SFChronicle Guard Says He Took CIA Sub Memo

By William Farr Los Angeles Times 10 MIS

Los Angeles

A super-secret memo to Howard Hughes describing the CIA's plan to raise a sunken Russian submarine was taken from the billionaire's Hollywood communications center by security guard Mike Davis and later destroyed by him, Davis told the Los Angeles Times yesterday.

Authorities had previousbelieved the document had been stolen by burglars who overpowered Davis to gain entrance to the Romaine street offices just before 1 a.m. last June 5.

It is ironical that an act by an obscure guard would ultimately lead to public disclosure of one of history's most expensive and secretive inmissions—one telligence that cost hundreds of millions of dollars and six years of prodigious effort.

In an interview with a Times reporter before making the same disclosure to the district attorney's office and police detectives, Davis said.

"After the burglars had gone, and I had been able to get to a phone to call for help, I noticed two pieces of paper on the floor near the door to Kay Glenn's office. The burglars must have dropped them there.

"One of the papers was just a typewritten memo to HRH and the other looked like a check with a lot of zeros on it.

"My hands were still partially tied together with tape so I had to sort of scoop the papers up and jam them into my pocket. In all the excitement that followed with the arrival of the police and everything, I forgot that I had the documents.

"It was just an absentminded thing. The next time I noticed them was when I got home and was in the bathroom changing clothes. When I saw what I had, I panicked.

"One document was memo saying that the CIA wanted to build a ship or

something to bring up a Russian sub. I don't remember all the details, but I recall that it said President Nixon knew about it and that the IRS would look the other

Back Page Col. 8

From Page 1

oli ba way on how the money was being put in.

"The other document was actually a deposit note for \$100,000 made payable to Glenn. For several months I kept both the memo and the note in a bedroom drawer.

When all the publicity began to break on the submarine business about a month ago, I tore up the memo and flushed it down the toilet. Then I took Glenn's \$100,000 note and put it in a friend's safe.

col Glenn is a top executive with the Summa Corp., the holding company which controls the vast Hughes finan-cial empire. The note is a certificate of deposit show-ing that Glenn had placed \$100,000 in the South Hollywood branch of Bank of America to draw an interest rate of 10 1-8 per cent annually. Its maturity date was July 24, 1974.)

By his actions, Davis set into motion an intrigue that was to envelop CIA Director William Colby, FBI Chief Clarence Kelley, Los Angeles county District Attorney Joseph Busch, Police Chief Edward Davis and the news media.

Operating on the belief that the burglars had stolen the secret sub memo and that it was among the pirated documents they had attempted to ransom for \$1 million, these high officials and some of the nation's leading publications joined in an extraordinary effort to keep the lid of secrecy on the project because of national security ramifications.

"Had I had any idea that the memo involved some thing of that magnitude, my whole course of action would have been different," Davis told the Times yesterday.

"I grant that I made a mistake; but as tough as it is for me. I now want to clear everything up."

Davis was dismissed by the Hughes organization shortly after the burglary because of his refusal to take a lie detector test.