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**Dean Said to Keep
\$14,000 Fund**

By SEYMOUR M. HERSH
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WASHINGTON, June 18 —

John W. Dean 3d has told Federal investigators that he kept \$14,000 in 1972 Republican campaign funds and at one time "borrowed" \$4,000 to finance his wedding and honeymoon, sources close to the Watergate case said today.

The sources said that Mr. Dean subsequently returned the \$4,000—which he said he secured with his personal i.o.u.—and placed all the cash in a special trust fund set up after his break with the White House.

The trust fund "is not in John's name," one well-informed official said. He added, however, that "the Feds [prosecutors] know where the money is."

The \$14,000 was the remainder of a special \$22,000 fund that was authorized by high White House officials for the purchase of newspaper advertisements in support of President Nixon's Vietnam war policies in May, 1972, during the Democratic and Republican primary campaigns, sources said. They said the money was left in Mr. Dean's safekeeping.

A spokesman for Mr. Dean said he would have no comment on the report.

Senate sources said that Mr. Dean, the former White House counsel, was questioned about his handling of campaign cash during his five-hour appearance

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Saturday before the staff of the Senate Watergate committee. It could not be learned precisely what took place during that appearance, but sources said that a summary provided today to other members of the committee said that Mr. Dean borrowed \$4,000 last year to pay for his wedding and honeymoon and subsequently paid it back by check.

The question of Mr. Dean's handling of the cash was reported to be provoking some partisan discussion among Senators and staff members of the committee, with at least a few believed to have concluded that he misappropriated the funds.

Mr. Dean has been linked to a major role in the Watergate cover-up, a responsibility he reportedly is ready to accept during his public testimony next week. However, today's disclosure is the first one indicating that one of the major cover-up participants may have put 1972 campaign cash to personal use.

Some members of the committee are known to be ready to explore fully Mr. Dean's handling of the \$14,000 in cash, as well as his decision to set up the trust fund, in an effort to possibly discredit his future disclosures. Mr. Dean is reported ready to link President Nixon to knowledge of the extensive White House cover-up of the break-in at Democratic headquarters at the Watergate complex on June 17, 1972.

Samuel Dash, chief counsel of the Senate committee, refused to comment on Mr. Dean's testimony in a telephone interview today. But he did note that Mr. Dean "continues to be a key witness before this committee."

Another well-informed source said that Mr. Dean did not place the \$14,000 in a special trust account until he was advised to do so in late March or early April this year by Charles Shaffer, his lawyer.

A Technical Crime

A Justice Department official confirmed that \$4,000 was "borrowed" from the account shortly before the wedding last October and described the act as a technical crime. The Federal prosecutors are not planning to charge Mr. Dean in connection with the "borrowing," this official said, because "nobody's complained." "There is no crime unless some one goes in and makes a complaint," he explained.

He said Mr. Dean's action was similar to that of a bank teller who "borrows" some bank funds and then is caught. In most cases, the official said, the funds are returned and the teller is discharged, although the act is technically a crime.

The first known public mention of Mr. Dean's cash fund came during testimony last week before the Senate committee by Maurice H. Stans,

former chief fund-raiser for the Committee for the Re-election of the President.

Mr. Stans testified that Mr. Dean called him last November to report that he needed \$22,000 in cash to replace a similar amount that had been spent from a secret \$350,000 cash fund set up in the office of H. R. Haldeman, then White House chief of staff.

In an earlier deposition in connection with a civil case, Fred F. Fielding, a White House associate of Mr. Dean, told of picking up the \$22,000—in \$50 bills—from Mr. Stans and later asking Mr. Dean about it.

"He said, 'Don't worry about it,'" Mr. Fielding said. "There's nothing illegal about it. It is post-election money."

Other sources said that the \$22,000 had initially been given to Richard Howard, an aide to Charles W. Colson, special counsel to the President, for use in purchasing newspaper advertisements in support of Mr. Nixon's decision in May, 1972, to mine the North Vietnamese harbor of Haiphong. Only two newspaper advertisements were bought—in The New York Times and The Washington Post—costing \$8,000, a source close to Mr. Howard said, and it was decided to return the leftover \$14,000 to the Haldeman fund.

The money had reportedly been obtained from Gordon C. Strachan, an aide to Mr. Haldeman, but Mr. Strachan—for reasons that could not immediately be determined—refused to take the cash. Mr. Howard asked Mr. Dean if he would store the \$14,000 in his office safe, the source said, and the then White House counsel said yes.

The \$350,000 Haldeman cash fund was set up in early April, 1972, shortly before the new Federal campaign contributions law went into effect. There has been testimony before the Federal prosecutors that much of the cash was eventually used to pay off the seven Watergate defendants in return for their silence.

It could not be learned why Mr. Dean—who reportedly helped arranged some of the cash pay-offs—decided not to return the funds to the Haldeman account after the election. One well-informed source said that "part of the problem" was determining to whom the cash belonged at that point.

Avoiding Embarrassment

The importance of Mr. Dean's testimony as the potential star witness of the hearings was underscored by the committee's decision to delay his appearance for one week, thereby avoiding the possibility of embarrassment to President Nixon during his summit talks with Mr. Brezhnev.

Mr. Dean was to have given the Senate committee—and thus the television audience—

the most edited public recital yet by a participant in both the 1972 campaign conspiracy and the attempted cover-up.

Much of what he was said to have included in a long prepared statement, drafted in the basement of Mr. Dean's Alexandria, Va., home, has already leaked into print as a result of his earlier discussions with Watergate investigators.

Mr. Dean was said by Government investigators, for example, to have been prepared to testify that Egil Krogh Jr., another former White House aide, had informed him last January that the order for a September, 1971, break-in at the office of Dr. Daniel Ellsberg's former psychiatrist had come "from the oval office" of the President.

Senate and other investigators had earlier attributed to Mr. Dean an assortment of allegations that tied senior White House and Nixon campaign committee officials to the Watergate plot or the cover-up.

Mr. Dean has been quoted as having told investigators of two meetings in the offices of the then Attorney General, John N. Mitchell, in early 1972, when he said the plan to bug the Democratic party's Watergate headquarters was first discussed. His testimony on this point was said to be similar to

that of Jeb Stuart Magruder, the former deputy director of the re-election campaign, who appeared before the Senators last Thursday.



The New York Times/George Tames

John W. Dean 3d, right, arriving on Capitol Hill to testify before an executive session of the Senate Watergate committee. With him is Charles N. Shaffer, his lawyer.

Dean Said to Keep \$14,000 G.O.P. Fund