SFExaminer May 6 1973 Why Nixon Attorney Lost a Post

NEWPORT BEACH -(UPI) - President Nixon's personal attorney, Herbert Kalmbach, was quietly replaced as secretary of the Richard M. Nixon Foundation last February after the disclosure that he maintained a \$1 million political espionage and sabotage fund, the Santa Ana Register reported.

The newspaper reported existence of the espionage fund on Feb. 9 and the Justice Department in recent weeks has said that some of the money went to pay off several men involved in the

Watergate scandal.

Replaced

The register said Kalmbach, secretary of the four-year-old Privae Richard M. Nixon Foundation, was replaced within days of the paper's report of the fund.

The \$1 million fund was maintained by Kalmbach at the Newport Financial Center and was used to bankroll assorted acts of political sabotage and espionage, according to the paper's first report.

Set Up in 1969

Within four days, the Nixon Foundation replaced Kalmbach with his law partner, Frank DeMarco, and filed an official report with the California Secretary of State which was released this week, the Register said.

The Nixon Foundation was set up in 1969 for the purpose of locating a site for a presidential library. Among its directors are Kalmbach, former Attorney General John Mitchell and resigned Nixon aides John Ehrlichman and H. R. Haldeman.