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Grand Jury Action Near In Demo Office Bugging

WASHINGTON (A P) — Atty. Gen. Richard Kleindienst Sunday said grand jury action in the bugging of the Democratic National Committee headquarters is imminent.

"It could act within a week or it may delay until around Labor Day," Kleindienst said at a news conference in Miami Beach.

In a brief interview with the Orlando, Fla., Sentinel, Kleindienst said he has instructed the U.S. attorney in Washington to "let the chips fall where they may."

On Saturday, Clark MacGregor, chairman of the Committee for the Re-Election of the President, insisted no top officials of the committee were involved.

According to Time magazine, members of the committee were on the receiving end of bugs planted in the Democratic headquarters in the fashionable Watergate complex in Washington.

One of five men arrested in the office June 17 was James W. McCord Jr., then a security coordinator for the re-election committee. A number of other persons with ties to the Republican Party have been involved in the episode.

The five arrested were removing the electronic bugs when they were caught in the act, Time says in its latest issue on sale Monday.

The magazine reports that members of the Nixon committee's "security-intelligence" squad packed up tapes and notes and left their monitoring headquarters, a motel across the street from the Watergate complex, while the arrests were being made.

Time said the intelligence squad grew out of a team originally recruited by the Nixon administration to probe leaks to the media. The team, but not necessarily those in the motel, included C. Gordon Liddy, a former White House staffer who was then attorney for the re-election committee's finance unit, and E. Howard Hunt, a former White House consultant, the magazine said.

Time also reported the Justice Department has discovered that \$39,000 of the money found in the bank account of one of those arrested, ex-Central Intelligence Agency agent Bernard Barker, came through a Mexico City lawyer, Manuel Ogarrio Daguerra.

"As it turns out," Time said, "one of Ogarrio's principal clients is the Gulf Resource & Chemical Corp. of Houston, Tex. The firm's president, Robert H. Allen, also happens to be chairman of the Texas finance commit-

tee to re-elect Nixon."

The Democratic National Committee has filed a \$1 million suit in U.S. District Court in Washington, charging the party's civil rights were violated by the break-in and alleged bugging.