

# Excerpts From Testimony Before the Senate

[Ulasewicz, Larue]

## Committee Investigating Watergate

JULY 19, 1973

19

Special to The New York Times

WASHINGTON, July 18—  
Following are excerpts from the transcript of testimony today on the 23d day of hearings on the Watergate case before the Senate Select Committee on Presidential Campaign Activities:

### MORNING SESSION

#### Anthony T. Ulasewicz

Mr. Lenzner: In June of 1969 did you meet Mr. Herbert Kalmbach here in the District of Columbia?

Mr. Ulasewicz: That is correct. Mr. Kalmbach advised me that he had a very important assignment, and he went at least three times over the statement saying that it was a situation that developed that he was asked to do something and needed my help in doing it. He said that it was legal, that it was to provide funds for persons in difficulty for payment of their counsels, and for payment to assist their families during some troublesome period. He repeated the statement several times. He was very ill at ease, very nervous and we got to the point where I said "Well, Mr. Kalmbach, just what is this now" and he says, "You have probably guessed it's the Watergate situation."

And he said:

"Let me assure you I would not in any way or fashion ask anyone to do anything that I would not engage my own services in. It is an assignment for me and I am asking you to do this. It will necessitate confidential methods possibly."

Mr. Kalmbach suggested whenever he might call me in relation to this matter he would use the name Novak. He said that if another name would probably be necessary it would be Rivers.

Q. Who was supposed to use that name? A. He anticipated that I might use that name in contact with distributing this money to the people. At a point in the conversation he said that he had the money with him, and it was \$75,100 which he gave me. It was in hundred dollar bills.

Q. What did you put it in? A. I went to the closet of the room and took a laundry bag and put the money in a laundry bag.

#### Other Deliveries

Q. Where was the next place that you received money from Mr. Kalmbach? A. At the Regency Hotel in New York City.

Q. Approximately how much? A. \$40,000.

Q. Where was the next delivery? A. At the Hilton here in Washington, \$28,900. And then my recollection is the final amount was \$75,000 at the Airporter Inn in Los Angeles opposite the Orange County Airport.

Q. Did you hear from Mr. Kalmbach again? A. I did.

Q. And what instructions, if any, did he give you? A. He told me to call a Mr. Caddy.

He instructed me to use I believe it was John Rivers when I called Mr. Caddy and I at this occasion was to say the purpose of my call to Mr. Caddy was that I was asking the cost of a script, of a play plus the salaries of the players, which I did.

I contacted Mr. Caddy, and he was — and he responded and said he would meet me in a restaurant sometime in the afternoon here in Washington, D. C.

Q. Now, did you go to that restaurant in Georgetown? A. Yes, I did.

Q. What happened there? A. I waited for Mr. Caddy's arrival. However, a phone call came in, I was paged by the bartender, Mr. Caddy got on the phone and said that he couldn't meet me, after speaking to somebody in his office, in the attorney's office, that he could not meet me, would I be able to come and see him. I told him I would get in touch with him. My instructions originally with Mr. Kalmbach was that I enter no negotiations at any time that he would not enter negotiations. In this case I reported Mr. Caddy's message and Mr. Kalmbach said, "Well, give me the number you are at," that is at a phone booth here in Washington. "I will get back to you."

Q. You had the money with you on that date? A. Oh, yes.

Q. How did you carry it on that date? A. I carried it in a brown bag with, you know, the ordinary type, with a little string around it. You know, sometimes carrying what is most obvious doesn't raise any suspicion, carrying an armed box would ask for trouble.

Q. You were just carrying your lunch? A. Carrying my lunch.

Q. At some point, did Mr. Kalmbach tell you to drop the whole Caddy business? A. Yes.

Q. I take it you were having these conversations phone booth to phone booth between yourself and Mr. Kalmbach? A. That is correct.

Q. Were you loaded down with change, Mr. Ulasewicz? A. Oh, yes, indeed.

Q. How did you carry that change? A. When I started out, I started with a kind of little box deal. When I finished up, I had a bus guy's, one

of these things that the bus drivers have.

Q. After you got back to New York, did you again receive instructions from Mr. Kalmbach? A. Yes. Just about the time it ended with Caddy, which we got nowhere, and I still had the \$75,100, I was asked to call Mr. O'Brien, using the name of John Rivers.

Q. Did you call him? A. I called Mr. O'Brien, received a very tart kind of brush-off response, and that was the end of that conversation. It was one phone call. He showed no interest in any script, players, or any type of message that I would give.

Q. You were given the same instructions by Mr. Kalmbach to talk about a script, a scenario, the players? A. Yes.

Did you call Mr. Kalmbach again, telephone booth to telephone booth? A. I did.

#### No Name Involved

Q. Did he come back again with other instructions?

A. He came back, gave me a telephone number this time, no name involved. And I may have called from the city of New York at that time, because running around with \$75,100, trying to get rid of it was becoming a problem.

I then was instructed to call Mr. Bittman in Washington, who I understood was an attorney.

Q. What instructions did you have to talk to him? A. The same thing, the cost of the script, the writer, get what the attorney fees—not the attorney fees at this point. The cost of the script, the players, et cetera.

Q. You were using the same name, Mr. Rivers? A. I believe so, yes.

Q. Did you call Mr. Bittman? A. I did.

Q. Did you speak to him?

A. I spoke to Mr. Bittman and I recall that in the first conversation, Mr. Bittman said, well, this is very unusual. He said something like, I do not know if you are an attorney, but an attorney does not anticipate fees and costs in this manner.

I said, well, I am instructed not to negotiate in any manner. I understood that you would have a figure and I told him that I am prepared at this time if we can get down to this, because at this point, I still wanted to get rid of all those cookies, \$75,100.

Something was not according to the way he liked. I so reported to Kalmbach, received my call back from Mr. Kalmbach. He told me again to call and contact Mr. Bittman.

Now, this is some period of time passes by. Mr. Bittman said, all right, his initial fee would be \$25,000.

Q. What period of time, Mr. Ulasewicz, are we talking about? A. This would be around July 8 to the 10th, in that period of time.

Q. And did you call Mr. Kalmbach and tell him Mr. Bittman had indicated he wanted an initial fee of \$25,000? A. I did.

Q. What was Mr. Kalmbach's response? A. He said to deliver it to Mr. Bittman in any manner I saw fit.

Q. Did he give you any instructions about not being seen by Mr. Bittman? A. Oh, yes, those came in after the Caddy call, that somehow conversations were arranged that I would not now be seen by anybody, to do the money without being observed, in a confidential manner.

Q. That was Mr. Kalmbach's instructions to you? A. Right.

Q. Now, you expressed some concern about carrying this amount of money around with you. How were you traveling during this period of time? A. By airplane, Eastern Airlines shuttle, usually.

Q. Did you ever change your mode of travel? Did you have a problem on the plane?

A. Well, there was a period of time, of course, with the

hijacks and all, they started a searching system on the airlines and that was a little problem. I got in line one time to come back; when I had the problem it would be only \$50,000 at this time. A fellow in front of me, two or three persons in front of me stopped and had to produce—I think four packs of cigarettes or something, set off the alarm. So I went into a coughing fit and I went down to the Pennsylvania Railroad and took the train home.

Q. And how did you arrange to deliver that money?

A. I contacted Mr. Bittman right from the lobby of his office there. I spoke with him and I told him that I had the cash. Prior to that, I went out to a drugstore

in the area, bought a couple of envelopes and some Scotch tape, and I had to count out \$25 from that \$75,100—\$25,000 from the \$75,100 original, which I did, and I put it into a plain Kraft brown envelope.

#### Called From Lobby

I called Mr. Bittman from the lobby of his building and told him that I had the delivery and that would he come right down and that it would be on the ledge at the telephone booth.

I told him it would be a brown sack and that the money would be lying right there, would he come right down, if he walked right through and pick it up and go back to the elevator, I would be satisfied.

Q. Did you have a conversation with Mrs. Hunt where you arranged to furnish her with some funds? A. Yes, I did.

Q. Would you just describe what you told her, how she could pick up her money?

A. I told Mrs. Hunt that at a certain time in a day, and I picked an hour, to come into the lounge for the American Airlines, there was op-

posite, and about 25 feet away, across from Northwest Orient Airlines, there is a series of telephone booths. I spent some time observing the telephone booths and for some reason, people didn't use the very end one.

So five minutes prior to the time I would tell her to come, I would go into this telephone booth and underneath where the coin drop is, I would Scotch tape the key to the locker where I made my drop.

Her directions were, don't hesitate, go right into the booth, remove the key, go to the locker.

Q. Now, I believe on May 19th of this year, when we went out to that phone booth with you, there was some Scotch tape underneath that telephone box? A. That is correct.

Q. Now did there come a time when you were asked to deliver money to Mr. Fred LaRue by Mr. Kalmbach? A. Yes.

Q. Was that in September of 1972? A. That is correct.

Q. And approximately how much was that? A. \$29,900.



Senators Sam J. Ervin Jr., right, Howard H. Baker Jr., left, and Lowell P. Weicker Jr., second from left, together with counsels Rufus I. Edmisten, seated and Terry F. Lenzner, leaning in, discussing line of questioning.

The New York Times/Mike Lien



G. Gordon Liddy \$15,000

E. Howard Hunt Jr. \$15,000

James W. McCord Jr. \$15,000

Bernard L. Barker \$6,000

Eugenio R. Martinez \$2,000

Frank A. Sturgis \$4,000

Virgilio R. Gonzalez \$2,000

The seven men charged with conspiracy in the Watergate case. The figures under their names represent—according to Mr. Ulasewicz—payments proposed by Mrs. Dorothy Hunt for the five months between June and November of 1972.

Q. What arrangements did you make with Mr. LaRue to deliver that, those funds?

A. There is a garage opposite where Mr. LaRue lived in the Watergate.

I placed the key, I called Mr. LaRue, and asked him to come down, I had a package, he was waiting the call 6:00

P.M. exactly, he was awaiting the call and he says fine, he would be right down. I had never met Mr. LaRue. I asked him to put two magazines under his arm, come across the street, come into the motel entrance and the money would be on the ledge in the motel.

When he came out, it is a wide street, I watched him through the motel window here, and he had the two magazines. He stopped at the island because of the heavy traffic, when he stepped off the island he was now approaching, I laid the money on the ledge in the envelope and I proceeded through a door back to the cigarette machines and I could see him come in, pick up the money, hesitate a moment, go right out and go back, back to his apartment.

Q. Could you describe the conversations that you had with Mrs. Hunt? I take it, Mr. Ulasewicz, you had a series of phone conversations during July of 1972 with Mrs. Hunt? Can you tell the committee the substance of what those conversations concerned.

#### Not to Negotiate

A. I would inform her that I am not to negotiate, I was simply in a position to deliver whatever was necessary. However, she injected herself continually feeling that I would pass a message on. She started with herself, the fact that she had lost her own job due to this and that should be taken into consideration, and that with that there are certain things with the job that, for instance, hospitalization, and whatever benefits might be there, that had been lost, and that she thought that perhaps \$10,000 or \$15,000 might.

Subsequently, she would mention that Mrs. Liddy was undergoing some psychiatric treatment or might be undergoing, and that she was a school teacher and that she probably would not be able to work as a result of this and that should be another amount of money.

When she spoke of costs to Mr. Hunt, her husband, Mr. McCord, Mr. Liddy, she gave figures of approximately \$3,000 a month would be satisfactory, and she had hoped that that might be done in some multiples so we would not go through this thing monthly.

When she got into Barker she explained Mr. Barker had some peculiar problem in this matter, he was dealing with the people down South, there were some bail problems down South. Then she mentioned Sturgis, Gonzalez, Martinez, and when she had mentioned Barker she mentioned a sum of \$10,000 for under the table.

Q. With reference to Mr. Barker she was seeking a specific sum of money? A. She was asking a sum of money which wound up to \$23,000.

Q. Did there come a time when you totaled up the amounts of money that Mrs. Hunt was seeking? A. Well, it was, yes, it was in the vicinity of four hundred to four hundred and fifty thousand dollars.

Q. And did you have a conversation with Mr. Kalmbach concerning that figure and Mrs. Hunt's demands? A. Yes, that was in August, and it

was the last pick-up from Mr. Kalmbach, and shall I go through it? Q. Yes.

#### A Different Direction

A. When he picked me up in his car in Orange County airport and we sat in the car, and just prior to this, I had already suggested to Mr. Kalmbach that this thing has definitely gone a different direction than originally anticipated.

Mr. Kalmbach was as upset about it as I was as I related it to him. He certainly didn't like it in any fashion as no more than I did. When we met in the automobile, I got in the car and Mr. Kalmbach said, "Tony, what's your opinion of all this?" and I said, well, I am going to try to recall some exact words because the first statement I made to him, I said "Well, Mr. Kalmbach, I will tell you something here is not kosher." We are into negotiations, we started with 75 and now we are into a sum which we have raised, we have now got something like 220,000 coming in or 219 was the exact figure and we are only approaching half and I know that the next conversation I have that figure has go to up from all inferences and all."

I said, "Mr. Kalmbach, I know your feelings in the matter, I know how we started, what you said, it was legal but it was not leading up to a point and I feel I must tell you," and he understood that was my last and I recommended very strongly to Mr. Kalmbach that he likewise desist and he said that he would.

Q. Now, after that meeting in California, did you receive a call from him in September of 1972 asking you to deliver money to Mrs. Hunt and Mr. LaRue?

A. Yes.

Q. Would you just tell us what he said to you about delivery and what you said to him?

A. In that call, it was a little unusual, because the inflection in his voice indicated irritation or something unusual as compared to any other time that I spoke with him. I didn't ask him why but he was very anxious that I make the deliveries on the same day, I explained to him there is an airplane problem, I mentioned to him, that the laundry was in the icebox.

#### Money in New York

Q. What was his response to that? A. Well, kind of a long pause and I said, "Well, you know the money is in the vault in New York." I did get an early flight out and I got into Washington and I managed to make the arrangements as previously described of delivery to Mrs. Hunt in the same manner, and then to Mr. LaRue.

Q. And you delivered \$53,500 to Mrs. Hunt on that date? A. Correct, and \$29,900 to Mr. LaRue.

Q. Approximately when you delivered those funds? A. Sept. 19.

MR. SHURE: Mr. Ulasewicz, you testified earlier to this committee that you were initially hired to do some discreet investigations and that this hiring was done through your connection with Mr. Caulfield, is that correct? A. That is correct.

Q. And that you were in fact interviewed by Mr. John

Ehrlichman? A. That is correct.

Q. So, Mr. Kalmbach's role prior to the events which you have just described really was just as a conduit for payment to you for the services that you were rendering to Mr. Caulfield and Mr. Ehrlichman, is that not so? A. That is a fair statement.

SENATOR BAKER: Did you ever work with Mr. Ehrlichman? A. I had no assignments with Mr. Ehrlichman.

Q. Mr. Haldeman? A. No sir.

Q. Anybody else at the White House or the C.R.P.?

A. The only one in the White House who relayed or gave me an assignment was Mr. Caulfield.

There were a series of investigations, Senator, that I was assigned, given the assignment by Mr. Caulfield. From whom he received the assignments back to him, I have no knowledge, or to whom he reported the results to, I have no knowledge.

#### Other Inquiries

Q. What I am trying to understand now is whether anyone else, other than Mr. Caulfield, gave you instructions or gave you advice or suggested scope of other inquiries other than the Watergate affair? A. The best of my recollection is, no Sir.

Q. But there were other inquiries or investigations? A. Yes, Sir.

Q. Mr. Caulfield gave you instructions in that respect? A. Yes, Sir.

Q. I have a copy of the transcript of your previous testimony, Page 702, which we will supply you. It indicates that it was your thought that it was Mr. Ehrlichman who was originally responsible for your being hired?

A. Yes, he interviewed me for the position, right. Mr. Caulfield was not in a position to hire me or pay my salary. Subsequently, a meeting was arranged where I would be interviewed about the job by Mr. Ehrlichman.

Q. Did Ehrlichman describe to you the type of your probable assignments if you were in fact hired? A. Confidential investigations that might come from time to time of any type.

Q. Surely he described to you what he meant by confidential investigations.

A. Yes sir. He mentioned that there would be some, some would be political figures of Republican or any other party, Democratic party. There would be backgrounds on persons who may be sought for positions in the Government, types of investigations that they might not want a public, say an agent or a bureau or the Secret Service or somebody of that type, because a record would be made.

#### Witness to Return

Q. Did he name names of people he wanted to look into or investigate or—Mr. Chairman. It is my understanding that Mr. Ulasewicz will once again return for further testimony in another category of testimony. So we will abbreviate this inquiry at this point, with the full understanding that we can pursue that aspect of it latter. But back on the matter of who hired you and for what purpose. It is your clear understanding that Mr. Ehrlichman

## Figures in Senate Inquiry

Special to The New York Times

WASHINGTON, July 18—Following are the names of individuals who figured today in hearings by the Senate select committee on the Watergate case:

#### COMMITTEE MEMBERS

Sam J. Ervin Jr., North Carolina Democrat, 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.  
Rufus L. Edmisten, deputy counsel.  
Terry F. Lenzner, assistant chief counsel.  
William Shure, assistant minority counsel.

#### WITNESSES

Anthony T. Ulasewicz, former aide to John J. Caulfield.  
Frederick C. LaRue, former aide to John N. Mitchell.

#### PERSONS NAMED IN TESTIMONY

Bernard L. Barker, pleaded guilty in Watergate break-in.  
William O. Bittman, attorney for E. Howard Hunt Jr.  
M. Douglas Caddy, original attorney for five men caught in Watergate.  
John J. Caulfield, ex-aide of committee to re-elect the President.  
John D. Ehrlichman, former White House adviser.  
Virgilio R. Gonzalez, pleaded guilty in Watergate break-in.  
H. R. Haldeman, former White House chief of staff.  
E. Howard Hunt Jr., ex-C.I.A. agent and White House aide, pleaded guilty in Watergate break-in.  
Herbert W. Kalmbach, President Nixon's former personal attorney.  
G. Gordon Liddy, former White House aide convicted in Watergate break-in.  
James W. McCord Jr., convicted in Watergate break-in.  
Eugenio R. Martinez, pleaded guilty in Watergate break-in.  
John N. Mitchell, former Attorney General and former chief of re-election committee.  
Paul L. O'Brien, attorney for the Committee for the Re-election of the President.  
Frank A. Sturgis, pleaded guilty in Watergate break-in.

was the man who finally passed on your appointment?

A. Correct, sir.

Q. Was it also your impression that Mr. Ehrlichman was the one who set and directed your assignment responsibilities and that Mr. Caulfield simply carried out those instructions, or that Mr. Caulfield chose your assignments and responsibility?

A. I would say both, that Mr. Ehrlichman would give some assignments, and possibly other people in the White House, to Mr. Caulfield and probably to me.

Q. Both Ehrlichman and Caulfield gave you assignments from time to time. You are under the impression that Ehrlichman was the final authority in that respect and you went forward with those projects? A. Yes sir, except Mr. Ehrlichman never gave me an assignment personally.

#### AFTERNOON SESSION

SENATOR WEICKER: Now, I would like to get into the general nature of the other investigations, which you conducted. Is it a fact that some of these investigations were background checks on individuals intended to develop questionable facets of the personal lives of these individuals. A. That is correct, Sir.

Q. Now, when we are talking about questionable facets would this include sexual habits? A. These were allega-

tions and that might be included in the category, I guess.

#### Drinking Habits

Q. Drinking habits? A. Yes, Sir.

Q. Personal social activities? A. Yes, Sir.

Q. Is there any other type of activity which was investigated relative to any corporation or individual? A. It would depend, on the allegation. There wasn't a complete investigation on any one person with all those titles involved. Sometimes it was an allegation of drinking and I might just keep my investigation to that particular category.

Q. Now, can we categorize in a general way those individuals or corporations that were investigated by you? Were political opponents of the President so investigated? A. Yes, sir.

Q. Were other political figures, aside from potential political opponents of the President investigated? A. Probably, yes, sir.

Q. And were the individuals in this category, were they entirely background checks prior to employment or was it for some other reason? A. Some would be prior to employment and some would be as a result of an allegation in a newspaper or something of that type.

Q. Did you ever file your investigations in a written form? A. No, sir.

Q. Why not? A. When I took the assignment it was set up that I would report directly and verbally. I was to keep no files.

Q. Did you at any time, did you at any time conduct any electronic surveillance on any individual, either in the form of the bug or the tap? A. No, sir.

Q. Were your investigations intended to develop lists of contributors to political candidates? A. Yes, sir.

Q. Now, how would you, what would be—how would you go at this problem? You are trying to develop a list of potential political contributors.

A. I might be told, go up to the Senate, I might get a list of ten or 12 contributors. I would get the list of people who contributed.

In other instances, I might go to the state Capitol and go into the public office and ask, are these records public, are they available, and they would give them to me.

At times, I would go into the candidate's office.

#### Exercised Discretion

Q. How was it possible to get into the matters of domestic problems, drinking habits, social activity and sexual activity, just from a matter of public record?

A. If it was a drinking allegation I would then develop that lead by going into the area in the most discreet manner that I would know how. A very high percentage of these allegations were false. But I would develop my leads by interviewing bartenders, patrons,—if it were a hotel, hotel employes, waiters. Those kind of people are the most talkative.

Q. What other types of individuals did you investigate? A. The might be members, might be members of a political family. It might be a son or nephew or something of that type, perhaps an allegation of some possible misconduct.

Also, in many instances, another category were persons seeking visits to the White House or something of that type. They might

large group, they might want to know the political affiliations. That would be the registration records that would be concerned and I would go out and look at the public records for their registration, what party records there are prior to them coming in.

Q. Would it be fair to say that you dealt in dirt at the direction of the White House?

A. Allegations of it, yes sir.

Q. How would you categorize the information which you turned over to Mr. Caulfield? Was it of a national security nature? A. No sir.

Q. Domestic security nature? A. No sir.

Q. Dirt? A. It would be of a political nature.

Q. Political dirt? A. All right, sir.

#### Frederick C. LaRue

A. I learned that the Democratic National Committee headquarters had been broken into on June 17, 1972, shortly after the occurrence.

Prior to that time, I did know of the existence of a proposal to conduct political espionage by electronic surveillance. I learned of this plan at a meeting I attended in late March, 1972. At that meeting I recommended against the plan. It was not approved in my presence, and I have no personal knowledge of its approval by anyone.

I later sat in on meetings with Mr. Magruder and others at which the protective story he had evolved was discussed, and I joined in that cover-up, at least by acquiescence.

I am fully aware now that what I did then was wrong, both ethically and legally, and I have faced up to that fact and I am prepared to accept the consequences.

Q. What brought you to Key Biscayne at the end of March? A. I accompanied the Mitchells on a vacation.

Q. Did Mr. Jeb Magruder come down to Key Biscayne around that time? A. Yes, sir.

Q. Do you know what the purpose of Mr. Magruder's visit to Key Biscayne was about? A. Yes, sir, I do. Mr. Magruder came down to Key Biscayne to discuss with Mr. Mitchell several activities that needed decisions made relating to the campaign.

Q. Was any particular one of interest to you? A. I ran across a paper which outlined a plan of electronic surveillance.

Q. Did you know it was Mr. Liddy's plan? A. There was no reference to Mr. Liddy.

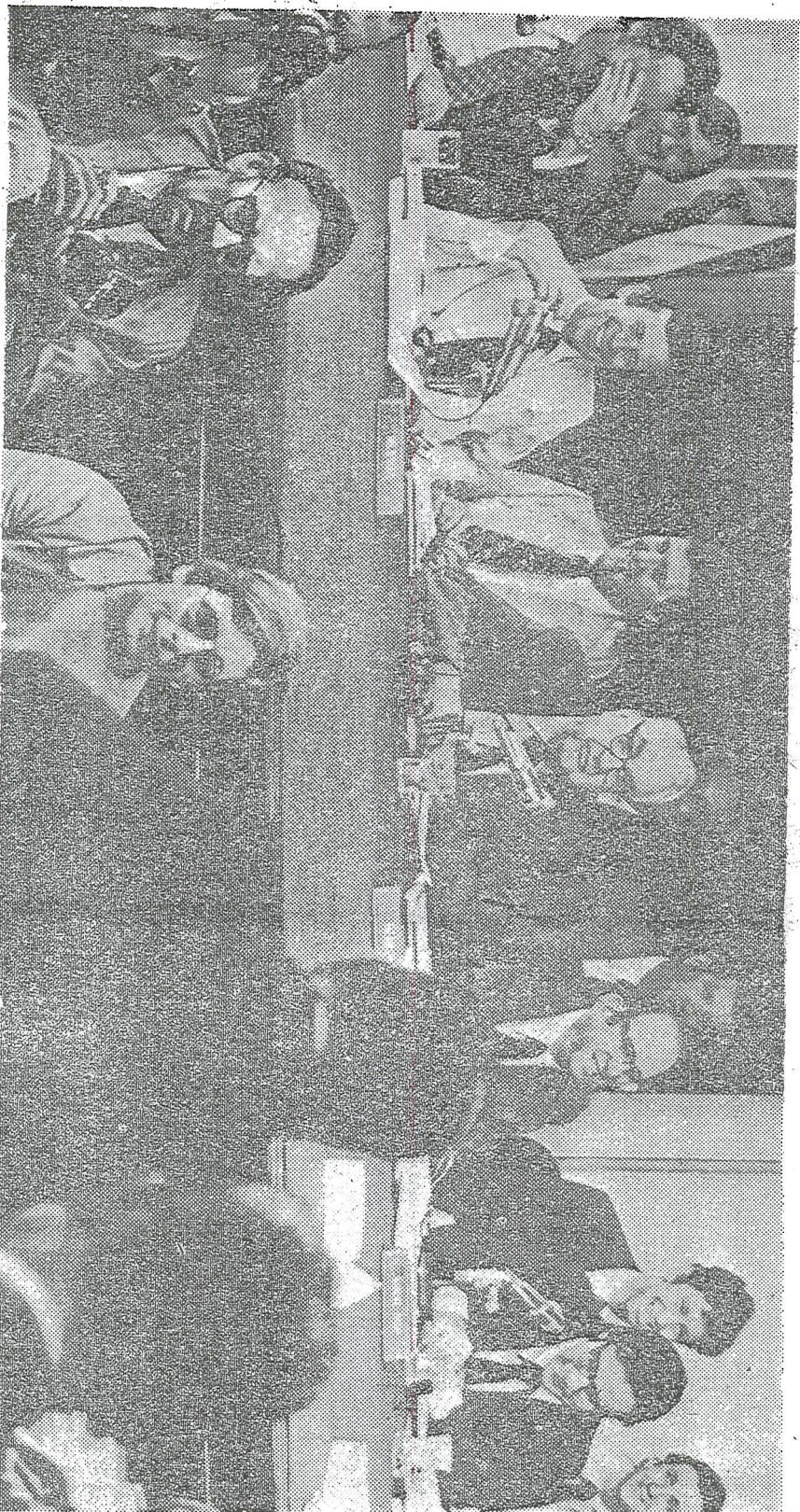
#### Risk Emphasized

Q. Once that plan was being presented, what did Mr. Mitchell say, what did you say, what did Mr. Magruder say? A. Mr. Magruder handed this paper to Mr. Mitchell. Mr. Mitchell read it. He asked me what I thought of it and I told him I did not think it was worth the risk.

Q. What did Mr. Mitchell say to that? A. Mr. Mitchell, to the best of my recollection, said something to the effect that, "Well, this is not something that will have to be decided at this meeting."

Q. To your recollection then, Mr. Mitchell did not reject the plan out of hand at that time? A. Not to my recollection, no sir.

Q. Now, during the time that they were in the house together and with you during the meeting, were you in the room at all times? A. I could not state definitely that



The New York Times/Mike Lien  
 Watergate committee members listening to testimony of Anthony J. Ulasewicz. Seated at the table from left are Fred D. Thompson, chief

minority counsel; Senators Howard H. Baker Jr. and Sam J. Ervin Jr., chairman; Samuel Dash, chief counsel; his assistant, Terry F. Lenzer.

I was in the room at all times.

Q. Now, Mr. LaRue, when and where did you actually first hear about the June 17 break-in? A. At the Beverly Hills Hotel in Los Angeles. We were having breakfast.

Mr. Magruder was paged, went to the telephone. He came back to the table and he said Mr. Liddy indicated that there was a problem he wanted to discuss and Mr. Magruder, in an aside to me, said that, you know, I think maybe last night was the night they were going into the Democratic National Committee.

He called Mr. Liddy back and then came back and told me that Liddy had told him that there had been a break-in at the Democratic National Committee; I think five people had been caught inside, and that one of the people was Mr. McCord, who was our security man at the re-election committee.

**Relayed to Mitchell**  
 Q. Now, was that relayed to Mr. Mitchell, that information? A. Yes, I personally relayed that to Mr. Mitchell.

Q. What was Mr. Mitchell's reaction? A. He was very surprised. I think he made the statement, "That is incredible."

Q. All right. On that [following] Monday in the evening, did you attend a meeting in Mr. Mitchell's Washington apartment at the Watergate? A. Yes, sir.

Q. Who was at this meeting? A. Mr. Mitchell was. I was at the meeting, Mr. Markian Mr. Dean, and Mr. Magruder.

The only specific incident that I recall was a discussion by Magruder of some sensitive files which he had, and that he was seeking advice about what to do about those files. There was a response from Mr. Mitchell that it might be good if Mr. Magruder had a fire.

Q. Do you recall in any discussion of the politically sensitive files that information was that they involved electronic surveillance? A. As I recall, there was a reference to files pertaining to electronic surveillance, yes sir.

Q. When did you first learn that Mr. Magruder was going to be involved and what role you were going to have with regard to his activities?

A. I received a phone call from Mr. Kalmbach to meet him at the Statler-Hilton Hotel, the latter part of June. I met with Mr. Kalmbach. Our discussion centered on a way that contact could be made with the defendants and in which the amount of money could be discussed or be determined.

During this meeting [we] determined that we would use a code name, Mr. Rivers, for this person.

Q. Did you provide any special instructions concerning how much money was to be given to which person?

A. No sir. Mr. Dash, I would have had no way to have any knowledge of this, and I think Mr. Kalmbach has testified that I furnished this information, I think Mr. Kalmbach is just mistaken in this. I had no way to have this information. I have never discussed, never talked to any of the defendants and don't know any of them other than Liddy.

Q. Did you and Mr. Kalmbach meet again in Mr. Dean's office on Sept. 19, 1972? A. Yes, sir. Mr. Kalmbach indicated that he wished to get out of it, his role concerning the payment to defendants, and he gave an accounting of the payments to the defendants at that time.

Q. What happened to the records of his accounting? A. Those records were burned.

Q. Were they burned right there in the office? A. Yes, sir, he had records, as I recall, a very small sheet of paper and they were put in an ash tray and burned.

Q. Did you then take on the responsibility of carrying out the transfer of funds for legal defense of the defendants and support of the families? A. As the events occurred, I did.

Q. When was your last payment to Mr. Bittman, counsel for Mr. Hunt? A. It would be in March.

Q. Of 1973? A. Yes sir.

Q. Can you tell us how much was involved in that payment?

A. \$75,000. I got a phone call from Mr. Dean. Mr. Dean stated that he had a conversation with Mr. O'Brien in which Mr. O'Brien had told him that there was a need for \$75,000 asserted that by Mr. Bittman for attorneys' fees. I asked Mr. Dean if I should indeed make a delivery of this money. He said that he was out of the money business. I told Mr. Dean I would not make the delivery without somebody else's okay. Mr. Dean suggested I call Mr. Mitchell. I asked Mr. Mitchell whether I should make this delivery or not.

Approved by Mitchell

Q. What did he say? A. He asked me the purpose of it. ~~and~~ ~~him~~ ~~my~~ ~~understanding~~ ~~was~~ ~~that~~ ~~it~~ ~~was~~ ~~for~~ ~~attor-~~

neys' fees. He told me he felt I ought to pay it.

MR. THOMPSON: By the latter part of June you had in effect two stories, you had Liddy saying that Magruder had pushed him into it, and not saying anything about Mr. Mitchell, and you have Mr. Magruder saying that Mitchell approved the plan. Did you go to Mr. Mitchell with this apparent conflict?

A. No, sir, I never discussed that with Mr. Mitchell.

Q. Could you tell us why?

A. I don't know of any particular reason why. I just never discussed with Mr. Mitchell the question of whether or not he approved this plan, never discussed it with him.

Q. What was your relationship with Mr. Mitchell, was it strictly a professional or did you also have a personal relationship? A. I had a personal relationship with him.

SENATOR TALMADGE: Now, Mr. Ulasewicz testified this morning that the demands [for money for the Watergate defendants] became greater and greater and finally took the form of demands and probably blackmail. Did you so construe it?

A. No sir, I did not.

SENATOR GURNEY: Let us go to these monies that were paid to Mr. Bittman, Hunt's attorney. How much did you pay to him altogether? A. Excuse me just one second, Senator. Let me add some figures.

**\$210,000 Paid**

Q. Was it \$210,000? A. \$210,000 correct.

Q. That was my calculation, too. I added them rather hurriedly here. Now upon whose instructions was that money paid to Mr. Bittman?

A. Except for the last payment, Senator, of \$75,000, this money, the payments of this money was discussed with Mr. Dean.

Q. And what about the last \$75,000. A. This came from Mr. Mitchell.



The New York Times

Senators Herman E. Talmadge, left, and Daniel K. Inouye chuckling over testimony given by Anthony T. Ulasewicz at yesterday's session of the Watergate hearings.

Q. Now, then, what was your understanding Mr. Bittman was doing with all this? Is that not a rather large sum of money to pay a lawyer who represents a client who finally pleaded guilty?

A. Senator, my understanding is that now all of this money was for his attorney's fees but represented some

money that was also going to Mr. Hunt.

Q. How did you know that monies were going to Mr. Hunt?

A. In the conversations that Mr. O'Brien or Mr. Parkinson had with Mr. Gittman, I think were indications that part of it was for attorneys fees and part of it was necessarily necessary for maintenance of families. Part of this money it was my understanding, was going to the Cuban defendants, in Watergate.

Q. [was there] a breakdown of where the money was going that you were furnishing Mr. Bittman? A. No sir, no accounting ever furnished me.