

A White House official said understood the payments were that President Nixon's com-mention the Watergate cover-families and to pay legal fees. up yesterday in Chicago was intended to make sure that it did not appear that Mr. Nixon was prejudging an aspect of the case.

The only change yesterday from the President's earlier statements about what he learned March 21 was that he said yesterday he only learned of allegations of the payment of hush money and not the fact of such payments.

The President said yester-day that he learned on March 21 that "it was alleged that the payments that had been made to the (Watergate) defendants were made for the purpose of keeping them still.'

"The President doesn't want to prejudge the case," a White House official said yesterday, "He was told allega-tions. He was only dealing with allegations".

The President also noted yesterday that his former top aides now under indictment in the Watergate cover-up have all denied that the payments were to buy silence.

-all have testified that they

From a legal point of view, the purpose of the payments is crucial. If they were to buy silence, the payoff scheme could involve an illegal ob-struction of justice. If the pay-ments were as part of a defense fund, then they could be legal.

The Watergate grand jury narged in its indictments The watergate stand just charged in its indictments March 1 that the payments were part of an illegal ob-struction of justice.

The President added vesterday: "However, Mr. Ehrlichman, Mr. Haldeman, Mr. Mitchell have all denied that that was the case and they certainly should be allowed the right in court to es-tablish their innocence or guilt, without our concluding

The President's statement yesterday does not remove the contradiction between his statement at his March 6 press conference and a written statement issued last Aug. 15.

In August, the President said he was told on March 21 that "the money had been used for attorneys' fees and Instead, the former aides— H.R. Haldeman, John D. Ehrl-ichman and John N. Mitchell family support, not that it had been paid to procure silence from the recipients.'

However, at the March 6 press conference, the Presi-dent said: "For the first time, on March 21, he (Dean) told me that payments had been made to defendants for the purpose of keeping them them quiet, not simply for their de-fense."