

How Kalmbach Got GOP Cash

Associated Press

Washington

President Nixon's former personal attorney obtained \$75,000 for the Watergate defendants last June after telling campaign aides he needed all possible cash for an urgent but secret "White House project," the Finance Committee to Re-Elect the President said yesterday.

The committee, in a report to the General Accounting Office, said the money was turned over to Herbert W. Kalmbach last June 29

by Finance Committee chairman Maurice H. Stans, the former commerce secretary.

Kalmbach was dropped as Mr. Nixon's longtime personal lawyer earlier this year amid disclosures of his involvement in payments to the Watergate defendants and others allegedly involved in political espionage.

News stories have said Kalmbach is ready to testify that he solicited money for the Watergate defendants on instructions from former White House adviser John D. Ehrlichman and ousted presidential counsel John W. Dean III.

"On June 29, 1972, Herbert Kalmbach requested of Stans that all possible cash funds be given to him for an urgent White House project not related to the campaign which he said had the approval of high authorities but which he could not describe," the finance committee report said.

This was less than two weeks after five men were arrested during a breakin at the Democratic National Committee's headquarters at the Watergate Hotel.

The committee said the

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payment to Kalmbach never was publicly reported because Kalmbach had said the money was unrelated to the campaign and because the committee did not consider the money to be actual committee funds.

In a report to the Justice Department on May 20 citing this payment and others as possible campaign law violations, the GAO said Kalmbach had told investigators of the \$75,000 and had said it was part of \$210,000 he collected for the Watergate defendants or their attorneys.

CONFIRMED

GAO investigators said Stans confirmed giving the money to Kalmbach. But they quoted Stans as declining to say where the money came from in the first place and also as saying he was "not aware of Mr. Kalmbach's purpose in requesting the funds."

The GAO made no mention of the White House in the May 20 report.

The finance committee's report was filed under a new federal campaign law that went into effect last April 7.

The report was signed by committee treasurer Paul Barrick. But, in effect, it was Stans' first public explanation about various transactions connected with Watergate and alleged espionage that have come out in news stories or been cited as possible violations of the law by the GAO.

Stans is scheduled to be one of the next witnesses this week before the Senate Watergate committee.

HELD

The committee said that of the \$75,000, a total of \$30,000 came from Philippine nationals in a June 29 contribution that was temporarily held back pending a legal opinion on whether the committee could accept money from a foreign source.

The contribution later was returned to the unidentified donors on the advice of counsel. The committee said that still later it learned the contribution could have been legally accepted.

The rest of the \$75,000 came from funds which had been given to Kalmbach in February, 1972, for "non-usual expenses that he might incur during the campaign."