SFChronicle NOV 2 1974 AGGRUGET LEIS Why He Helped in the Coverup

Washington

Jeb Magruder, contritely admitting it was a "terrible, terrible blunder," testified yesterday that he helped cover up Watergate to protect himself, John N. Mitchell and the re-election of former President Nixon.

He angrily denied suggestions by defene lawyer Ja-cob A. Stein that he had pilfered cash from the committee to re-elect the president for his personal use.

"I never took any money from the committee and you know that, Mr. Stein," gruder said, his eyes flashing. "That is just part of the efforts of the defendants to make me a scapegoat.'

Undergoing the most grueling cross-examination of the five-week-old trial, Magruder said he was "deeply ashamed" of his role in planning Watergate and helping to cover it up.

"I am dreadfully, painfully sorry for that part of it and the damage it has done to me and my family," he said. "But I thought at that time that the re-election of President Nixon and the protection of Mr. Mitchell and my own self-protection was the most important thing . .

"It was a terrible, terrible blunder. It was a tragic mistake that I am trying to rectify and I am in prison now because of it."

He said he had told a phony story about Watergate - that the Nixon campaign had extended \$250,000 for legitimate intelligence activities but had nothing to do with the bugging of Democratic party headquarters
— from the time of the June
17, 1972, bugging arrests until April 14 of the following year, when he went to prosecutors with the truth.

"I told the cover story . . . to the press, to my wife, to my friends and to people I was close to and I'm ashamed about that," he wid.

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AP Wirephoto

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William Frates, defense attorney for John Ehrlichman, carried his tennis racket yesterday as he arrived for the Watergate cover-up trial in Washington. Frates said he planned to fly to Miami for the weekend.

work on the coverup of Watergate" after Mitchell quit as Mr. Nixon's campaign director July 1, 1972.

Stein's questioning of Magruder grew so heated that at one point U.S. District

Judge John Sirica cautioned him not to shout.

Stein had sought to establish - first with the jurors out of the courtroom and later in their presence - that Mitchell was "suspicious"

that Magruer had helped himself to campagin cash and had dispatched Kenneth W. Parkinson to review Magruder's assets.

Parkinson, a Washington lawyer hired to handle Nixcampaign Watergate problems, is among the five men on trial for the coverup

"When Mr. Parkinson interviewed Mr. Magruder, he had in mind that Mr. Magruer had large sums of money unaccounted for," Stein charged with Magruder and the jury out of the courtroom. "One of the purposes of the meeting was to see if he had money stashed away that belonged to the committee."

He said Mitchell told Parkinson that Magruder, the deputy campaign director, was "a liar" and that he had "sticky fingers."

With that in mind, Stein said, Parkinson interviewed Magruder on July 15, 1972 just a month after the Watergate bugging arrests and asked him detailed questions about his finances.

Sirica overruled vigorous prosecution objections and said Stein could pursue his line of questioning.

When the witness and the jury returned, Magruder said he had forgotten all about his money talk with Parkinson until Stein brought it up.

He said the discussion had been "friendly," brought about by his fear of what would happen should he be indicted and convicted for Watergate.

"It was 'Jeb, gee, if you do get indicted how are you going to handle things'" Magruder said. "I was not surprised at all. I thought Mr. Parkinson was a friend trying to help me. I'm a very open person ...

"I didn't realize it at the time, but realize only today that it was a set-up conver-sation."

United Press