

Kalmbach Tells of Ehrlichman Role

Washington

Herbert W. Kalmbach, President Nixon's personal attorney until May 1, testified yesterday that on orders of John D. Ehrlichman and John Dean III he raised funds for legal fees and family support for the seven Watergate defendants.

Kalmbach said because the orders came from the "No. 2 and No. 3 men on the White House staff," it was "absolutely incomprehensible" to him that his actions could be regarded as improper or unethical.

But Kalmbach told the Senate Watergate Committee that the secrecy and

"James Bond Scenario" of the fund-raising and payments so concerned him that he once sought assurances from Ehrlichman that nothing improper was involved.

He said Ehrlichman gave him the assurances and told him that Dean, counsel to the President at the time, had been authorized to ask him to raise the funds.

Ehrlichman, who resigned April 30 amid the growing Watergate crisis, has denied repeatedly any involvement in the scandal. He is scheduled to be a Senate witness later this month.

Kalmbach, 51, of Newport Beach, Calif., said Dean first contacted him about a special fund-raising project on June 28, 1972, nine days after the burglary-bugging of Democratic offices at the Watergate.

ASSIGNMENT

He said Dean telephoned him and mentioned he had "a very important assignment" for him, "a matter of extreme importance," and asked if he could come to Washington.

He said Dean told him the next day in a Washington park, "we would like to have you raise funds for the de-

fendants and for support of their families."

Dean replied there "was no time for this," Kalmbach testified, and told him that a public committee "might be misinterpreted."

Kalmbach quoted Dean as saying that the matter should be handled with "secrecy and confidentiality" and that if any information got out "it might jeopardize the campaign because of misinterpretation."

Dean indicated, according to Kalmbach, that Frederick LaRue, a top campaign official and former White House aide, would be "giving directions on this assign-

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ment," and that Anthony T. Ulasewicz, a former New York policeman on Kalmbach's payroll, might act as "a distributor of funds."

DEAN

Kalmbach's account of the meeting and of subsequent dealings with Dean support most of Dean's testimony concerning those matters. But Dean testified that it was Kalmbach who suggested that Ulasewicz act as distributor of funds to the Watergate defendants.

Kalmbach said he telephoned Maurice H. Stans, finance chairman for the re-election campaign, and asked if he "would help with the assignment." He said he did not tell Stans the nature of the assignment, but told him "he would have to trust me." Stans subsequently gave him \$75,000 in \$100 bills, Kalmbach said.

The attorney said Ulasewicz, using the name of "Rivers," one of several aliases, then came to see him and carried the money away in a laundry bag. Thereafter, he said, the money he raised was referred to as "the laundry."

Kalmbach said that William O. Bittman, attorney for E. Howard Hunt Jr., one of the Watergate defendants, was given \$25,000 and that most of the funds thereafter



AP Wirephoto

HERBERT KALMBACH
Former Nixon attorney

were distributed by Hunt's wife. (Mrs. Hunt later died in a Chicago plane crash.)

He also told of receiving \$40,000 in \$100 bills from LaRue and of taking the money to New York and giving it to Ulasewicz for distribution.

CONCERN

But he began to have "a degree of concern about the operation . . . the secrecy and clandestine, covert nature . . . the James Bond scenario," he said, which he found "very distasteful."

He said he went to see Ehrlichman on July 26 "to confirm that Dean had the authority to direct me to carry out this assignment, and second I wanted him to

assure me of the propriety of this assignment."

Kalmbach said he told Ehrlichman that the secrecy of the project as well as newspaper reports about Watergate were "bothering" him.

He said he looked Ehrlichman in the eyes, reminded him that the two knew each others families, pointed out his own name and reputation could be at stake, and told him to "look me in the eyes" and tell him the operation was proper and whether Dean was authorized to direct it.

"He said," Kalmbach continued, "Herb, John does have the authority, it is proper and you are to go forward."

HEADS

Kalmbach said Ehrlichman also remarked that if word of the operation got

out, it might jeopardize the President's re-election and "they could have our heads in their laps."

Samuel Dash, committee counsel, asked, "Even though he told you then the secrecy was vital, it didn't suggest any impropriety?"

"It did not," Kalmbach replied. "It suggested the concern was if this got into the press, if it were misinterpreted."

Dash: How could your providing funds through Dean, Ehrlichman, the re-election committee, to burglars, wiretappers, conspirators, be misinterpreted?

Kalmbach: The misinterpretation would be that this was to silence these people.

Dash: Could anyone have any other interpretation?

Kalmbach: I did.

Dash: In the real sense, you took your moral stand from Ehrlichman's statement, that it was appropriate.

Kalmbach: I had such trust in Dean and Ehrlichman that if I was advised by them, there was no possibility in my mind there would be any impropriety.

UNEASY

Altogether, Kalmbach said, he raised \$220,000 for the operation — including a package of \$75,000 in \$100 bills which he got from Thomas V. Jones, board chairman of Northrup Corp., on grounds the money was needed for a "special assignment" he had been given by the White House. But Kalmbach said he became increasingly uneasy about the operation and decided by late August or early September to have nothing more to do with it.

He said he informed Dean of his decision at a meeting in Dean's office on September 21. He said he was asked "once or twice more" thereafter to raise funds, but refused.

The last time, he said, was at a meeting on Jan. 19, 1973, at Mitchell's Washington law office. He said Mitchell, LaRue and Dean all attended the meeting and Dean "led the conversation."

Dean has testified about his involvement in the raising of funds, LaRue is due to testify shortly and is believed willing to admit his role. Mitchell last week denied before the Senate committee any involvement in the raising of such funds.

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