

Ehrlichman, Watergate 7 Fund Linked

President Nixon's former personal lawyer has told Senate investigators that John Ehrlichman backed payments to the original seven Watergate defendants, according to Newsweek magazine.

The lawyer, Herbert W. Kalmbach, has told the investigators that Ehrlichman, the former White House domestic counselor, assured him that making the payments was proper, according to a report to appear in Newsweek's forthcoming (July 16) issue.

The magazine's report also says that Kalmbach will not support the testimony of former White House counsel John W. Dean III that President Nixon was aware of the Watergate cover-up.

In addition, Newsweek asserts that Kalmbach has told investigators that:

- Former White House chief of staff H. R. Haldeman told him to put more than \$1 million in leftover 1968 primary campaign funds in safe deposit boxes here and in New York, Los Angeles, and Newport Beach, Calif.

- Dean, in the presence of former attorney general John N. Mitchell, pressed him for more money for the defendants in January of this year, while their trial was under way.

The money paid to the defendants allegedly was used to buy their silence about the role of others in the Watergate affair.

According to Newsweek, ten days after the Watergate break-in, Kalmbach said Dean called him here for an assignment that involved channeling funds for bail, family support and legal fees for the defendants.

The account reports Dean as emphasizing a need for absolute security. Over the next three months, according to the account, seven payments were made through a courier.

By the end of July, according to the account, Kalmbach said he decided to act on growing misgivings about the affair, and told Ehrlichman about the payments.

According to the Newsweek report of Kalmbach's account, Ehrlichman said he was aware of the assignment, called it proper, and said if secrecy was not maintained "they could have our heads in their laps."