

Special cash fund ^{F.P. 12-5-74} offered by Nixon?

WASHINGTON (AP) — Former President Richard M. Nixon told aides H. R. Haldeman and John D. Ehrlichman when they were leaving the White House that they could have \$200,000 to \$300,000 from a special cash fund, the Watergate cover-up trial jury was told Wednesday.

The money came from people who had received favored treatment from the Nixon administration.

Haldeman and Ehrlichman, both defendants in the cover-up trial, resigned as Nixon's top aides in April 1973, in the midst of a series of accusations that high White House officials had attempted to hide White House and Nixon re-election committee involvement in the 1972 Watergate break-in.

Haldeman, under cross-examination, admitted that the offer was made several times but that he didn't accept it. He said he resented the implication that was being left with the jury.

Prosecutor Richard Ben-Veniste disclosed the offer by asking Haldeman:

"Is it not a fact that in a conversation between you and President Nixon, President Nixon told you that there was a fund available in cash that could be made available to you after you leave the White House, for your benefit and expenses, \$200,000 to \$300,000 that somehow was provided by persons who were given favored treatment over the years?"

Haldeman replied: "I recall a general conversation like that."

Ben-Veniste then read from a transcript of a conversation Nixon had with Haldeman and Ehrlichman on April 17, 1973 — less than two weeks before their resignations — in which Nixon said that giving them the money would be "no

strain, it doesn't come out of me, I never intended to use the money."

Ben-Veniste said the offer "tends to show there was an agreement" that Nixon, Haldeman and Ehrlichman would all protect each other.

Questioned by U.S. District Judge John J. Sirica about the materiality of bringing up that conversation, Ben-Veniste said that under the agreement "Haldeman went up to the Senate Select (Watergate) committee and continued the cover-up."

He said it tended to show that the Haldeman and Ehrlichman knew Nixon would "help them financially if they needed it."

It brought protests from both defendants' lawyers and Ben-Veniste said "I never said it was accepted ... they all understood it in this context."

At that point Haldeman said that "it seems to me a highly unsavory connotation" had been raised.

He said the offer was in a conversation two days after Nixon had been told by Asst. Atty. Gen. Henry E. Petersen that the Justice Department felt it had "information embarrassing to Mr. Ehrlichman and me it came out."

"The President did discuss that with us and as a result suggested we retain legal counsel," Haldeman said.

Haldeman said the offer of help for legal fees came after he and Ehrlichman hired lawyers the same day.

**TO SENATOR
CHARLES McC. MATHIAS,**

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