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**LaRue and Former Policeman Deny
Knowing Who Ordered Secret Payoffs**

By JAMES M. NAUGHTON
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WASHINGTON, July 18—Two participants in the Watergate cover-up described today, in bizarre details, how they had funneled \$450,000 of Presidential campaign money to the seven original Watergate defendants and their lawyers.

Frederick C. LaRue, a former official of the Committee for the Re-election of the President, told the Senate Watergate committee that he had concluded 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 today 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.

The soft-spoken Mr. LaRue and the wise cracking Mr. Ulasewicz both insisted, amid their descriptions of spy-style "money drops" and use 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 cover-up 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 yesterday for the recordings, Rufus L. Edmisten, the deputy counsel to the committee, told newsmen.

Authoritative sources said that the White House would soon face a more delicate prob-

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lem concerning the tapes. The officials said that Archibald Cox, the special Watergate prosecutor for the Department of Justice, was preparing to make his own request for the recordings.

The White House has indicated that it could not turn over the tapes, or any sort of "Presidential papers," to the Senate committee without doing violence to the constitutional principle of separation of powers. But that argument could not be used to justify withholding the material from the Administration's own special investigator, and Mr. Cox has also made it known that he would raise the issue publicly if he was denied pertinent documents.

Ronald L. Ziegler, the White House press secretary, 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.

Comment Promised

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

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

The potential values 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 cover-up—was illustrated by fresh contradictions that emerged from the Senate testimony today.

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

LaRue told the Senate committee that he did not hear Mr. 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.

Mr. 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's did not endorse Mr. Magruder's account that the former Attorney General had reluctantly "signed off-on"—that is, consented to—the electronic eavesdropping plan.

"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,'" he testified.

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

Fire 'A Good Idea'

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

By far most of the testimony before the Senate committee today 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.

Mr. Ulasewicz, who bears a striking resemblance to the director Alfred Hitchcock in profile, outlined in details befitting a mystery movie the procedures 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 \$75,100 in paper sacks because they were 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.

Leaving packets of \$100 bills in luggage lockers or on hotel lobby ledges he could observe, Mr. Ulasewicz said, he distributed \$154,500 to E. Howard Hunt Jr., one of the conspirators, or Hunt's late wife, Dorothy. He said that he gave \$8,000 to G. Gordon Liddy, another conspirator; \$29,900 to LaRue, and \$25,000 to William O. Bitt-

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

'Something Not Kosher'

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

Asked by Senator Daniel K. Inouye, Democrat of Hawaii, if he still adhered to his original belief that he had done nothing illegal in making the clandestine payments, Mr. Ulasewicz answered, "not likely."

LaRue, who pleaded guilty in Federal court here this month 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 Mr. Ulasewicz 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 in the White House—the \$230,000 that he disseminated, mostly to Mr. Bittman.

LaRue testified that he used the code name "Baker" to get in touch with Mr. 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. And \$20,000 went, he said, to Peter Maroulis, the attorney for Liddy.

Profess Mystification

Both witnesses at the hearing today professed some mystification about how the arrangements had been made for the payments or who had made the determinations of the amounts.

LaRue said under questioning, however, that he had been advised that the participants in the arrangements had included the two lawyers for the re-election committee, Paul L. O'Brien and Kenneth Wells Parkinson.

Mr. Parkinson, in a carefully worded statement issued late today, said that he had never advised LaRue to make payments to lawyers for the Watergate defendants.

LaRue's testimony, however, was that he had been an indirect recipient of such instructions, not that he had received any orders from Mr. Parkinson.

Asked if her had ever made arrangements for the payment of funds to anybody involved

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in the Watergate case, Mr. Parkinson said, "No."

Larue also said that he had been told by Liddy on June 20, three days after the break-in, that "certain commitments had been made to him [Liddy] and subsequently passed by him to the other people involved."

But Larue said repeatedly that he had not inquired and did not know who had made the "commitment" that the defendants would be given funds.

He said that just before he made the final payment of \$75,000 to Mr. Bittman four months ago, he became concerned about his own liability in criminal charges and asked Mr. Mitchell if he should make the payment. He said that he told the former Attorney General it would be for legal fees, and Mr. Mitchell advised him to make the payment.

The Senate committee, whose members have sought with occasional success to keep the various phases of their investigation separate and will recall Mr. Ulasewicz later, had intended to skip past the former policeman's duties as a private eye for the White House from mid-1969 through last December.

Senator Distressed

But Senator Lowell P. Weicker Jr., Republican of Connecticut, saying that he found nothing humorous in Mr. Ulasewicz's account and was distressed that "today's Watergate joke becomes tomorrow's testimony," skimmed the top of the subject in a series of questions intended to show that Mr. Ulasewicz might have found the payoff assignment routine.

The Senator elicited from him, in general terms, a confirmation that the retired New York detective had explored sex habits, drinking habits, domestic problems and "personal social activities" of individuals who were regarded as potential political opponents of President Nixon.

Mr. Ulasewicz maintained that he had violated no laws and had been "most discreet" with his investigations, and that "a very high percentage" of the rumors and allegations he had checked out proved to be false.

Asked by the Senator if it would be "fair to say you dealt in dirt at the direction of the White House," Mr. Ulasewicz replied, "Allegations of it, yes, sir."