within the campaign.

Q. Did they suggest you might take a little trip? A. Yes, sir. They indicated that they felt under these circumstances, this new information that they had available to them, that they needed the time to confront the other officials of the political campaign with the information they then had.

Q. Now, later that evening, did you receive a telephone call? A. Yes, sir, from Mr. LaRue. I don't recall precisely, but he impressed on me the urgency of departure, to the extent of suggesting that I had a reservation on, I believe, a 6 o'clock A.M. flight at Dulles. He urged me to take a room at the Dulles Marriott that evening and to leave my home immediately.

Q. Now, when you returned, did you have a meeting with Mr. LaRue again on July 13?

A. Yes, sir. I thought it was somewhat black humor, but he evidently resided in the Watergate himself.

Situation Under Review

I have really forgotten how we led in. We began to review the entire situation.

He, I think, impressed on me at that point that I might have some campaign problems; that I ought to think perhaps about taking the Fifth Amendment. I said—you know, it is obvious to me that there is a climate of suggestion and I can not relate it to specific conversations of either—well, in the case of perjury, I can with Mr. Magruder, but with regard to taking the Fifth Amendment, I cannot. But it was obvious to me that I should take one of those two courses of action to essentially stay in the good graces of the campaign organization.

I indicated to him that I was prepared to do neither, that I felt I should tell the truth and if I have problems, I would have to face them.

Q. Did you shortly after your resignation, and could you give us the date, go to see the U. S. Attorneys, Assistant U. S. Attorneys, Mr. Silbert, Mr. Glanzer and Mr. Campbell? Did you report to them all that or generally all that you have been testifying to here in terms of activities, the cash transactions and the approaches that were made to you by Mr. Magruder? A. Yes, sir.

Q. And did you testify before the grand jury? A. Yes, sir.

Q. And what date did you testify before the grand jury? A. July 1.

MR. THOMPSON: Statements have been made to the effect, publicly to the effect Mr. Ehrlichman at one time told Mr. Dean to make a report about this matter. Did Mr. Dean ever contact you from June 17, 1972, up until the time he left the White House, about the Watergate matter?

A. I had numerous conversations with Mr. Dean over a period of time but with regard to your specific question in terms of an investigation, I would have to describe the transmittal of information essentially as my forcing it on him rather than him soliciting it from me.

Q. Another point. Did I understand your testimony correctly that you told three prosecutors in the criminal case on July 18 that Magruder

er had attempted to get you to perjure yourself? A. Yes, sir.

Q. All three of them? A. Yes, sir.

Q. The trial was the following January and you were a witness at that trial. A. Yes, sir.

Q. You told about the \$190,000. A. Yes, sir.

Q. Mr. Magruder was also a witness at that trial, a prosecution witness, was he not? A. Yes, sir.

AFTERNOON SESSION

SENATOR BAKER: I would like to know a little more about the extent and scope of the knowledge of Mr. Stans and Mr. Mitchell. Did you ever talk with Mr. Stans or Mr. Mitchell about the Watergate situation?

A. Not to Mr. Mitchell. I met with Mr. Mitchell only on one occasion that has been referred to earlier. Mr. Stans was extremely defensive in all of the conversations I heard. He insisted from the end of the conversation I heard, he said, "Damn it, this is not a finance problem, you guys have to handle it and you have got to keep it away from Sloan and myself because we have nothing to do with it."

SENATOR ERVIN: Now, I do not mean in any of these questions to make any reflection on you, because your testimony and your forthrightness have renewed my faith in the old adage that an honest man is the noblest work of God and I am not in any these expressions meaning to reflect on you in any respect.

SENATOR BAKER: Nor on God?

SENATOR ERVIN: No.

SENATOR ERVIN: Did you have a conversation with anyone concerning the trial in Miami, Fla.?

A. I did not. I had one conversation with John Dean myself not specifically with regard to the trial but in terms of the extradition proceedings in Virginia where he expressed a hope that my attorneys would oppose extradition. Following that one of my attorneys, Mr. Treese, received a direct phone call from Mr. Dean.

Q. Did Mr. Dean talk to you yourself about resisting extradition to testify in the Florida case? A. Yes sir.

James R. Treese

Q. Mr. Treese, you were attorney for Mr. Hugh W. Sloan?

MR. TREESE: That is correct.

Q. And did you receive a call on or about Oct. 21, 1972, in which you received a suggestion about what Mr. Sloan should do about his testimony in Florida? A. Senator, I received a call on Oct. 31 on that subject.

Q. Do you know who the call was from?

A. Yes, it was from John Dean. Mr. Dean called trying to locate Mr. Sloan. That happened to be the day that Mr. Sloan and Mr. Stoner departed for Florida in order to participate in the trial in Miami. He called to discuss the case very briefly with me and the said, are you prepared to advise your client to take the Fifth Amendment?

I laughed. To invoke the Fifth Amendment on that kind of case, knowing Hugh Sloan as I did and knowing about the case, what I did, was probably like swatting flies with sledgehammers. It was just so out of place and inappropriate that it did cause me to laugh. He pursued the matter and said Hugh could be a real hero around here if he took the Fifth. I did make a promise to him to try to get hold of Hugh and Jim Stoner at National Airport by having them paged at the Eastern Airline counter and I signed off with him at that point.

I tried to get them. It was about 15 minutes before their flight time and missed them. I called Mr. Dean back and said, you have absolutely nothing to worry about, Mr. Dean, Mr. Sloan is not going to take the Fifth Amendment. It is totally inappropriate in a case of this nature.