

# Probers Told of Secret 'Drops'

Washington

Two participants in the Watergate coverup described in bizarre details yesterday how they had funneled \$450,000 of presidential campaign money to the seven original Watergate defendants and their lawyers.

Frederic C. LaRue, a former official of the Committee for the Re-election of the President, told the Senate Watergate committee that the break-in at Democratic party headquarters had been sanctioned "at some high level," and that the \$230,000 he distributed surreptitiously was intended to "satisfy commitments" to the conspirators.

Earlier in the day, Anthony T. Ulasewicz, a retired New York policeman who served as a private investigator for the White House, told the committee that he quit making the payments last September after becoming concerned that the \$220,000 he had distributed was going for more than mere "humanitarian" support of the criminal defendants.

LaRue and Ulasewicz both insisted, amid their descriptions of spy-style "money drops" and uses of aliases to mask their identities, that they did not know who was the ultimate authority for the payments.

The Senate Select Committee on Presidential Campaign Activities, although laboriously exploring the details of the coverup payments, was in effect biding its time while waiting — so far in vain — for a White House reply to the committee's urgent plea for access to secret tape recordings of President Nixon's conversations on Watergate.

"There has been not even a feather from a dove bearing an olive branch from the White House" in response to the senators' request Tuesday for the recordings, said Rufus L. Edmisten, the deputy counsel to the committee.

White House press secretary Ronald Z. Ziegler said in answer to questions "this is not the time" for a definitive reply from the White House, which has been indicating reluctance to turn over the tapes since their existence was disclosed at the Senate hearings Monday.

Ziegler insisted that the tapes of virtually all of the President's office and telephone conversations since early 1971 have never been transcribed. He said the White House would have "something further to say in the future."

## TAPES

Samuel Dash, the chief counsel to the Senate panel, said he believes it would be reasonable to wait until tonight for a reply. He added that the committee is eager to resolve the dispute with the White House.

The potential value of the tapes in helping to determine issues of fact in the investigation — particularly those surrounding allegations that Mr. Nixon was personally involved in the coverup — was illustrated by new contradictions that emerged from the Senate testimony yesterday.

## MITCHELL

On two key points, LaRue disputed the sworn testimony of his close personal friend and the official for whom he had worked last year at the re-election committee, former Attorney General John N. Mitchell.

LaRue told the Senate committee that he had not heard Mitchell reject out of hand, at a meeting on March 30, 1972, the \$250,000 intelligence gathering plan that led ultimately to the Watergate break-in.

Mitchell testified last week that he had immediately ruled out the project when it was proposed to him, for the third time, by Jeb Stuart Magruder, the deputy campaign director.

LaRue, did not endorse Magruder's account that the former attorney general had reluctantly "signed off on" — that is, consented to — the electronic eavesdropping plan either.

"Mr. Mitchell, to the best of my recollection, said something to the effect that, 'Well, this is not something that will have to be decided at this meeting,'" LaRue testified.

Furthermore, LaRue swore that Mitchell had, despite the former attorney general's denial, advised Magruder last June to destroy campaign documents relating to the eavesdropping scheme.

LaRue said that when Magruder sought advice, at a meeting in Mitchell's apartment two days after the Watergate break-in, about the transcripts of overheard conversations, Mitchell said "It might be a good idea if Mr. Magruder had a fire."

## TESTIMONY

By far most of the testimony before the Senate committee dealt with confirmation of previously published reports that nearly half a million dollars of funds left over from Mr. Nixon's 1968 Presidential campaign or collected in 1972 had been distributed to the Watergate defendants to maintain their silence.

Ulasewicz outlined in detail the procedure by which he channeled the \$220,000 to the Watergate conspirators or their lawyers between June and September of last year.

He said—often to guffaws from the Senators and audience in the hearing room—that he carried sums as large as \$75,000 in paper sacks because that was more secure than briefcases; that he always used public telephone booths to get or give instructions on dissemination of the money and that he became so burdened with coins for the telephone calls that he wore a bus driver's coin changer.

## FUNDS

Leaving packets of \$100 bills in luggage lockers or on hotel lobby ledges he could observe, Ulasewicz said, he distributed \$154,500

to E. Howard Hunt Jr., one of the conspirators, or to Hunt's late wife, Dorothy.

Ulasewicz said that he gave \$8000 to G. Gordon Liddy, another conspirator; \$29,900 to LaRue, and \$25,000 to William O. Bittman, Hunt's attorney.

Ulasewicz testified that he made most of the arrangements with Mrs. Hunt, who began, he said, by requesting money and later began demanding larger sums for "necessities" that would sustain the defendants' families and pay their legal bills. He said that Mrs. Hunt dealt with him on behalf of the other defendants.

But the former policeman said that by the time he met with Herbert W. Kalmbach, who was Mrs. Nixon's personal lawyer and a fundraiser for the campaign, to pick up \$75,000 last August, he had become so convinced that "something here is not kosher" that he advised Kalmbach to get out of the fund-raising and he soon stopped his own role in the distribution.

Asked by Senator Daniel K. Inouye (Dem-Hawaii) if he still stuck to his original belief that he had done nothing illegal in making the clandestine payments, Ulasewicz answered, "not likely."

LaRue, who pleaded guilty in Federal court here to a one-count charge of conspiracy to obstruct justice and has agreed to testify for Government prosecutors, told the Senate committee with evident embarrassment how he had picked up where Ulasewicz had left off last fall.

He said that he had gradually assembled—from campaign funds and from a secret \$350,000 kitty of surplus 1968 funds that had been kept for a while in the White House—the \$230,000 that he disseminated, mostly to Bittman.

Using the code name "Baker," LaRue testified, he contacted Bittman and then dispatched to the lawyer's office or home by a messenger service bundles of bills that totaled \$25,000 in September, \$50,000 in December, \$60,000 in January and \$75,000 in March.

Another \$20,000 went, he said to Peter Maroulis, the attorney for Liddy.

## HOW

Both witnesses at the hearing professed some

mystification about how the arrangements had been made for the payments or who had made the determinations of the amounts.

Senator Lowell P. Weicker Jr. (Rep-Conn.), said he

found nothing humorous in Ulasewicz's account and was distressed that "today's Watergate jokes becomes tomorrow's testimony."

He cited from Ulasewicz, in general terms, a confirmation that he had explored

its domestic problems and "personal social activities" of individuals who are regarded as potential political opponents of President Nixon.

New York Times

# The Money Men



FREDERIC C. LaRUE AND ANTHONY T. ULASEWICZ  
Nixon re-election official, former policeman described payments *AP and UPI photos*



Ulasewicz (far right) identified photos of locations where he left money *AP Wirephoto*