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**DETAILS CONCERN
 JUDICIARY PANEL**

**Inquiry Studies How Question
 of Funds Has a Bearing on
 Impeachment Proceedings**

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WASHINGTON, May 16 — The House Judiciary Committee heard evidence today about one of the key elements in the Watergate case — the vast amount of money that financed the Watergate burglary and the subsequent payments to the burglars.

From the evidence that is already public, it is not clear precisely how and when President Nixon first learned about the money.

But it is known that well over half a million dollars in cash was raised and paid out for the equipment that was used in the burglary and for the salaries and expenses of the burglars before and after the break-in.

It is also known—from the released edited transcript of the tape of Mr. Nixon's March 21, 1973, meeting with John W. Dean 3d—that the President was aware that his aides could raise large sums of money covertly and that he seriously considered paying off the burglars to keep them from testifying. In none of the released transcripts did Mr. Nixon explicitly reject the idea of paying off the burglars.

What follows is an explanation, based on public testimony, of how the money was raised and distributed and, to the extent that it is known, how the question of the money bears on the impeachment proceedings.

Collection

Hugh W. Sloan Jr., the treasurer of President Nixon's campaign finance committee, told the Senate Watergate committee that about \$1.7-million in cash was raised—nearly all of it from major contributors—before April 7, 1972, when the law requiring public reports of campaign contributions became effective.

About \$700,000 of that money was deposited in banks. But the rest—\$1-million in hundred-dollar bills—was placed in safes and safe deposit boxes.

Some of the money was "laundered" through a bank in Mexico, and part of this money was in the possession of Bernard L. Barker when he was arrested inside the Democratic headquarters in the Watergate building.

In March, 1972, \$350,000

from Mr. Sloan's fund was picked up by Gordon C. Strachan, an aide to H. R. Haldeman, and was placed in Mr. Haldeman's White House safe. Mr. Haldeman was the White House chief of staff and President Nixon's chief aide.

Mr. Sloan testified that he also paid \$199,000 to G. Gordon Liddy, who devised and directed the political intelligence-gathering scheme that led to the Watergate burglary.

Kalmbach Took Post

In the summer of 1972, after arrests in the Watergate burglary, Herbert W. Kalmbach, President Nixon's personal lawyer, became the chief fundraiser for the burglars. He testified that he acted under instructions from John D. Ehrlichman, the White House domestic counselor, and was told throughout that he was collecting the money for legitimate defense expenses.

Mr. Kalmbach said that he raised \$220,000 over the summer: \$75,000 in a package of cash from a corporation executive; \$75,000 from Maurice H. Stans, the President's campaign finance chairman, and \$70,000 from the cash in Mr. Haldeman's safe.

In September, 1972, Mr. Kalmbach refused to continue collecting money, and the task was turned over to Frederick C. LaRue, a ranking campaign official, who operated under the direction of John N. Mitchell, the former campaign director.

According to testimony, Mr. LaRue assembled \$230,000 from campaign funds and from the cash in Mr. Haldeman's safe.

Distribution

There has never been a full accounting of how Mr. Liddy spent the money he received from Mr. Sloan. It is known that more than \$50,000 was spent by James W. McCord Jr. to buy electronic surveillance equipment that was used during the break-in.

Much of the rest of his money presumably went for Mr. Liddy's expenses for travel and other matters and for the salaries of the men hired to commit the burglary.

The money that Mr. Kalmbach raised, he gave to Anthony T. Ulasewicz, a former New York City policeman, who dropped off wads of hundred-dollar bills in airport lockers, telephone booths and motel lobbies.

Much of that money, according to testimony, was picked up by Mrs. E. Howard Hunt Jr., wife of one of the Watergate conspirators, and distributed among the defendants and their lawyers.

Mr. Larue testified that the money he raised had been paid to Mrs. Hunt or to Mr. Hunt's attorney, William O. Bittman. Acting on Mr. Mitchell's orders, Mr. Larue arranged for the delivery of the final \$75,000,

through a middleman, to Mr. Bittman on the night of March 21.

Thousands of Dollars Paid

Mr. McCord testified that he was paid \$3,000 a month from July, 1972, through January, 1973, plus \$25,000 in legal fees. Mr. Liddy apparently received the same salary. The four Cuba Americans who were arrested in the burglary apparently received \$1,000 a month in salary and more for bail and legal fees. Mr. Barker testified that he had received a total of \$47,000. The testimony showed that Mrs. Hunt distributed most, if not all, of the money.

Mr. Hunt, according to testimony, was paid about \$275,000, more than half of which was kept by Mr. Bittman for his legal fee and expenses.

Was the money intended to buy the defendants's silence or was it for legitimate defense expenses?

Mr. McCord testified that he thought it was hush money. Mr. Barker testified that he gave no promise to remain silent. Mr. Dean said it was clearly hush money. Mr. Ehrlichman said it was not.

Nixon's Role

There is nothing in the public transcripts that shows con-

clusively that Mr. Nixon was aware that top aides were raising and delivering money to the defendants.

According to the edited transcript of Mr. Nixon's Feb. 23, 1973, conversation with Mr. Dean, the tape of which was heard by the Judiciary Committee tonight, the two men had a brief discussion about Mr. Kalmbach.

"I suppose the big thing is the financing transaction that they will go after him for. How does the money get to the bank of Mexico, etc.," Mr. Nixon said.

Since the Mexican transaction had been widely reported in the press by then, that passage by itself gives little indication of the President's

At his March 21 meeting with Mr. Dean and Mr. Haldeman, the matter of paying off Mr. Hunt's demands was raised time and again. Mr. Nixon made several statements that can be interpreted as meaning that he wanted the money paid. He did not reject the idea of a payment.

The money was apparently paid that night, and the next day Mr. Mitchell, according to the indictment in the Watergate conspiracy case, said that Mr. Hunt was not a "problem" any longer.

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