

Lawyer Tells How He Raised \$220,000 for Watergate Group

By DAVID E. ROSENBAUM

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WASHINGTON, July 16 —

Herbert W. Kalmbach, a personal attorney and key political fund-raiser for President Nixon, described to the Senate Watergate committee today how, during a series of secret meetings and clandestine calls from telephone booths, he raised \$220,000 for the seven Watergate defendants.

Mr. Kalmbach said his instructions for raising and disbursing the money came chiefly from John W. Dean 3d and that he received personal assurances from John D. Ehrlichman that the work was entirely proper.

Throughout last summer and fall, when he was raising the funds, Mr. Kalmbach said, he believed that the money was to be used for legal fees and family support for the seven men who were convicted or pleaded guilty in the Watergate burglary.

Mr. Dean, former counsel to the President, has testified that the money was used to buy the defendants' silence.

Waited to Testify

Mr. Kalmbach, a tall, athletic-looking, 51-year-old California lawyer with dark hair and tortoise-shell glasses, was in the Senate caucus room when the hearings began this morning and sat patiently, sipping Coca-Cola, until he was finally called to the witness chair about 3 P.M.

Richard A. Moore, a White House media expert, was the witness again this morning. He maintained, as he had during his two previous days of testimony last week, that Mr. Nixon was kept in the dark about the Watergate cover-up until last March 21.

Mr. Kalmbach has been linked in newspaper reports and Federal grand jury testimony to a

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variety of secret activities, including the financing of the sabotage activities of Donald H. Segretti and participation in an unsuccessful attempt to defeat George C. Wallace in his 1970 race for the Democratic nomination for Governor of Alabama.

Presumably, the Senators on the Watergate committee will get into those matters when the hearings resume tomorrow. In the less than two hours that Mr. Kalmbach was questioned today, the committee's chief counsel, Samuel Dash, and its minority counsel, Fred D. Thompson, stuck to questions about Mr. Kalmbach's role in raising money for and funneling it to the Watergate defendants.

Answered Calmly

Mr. Kalmbach has reportedly agreed to testify for the prosecution in any further Watergate criminal trials, and he answered the inquiries from the committee lawyers calmly and openly, often volunteering information.

He said that Mr. Dean called him to Washington on June 28, 1972, and met with him the next morning, insisting that they talk while walking in a park across the street from the White House rather than in Mr. Dean's office or in Mr. Kalmbach's hotel room.

It was then that Mr. Dean asked him to raise money for the defendants' legal fees and "made a very strong point that there was absolute secrecy required," Mr. Kalmbach testified.

Mr. Dean also suggested, according to Mr. Kalmbach, that Anthony J. Ulasewicz, a former New York City policeman who had done other clandestine work for the White House, act as the distributor of the funds.

During the next three months, Mr. Kalmbach continued, he had several private meetings with Mr. Dean to get instructions, and often talked and met with Mr. Ulasewicz.

Used Code Names

Their telephone calls, Mr. Kalmbach recalled, were always made from pay telephones, and they used code names when referring to each other and to the Watergate defendants. Their meetings, he

said, were often in hotel rooms, and once Mr. Kalmbach and Mr. Ulasewicz met and exchanged money in a car outside an airport in Orange County, California.

The bulk of the \$220,000, Mr. Kalmbach said, was received from other campaign officials — Maurice H. Stans, former Secretary of Commerce and director of the Finance Committee to Re-elect the President, and Frederick C. LaRue, an aide to John N. Mitchell, former Attorney General and director of the Committee for the Re-election of the President until last July.

Mr. Stans, who gave Mr. Kalmbach \$75,000 in \$100 bills from the campaign treasury, was told no more about the purpose of the money than that it was "for a very important assignment," according to Mr. Kalmbach.

Mr. LaRue, who worked closely with Mr. Dean on the operation, contributed \$70,000 in two different deliveries, all

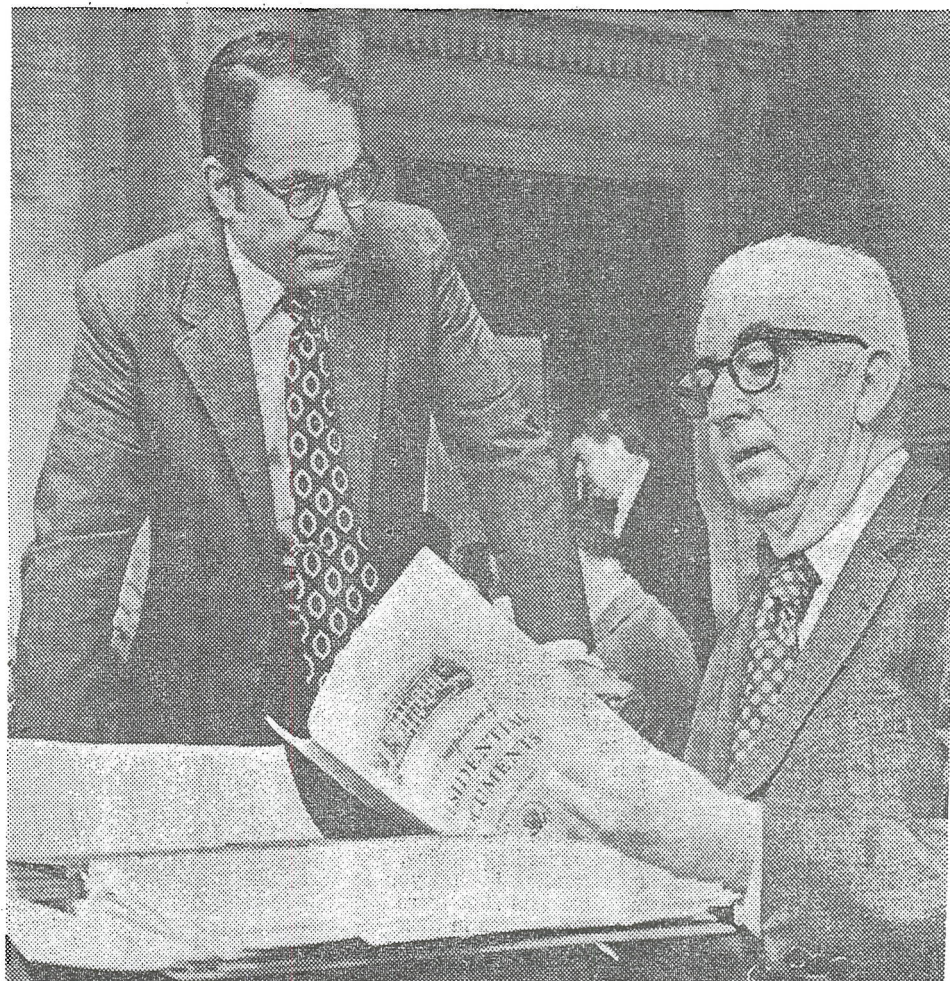
of it in cash, Mr. Kalmbach said. He added that the remaining \$75,000 was given by Thomas V. Jones, president and chairman of the board of the Northrop Corporation, an aerospace company based in Los Angeles.

Jones's Statement

Mr. Jones said in a statement tonight that he donated only \$50,000 and that he was "assured that it would be handled in a proper and legal way."

Mr. Kalmbach testified, and Mr. Jones agreed in his statement, that Mr. Kalmbach had said that the cash contribution, was to be used for legitimate campaign purposes.

Mr. Kalmbach said that most of the money he raised was passed from Mr. Ulasewicz to Mrs. E. Howard Hunt Jr., wife



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Richard A. Moore, White House aide, examining volume of Presidential papers from May of this year. Herbert J. Miller Jr., his lawyer, is at the left.



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Terry Lenzner, left, associate counsel for the Senate Watergate panel, conferring yesterday in the hearing room with Herbert W. Kalmbach and his lawyer, James O'Connor, right.

of one of those who pleaded guilty in the Watergate conspiracy. Mrs. Hunt who was killed in an airplane crash in Chicago last December, presumably distributed the money among the seven defendants.

Mr. Kalmbach said that by late July, he was concerned about Mr. Dean's authority to instruct him to raise the money and also about the "propriety of the assignment."

"The secrecy bothered me," Mr. Kalmbach remarked, because such clandestine work was "new and foreign to me."

Because of these concerns, he said, he asked for and received an appointment with Mr. Ehrlichman, then the President's chief domestic adviser.

Mr. Kalmbach said he told Mr. Ehrlichman that "I'm looking right into your eyes" and that "it is absolutely necessary, John, that you tell me that John Dean has the authority [to order the fund raising], that it's a proper assignment and that I'm to go forward."

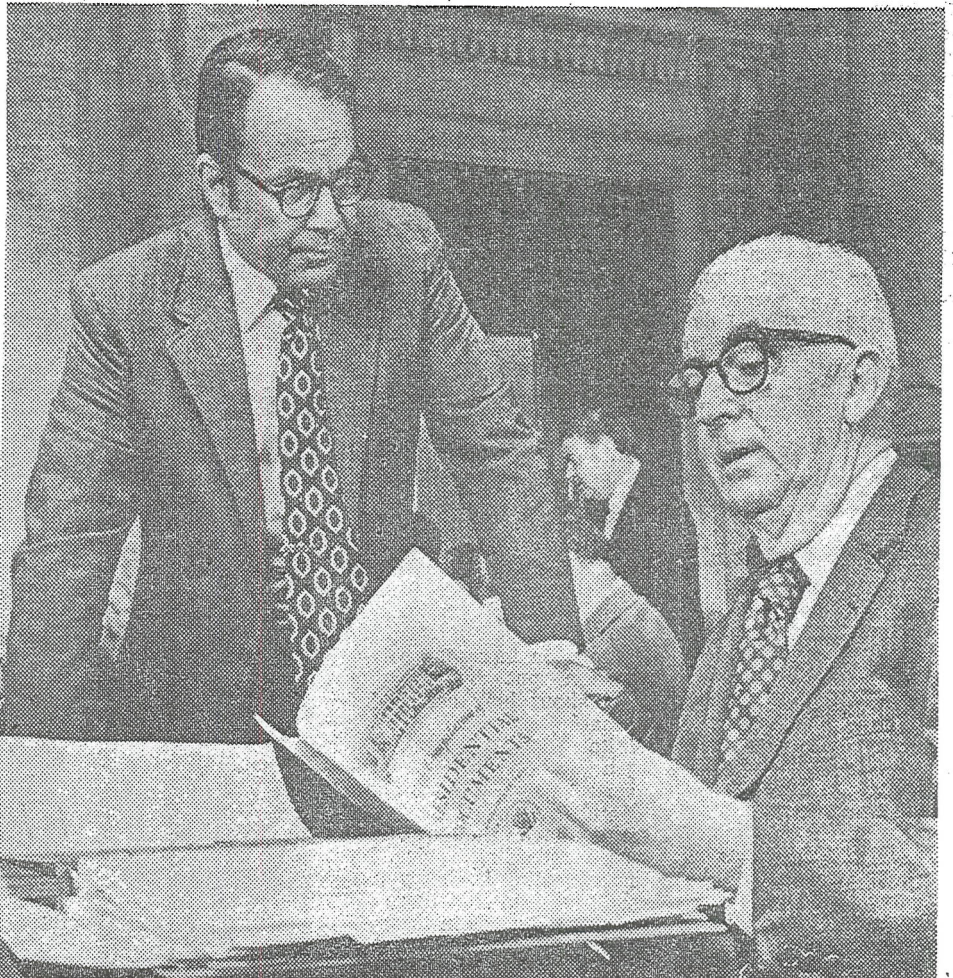
Mr. Kalmbach said that Mr. Ehrlichman replied, "Herb, John Dean does have the authority, it is a proper assignment and you are to go forward."

'Our Heads in Their Laps'

Mr. Kalmbach testified that Mr. Ehrlichman told him the secrecy was necessary because giving funds to the defendants might "get into the press and be misinterpreted. If that happened, Mr. Kalmbach said he was told by Mr. Ehrlichman, "they would have our heads in their laps."

"They," Mr. Kalmbach said, referred to Mr. Nixon's Democratic opponents.

Mr. Ehrlichman has acknowledged to Senate investigators, according to the summary of an interview with the Watergate committee's staff last May, that he approved raising money for the Watergate defendants. But the former Presidential adviser said he also believed that the money was to be used only for legal fees and family support.



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Richard A. Moore, White House aide, examining volume of Presidential papers from May of this year. Herbert J. Miller Jr., his lawyer, is at the left.