On June 23, 1972 H. R. Haldeman met with the President and informed the President of the communication John Dean had received from Acting FBI Director Gray. The President directed Haldeman to meet with CIA Director Richard Helms, Deputy CIA Director Vernon Walters and John Ehrlichman. Haldeman has testified that the President told him to ascertain whether there had been any CIA involvement in the Watergate affair and whether the relationship between some of the Watergate participants and the Bay of Pigs incident was a matter of concern to CIA. The President directed Haldeman to discuss White House concern regarding possible disclosure of covert CIA operations and operations of the White House Special Investigations Unit (the "Plumbers"), not related to Watergate, that had been undertaken previously by some of the Watergate principals. The President directed Haldeman to ask Walters to meet with Gray to express these concerns and to coordinate with the FBI, so that the FBI's investigation would not be expanded into unrelated matters that could lead to disclosure of the earlier activities of the Watergate principals.


31.3 H. R. Haldeman testimony, 8 SSC 3040-41.

31.4 H. R. Haldeman testimony, 7 SSC 2884.
Kunzig, who is now an associate judge of the U.S. Court of Claims.

Mr. Sampson has been Acting Administrator of General Services since June 2, 1972. He joined the General Services Administration in 1969 as Commissioner of the Federal Supply Service. From 1970 to 1972 he was Commissioner of the Public Buildings Service in GSA and the first Deputy Administrator of GSA for Special Projects.

He came to the General Services Administration after 6 years in Pennsylvania State government, where he was secretary of administration and budget secretary under Gov. Raymond P. Shafer, and deputy secretary for procurement, department of property and supplies, under Gov. William W. Scranton. Prior to entering government service, he was employed by the General Electric Co. for 12 years.

Mr. Sampson was born on October 8, 1926, in Warren, R.I. He received his B.S. degree in business administration from the University of Rhode Island in 1951 and has done graduate work at the George Washington University.

Active in several professional organizations, Mr. Sampson was presented the Synergy III Award for outstanding contributions toward the advancement of architecture by the Society of American Registered Architects in 1972. In 1973 he was selected as one of the Top Ten Public Works Men of the Year, and he was named an honorary member of the American Institute of Architects.

He and his wife, Blanche, have four children and reside in Washington, D.C.

Note: For the President's statement upon announcing his intention to nominate Mr. Sampson, see the preceding item.

The Watergate Investigation

Statements by the President, May 22, 1973

Recent news accounts growing out of testimony in the Watergate investigations have given grossly misleading impressions of many of the facts, as they relate both to my own role and to certain unrelated activities involving national security.

Already, on the basis of second- and third-hand hearsay testimony by persons either convicted or themselves under investigation in the case, I have found myself accused of involvement in activities I never heard of until I read about them in news accounts.

These impressions could also lead to a serious misunderstanding of those national security activities which, though totally unrelated to Watergate, have become entangled in the case. They could lead to further compromise of sensitive national security information.

I will not abandon my responsibilities. I will continue to do the job I was elected to do.

In the accompanying statement, I have set forth the facts as I know them as they relate to my own role.

With regard to the specific allegations that have been made, I can and do state categorically:

1. I had no prior knowledge of the Watergate operation.

2. I took no part in, nor was I aware of, any subsequent efforts that may have been made to cover up Watergate.

3. At no time did I authorize any offer of executive clemency for the Watergate defendants, nor did I know of any such offer.

4. I did not know, until the time of my own investigation, of any effort to provide the Watergate defendants with funds.

5. At no time did I attempt, or did I authorize others to attempt, to implement the CIA in the Watergate matter.

6. It was not until the time of my own investigation that I learned of the break-in at the office of Mr. Ellsberg's psychiatrist, and I specifically authorized the furnishing of this information to Judge Byrne.

7. I neither authorized nor encouraged subordinates to engage in illegal or improper campaign tactics.

In the accompanying statement, I have sought to provide the background that may place recent allegations in perspective. I have specifically stated that executive privilege will not be invoked as to any testimony concerning possible criminal conduct or discussions of possible criminal conduct, in the matters under investigation. I want the public to learn the truth about Watergate and those guilty of any illegal actions brought to justice.

Allegations surrounding the Watergate affair have so escalated that I feel a further statement from the President is required at this time.

A climate of sensationalism has developed in which even second- or third-hand hearsay charges are headlined as fact and repeated as fact.

Important national security operations which themselves had no connection with Watergate have become entangled in the case.

As a result, some national security information has already been made public through court orders, through the subpoenaing of documents, and through testimony witnesses have given in judicial and Congressional proceedings. Other sensitive documents are now threatened with disclosure. Continued silence about these operations would compromise rather than protect them, and would also serve to perpetuate a grossly distorted view—which recent partial disclosures have given—of the nature and purpose of those operations.
Watertag

The burglary and bugging of the Democratic National Committee headquarters came as a complete surprise to me. I had no inkling that any such illegal activities had been planned by persons associated with my campaign; if I had known, I would not have permitted it. My immediate reaction was that those guilty should be brought to justice, and, with the five burglars themselves already in custody, I assumed that they would be.

Within a few days, however, I was advised that there was a possibility of CIA involvement in some way.

It did seem to me possible that, because of the involvement of former CIA personnel, and because of some of their apparent associations, the investigation could lead to the uncovering of covert CIA operations totally unrelated to the Watergate break-in.

In addition, by this time, the name of Mr. Hunt had surfaced in connection with Watergate, and I was alerted to the fact that he had previously been a member of the Special Investigations Unit in the White House. Therefore, I was also concerned that the Watergate investigation might well lead to an inquiry into the activities of the Special Investigations Unit itself.

In this area, I felt it was important to avoid disclosure of the details of the national security matters with which the group was concerned. I knew that once the existence of the group became known, it would lead inexorably to a discussion of these matters, some of which remain, even today, highly sensitive.

I wanted justice done with regard to Watergate, but in the scale of national priorities with which I had to deal—and not at that time having any idea of the extent of political abuse which Watergate reflected—I also had to be deeply concerned with ensuring that neither the covert operations of the CIA nor the operations of the Special Investigations Unit should be compromised. Therefore, I instructed Mr. Haldeman and Mr. Ehrlichman to ensure that the investigation of the break-in not expose either an unrelated covert operation of the CIA or the activities of the White House investigations unit—and to see that this was personally coordinated between General Walters, the Deputy Director of the CIA, and Mr. Gray of the FBI. It was certainly not my intent, nor my wish, that the investigation of the Watergate break-in or of related acts be impeded in any way.

On July 6, 1972, I telephoned the Acting Director of the FBI, L. Patrick Gray, to congratulate him on his successful handling of the hijacking of a Pacific Southwest Airlines plane the previous day. During the conversation Mr. Gray discussed with me the progress of the Watergate investigation, and I asked him whether he had talked with General Walters. Mr. Gray said that he had, and that General Walters had assured him that the CIA was not involved. In the discussion, Mr. Gray suggested that the matter of Watergate might lead higher. I told him to press ahead with his investigation.

It now seems that later, through whatever complex of individual motives and possible misunderstandings, there were apparently wide-ranging efforts to limit the investigation or to conceal the possible involvement of members of the Administration and the campaign committee.

I was not aware of any such efforts at the time. Neither, until after I began my own investigation, was I aware of any fundraising for defendants convicted of the break-in at Democratic headquarters, much less authorize any such fundraising. Nor did I authorize any offer of executive clemency for any of the defendants.

In the weeks and months that followed Watergate, I asked for, and received, repeated assurances that Mr. Dean's own investigation (which included reviewing files and sitting in on FBI interviews with White House personnel) had cleared everyone then employed by the White House of involvement.

In summary, then:

(1) I had no prior knowledge of the Watergate bugging operation, or of any illegal surveillance activities for political purposes.

(2) Long prior to the 1972 campaign, I did set in motion certain internal security measures, including legal
PURPOSED ATTEMPT TO INVOLVE THE CENTRAL INTELLIGENCE AGENCY
IN THE WATERGATE AND ELLSWORTH INCIDENTS

Thursday, May 31, 1973

The subcommittee met at 10:00 a.m., pursuant to recess, in room 1223, Dirksen Senate Office Building, Hon. John L. McClellan (chairman of the subcommittee) presiding.

Present: Senators McClellan, Pastore, Young and Hruska.

Gentlemen, the committee will come to order.

Mr. Haldeman, we appreciate your appearance this morning. We are very glad you have responded to our request to come and testify.

As you know, the committee is investigating or inquiring into matters that have transpired relating to the CIA.

This committee is not making or undertaking to make a comprehensive inquiry into all aspects that may be involved in the so-called Watergate matter. We are undertaking to establish here a true record of the facts with respect to the CIA, its integrity, whether there has been any attempt
to meet with this committee and to clear up anything that I can be helpful in clearing up in regard to the matter that you have under inquiry.

I believe that the only area in which I can be helpful to you in your investigation is with regard to the reported meeting of White House and CIA officials last June.

In that regard, on June 23, 1972, John Ehrlichman and I were requested by the President to meet with Director Richard Helms and Deputy Director Vernon Walters of the CIA.

To the best of my recollection, the purpose of this meeting was five-fold:

One, to ascertain whether there had been any CIA involvement in the Watergate affair;

Two, to ascertain whether the relation between some of the Watergate participants and the Bay of Pigs was a matter of concern to CIA;

Three, to inform the CIA of an FBI request for guidance regarding some aspects of the Watergate investigation because of the possibility of CIA involvement, directly or indirectly;

I could interject there that this request had been made known by John Dean, counsel to the President, and had been transmitted by me to the President immediately upon being told of it by John Dean.

The President, as a result of that, told me to meet with Director Helms and General Walters and John Ehrlichman.

Retyped from indistinct original.
to get into this matter as I am laying it out here.

The fourth purpose was to discuss White House concern regarding possible disclosure of non-Watergate-related covert CIA operations or other national security activities, not related to Watergate, that had been undertaken previously by some of the Watergate principles.

Fifth, to request General Walters to meet with Acting Director Gray of the FBI to express these concerns and to coordinate with the FBI so that the FBI's area of investigation of the suspects, the Watergate suspects, not be expanded into unrelated matters which could lead to disclosure of their earlier national security and CIA activities.

The meeting was held in Mr. Ehrlichman's office on the afternoon of June 23 and, to the best of my recollection, all of the above points were covered.

As I recall, Director Helms assured us that there was no CIA involvement in the Watergate and also that he had no concern from the CIA's viewpoint regarding any possible connections of the Watergate personnel with the Bay of Pigs operation. Helms told us he had given this assurance to Gray directly.

Walters agreed to meet with Gray as requested. I do not recall having any further communication or meeting with Walters, Helms or Gray on this subject.

I do not specifically recall the question of "Mexican
EXECUTIVE SESSION

REQUEST TO EMPLOY THE CENTRAL INTELLIGENCE AGENCY IN THE TERRORIST AND FUNDING INCIDENTS

THURSDAY, MAY 30, 1973

United States Senate,

The subcommittee met at 10:00 a.m., pursuant to recess, in room 1223, Dirksen Senate Office Building, Hon. John L. McClellan (chairman of the subcommittee) presiding.

Present: Senators McClellan, Pastore, Young and Kraska.

Gentlemen, the committee will come to order.

Mr. Haldeman, we appreciate your appearance this morning. We are very glad you have responded to our request to come and testify.

As you know, the committee is investigating an inquiry into matters that have transpired relating to the CIA.

This committee is not asking for an understanding, nor is it a preconceived inquiry into all supposed things that may or may not be in the so-called Wengrowa matter. We are only finding it

in vain, have a hard pressed of our time with respect to

Mr. Haldeman, your previous statements have been very informative.

[729]
In that regard, on June 23, 1972, John Ehrlichman and I were requested by the President to meet with Director Richard Helms and Deputy Director Vernon Walters of the CIA.

To the best of my recollection, the purpose of this meeting was five-fold:

One, to ascertain whether there had been any CIA involvement in the Watergate affair;

Two, to ascertain whether the relation between some of the Watergate participants and the Bay of Pigs was a matter of concern to the CIA;

Three, to inform the CIA of an FBI request for guidance regarding some aspects of the Watergate Investigation because of the possibility of CIA involvement, directly or indirectly.

I could interject here that this request had been made by John Dean, counsel to the President, and had been submitted to the White House immediately upon being told of it by John Dean.

In response, an order of June, 1972, was to turn over all notes and memos from the Middle East.
SECRET

In the absence of a clear process to address Nixon's request, we decided to engage with the White House in order to discuss potential concerns regarding possible disclosure of non-Watergate-related matters, such as CIA operations or other national security activities, not related to Watergate, that had been undertaken previously.

Fifth, to request General Walters to meet with Acting Director Deputy of the FBI to express these concerns and to coordinate with the FBI so that the FBI's area of investigative interest, the Watergate suspects, not be expanded into unrelated matters which could lead to disclosure of their earlier national security and CIA activities.

The meeting was held in Dr. Enrich's office on the afternoon of June 22, and to the best of my recollection, all of the above points were covered.

As I recall, Director Halvar assured us that there was no CIA involvement in the Watergate and also that he had no concern from the CIA's viewpoint regarding any possible connections of the Watergate personages with the Bay of Pigs operation. Halvar told us he had given this assurance to Nix directly.

Walters agreed to work with Nix on requested issues and to consult with Halvar, Fulbright, and other officials as needed on this subject.

I do not specifically recall the question of "Nixon's Order."
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JULY 31, AUGUST 1, AND 2, 1973
Book 8

Printed for the use of the
Select Committee on Presidential Campaign Activities

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[732]
Mr. Dash. At that meeting do you recall that there was a general discussion as to what happened, what information was current concerning the break-in and the relationship with the committee?
Mr. Halderman. I have no specific recollection of the contents of that meeting but I am sure, that given the time situation, that it must have been in regard to the Watergate break-in.
Mr. Dash. Now, it is true, if you look at your record that during that period right after you got back there are about two or three meetings on different days.
Mr. Halderman. Yes.
Mr. Dash. I think you met with him on the 20th, on the 23rd, and on the 26th. Does your record show that?
Mr. Halderman. I show—there is an example now of my log of June 20 that does not show a meeting with those people that I have identified, that I have got in my summary here as a result of information from other sources. What my log shows is a meeting in John Ehrlichman’s office which is all my secretary would know. She didn’t know who was in the meeting.
Mr. Dash. Right.
Mr. Halderman. I am sorry then you were going—
Mr. Dash. I was saying do you have a record of a meeting with Mr. Dean on the 23rd and again on the 26th after the meeting with him on the 20th?
Mr. Halderman. Not in the log, no. The 23rd?
Mr. Dash. Yes.
Mr. Halderman. It doesn’t show me I don’t believe.
Mr. Dash. Do you have it in the summary that you have received from other sources?
Mr. Halderman. No; that doesn’t show a meeting with Dean, either. I think I talked with Dean on the phone that day, that morning. I don’t believe I met with him but I am not sure.
Mr. Dash. You indicated in your earlier testimony that Mr. Dean did give you a report of what happened and told you at that time that he had told you earlier about telling you after one of the meetings. Could you place in any one of those meetings when he told you?
Mr. Halderman. No; I can’t.
Mr. Dash. Would it be your recollection that it would be during that week when you got back?
Mr. Halderman. Not necessarily, no. As I say, the only meeting that I see with Dean during that week was the meeting in Mr. Ehrlichman’s office on the 20th apparently.
Mr. Dash. Did the President either communicate with you or did you have a meeting with the President prior, shortly prior, to June 23, 1972?
Mr. Halderman. I am sure I did. Do you want me to check?
Mr. Dash. You met frequently with the President so you—
Mr. Halderman. Yes, sir.
Mr. Dash. So you are pretty sure you can find such a meeting?
Do you recall prior to that meeting on June 23, the President having a discussion with you concerning the investigation that would be ongoing with regard to the Watergate break-in and a concern he had that such an investigation by the FBI might include the work of the special investigating unit in the White House and also the CIA?
Mr. Haldeman. Not prior to the 23d. I do recall such on the 23d.
Mr. Dash. On the 23d?
Mr. Haldeman. Yes, sir.
Mr. Dash. Was that on the 23d itself?
Mr. Haldeman. Yes, sir.
Mr. Dash. Is that what prompted your having a meeting with Mr. Helms and Mr. Walters on the 23d?
Mr. Haldeman. Yes.
Mr. Dash. And Mr. Haldeman, could you tell us what was the purpose of that meeting with Mr. Helms and Mr. Walters; what you said and what they said?
Mr. Haldeman. OK.
Mr. Dash. To the best of your recollection.
Mr. Haldeman. I have covered that in my statement and I—I don’t know how much detail you want to get into that. I have made a more detailed statement before another Senate committee that is looking into this matter in considerable detail and I would be glad to read that statement or put it into your record.
Mr. Dash. Let me just ask you this question because I think we do have your statement.
Mr. Haldeman. Yes, sir.
Mr. Dash. And I think we also have your more detailed statement that has been submitted to us.
Mr. Haldeman. OK.
Mr. Dash. Mr. Helms and Mr. Walters have recounted their recollection of the meeting and Mr. Walters has testified, and provided memorandums indicating that at that meeting he was, in effect, ordered by you to go to see Mr. Gray and tell Mr. Gray that an investigation of the Watergate matters might uncover CIA activities and, therefore, to restrict the investigation to such an extent as not to do that.
Do you recall that such a conversation took place?
Mr. Haldeman. Well, without—I am not sure of the accuracy and I don’t think you want to get into the specifics of Mr. Walters’ testimony. I think you are asking for my recollection of that conversation.
Mr. Dash. Yes.
Mr. Haldeman. So without commenting on either of the accuracy of Mr. Walters’ recollection or your recitation of it, because he has given a number of different statements and depositions in this thing that make it rather complex, but the meeting, one of the purposes of the meeting, as assigned to me by the President on the morning of the 23d when he told me to have, to have me and Ehrlichman to meet with Director Helms and Deputy Director Walters, in addition to ascertaining whether there was any CIA involvement, whether there was any CIA concern about earlier activities of people who had been arrested at the Watergate, was to tell the CIA Directors that the FBI had expressed concern that as to whether there was CIA involvement or any implication.
Mr. Dash. Did you know at that time Mr. Helms had actually told Mr. Gray the day before, on the 23d, that there was no CIA involvement?
Mr. Haldeman. I did not know that prior to our meeting with Mr. Helms and Mr. Walters.
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 69

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JULY 26, 27, AND 28, 1973
Book 7

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is that the President was not directly involved himself and he was not told by anyone until March, when he intensified his own investigation. Even then, he was given conflicting and unverified reports that made it impossible to determine the precise truth regarding Watergate or the cover-up and, at the outset at least, he was relying primarily on one man, John Dean, who has admitted that he was a major participant in the illegal and improper cover-up, a fact unknown to the President until March 1973.

Any attempt on my part at this time to try to identify those who participated in, directed, or knew of the illegal cover-up would of necessity be based totally on hearsay.

**CONTAINMENT**

There was a concern at the White House that activities which had been in no way related to Watergate or to the 1972 political campaign, and which were in the area of national security, would be compromised in the process of the Watergate investigation and the attendant publicity and political furor. The recent public disclosure of the FBI wiretaps on press and NSC personnel, the details of the Plumbers operations, and so on, fully justifies that concern.

As a result of this concern and the FBI's request through Pat Gray to John Dean for guidance regarding some aspects of the Watergate investigation, because of the possibility of CIA involvement, the President directed John Ehrlichman and me to meet with the Director and Deputy Director of the CIA on June 23. We did so and ascertained from them that there had not been any CIA involvement in the Watergate affair and that there was no concern on the part of Director Helms as to the fact that some of the Watergate participants had been involved in the Bay of Pigs operations of the CIA. We discussed the White House concern regarding possible disclosure of non-Watergate-related covert CIA operations or other nonrelated national security activities that had been undertaken previously by some of the Watergate participants, and we requested Deputy Director Walters to meet with Director Gray of the FBI to express these concerns and to coordinate with the FBI, so that the FBI's area of investigation of the Watergate participants not be expanded into unrelated matters which could lead to disclosures of earlier national security or CIA activities.

Walters agreed to meet with Gray as requested. I do not recall having any other communication, or meeting, with Walters, Helms, or Gray on this subject. I did not, at this meeting, or at any other time, ask the CIA to participate in any Watergate cover-up, nor did I ever suggest that the CIA take any responsibility for the Watergate break-in. I believe that the action I took with the CIA was proper, according to the President's instructions, and clearly in the national interest.

There were a number of newspaper stories and allegations raised during the period following the Watergate break-in that posed new questions regarding the facts of Watergate or related matters. Whenever any such questions arose, the President would again ask that the facts be ascertained and made known publicly as completely and quickly as possible, but there always seemed to be some reason why
32. In the early afternoon of June 23, 1972 John Mitchell, Campaign Director of CRP, met with Maurice Stans, Chairman of FCRP, in Mitchell's office. They discussed the Dahlberg and the Mexican checks. Stans knew at that time that these checks were campaign contributions that Hugh Sloan, Treasurer of FCRP, had given to Gordon Liddy to be converted to cash.

32.1 John Mitchell testimony, 4 SSC 1659.
32.2 Maurice Stans testimony, 2 SSC 725.
32.3 Maurice Stans testimony, 2 SSC 699-701.
32.4 Maurice Stans testimony, 2 SSC 748.
32.5 Hugh Sloan testimony, 2 SSC 575-76.
32.6 Maurice Stans calendar, June 23, 1972 (received from SSC).
32.7 John Mitchell log, June 23, 1972 (received from SSC).
32.8 Maurice Stans telephone records, June 23, 1972 (received from SSC).
Mr. Mitchell. This was not collected, this was held except for one item, and I am sure the staff is much more familiar with Mr. Stans' record than I am but I think he testified that the $75,000 was made up of $15,000 that he had in a safe deposit box that came from the 1962 campaign and $30,000 that had come from some Filipinos who were to be returned; if I am not mistaken that is the $75,000 and he did not come to me on it.

Senator Talmadge. There was a great deal of testimony that this committee has had, as you know, about disbursement of funds, and we found that over a million dollars was disbursed in cash with no checks to support it or anything else. Some cash was handled around in large amounts, and it was amazing to me that a man as able, a certified public accountant, as Mr. Stans would let money be handled in such a loose fashion. You would concur that you ought not to kick around a million dollars in cash without accountability, wouldn't you?

Mr. Mitchell. I would subscribe to that wholeheartedly, in fact I would go down to half a million or a quarter of a million.

Senator Talmadge. Or even $1.

Mr. Mitchell. I agree with that.

Senator Talmadge. Now, you mentioned these Dahlberg and Mexican checks. Mr. Stans testified that you met with him on June 23, 1972, regarding those checks, is that a correct statement?

Mr. Mitchell. Yes, sir. If I remember correctly, Mr. Stans and I had lunch on that day and we had a further meeting which has been totally screwed up in the testimony here on the 24th.

Senator Talmadge. Do you want to try to correct it?

Mr. Mitchell. I would be delighted because of the various versions and it was a matter of some concern of this committee because of the implication that Mr. Stans was brought into the picture of having information about the Watergate, which is not true.

With respect to the 23rd, to the best of my knowledge it does show that Mr. Stans and I had lunch in my diary. Now the 24th, this is the sequel of the Martin-LaRue de-briefing or interviewing of Liddy and the information they got from Magruder's involvement with Liddy in the payment of money and it resulted in Martin going to talk to Magruder and getting this story that it was only $40,000 at the most that I could have given Liddy or whatever the number was $40,000 or $50,000, and this, of course, was quite contrary to what Mr. Liddy had told Mr. Martin.

So Martin came up and got my secretary to get Sloan in from his house into the office the 24th being a Saturday where there was this confrontation and, by the way, I would like to interpolate here that this is the only meeting that I ever had with Hugh Sloan at any time after June 17th and it wasn't in connection with his going to the FBI as he has testified to.

The meeting took place with Martin, Magruder, and Sloan, in which Magruder was saying, "Well, it couldn't have been more than $40,000 or $50,000" and Sloan was saying, "It is much, much more than that. But I won't tell you because I am going to have to talk to Mr. Stans."

And this is, by the way, where I will also have to put the record straight. Sloan was a pretty low individual on that particular day and
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase 1: Watergate Investigation
WASHINGTON, D.C., JUNE 2, 6, 7, 12, 13, AND 14, 1973
Book 2

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Stock Number 077-00-01932
Senator Gurney. Did you have any phone calls?

Mr. Stans. None that my records show.

Senator Gurney. Do you recall any?

Mr. Stans. I do not recall any.

Senator Gurney. At some point in time, of course, you learned, as we all have, about Watergate, the people who were the key people in it and to the best of your recollection when did you learn about Watergate and who were the key people in it and from whom?

Mr. Stans. The first thing I learned about Watergate, to the best of my recollection was on June 23 when I received a call from Fred LaRue, as I testified yesterday, and he said: "Do you know Kenneth Dahlberg?"

And I said: "Yes, I know Kenneth Dahlberg very well."

He said: "Well, did you know that his contribution ended up in the bank account of one of the fellows who was arrested in the Watergate?"

And I said: "To the best of my knowledge Mr. Dahlberg didn't make a contribution, particularly in that amount of money that you mentioned."

He said: "Well, we had better talk about it."

So he came down to my office and we reviewed the situation. I recalled, of course, the circumstances under which Dahlberg had given us the check, and we called Dahlberg on the phone and got him to come to Washington to review the whole matter. That is my first knowledge of the Watergate situation.

Senator Gurney. Did you ever discuss it with John Mitchell at any time near this point in time? That is June 17.

Mr. Stans. Well, I would be sure that I discussed this with John Mitchell on a number of occasions and my records show that the first time I talked to John Mitchell after the 17th was on the 23rd when we had lunch in his office. I am not sure what the conversation was about. Whenever I met with Mitchell I usually had a list of five or six things to talk about. I would not presume that we didn't talk about the Watergate. I am sure it was a subject of interest but certainly not about who and when and why.

Senator Gurney. Did LaRue come to you in January 1973, this year, and ask you for the names of some of the larger contributors to the campaign?

Mr. Stans. Yes, I reported that to the staff of the committee. He asked me for the names of some contributors to whom he might go for money for a White House project.

Senator Gurney. What was the project?

Mr. Stans. He didn't tell me.

Senator Gurney. Did you ask him?

Mr. Stans. No, I did not. Mr. LaRue again was a man of high standing in the campaign. He had been assistant to John Mitchell. There were no revelations at that time involving him in anything and I had total confidence in anything Mr. LaRue told me.

Senator Gurney. Have you ever conferred with John Mitchell, Magruder, Haldeman, Ehrlichman, Dean or anybody else on the cover-up of Watergate?

Mr. Stans. I have no recollection of any discussion with anyone about the cover-up on the Watergate until after the disclosures that have occurred within the last 2 months.
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JUNE 6, 7, 12, 13, AND 14, 1973
Book 2

Printed for the use of the
Select Committee on Presidential Campaign Activities

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checks, $89,000 drawn on a Mexican bank account. I think it is time for you in your own words to describe what you know about that, what you did about it, and who you discussed the matters about it with.

Mr. Stearns. I will be happy to tell you because I do not think the full story has ever been told in one place before. This is my recollection of the sequence of events.

On April 9 of last year, I received a telephone call from Bill Liedtke, who was then our finance chairman in the State of Texas. He said, "I have a U.S. citizen residing in Texas, who is a prospective contributor for $100,000, but he wants to give it in U.S. funds that are now in Mexico. Is this legal?"

I said, "I am quite sure it is, but let me check again and I will call you back."

I checked with our counsel, found out it was perfectly legal for a U.S. citizen to give any foreign funds he wanted, and called back to Liedtke and told him so.

Now, the next thing that I knew about the transaction was after April 92, when I came back from a vacation, and at a meeting I learned from Mr. Sloan that on April 5, Mr. Liedtke's representative, Roy Winchester, had brought to Washington to the committee $100,000 in the form of a contribution from an unnamed person; that it was in the form of checks drawn on American banks by a Mexican bank; that he was not sure how to handle checks of that nature; and that he set them aside. They had clearly arrived before the change in the law on April 7. He set them aside to talk to counsel for the committee and did so the following week.

The committee counsel suggested that they be reconverted into cash, into dollars, and took the checks from Sloan for that purpose.

So when I got back from my vacation, as I said, I found out about the checks. I found out he had given them to counsel, and I found out that the proceeds of the checks had not yet been returned.

At this point, I was of the understanding that the four checks totaled $100,000, and I did not know until I read in Time magazine somewhere along the line there that the four checks totaled only $89,000 and that $11,000 of the $100,000 was in currency.

Now, from here on, I have to quote what Mr. Sloan said, because I had not seen the checks nor did I see the proceeds of the checks come back to him. But according to him, the proceeds of the checks came back to him less a collection fee of $2,500 that was imposed on it, and he held the money and included it in a bank deposit that was made on May 25.

Now, that is my recollection of the transaction. You may have other questions about it.

Mr. Edmisten. No, I will leave those for the Senators.

Mr. Stearns. I would like to point out, though, that the General Accounting Office has concluded that the funds were properly received before April 7 and that there was no requirement to report them.

Mr. Edmisten. Now, what did you have to do with the so-called Dahlberg check? You received checks, did you not, from Mr. Dahlberg?

Mr. Stearns. Yes. May I recite the details of that transaction as I understand it?

Mr. Edmisten. Yes.

Mr. Stearns. Kenneth Dahlberg, as I recollect it, was a member of the early finance committee working in the State of Minnesota and Dwayne Andreas was a Minnesota resident who also had a place of
living in Florida, in a hotel that he owned. As I understand it from Dahlgren, somewhere around as early as January, Andreas said: "I want to help the President's campaign and I will give you $25,000 when you get around to it." He confirmed that to Dahlgren in February.

In March, on the 12th, and this I get from Andreas, he decided to get the money in hand and he decided to make the contribution in cash because he was a close friend of Hubert Humphrey and a contributor to Humphrey's campaign as well as a friend of the President, and he wanted to achieve all the anonymity he could achieve.

On March 12, he instructed his secretary to get together $25,000 of money, which he did, from a tax-paid account, and put it in an envelope to be given to Mr. Dahlgren on the 13th of March at a meeting of a board of directors of a bank of which both Dahlgren and Andreas were directors. Unfortunately, on the 14th, Dahlgren found suddenly that he had to go to Europe to deal with the affairs of an affiliated company there, and he could not attend the meeting. So Andreas continued to hold the money in an envelope.

On the 5th of April, having in mind the change in the law that would take place in the next day or so, Andreas, in Florida, called Dahlgren in Minnesota and said:

I still have that money. I would like to give it to you before the change in the law; can you pick it up?

And Dahlgren said:

I cannot get down there before the 7th. I will get down there on the 7th and arrange it to pick it up.

Andreas said:

Well, I want the contribution to be made now, made effective now. So I will put it in an envelope in your name and put it in the safe deposit box in the hotel in your name. You can pick it up whenever you are ready, but I want the understanding between you and me that title has passed and it is your money and you accept it as of today.

Dahlgren said, "I do," and called me and relayed the transaction, and I advised him on the basis of legal advice that I had already received that a commitment of that nature was properly a contribution before April 7 and when received would not have to be reported.

On April 7, Dahlgren went to the hotel in Florida, but arrived too late to pick up the money because the safe deposit box had been closed. He talked to Andreas on the 8th and arranged for the two to get together on the 9th, and at Dahlgren's request, Andreas took the money out of the safe deposit box and delivered it to Dahlgren on the 9th.

On the 10th, Dahlgren bought a cashier's check for that because he did not want to carry that amount of money around with him from Florida to Washington, where he was due on the 11th for a meeting of all of our State finance people on our committee.

On the 11th, at an interval in the meeting, Dahlgren endorsed the check and handed it to me, with the explanation that, "This is the money from Andreas." And I had a full accounting of the sequence of the transaction up to that date.

I thereafter, the same day, as quickly as possible, gave the check to the treasurer, explained to him the background that this was money that had been contributed before the 7th, and asked him to determine the accounting handling of the check.
The treasurer, not being sure, discussed it with the general counsel for the committee and the general counsel suggested that he take the check and convert it into cash. The treasurer gave him the check.

Now, again, I can report what the treasurer has said, that he did not get the proceeds of the check back until some time in May. He received them in full and they were deposited in a bank account on May 25.

Now, as to these two transactions and several others in a similar category, we treated that as cash on hand on April 7 and reported it in the report of the media Committee To Re-Elect the President, in the amount of $350,000, and that exact amount of $350,000 was deposited in that committee's bank account on May 25. We felt that we had complied with every requirement of the law as to the handling and reporting of that money; we had accounted for it fully.

The General Accounting Office subsequently cited our committee for a possible violation of the law in failing to report the $350,000. But the Department of Justice, in a letter some months later, concluded that there was no violation of the law in the handling of that transaction.

Mr. Edmisten. Mr. Stans, when was the first time that you learned that these checks had cleared through a bank account of Bernard Barker?

Mr. Stans. It was well after the Watergate event of June 17.

Mr. Edmisten. Now, shortly after that, did you have any discussions with Mr. John Mitchell or anyone at the White House concerning any of these checks during the week immediately following?

Mr. Stans. I don't recall any specific conversations with John Mitchell, but I do recall a conversation with Fred LaRue and subsequently with Robert MARDIAN.

Mr. Edmisten. What did you talk about?

Mr. Stans. As I recall it, it was the morning of the 23rd of June, which was 6 days after the Watergate affair. I received a phone call from Fred LaRue, saying, "Do you know Kenneth Dahlberg?"

And I said, "I certainly do."

He said, "Well, his contribution ended up in a bank account of one of the fellows who was arrested." I said, "Dahlberg didn't make a contribution."

He said, "Well, it is his check."

So he came down and we discussed it and concluded that, in some manner or other, Dahlberg's check must have reached the bank account of Bernard Barker.

We called Dahlberg and discussed it with him, got him to Washington on that same day, met with him, and he met with LaRue and I think with MARDIAN, and got all the facts of the transaction in hand. It was clear that neither Dahlberg nor I nor Hugh Sloan had anything to do with the checks, that check or the Mexican checks, entering the Barker bank account. They could only have gotten there through the hands of our general counsel, Gordon Liddy, who had taken them into his custody.

Mr. Edmisten. Mr. Stans, I am going to skip along. I don't want to entrench on the committee. At one time did you approve or consent to giving Mr. Fred LaRue $350,000?

Mr. Stans. Yes, I did. Would you like to know the background of that?
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

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Senator Talmadge. Then that raises this question, Mr. Stans: Why did you allow Mr. Sloan, contrary to your explicit instructions, to casually report to you only several weeks later the deposit of the $25,000 check received from Mr. Dahlberg and $89,000 check in Mexican bank checks?

Mr. Stans. Well, Senator, I fairly well covered that in my testimony yesterday.

The fact is that I was not aware that the Mexican bank checks had even been received until I got back from my vacation around the 24th of April. The fact also is that the record shows that, before I went out on that vacation, I left a memorandum of things to be done by the staff, and one of the items was a request for Mr. Sloan to balance up his cash as soon as possible.

Now, Mr. Sloan had given those checks to Mr. Liddy, he followed up with Mr. Liddy and I think his testimony is that he followed up several times, and Liddy said, "It takes time to get that money back." Mr. Sloan did get the money back in early or mid-May and deposited it.

I think the follow-up was as thorough as we could have expected it to be.

Senator Talmadge. But you got the Dahlberg check personally, I believe, did you not?

Mr. Stans. Yes, it went through my hands, and I had it for a short time on the 11th of April.

Senator Talmadge. Mr. Stans, are you telling—

Mr. Stans. I think, Senator, what you are bringing out is the difference in the function between the chairman and the treasurer. I raised the money—he had no part in soliciting contributions. He did the bookkeeping and the accounting and I had no part of that, and once I turned a check over to Mr. Sloan, I had every reason to assume that it would be handled in due course and only when I learned about things that were not handled in due course—as that Abel check—did I raise questions with Mr. Sloan about it.

Senator Talmadge. Are you telling us, Mr. Stans, that as a certified public accountant, a member of the Accountants Hall of Fame, former Secretary of Commerce, and who further had been personally selected by the President to be the Director of the Budget and director of the committee to raise $50 million for his reelection campaign you intended all this money to be spent without any of your supervision and control?

Mr. Stans. No, I am not telling you that at all, Senator. I did exercise some supervision and control. I got a daily report of all the contributioins received which I looked over every day. I indicated to the extent that I knew people personally their first names so that the letter of acknowledgement and appreciation would be a first-name basis.

I got reports from time to time. I had a daily staff meeting. I saw the summaries of the reports that were filed with the General Accounting Office. So I did exercise supervision but I did not, Senator, have anything to do with the day-to-day work of the treasurer's office.

Senator Talmadge. Now, you realize that the reporting act went into effect on April 7, 1972, do you not?

Mr. Stans. That is correct.

Senator Talmadge. And a very stringent law?
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[748]
Mr. Sloan. I know Texas, but whether it was just restricted to Texas, I am not sure.

Senator Ervin. You do not know from your own knowledge, of course, whether they came from fund raising or whether they came from correspondence?

Mr. Sloan. As I recall, all the checks were individual checks. The cash funds—I might explain. There was a listing in the briefcase, the total amount which equaled the total amount in the briefcase. Individual names were associated with each of those items.

Senator Ervin. Were any checks brought at that time in addition to these four Mexican checks?

Mr. Sloan. Oh, yes, sir.

Senator Ervin. I thought that the rest was in cash. Was I mistaken in that?

Mr. Sloan. Yes, sir. I think a large proportion of it was in personal checks from contributors.

Senator Ervin. I would like to hand you a check that purports to be drawn on the First Bank and Trust Co. of Boca Raton, a cashier's check, to the order of Kenneth H. Dahlberg. I handed that to you and ask if you can identify that?

Mr. Sloan. Yes, sir, that appears to be accurate.

Senator Ervin. When did that check reach the office of the Committee To Re-Elect the President?

Mr. Sloan. I did not know when Secretary Stans received it. I believe he turned it over to me sometime in the week following April 7.

Senator Ervin. This check was not dated, this cashier's check was not dated until April 10, 1972, 3 days after the new law went into effect.

Mr. Sloan. Secretary Stans, in giving that check to me, told me it represented pre-April 7 funds.

Senator Ervin. The committee proceeded upon the advice of Mr. Liddy to the effect that if somebody promised them money before April 7, or they had agreed to make a disbursement before April 7, that did not have to be reported—is that so?

Mr. Sloan. I believe that is correct, Senator.

Senator Ervin. Now, what happened to these four Mexican checks?

Mr. Sloan. Senator, excuse me. In response to that other question, presumably, Mr. Liddy gave his advice to Secretary Stans. He did not specifically give that advice to me. It was represented that way to me by Secretary Stans.

Senator Ervin. In other words, Mr. Stans told you that Mr. Dahlberg's check had been received somewhere under some circumstances by somebody before April 7, and, therefore, even though it had not reached the committee or any person authorized to receive funds on behalf of the committee, that it was received before April 7?

Mr. Sloan. My understanding was that Mr. Kenneth Dahlberg, who was an authorized representative of the committee, had received it from Mr. Dwayne Andreas. As to the exact circumstance of that arrangement, I do not know.

Senator Ervin. Were not the four Mexican checks and the Dahlberg check deposited in a bank in Miami, Fla.? *

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* The document referred to was later marked exhibit No. 21 on p. 633.
Mr. Sloan: That is what I understood happened to them, Senator. It was certainly not under my instructions.

Senator Ervin: Can you explain to the committee why the checks were transmitted from Washington to Miami and deposited in a bank in Miami to the credit of Bernard L. Barker?

Mr. Sloan: I have no idea, Senator.

Senator Ervin: Would you not infer from those circumstances that somebody that had something to do with the checks did not want anybody to know about receiving the checks and wanted to hide them?

Mr. Sloan: Senator, my understanding when I received them was a judgment had been made that they were pre-April 7 contributions and, therefore, were not required to be reported. I did turn them over to Mr. Liddy to have them converted to cash. He handled them from there. Why he gave them to Mr. Barker, I have no idea.

Senator Ervin: Well, even though they did not have to be reported, can you inform us why, instead of being put in the safe in the committee office, why they were sent down to Florida?

Mr. Sloan: I do not know why they went to Florida, Senator. The reason for the conversion of those checks to cash was to attempt to comply with the spirit of the old law of distributing an individual's contribution in $3,000 increments among pre-April 7 committees. But as those bank accounts had been closed out, the only way to do this was by converting it to cash and counting that cash as a transfer as cash on hand in the Media Committee To Re-Elect the President. It was reported in that figure.

Senator Ervin: I am a little mystified. How could it comply with the old law with reference to the receipt of $3,000 or less in cash by having $13,000 deposited in the bank account of Bernard L. Barker in Miami, Fla.?

Mr. Sloan: Senator, I do not know any circumstances surrounding the deposit of the checks to Mr. Barker's account. That was not my interest in turning those checks over to Mr. Liddy.

Senator Ervin: Who instructed you to turn them over to Mr. Liddy?

Mr. Sloan: I believe I took them to Mr. Liddy in response to the conversation of Secretary Stans. He asked me, do we have any problem in handling these? I told him I did not know; I would check with counsel. His recommended way of handling this was a diversion to cash. He offered at that time to handle that transaction for me. It took him until mid-May to return those funds to me in cash form, minus roughly $2,500 expenditure.

Senator Ervin: I hate to make comparisons, but I would have to say on that, Mr. Liddy in one respect was like the Lord, he moves in mysterious ways his wonders to perform. [Laughter.]

Now, as a matter of fact, do you not know that some of the funds that were drawn out, that represented proceeds of these checks which were drawn out of the Miami bank on Mr. Barker, were found in the possession of some of the people who were caught in the burglary at the Watergate?

Mr. Sloan: I have since learned that; yes, sir.

Senator Ervin: How long was it after the break-in before you learned that?

Mr. Sloan: I believe not that specific reference, but the fact that these men had been found with $100 bills in their possession came out
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Mr. Mitchell -- Friday, June 23, 1972

8:15  AG attended White House meeting.
9:20  AG ret. to office
9:21  AG SAW Mardian, LaRue and Magruder
10:00 AG attended White House meeting
     Presidential Surrogates Briefing
11:45 AG ret. to office
11:50 AG SAW Senator Sears
12:55 AG spoke with Mr. Stans
1:10  AG SAW Fred LaRue
1:30  Mrs. Peggy Ebbitt ret. AG's call and t.
1:35  AG SAW Mr. Stans
2:00  Mr. Kalmbach ret. AG's call and t.
2:20  AG ret. Secy Butz call and t.
2:30  AG ret. Mr. Timmons call and t.
2:50  AG called Peggy Ebbitt and t.
3:00  AG SAW Fred LaRue and Bob Mardian
3:10  Mr. Flanagan ret. AG's call and t.
3:30  AG called Mr. Ed Weiss
3:40  AG called Mr. Timmons and t.
3:50  AG SAW Fred LaRue
4:00  AG called Chuck MacGregor and t.
32.8 NOTE: 612 / 473-3002 is the listed telephone number for Kenneth Dahlberg.

(Source: Telephone Directory for Minneapolis and Surrounding Communities, December 1973, p. 28)
# Calls and Telegrams

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33. At approximately 1:30 p.m. on June 23, 1972 pursuant to the President's prior directions, H. R. Haldeman, John Ehrlichman, CIA Director Helms and Deputy CIA Director Walters met in Ehrlichman's office. Helms assured Haldeman and Ehrlichman that there was no CIA involvement in the Watergate and that he had no concern from the CIA's viewpoint regarding any possible connections of the Watergate personnel with the Bay of Pigs operation. Helms told Haldeman and Ehrlichman that he had given this assurance directly to Acting FBI Director Gray. Haldeman stated that the Watergate affair was creating a lot of noise, that the investigation could lead to important people, and that this could get worse. Haldeman expressed concern that an FBI investigation in Mexico might uncover CIA activities or assets. Haldeman stated that it was the President's wish that Walters call on Gray and suggest to him that it was not advantageous to push the inquiry, especially into Mexico. According to Ehrlichman, the Mexican money or the Florida bank account was discussed as a specific example of the kind of thing the President was evidently concerned about.

Following this meeting, Ehrlichman advised Walters that John Dean was following the Watergate matter on behalf of the White House.

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33.1 John Ehrlichman log, June 23, 1972 (received from SSC).

33.2 Lt. Gen. Vernon Walters testimony, 9 SSC 3404-05.

33.4 Richard Helms testimony, 8 SSC 3237-39.


33.6 John Ehrlichman testimony, 6 SSC 2563-64.


33.8 Lt. Gen. Vernon Walters testimony, 9 SSC 3408.
WEDNESDAY, JUNE 21, 1972

8:00    HRH office
3:15    Roosevelt Room
10:00   Secretary Richardson
11:15   Richard Valdizani
12:40   President, Gov. Rockefeller, Sen. Javits, Sen. Buckley,
        Sec. Volpe
1:00    Lunch with Mrs. E, Pete, Jan, Tom, Jodi, Robbie,
        Joan Kimball
2:15    Bonnie Angio
3:00    Peter Lisagor
3:30    Ken Cole
4:30    John Dean
5:20    Sallyanne Peyton
6:45    Car at west basement
7:00    Godspoll with family - Ford's Theatre

THURSDAY, JUNE 22, 1972

8:00    HRH office
8:15    Roosevelt Room
9:00    HRH office (MacGregor, Colson, Mitchell)
11:30   J CW, Fairbanks (DDT)
11:45   John Mitchell
12:30   Eureka Forbes (Hawaii)
1:30    Lunch in Mess with Bill Eberle
2:30    Meeting with Republican members of Senate Finance Committee
        Senator Bennett's office - 1121 NSOB
6:00    Blair House drop by (Broadcasting group)

FRIDAY, JUNE 23, 1972

8:00    HRH office
8:15    Roosevelt Room
10:00   Theatre - Surrogate briefing
10:30   President, Shultz, Weinberger, CEA
12:30   Press briefing (Higher Education)
        Director, Colleges, General Writers, HRH
1:00    Hugh Sloan
3:00    Filming of "Day in the Life of the President" - Oval Office
4:00    JDE office - Colson, Ziegler, Rumsfeld, Whittaker
4:30    To Camp David
General Watters. I was the Defense attaché to France.

Mr. Dass. How long were you in that position?

General Watters. Four and a half years.

Mr. Dass. Prior to your joining the CIA could you just briefly tell us what contacts, if any, you had with the President of the United States, President Nixon?

General Watters. My first contact with President Nixon was when he was Vice President. I was detailed to accompany him on a trip around South America. I went to eight countries with him and served as interpreter, translator, and aide at that time. In two of those countries I was in the car with Mr. Nixon when extreme violence was encountered, mob violence, and if I were to tell this committee that I did not feel admiration and respect for the courage and calmness Mr. Nixon showed at that time, I would not be telling you the whole truth.

Subsequently, I saw—I did not work for Mr. Nixon again during the period between the time he left the Vice Presidency and the time he became President. I saw him perhaps two or three times in those 8 years.

After he became President I went on two or three of the trips abroad he took to countries where I spoke the language and could translate for him. I have not had any private conversation with the President since I became Deputy Director of the Central Intelligence Agency; that is, since May 2.

Mr. Dass. Shortly after you became Deputy Director of the Central Intelligence Agency, did you attend a meeting at the White House with Mr. Haldeman, Mr. Ehrlichman, and Director Helms on June 23, 1973?

General Watters. Yes, I did.

Mr. Dass. Could you tell us how that meeting was arranged?

General Watters. During the morning of June 23 I received a phone call, I do not recall exactly how, telling me that I was to be there at Mr. Ehrlichman's office on—

Mr. Dass. You say you received a telephone call?

General Watters. Yes.

Mr. Dass. From whom?

General Watters. I do not know whether I received it personally or my secretary received it just stating I was to be at Mr. Ehrlichman's office from Mr. Helms, it may have come from Mr. Helms' secretary at 1:30 that afternoon. Mr. Helms and I went downtown, we did not know what the subject of the meeting was. We had lunch together and at 1:30 we went to Mr. Ehrlichman's office.

Mr. Dass. All right. Now, will you in the best of your recollection, relate the discussion that was had at that meeting? By the way, who could you say actually was doing most of the talking at the meeting?

General Watters. I believe Mr. Haldeman was doing nearly all of the talking. I do not recall Mr. Ehrlichman actually participating actively in the conversation.

Mr. Dass. Now, would you relate to the committee what Mr. Haldeman said and what you or Mr. Helms said?

General Watters. Mr. Haldeman said that the bugging of the Watergate was creating a lot of noise, that the opposition was attempting to maximize this, and that the FBI was investigating this and the leaks might lead to some important people, and he then asked Mr. Helms
what the Agency connection was. Mr. Helms replied quite emphatically
that there was no Agency connection and Mr. Haldeman said that
nevertheless, the pursuit of the FBI investigation in Mexico might
uncover some CIA activities or assets.

Mr. Helms said that he had told Mr. Gray on the previous day, the
Acting Director of the FBI, that there was no Agency involvement,
that none of the investigations being carried out by the FBI were in
any way jeopardizing any Agency activity. Mr. Haldeman then said:

Nevertheless, there is concern that these investigations—this investigation in
Mexico, may expose some covert activity of the CIA, and it has been decided that
General Walters will go to Director Gray, Acting Director Gray, and tell him
that the further pursuit of this investigation in Mexico—

And I wish to emphasize that the only question of investigation
involved was Mexico—

the investigation in Mexico, could jeopardize some assets of the Central Intelli-
genius Agency.

Again Mr. Helms said he was not aware of any activity of the
Agency that could be jeopardized by this. Mr. Haldeman repeated:

Nevertheless, there is concern that the further pursuit of this investigation will
uncover some activity or assets of the CIA in Mexico and it has been decided that
you will go and tell this—

Addressed to me—

you will tell this to Acting Director Gray.

Mr. Davis. But, Mr. Walters, could it have been that Mr. Haldeman
asked you or Mr. Helms to go to Mr. Gray and—to first inquire at the
CIA whether or not there might be some problem at the CIA if there
was an investigation in Mexico, rather than saying it was decided that
you should go.

General Walters. I do not recall it being put in a question form. It
was put in a directive form.

Mr. Davis. In other words, you understood that to be a direction.

General Walters. I understood that to be a direction and since Mr.
Haldeman was very close to the top of the governmental structure of
the United States, and as Mr. Helms testified yesterday, the White
House has a great deal of information that other people do not have.
I had been with the Agency approximately 6 weeks at the time of this
meeting. I found it quite conceivable that Mr. Haldeman might have
some information that was not available to me.

Mr. Davis. And you did not feel it appropriate at that time to inquire
of Mr. Haldeman why it was that he was directing you to go to Mr.
Gray and tell that to Mr. Gray?

General Walters. No; I did not. If I had felt there was any impro-
priety in this request I would have given him the same answer I later
gave Mr. Dean, that I would resign rather than do it.

Mr. Davis. By the way, did you wonder why it was that Mr. Halden-
man said it was decided that you, General Walters, should go to see
Mr. Gray and not Director Haldeman?

General Walters. Yes, I did. A number of hypotheses crossed my
mind. I thought perhaps he thinks I am military and a lot of people
have the mistaken belief that military obey blindly, I thought he
might have heard reports that there had been some friction in the past
between the FBI and the CIA, and perhaps since Mr. Gray was new
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C. JULY 23, 27, AND 30, 1973
Book 7

Printed for the use of the
Select Committee on Presidential Campaign Activities
U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

No. 97—(2713) Memorandum for the record of Gen. Vernon A. Walters (CIA) dated July 6, 1972, re: Meeting with Acting FBI Director L. Patrick Gray at 1003 hours on July 6, concerning Watergate matter.......................................................... 2013

No. 98—(2730) Ehrlichman's handwritten notes re: His investigation into Watergate affair............................ 2015

No. 99—(2745) Ehrlichman/Kleinidemst taped telephone conversation.......................................................... 2044

No. 100—(2773) Notes of meeting with Herb Kalmbach, April 6, 1973, in San Clemente, Calif................................. 2047


No. 102—(2786) Ehrlichman taped telephone conversation with Pat Gray, March 7 or 8, 1973; also taped telephone conversation with John Dean immediately following Gray conversation........................................... 2050

No. 103—(2789) Ehrlichman taped telephone conversation with Pat Gray. (No date shown.)................................. 2052

No. 104—(2795) Letter from Robert W. Barker to Senator Ervin concerning "Million Dollar Secret Fund" allegation, with attachments................................................................. 2054

No. 104A—(2796) Letter to Vice Chairman Howard H. Baker, Jr., from Robert W. Barker, dated August 3, 1973, with attachments................................................................. 2074

No. 105—(2804) Congressional Record insert (pages S3914—S3924) re: "Practice by Executive Branch of Examining Individual Tax Returns"................................. 2078

No. 106—(2813) White House "Ex Only" memorandum dated October 2, 1972, from John Ehrlichman to John Dean re: Herbert Kalmbach written retainer arrangement enclosing handwritten draft letter............................................... 3005

No. 107—(2815) Ehrlichman taped telephone conversation with Clark MacGregory.................................................. 3007

No. 108—(2827) Ehrlichman taped telephone conversation with Ken Chadson.................................................. 3009

No. 109—(2829) Ehrlichman taped telephone conversation with Charles Colson on April 17, 1973................................. 3010

No. 109A—(2908) Seven statements of Bernard Fensterwald, Jr................................................................. 3012

Notes—Figures in parentheses indicate page that exhibit was officially made part of the record.
EXHIBIT NO. 101
28 June 1972

MEMORANDUM FOR RECORD

On June 23 at 1300 on request I called with Director Helms on John Ehrlichman and Robert Haldeman in Ehrlichman's office at the White House.

Haldeman said that the "bugging" affair at the Democratic National Committee HQs at the Watergate Apartments had made a lot of noise and the Democrats were trying to maximize it. The FBI had been called in and was investigating the matter. The investigation was leading to a lot of important people and this could get worse. He asked what the connection with the Agency was and the Director repeated that there was none. Haldeman said that the whole affair was getting embarrassing and it was the President's wish that Walters call on Acting FBI Director Patrick Gray and suggest to him that since the five suspects had been arrested that this should be sufficient and that it was not advantageous to have the enquiry pushed, especially in Mexico, etc.

Director Helms said that he had talked to Gray on the previous day and had made plain to him that the Agency was not behind this matter, that it was not connected with it and none of the suspects was working for, nor had worked for the Agency in the last two years. He had told Gray that none of his investigations was touching any covert projects of the Agency, current or ongoing.

Haldeman then stated that I could tell Gray that I had talked to the White House and suggest that the investigation not be pushed further. Gray would be receptive as he was looking for guidance in the matter.

The Director repeated that the Agency was unconnected with the matter. I then agreed to talk to Gray as directed. Ehrlichman implied I could do this soon and I said I would try to do it today.

Upon leaving the White House I discussed the matter briefly with the Director. On returning to the office I called Gray, indicated that this was a matter of some urgency, and he agreed to see me at 1430 that day.

Vernon A. Walters
Lieutenant General, USA
MEMORANDUM FOR RECORD

On June 23 at 1300 on request I called with Director Heims on John Ehrlichman and Robert Haldeman in Ehrlichman’s office at the White House.

Haldeman said that the “bugging” affair at the Democratic National Committee Hqs at the Watergate Apartments had made a lot of noise and the Democrats were trying to maximize it. The FBI had been called in and was investigating the matter. The investigation was leading to a lot of important people and this could get worse. He asked what the connection with the Agency was and the Director repeated that there was none. Haldeman said that the whole affair was getting embarrassing and it was the President’s wish that Walters call on Acting FBI Director Patrick Gray and suggest to him that since the five suspects had been arrested that this should be sufficient and that it was not advantageous to have the enquiry pushed, especially in Mexico, etc.

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The Director repeated that the Agency was unconnected with the matter. I then agreed to talk to Gray as directed. Ehrlichman implied I could do this soon and I said I would try to do it today.
Upon leaving the White House I discussed the matter briefly with the Director. On returning to the office I called Gray, indicated that this was a matter of some urgency, and he agreed to see me at 1:30 that day.

Vernon A. Walters
Lieutenant General, USA
of the Democratic National Committee headquarters at the Watergate?

Mr. Helms. It is my impression that I heard about it, read about it in the newspapers and heard it on the radio, but this is not any lapse of memory. This is just one of those things that this far back it is hard to know just exactly who might have told me or how I might have heard it. Certainly it was big news from the moment it happened.

Mr. Dondero. And during the days immediately following the break-in were there conversations at the CIA concerning the break-in?

Mr. Helms. Yes. In the first place, sometime on that weekend I received a telephone call from Mr. Howard Osborne, the Director of Security, to inform me that—of the names of the individuals who had participated in the break-in and also to say that Mr. Hunt in some fashion was connected with it. Mr. Osborne's call to me was a perfectly routine matter that had been—there was a charge on him as Director of Security to inform me whenever anybody in the Agency got in any kind of trouble, whether they were permanent employees or past employees. In other words, right now, so I didn't have to catch up with these events like suicides and house break-ins and rapes and the various things that happened to the employees of any organization in a city like Washington, so this was a perfectly routine thing and when he heard about these ex-CIA people who had been involved in this burglary he called me up and notified me about it.

On Monday, when I came to the office, there had been no mention in the papers of Mr. Hunt. So I got hold of Mr. Osborne and said how come you told me that Mr. Hunt was involved with this and he said, "Well, there were some papers found in the hotel room, one of the hotel rooms with Hunt's name on it and it looks as though he was somewhere in the area when the break-in took place." So I said, "All right," and then from then on, obviously there were various conversations in the Agency as we went to work on various requests from the FBI for information about the people and their backgrounds, and so forth, that had formerly been employed by the Agency.

Mr. Dondero. Am I correct that James McCord also was a former employee of the Agency?

Mr. Helms. He was.

Mr. Dondero. And when did Mr. McCord and Mr. Hunt leave the employ of the Agency?

Mr. Helms. They left it at different times in 1970. They were both retired, as I recall it.

Mr. Dondero. Now, directing your attention to June 22, 1972, which was the day before your meeting with Mr. Ehrlichman, Mr. Haldeman, and General Walters at the White House, did you have a conversation with Patrick Gray on that afternoon; namely, the afternoon of June 22?

Mr. Helms. I believe that the committee is in possession of a memorandum which says—a memorandum or note from Mr. Gray that says I had this conversation. I have no reason to question that at all. I was talking back and forth with Mr. Gray at various times in connection with this Watergate break-in, so I have no reason to doubt that there was one on the 22nd of June.

Mr. Dondero. In these conversations did you discuss the possibility of CIA involvement in the break-in?
Mr. Helms, I assured Mr. Gray that the CIA had no involvement in the break-in. No involvement whatever. And it was my preoccupation consistently from then to this time to make this point and to be sure that everybody understood that. It doesn’t seem to get across very well for some reason but the agency had nothing to do with the Watergate break-in. I hope all the newsman in the room hear me clearly now.

Mr. Dorsen: I would like to move then to June 23, 1972, and ask you if you recall attending the meeting with Mr. Ehrlichman, Mr. Haldeman, and General Walters.

Mr. Helms: I do recall attending that meeting.

Mr. Dorsen: Where was that meeting held?

Mr. Helms: That meeting was held in Mr. Ehrlichman’s office on the second floor, office wing—west wing of the White House.

Mr. Dorsen: Do you recall the time of that meeting?

Mr. Helms: The meeting had been originally scheduled for 12 o’clock. It was changed to 1 o’clock and it took place shortly after 1 o’clock.

Mr. Dorsen: Could you please describe to us in substance what happened at that meeting?

Mr. Helms: General Walters and I arrived first and waited for a few minutes. Then Mr. Haldeman and Mr. Ehrlichman came into the room. As best I can recall what was said, Mr. Haldeman did most of the talking, so—and whatever Mr. Ehrlichman contributed in the course of this was either to nod his head or smile or to agree with what Mr. Haldeman said. I just simply want to introduce it this way because it’s a little easier for me to describe.

Mr. Haldeman said that there was a lot of flak about the Watergate burglary, that the opposition was capitalizing on it, that it was going to—it was apparently causing some sort of unified trouble, and he wanted to know whether the agency had anything to do with it. I assured him that the agency had nothing to do with it. He then said that the five men who had been found in the Democratic National Committee headquarters had been arrested and that that seemed to be adequate under the circumstances, that the FBI was investigating what this was all about, and that they, unified, were concerned about some FBI investigations in Mexico.

He also at that time made some, what to me was an incoherent reference to an investigation in Mexico, or an FBI investigation, running into the Bay of Pigs. I do not know what the reference was alleged to be, but in any event, I assured him that I had no interest in the Bay of Pigs that many years later, that everything in connection with that had been dealt with and liquidated as far as I was aware and I did not care what they ran into in connection with that.

At some juncture in this conversation, Mr. Haldeman then said something to the effect that it has been decided that General Walters will go and talk to Acting Director Gray of the FBI and indicate to him that these operations—these investigations of the FBI might run into CIA operations in Mexico and that it was desirable that this not happen and that the investigation, therefore, should be either tapered off or reduced or something, but there was no language saying stop, as far as I recall.

At this point the references to Mexico were quite unclear to me. I had to recognize that if the White House, the President, Mr. Halde-
man, somebody in high authority, had information about something
in Mexico which I did not have information about, which is quite pos-
sible—the White House constantly has information which others do
not have—that it would be a prudent thing for me to find out if there
was any possibility that some CIA operation was being—was going to
be affected, and, therefore, I wanted the necessary time to do this. I
say this in explanation of the fact that there seems—that since I had
consistently pointed out that no CIA operations had been violated by
any investigation up to then, that we had had nothing to do with the
Watergate burglary, the fact of the matter was that if an investiga-
tion continued to go on it might run into something we were doing in
Mexico. This possibility always had to exist. Nobody knows every-
thing about everything. So at this point I think it was repeated a sec-
ond time that General Walters was to go and see Acting Director Gray
with this charge. It was then indicated that Acting Director Gray
would probably be expecting the call, that he was looking for some kind
of guidance in this matter, and that this should take place as soon as
possible. I believe Mr. Ehrlichman at that point made his sole con-
tribution to the conversation, which was that he should get down and
see Gray just as fast as he could.

We left this meeting, General Walters and I, and went downstairs
to the automobile and I spoke to General Walters along the following
lines. I said when you go to see Acting Director Gray, I think you
should confine yourself to reminding him that the Agency and the
FBI have a delimitation agreement, an understanding for many years
that if the Agency runs into any FBI agents or operations, the FBI
shall be immediately notified and if the FBI runs into any agents or
operations, it shall be immediately notified.

I was not sure whether Acting Director Gray was familiar with this
because he had not been Acting Director of the FBI for very long. I
wanted General Walters to understand about this because he had been
with the Agency, I think, only about 6 weeks at that time, had been
having briefings, and I was not sure whether this had ever come to
his attention. In other words, I was asking him to make a legitimate
request of the Acting Director of the FBI, that if they ran into any
CIA operations in Mexico or anywhere else they were to notify us
immediately, and I thought General Walters should restrict his con-
versation with acting Director Gray to that point. Precisely whether he
did or not, well, you will have an opportunity to ask him.

Mr. Dornan. To your knowledge, did General Walters have a meet-
ing with Patrick Gray?

Mr. Nixon. Yes; he had one very shortly after this meeting in the
White House because he reported to me later in the day about his
meeting with Gray, that he had been to see him, that the general pur-
pose of what they had discussed, and then the first time I learned that
Acting Director Gray had told General Walters at this meeting about
some money having been sent to Mexico. I was unaware of any money
having being sent there at the time, and even that explanation did not
say what the money was for. But also floating around in this at the
time was the name of a Mexican lawyer that we had been asked to
check out by the FBI to find out if this man was in any way connected
with the CIA. His name was Ocurrrio, I believe, and we had been run-
ing a tracer, which is a way of art of going through the record to find
PURPORTED ATTEMPT TO INVOLVE THE CENTRAL INTELLIGENCE AGENCY
IN THE WATERGATE AND ELLSBERG INCIDENTS

Thursday, May 31, 1973

United States Senate,
Subcommittee of the Committee on Appropriations
Washington, D.C.

The subcommittee met at 10:00 a.m., pursuant to recess,
in room 1223, Dirksen Senate Office Building, Hon. John L.
McClellan (chairman of the subcommittee) presiding.

Present: Senators McClellan, Pastore, Young and Hruska.

Gentlemen, the committee will come to order.

Mr. Haldeman, we appreciate your appearance this morning.

We are very glad you have responded to our request to come
and testify.

As you know, the committee is investigating or inquiring into matters that have transpired relating to the CIA.

This committee is not making or undertaking to make a

comprehensive inquiry into all aspects that may be involved

in the so-called Watergate matter. We are undertaking to

establish here a true record of the facts with respect to

the CIA, its integrity, whether there has been any attempt

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to meet with this committee and to clear up anything that I can be helpful in cleaning up in regard to the matter that you have under inquiry.

I believe that the only area in which I can be helpful to you in your investigation is with regard to the reported meeting of White House and CIA officials last June.

In that regard, on June 23, 1972, John Ehrlichman and I were requested by the President to meet with Director Richard Helms and Deputy Director Vernon Walters of the CIA.

To the best of my recollection, the purpose of this meeting was five-fold:

One, to ascertain whether there had been any CIA involvement in the Watergate affair;

Two, to ascertain whether the relation between some of the Watergate participants and the Bay of Pigs was a matter of concern to CIA;

Three, to inform the CIA of an FBI request for guidance regarding some aspects of the Watergate investigation because of the possibility of CIA involvement, directly or indirectly;

I could interject there that this request had been made known by John Dean, counsel to the President, and had been transmitted by me to the President immediately upon being told of it by John Dean.

The President, as a result of that, told me to meet with Director Helms and General Walters and John Ehrlichman.
to get into this matter as I am laying it out here.

The fourth purpose was to discuss White House concern regarding possible disclosure of non-Watergate-related covert CIA operations or other national security activities, not related to Watergate, that had been undertaken previously by some of the Watergate principles [sic].

Fifth, to request General Walters to meet with Acting Director Gray of the FBI to express these concerns and to coordinate with the FBI so that the FBI's area of investigation of the suspects, the Watergate suspects, not be expanded into unrelated matters which could lead to disclosure of their earlier national security and CIA activities.

The meeting was held in Mr. Ehrlichman's office on the afternoon of June 23 and, to the best of my recollection, all of the above points were covered.

As I recall, Director Helms assured us that there was no CIA involvement in the Watergate and also that he had no concern from the CIA's viewpoint regarding any possible connections of the Watergate personnel with the Bay of Pigs operation. Helms told us he had given this assurance to Gray directly.

Walters agreed to meet with Gray as requested. I do not recall having any further communication or meeting with Walters, Helms or Gray on this subject.

I do not specifically recall the question of "Mexican
aspects" being discussed at this meeting although I do not question General Walters' report that this was covered. We did discuss the concern that, in the interest of national security and the former relationships of some of the principles [sic], the Watergate principles [sic], with CIA, the FBI investigation be limited to the Watergate case specifically and not expanded into prior activities of the individuals involved.

We did this in the full belief that we were acting in the national interest and with no intent or desire to impede or cover up any aspects of the Watergate investigation, itself.

I do not recall any subsequent discussion with John Dean regarding this meeting. I do not recall any discussion at any time of a suggestion to involve the CIA in the Watergate matter except as described above. Specifically, I do not recall hearing of any idea of having the CIA furnish bail or pay suspects' salaries while in jail, using covert action funds.

It must be understood that, at the time of our meeting with the CIA, we had only very sketchy knowledge of what and who were involved in the Watergate affair. We had no reason to believe that anyone in the White House was involved and no reason, therefore, to seek any cover-up of the Watergate investigation from the White House.

On the contrary, everyone in the White House was instructed to cooperate fully with the Watergate investigation.
and, so far as I knew at the time, was doing so.

At the same time, there was concern at the White House that activities which had been in no way related to Watergate or to the 1972 political campaign -- and which were in the area of national security -- would be compromised in the process of the Watergate investigation and the attendant publicity and political furor.

Recent events have fully justified that concern with the disclosure of the FBI wiretaps on press and NSC personnel, the details of the so-called "plumbers' operation", etcetera.

In summary, the meeting of June 23 with the CIA was held at the President's request in the interest of national security. I do not believe there was any intention to cover up the Watergate. I do not believe there was any direct connection between this meeting and General Walters' reported subsequent meetings with John Dean. I believe I acted properly, in accord with the President's instructions, and in the national interest.

Mr. Chairman, in reviewing the transcript of the testimony before this committee by Ambassador Helms on May 16, I find some several areas that I would like to clarify.

First, it could be emphasized that there was only one meeting in which Helms, Ehrlichman and I participated, the one on June 23, which I have described, at which General Walters was also present. The other meetings to which General

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guess. But there is nothing I can do about that except, in this meeting, I find it quite probable that General Walters' Mem-con is more accurate than his subsequent cycles of revisions, and that I probably did say, "It is the President's wish" because I believed then and I believe now that it was.

Chairman McClellan. You referred to his memorandum. I would like to ask some question about it. You think it is probably more accurate than what he remembered later. That is the memorandum of June 28th, five days following this meeting in the White House.

It says, "On June 23, at 1300, on request, I called, with Director Helms, on John Ehrlichman and Robert Haldeman in Ehrlichman's office at the White House.

"Haldeman said" -- and I want to give you an opportunity to comment on each of these -- "Haldeman said that the 'bugging' affair at the Democratic National Committee headquarters at the Watergate Apartments had made a lot of noise and the Democrats were trying to maximize it."

Do you wish to comment on that?

Mr. Haldeman. No, sir.

Chairman McClellan. You don't wish to comment on it?

Mr. Haldeman. No, unless there is some specific question.

Chairman McClellan. Is that correct?

Mr. Haldeman. I haven't any idea. I don't recall that. That would be the only way I could answer.

Retyped from indistinct original.
Chairman McClellan. All right. You don't recall whether that occurred.

He states in the next sentence you said the FBI was being called in and was investigating the matter. Did you tell him that, or was that statement made at that meeting?

Mr. Haldeman. In some sense it undoubtedly was. I don't think I needed to tell him that. I think it was pretty well known at that time.

(Heal)

Chairman McClellan. Then he says that the FBI had been called in and was investigating the matter, and he says you said the investigation was leading to a lot of important people and this could get worse. Do you wish to comment on that?

Mr. Haldeman. No, sir.

Chairman McClellan. Do you want to say it is true, or just remain silent about it?

Mr. Haldeman. I would have no comment to make on it.

That is his characterization of the conversation.

Chairman McClellan. Is his characterization of the conversation wrong, or correct?

Mr. Haldeman. I have no material conflict with it.

Chairman McClellan. Then you said that, or something like that, I would assume, unless you state otherwise.

Then he goes on further to say, "he" meaning you, "asked what the connection with the agency was, and the Director repeated" -- I am sure he means Director Helms -- "repeated
that there was none."

Did Reins tell you that that day?

Mr. Haldeman. As I have so indicated; yes, sir.

Chairman McClellan. "Haldeman said that the whole affair was getting embarrassing and it was the President's wish that Walters call on Acting FBI Director Patrick Gray" -- now, is that much correct, up to there?

Mr. Haldeman. I think that it is subject to interpretation. It isn't correct, Senator. I don't believe that the request that Walters call on the Acting Director of the FBI was in the context of the whole affair getting embarrassing. I think it was in the context I have laid out in my statement.

Chairman McClellan. Did you tell him that the whole affair was getting embarrassing?

Mr. Haldeman. No, sir; that I recall, no.

Chairman McClellan. You didn't make that statement at the meeting?

Mr. Haldeman. I don't recall making such a statement.

Chairman McClellan. Are you in a position to deny it?

Mr. Haldeman. No, but that is not the flavor of the approach to the meeting that I took.

Chairman McClellan. All right. Then he said you asked that Walters call on Director Patrick Gray and suggest to him that since the five suspects had been arrested, that this should be sufficient, and that it was not advantageous to have

Typed from indistinct original.
The committee met at 10:00 a.m., pursuant to notice.

In room 1215, Dirksen Senate Office Building, Sen. John A. McClellan (chairman of the committee) presiding.

Present: Senators McClellan, Pastore, Young and Mansfield.

Gentlemen, the committee will come to order.

Mr. Haldeman, we appreciate your appearing this morning.

We are very glad you have responded to our request to come and testify.

As you know, the committee is investigating or legislative study into whether there have been any violations of section 607 of title 52, United States Code, relating to the nomination or election of Members of Congress and any improper solicitation of votes in violation of section 134, Title 29, United States Code.
If (.) (.)

Since this testimony was made I can be helpful to you in your investigation if you regard it the segment
of Watergate and CIA of Richard Nixon.

On Thursday, June 30, 1972, John Mitchell and I
were requested by the President to meet with Director FBI
Hoover and Deputy Director Vernon Walters of the CIA.

To the best of my recollection, the purpose of this
meeting was five-fold:

to ascertain whether there had been any CIA involve-
ment in the Watergate affair;

to ascertain whether the relation between man of
the Watergate participants and the Bay of Pigs was a matter of
consider to CIA;

three, to inform the CIA of an FBI request for information
concerning some aspects of the Watergate investigation because
of the possibility of CIA involvement, directly or indirectly;

four, to inform them that the request had been made
by us, by FBI, to W. E. to the President, and that it
was continued to us to be transmitted absolutely secret and
"not
[779]
The final plan, made at 9 a.m. on June 22, was the result of a combination of close contact with the FBI, CIA, and other national security agencies, and a meeting with Attorney General of the United States. The plan was submitted to the President, and it was announced to the public on June 22. The plan was designed to provide a comprehensive approach to the investigation of the Watergate break-in and to ensure that the investigation was conducted in a manner that would not infringe on the rights of the American people.

The plan included the following key components:

1. **Involvement of the FBI and the CIA:** The plan called for the FBI and the CIA to conduct a joint investigation of the Watergate break-in. This would ensure that the investigation was conducted in a manner that would not infringe on the rights of the American people.

2. **Coordination with the FBI:** The plan called for the FBI to coordinate with the CIA so that the FBI's area of investigation into the Watergate break-in and the Watergate scandal was not expanded into unrelated matters which could lead to disclosure of their agencies' national security and CIA activities.

3. **Meeting with Attorney General:** The meeting with Attorney General of the United States was held in his office on the afternoon of June 22 and, to the best of my recollection, all of the above points were discussed.

4. **Assurance from Attorney General:** Attorney General assured me that there was no CIA involvement in the Watergate and also that he had no concern with the CIA's involvement regarding any possible consequences of the Watergate permutations with the day of July 24, 1973, that they told me be laid down that no one be ever that.

The plan was submitted to the President, and it was announced to the public on June 22. The plan was designed to provide a comprehensive approach to the investigation of the Watergate break-in and to ensure that the investigation was conducted in a manner that would not infringe on the rights of the American people.
SECRET

in my judgment, I do not recall any specific discussion at this point in time. The

we did this in the full belief that we were acting in

the national interest and with no intent or desire to manipulate or cover up any aspects of the Watergate investigation, itself.

I do not recall any subsequent discussion with John Dean regarding this meeting. I do not recall any discussion on

any type of a suggestion to involve the CIA in the Watergate matters except as described above. Specifically, I do

not recall hearing of any idea allowing the CIA director, Hill, to pay suspects' expenses while in jail, using covert action

funds.

It must be understood that, at the time of our meeting

with the CIA, we had only very vague knowledge of what sort

deals we would do in the Watergate matter. We had no notion of how these people involved in

the Watergate matter involved us in a way that would allow them to be involved in the covert action program.
SECRET

In summary, the meeting of June 23 with the CIA was held at the President's request in the interest of national security. I do not believe there was any intention to cover up the Watergate. I do not believe there was any direct connection between this meeting and General Volker's reported subsequent meetings with John Dean. I believe it was properly, in accord with the President's instructions, and in the national interest.

Mr. Cusack, in reviewing the circumstances of the tender may before it is administered by military judges on May 16. I wish to assure you that I make this in charity.

Just 27 June of that time, and the

Sworn, and I made the final.

On the 27th day of June, in the year of our Lord, A.D. 1977. I, the undersigned, do hereby

[782]
But there is nothing I can do about that except, in my opinion, if there is any question that General Eisenhower put me in a more accurate than his subsequent cycles of revelations, and that I probably did say, "It is the President's wish" because I believed then and I believe now that it was.

Chairman McCulloch. You referred to his memorandum. I would like to ask some questions about it. You think it is probably more accurate than what he remembered later. That is the memorandum of June 28th, five days following this meeting in the White House.

It says, "On June 23, at 1300, on request, I called, with Director Helms, on John Ehrlichman and Robert Haldeman in Ehrlichman's office at the White House."

"Haldeman said" — and I want to give you an opportunity to comment on each of these — "Haldeman said that the debugging affair at the Democratic National Committee headquarters at the Watergate Apartments led to a lot of noise and the Democrats were trying to minimize it."

Do you wish to comment on that?

Mr. Haldeman. No, sir.

Chairman McCulloch. You don't wish to comment on it?

Mr. Haldeman. Yes, I have been there in some capacity.

Chairman McCulloch. Is that complete?

Mr. Haldeman. It is not with my issue. I don't think there needed to be the other two I could answer.
Mr. McCollum. All right. You don't recall whether
such comment.

So stated in the next sentence, you said the FBI was being
called in and was investigating the matter. Did you tell him
that, or was that statement made at that meeting?

Mr. Holdeman. In some sense it undoubtedly was. I don't
think I needed to tell him that. I think it was pretty well
known at that time.

Mr. McCollum. Then he says that the FBI had been
called in and was investigating the matter, and he says you
said the investigation was leading to a lot of important people
and this could get worse. Do you wish to comment on that?

Mr. Holdeman. No, sir.

Mr. McCollum. Do you wish to say it is true, or
just remain silent about it?

Mr. Holdeman. I would have no comment to make on it.

That is his characterization of the conversation.

Mr. McCollum. Is his characterization of the
conversation wrong, or correct?

Mr. Holdeman. I have no material conflict with it.

Mr. McCollum. Then you said that, or something like
that. I think it was a very, unless you would otherwise.

Mr. Holdeman. No, you didn't. I don't know
whether you didn't understand.
Mr. Haldeman. Yes, sir, yes, sir.

Chairman MacBride. Haldeman said that the whole affair was getting embarrassing and it runs the President's wish that

Mr. Haldeman. I think that it is subject to interpretation. It isn't correct, Senator. I don't believe that the request that Haldeman call on the Acting Director of the FBI was in the context of the whole affair getting embarrassing. I think it was in the context I have laid out in my statement.

Chairman MacBride. Did you tell him that the whole affair was getting embarrassing?

Mr. Haldeman. No, sir, that I recall, no.

Chairman MacBride. You didn't make that statement at the meeting?

Mr. Haldeman. I can't recall making such a statement.

Chairman MacBride. Are you in a position to deny it?

Mr. Haldeman. No, but that is not the flavor of the approach to the meeting that I had.

Chairman MacBride. All right. Then he said you said:

Mr. Haldeman. Well, then he said your article.

Chairman MacBride. Well, it seems that Senator and me and Senator to him dealt with only one item here. In my opinion, that item should be handled, but that is an urgent matter in that...
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION
WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., JULY 18, 19, 20, 23, 24, AND 25, 1973
Book 6

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[786]
Mr. Thompson. It would be inconsistent with your desire to solve the matter, I assume, as to whether or not there was CIA involvement.

Mr. Erlichman. Well, whatever I told him was for the purpose of not having staff meetings on this particular subject. I can't tell you precisely what I told him.

Mr. Thompson. Going back to July of 1971, July 7, 1971, did you call Deputy Director Cushman and ask him to give Mr. Hunt assistance in his activities at that time?

Mr. Erlichman. No. I have been asked many times about that telephone call and I simply have no recollection of having made that call.

Mr. Thompson. Did you know what Mr. Hunt was doing during that period of time? Were you informed?

Mr. Erlichman. I knew from my one meeting with Mr. Colson and Mr. Hunt jointly what he was supposed to be doing, yes.

Mr. Thompson. What was he doing?

Mr. Erlichman. He was supposed to be engaged in an analysis of the Pentagon Papers and in determining their accuracy, whether or not they were in fact complete accounts of the events which took place, or whether they were edited, tailored accounts which did not include the complete facts.

Mr. Thompson. In June, when you were talking to Helms and Walters about the possible CIA problem or uncovering some collateral CIA activity, this all evolved around the so-called Mexican money problem, I assume, is that correct?

Mr. Erlichman. Well, it was much broader than that. It was any unassociated CIA activity.

Mr. Thompson. Well, what brought it to anyone's attention? I thought it was the so-called Barker money that had come from Mexico.

Mr. Erlichman. You mean that precipitated the meeting?

Mr. Thompson. Yes.

Mr. Erlichman. No, it was a much broader concern than that, and it included, as I said, the question of direct involvement, it included whatever exposure there might be for any CIA activity. I think the Mexican money or the Florida bank account or whatever, which involved one of those people who had been a former CIA agent or client or whatever they call them, was raised as an example of the meeting by one of us as the kind of thing that the President evidently was concerned about. And it was discussed as a specific example. But the meeting was by no means limited to that.

Mr. Thompson. Can you recall any other specific examples that were discussed?

Mr. Erlichman. Bay of Pigs.

Mr. Thompson. What did that come in?

Mr. Erlichman. Well, because apparently, the President had specifically mentioned the Bay of Pigs to Bob Haldeman in suggesting the meeting, and then he mentioned it to me again in July as the kind of thing that apparently CIA might be embarrassed about, that some of the people who were involved in Watergate, apparently, had been involved in the Bay of Pigs and accordingly, whether there was any CIA exposure still existing.
Mr. Thompson. The Watergate investigation could possibly turn up some additional investigation on the CIA operation in the Bay of Pigs?

Mr. Ehrlichman. CIA involvement or compromise of some sort or something in the past. It was very unspecific, but it was nonetheless mentioned as an example.

Mr. Thompson. Can you think of any other examples?

Mr. Ehrlichman. No, I cannot. The Mexican money or Mexican laundry or whatever it was.

Mr. Thompson. Of course, that money wound up in the bank account of a Mr. Barker.

Mr. Ehrlichman. Yes.

Mr. Thompson. And Mr. Barker, of course, was a protege of Mr. Hunt, brought into the matter by Hunt?

Mr. Ehrlichman. A CIA protege of Mr. Hunt.

Mr. Thompson. They were in the Bay of Pigs. Was his name mentioned in the meeting?

Mr. Ehrlichman. No.

Mr. Thompson. The money problem you were talking about seems to have been directly related to Mr. Hunt, which gets right back into the plunger situation again.

Mr. Ehrlichman. Barker's name and Hunt's name were not mentioned in the meeting.

Mr. Thompson. Mr. Ehrlichman, regardless of what the President specifically told you or did not tell you, I assume that you felt a short time after the break-in, the latter part of June, that it was the President's wish to insure that the investigation of the break-in did not expose either the unrelated covert operation of the CIA or the activities of the White House investigations unit. Did you assume that to be the President's wish, as you stated that it was?

Mr. Ehrlichman. Mr. Thompson, I assumed that it was with regard to the CIA because of this meeting we have just been talking about. Frankly, the question of the special unit simply never entered my mind at that time as a potential problem. It just was not in contemplation and it was not in the contemplation of anybody that I was talking to, so far as I can recall.

Mr. Thompson. Even though Liddy had worked—

Mr. Ehrlichman. That is correct.

Mr. Thompson [continuing]. In your office, under your supervision generally?

Mr. Ehrlichman. Well, he had worked in my office, in a very remote sense.

Mr. Thompson. It did not occur to you that, if he was tried, if he decided to talk, if he decided to bargain, there were a lot of things that he could tell that would be embarrassing, not only politically but compromising with regard to national security?

Mr. Ehrlichman. I assure you, Mr. Thompson, it just was not in my consciousness.

Mr. Thompson. It evidently crossed the President's mind. When do you think these matters which he sets out in his May 22 statement came to his mind? He says he was informed within a few days about possible CIA involvement. The implication is that he knew about the existence of the unit regardless of any specific activities, that he knew about the unit all along.
EXECUTIVE SESSION

PURPORTED ATTEMPT TO INVOLVE THE CENTRAL INTELLIGENCE AGENCY IN THE WATERGATE AND ELLSBERG INCIDENTS

WEDNESDAY, MAY 30, 1973

United States Senate
Subcommittee of the Committee on Appropriations,
Washington, D. C.

The subcommittee met at 10:10 a.m., pursuant to call, in room 1223, Dirksen Senate Office Building, Hon. John L. McClellan (chairman of the subcommittee) presiding.

Present: Senators McClellan, Pastore, Young and Hruska.

Chairman McClellan. The committee will come to order.

Mr. Ehrlichman, we welcome you here this morning. We appreciate your response to our invitation to appear before the committee. I note you have counsel with you. In this particular inquiry in these executive sessions we have been having we have permitted counsel to be present. They can only, of course, advise you regarding your legal rights and so forth. Other than that, they are not permitted to ask questions or interrupt the proceedings in any way.

We have heretofore and in view of the delicacy of the inquiry that the committee is making and its importance we

Retyped from indistinct original.
As a result of this equivocal response by General Walters respecting Mexican operations, he was asked to make contact with Acting FBI Director Gray and give him all the facts. I believe the General called Gray from my outer office to arrange to see him at once.

Helms and Walters were told that John Dean was following the Watergate matter closely for the President and any future White House contact could be with him. I'm not sure whether they were told this on the occasion of the meeting or later, but I do recall having some part in getting Walters to talk to Dean. I believe I also informed Dean of the meeting, of my impression of Walters' response regarding CIA Mexican operations, and I believe I told Dean that Walters would be working with Gray on the problem.

Later Dean told me he had been in touch with Walters and that the CIA did not believe an investigation would harm their operations. I was unaware of Dean's meetings or conversations with Walters regarding use of CIA money for salaries for the defendants until the news reports this month about them.

During the first week of July, 1972, the President told me Pat Gray told him on the telephone that General Walters had told Gray there was no CIA objection to a full FBI investigation of the Mexican aspects of the Watergate case. The President said he then instructed Gray to conduct a full investigation.

The President told me then that he still personally

Retyped from indistinct original,
SHERWYN, WASH., DEC. 28, 1973

TO THE COMMITTEE ON APPROPRIATIONS


Washington, D.C.

The subcommittee met at 10:40 a.m., pursuant to call, in room 332, Dirksen Senate Office Building, Hon. John F. McClellan (chairman of the subcommittee) presiding.

Present: Senators McClellan, Pastore, Young and Muskie.

Chairman McClellan. The committee will come to order.

Mr. Ehrlichman, we welcome you here this morning. We appreciate your response to our invitation to appear before the committee. I note you have counsel with you. In this particular inquiry in these executive sessions we have been having we have permitted counsel to be present. They can take, of course, advice you regarding your legal rights and so forth. Other than that, they are not permitted to take part or intrude in the proceedings in any way.

We are here before and in view of the gravity of the inquiry and the importance we
As a result of this equivocal response by General Walters respecting Mexican operations, he was asked to make contact with Acting FBI Director Gray and give him all the facts. I believe the General called Gray from my outer office to arrange to see him at once.

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During the first week of July, 1972, the President told me Pat Gray told him on the telephone that General Walters had told Gray there was no CIA objection to a full FBI investigation of the Mexican aspects of the Watergate case. The President said he then instructed Gray to conduct a full investigation.

The President told me then that he still personally
afternoon or whether it was completed Monday morning, but it was
soon clear to me that nobody who was responsible for that area in the
Agency felt that the ongoing FBI investigation could jeopardize any
of the Agency sources or activities in Mexico.

Mr. Davis. Well, now, did you subsequently receive any communica-
tion from anybody at the White House after June 29?

General Walters. On Monday morning, June 29, I received a phone
call from a man who identified himself as John Dean and he said he
wished to speak to me about the matters that Mr. Haldeman and Mr.
Ehrlichman had discussed with me on Friday. I did not know Mr.
Dean. And I expressed a—something to the effect that I don’t know
who you are and he said, “Well, you can call Mr. Ehrlichman to see
whether it is all right to talk to me or not.”

Mr. Davis. Did you call Mr. Ehrlichman?

General Walters. I called Mr. Ehrlichman. I had some difficulty
in reaching him, but finally I reached him and I said: “Mr. John
Dean wants to talk to me about the matters discussed with you and Mr.
Haldeman on the preceding Friday.” And he said: “Yes, it is all right
to talk to him. He is in charge of the whole matter.”

Mr. Davis. Did you then meet with Mr. Dean on that day?

General Walters. I then—

Mr. Davis. The 26th.

General Walters. I then called Mr. Dean again and he asked me to
come down and see him, I believe, at 11:30 or 11:45. I believe it is
indicated on the memorandum I wrote.

Mr. Davis. Will you relate to the committee the conversation you
had with Mr. Dean at that time, on June 26, 1972?

General Walters. Mr. Dean said that he was handling this whole
matter of the Watergate, that it was causing a lot of trouble, that it
was very embarrassing. The FBI was investigating it. The leads had
led to some important people. It might lead to some more important
people.

The FBI was proceeding on three hypotheses, namely, that this
break-in had been organized by the Republican National Committee,
by the Central Committee, or by someone else: whereupon I said I did not
know who else organized it but I knew that the Central Intelligence
Agency did not organize it. I said, furthermore—I related to Mr. Dean
my conversation with Mr. Haldeman and Mr. Ehrlichman on the pre-
vious Friday, and told him I had checked within the Agency and
found there was nothing in any of the ongoing FBI investigations
that could jeopardize CIA activities or sources or compromise them
in any way in Mexico.

He then said, “Well, could this not have happened without your
knowledge?” “Well,” I said, “originally perhaps, but I have inquired.
I have talked to Mr. Helms and I am sure that we had no part in this
operation against the Democratic National Committee.”

He kept pressing this. There must have been. These people all used
to work for the CIA, and all this thing. I said maybe they used to, but
they were not when they did it and he pressed and pressed on, on this
and asked if there was not some way I could help him, and it seemed
to me he was exploring perhaps the option of seeing whether he could
put some of the blame on us. There was not any specific thing he said
but the general theme was in this way and I said to him—I did not have
an opportunity to consult with anybody—I simply said,
34. On June 23, 1972 at 1:35 p.m., Dean telephoned Gray and said that Walters would be visiting Gray that afternoon. At 2:34 p.m. on the same day Walters met with Gray and discussed the FBI investigation of the break-in at the DNC headquarters. Walters stated that if the FBI investigation were pursued into Mexico it might uncover some covert CIA activities and that the matter should be tapered off with the five men under arrest. Gray agreed to hold in abeyance the FBI interview of Manuel Ogarrio. Gray has testified that the FBI continued its effort to locate Kenneth Dahlberg. Gray reported to Dean the substance of his conversations with Walters.

34.1 L. Patrick Gray log, June 23, 1972 (received from SSC).
34.2 L. Patrick Gray testimony, 9 SSC 3452-53.
34.3 Lt. Gen. Vernon Walters testimony, 9 SSC 3406-07.
34.4 Lt. Gen. Vernon Walters memorandum for record, June 28, 1972, Exhibit No. 129, 9 SSC 3815.
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**Directors:**

**IN:**

**OUT:**
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS
BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION
WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
WASHINGTON, D.C., AUGUST 3, 6, 7; SEPTEMBER 24 AND 25, 1973
Book 9

Printed for the use of the
Select Committee on Presidential Campaign Activities
U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office
Washington, D.C. 20402 - Price 73
At 1:35 p.m. on Friday, June 25, 1972, Mr. Dean telephoned me and said that General Walters, Deputy Director, CIA, would be calling for an appointment that afternoon and I should see him. Mr. Dean said, "He has something to tell you."

At 2:36 p.m. on Friday, June 25, 1972, the secretary to General Walters called my secretary and asked for an appointment. He was scheduled to see me at 3:30 p.m. that afternoon.

Mr. Dean called me again at 2:49 p.m. and it is my recollection that this was a call to ask if I had scheduled a meeting with General Walters for that afternoon. I told him that the meeting had been scheduled for 3:30 p.m. I seem to remember that he asked me to call him after the meeting.

I met with General Walters at 2:54 p.m. on Friday, June 25, 1972. He informed me that we were likely to uncover some CIA assets or sources if we continued our investigation into the Mexican money chain. I understood his statement to mean that if the FBI persisted we would uncover CIA covert operations and that the CIA had an interest in Messrs. Ogarrio and Dahlberg and in the $14,000 involved. He also discussed with me the agency agreement under which the FBI and CIA have agreed to uncover and expose each other's sources. I had not read this agreement and still have not, but it was logical to me at that time and I did not question General Walters.

I undoubtedly said to General Walters that we would handle this in a manner that would not hamper the CIA, and that I would have to make a determination as to how the FBI would proceed with our investigation in this area.

I know from Mr. Dean's earlier telephone conversation with me on this day that General Walters was coming to see me, but I have no recollection of memory whatsoever of General Walters informing me at this meeting that he was coming to see me after talking to the White House, or that he had talked to the White House at all. I understood him to be stating a CIA position, not a White House message.

At this point I would like to comment on General Walters' memorandum of this meeting, which I understand to be in evidence before this committee. With respect to General Walters' statement in paragraph 2 of his memorandum that 'this—Gray's—problem was how to low key this matter now that it was launched,' I may have said words to this effect to let him know that we would handle the CIA aspects of this matter with kid gloves. I can state categorically, however, that any sentiment of that kind expressed by me was an effort by me to abide by the CIA—FBI agreement and related solely to the possibility of exposing CIA covert activities in the pursuit of our investigation into Mexico. This sentiment, if expressed, could in no way have related to any effort by me or the FBI to "low key" the Watergate investigation generally.

In fact, the FBI did not low key the Watergate investigation generally and instructions were issued at the outset of the investigation and regularly thereafter to ensure that this case was handled as a major case under the immediate supervision of the special agent in charge of each field office to which investigative leads were referred by the Washington field office or any other field office setting out leads to be pursued.

[799]
With respect to the rest of the paragraph, I may have mentioned the $89,000 to General Walters. I do not remember, but, if I did, I would have talked in terms of four checks in this total amount—not a check,” as his memo states—simply because four checks were involved. I probably also spoke of the name Ogarrio as well as Dahlberg simply because these two men, Mr. Ogarrio and Mr. Dahlberg, were always associated in my mind with the $89,000 in four checks, the Ogarrio checks, and with the $23,000 in one cashier’s check, the Dahlberg check, which were traced to the bank account of Bernard Barker.

With respect to General Walters’ comment in paragraph 3 of this memorandum that I said “that this was a most awkward matter to come up during an election year,” it is certainly possible that in the course of my conversation with General Walters I may have expressed the thought that the Watergate case was a “hot potato” for a new Acting Director and the FBI in an election year, and for the President, too. I know that I expressed this thought to many people at various times–“Watergate is just what I needed” was a refrain I struck with friends on numerous occasions. General Walters’ references to “he—Gray—would see what he could do,” and “he * * *—Gray—would have to study the matter and see how it could best be done,” could only relate to my admitted desire to pursue this investigation without compromising CIA assets and resources. In no way, shape, or form did I say or seek to imply to General Walters, or to anyone else, for that matter, that the FBI investigation would be other than aggressive and thorough. The only conceivable, limited exception was the alleged national security considerations being presented to me by General Walters and Mr. Dean which, as the record will show, brought about a delay in the interview of several persons for a period of 10 days to 2 weeks.

As a matter of fact, and as my testimony will make clear in more detail, I ordered our agents to continue to probe the Mexican money chain and the Dahlberg relationship during this period that the personal interview with Mr. Ogarrio was being held in abeyance and Mr. Dahlberg was evading us as we tried to interview him.

Finally, I have no recollection whatsoever of General Walters making any statement as he alleges in paragraph 4 of his memorandum to the effect that his “job had been an awkward one.”

Upon General Walters’ departure, I telephoned Mr. Dean and told him of the meeting with General Walters. I told Mr. Dean that we would hold up our interviews temporarily and work around this problem until we determined what we had encountered.

At 3:15 p.m. I telephoned Assistant Director Bates to tell him of my visit from General Walters and to tell him that CIA had an interest in this matter and that we may have uncovered a CIA money chain. In this telephone conversation, I undoubtedly ordered Mr. Bates to temporarily hold up an interview with Mr. Ogarrio but to continue to conduct appropriate investigation at Banco Internationale at Mexico City regarding the four Ogarrio checks, to continue to follow Mr. Dahlberg’s movements, and to continue to obtain toll call records of his long distance phone calls as we sought to interview him.

On the afternoon of Friday, June 25, 1972, I again telephoned Mr. Dean on two occasions, once at 3:24 p.m. and once at 3:35 p.m. I cannot be absolutely certain that the names Ogarrio and Dahlberg were
PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

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WATERGATE AND RELATED ACTIVITIES
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U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1973

For sale by the Superintendent of Documents, U.S. Government Printing Office,
Washington, D.C. 20402; Price $3
in the job and I was new in the job that that might be a good way to start out. I did wonder about it but I didn't—this was his privilege to do it any way he wished.

Mr. Dean. Now, General Walters, did there come a time when you put in writing, in the form of a memorandum, your recollection of that meeting on June 28, 1972?

General Walters. There did, Mr. Dash, 5 days later. When this thing started I did not habitually keep memorandums of my conversations. However, when on the Tuesday, the following Tuesday, Mr. Dean put the question to me or he didn't put the question but explored the possibility of the CIA going bail and paying the salaries of the suspects who were in jail, I realized it was time for me to start keeping a record. So following that second meeting on the 26th I sat down and I wrote memorandums for myself; they were not intended to be a verbatim account of the conversation or to cover all aspects of the conversation but notes to jog my own memory. I wrote a memorandum on the meeting with Mr. Halderman and Mr. Ehrlichman; I wrote a memorandum on the meeting with Mr. Gray; I wrote a memorandum on my first meeting with Mr. Dean on Monday the 26th, and a memorandum of my second meeting with Mr. Dean on the 28th.

On the 28th I met with Mr. Dean for the third and last time, and I wrote a memorandum, I believe, the following day.

On the subsequent memorandums; namely, my calls on Mr. Gray, I wrote those memorandums either on the same day that I had the talk with Mr. Gray or the following day. If I may, I would like to make one point clear, I have been alleged to have a splendid memory and so forth and here I was making confession that I am afraid will not fit into it.

Mr. Helms was quite right in his testimony yesterday in that the question regarding bail and paying the salaries of these people came up on Tuesday. When I reviewed my notes and before I wrote the affidavit, I did correct this in my affidavit; namely, that the request regarding bail for defendants was on Tuesday.

Mr. Dash. We will get to that and I think you can restate it when I ask you about the meetings with Mr. Dean. I want to show you a copy we have of a memorandum purportedly from you or written by you on June 28 covering the June 25 meeting and ask you if this is a correct copy of the memorandum.

General Walters. Right. Yes, Mr. Dash, it is.

Mr. Dash. Mr. Chairman, may that copy be marked as an exhibit and introduced into the record?

Senator Ervin. I believe this memorandum has previously been marked as exhibit No. 101.

Mr. Dash. Now, General Walters, after you left the meeting with Mr. Halderman and Mr. Ehrlichman, did you leave with Director Helms?

General Walters. I did. We walked downstairs and we stood and talked close to the car out on West Executive Avenue and Mr. Helms said to me:

You must remind Mr. Gray of the agreement between the FBI and the CIA that if they ran into or appear to be about to expose one another's assets they will notify one another, and you should remind him of this.

*See Book 7, p. 3514.
I did.
Mr. Dash. And then what did you do?
General Walters. I do not recall whether I went back to the Agency or not. I don't think I went back to the Agency at 2:30.
Mr. Dash. Now, was Mr. Gray, by the way, expecting your visit?
General Walters. Mr. Gray, I believe, was expecting my visit.
Mr. Dash. How do you know that?
General Walters. I believe he has subsequently testified that Mr. Dean had told him that I was on my way down.
Mr. Dash. All right.
Now, would you briefly relate to your best recollection what conversation you had with Mr. Gray at that time? This was on June 23, 1972.
General Walters. I said to Mr. Gray that I had just come from the White House where I had talked to some senior staff members and I was to tell him that the pursuit of the FBI investigation in Mexico, the continuation of the FBI investigation in Mexico, could—might uncover some covert activities of the Central Intelligence Agency. I then repeated to him what Mr. Helms had told me about the agreement between the FBI and CIA, and he said he was pretty well aware of this and I intended to observe it scrupulously.
Mr. Dash. Now, did you tell him who gave you the direction to—
General Walters. I did not. I told him I had talked to some senior people at the White House.
Mr. Dash. Now, was that the sum and substance of that conversation with Mr. Gray's office?
General Walters. I believe so. We had expressed pleasure at meeting one another. I had intended to call on him, and so forth, and anything else that occurred I believe will be covered in the memorandum which is in your possession.
Mr. Dash. I think you testified that you also on June 28 included a memorandum of the meeting with Mr. Gray on June 23. I would like to show you a copy of the memorandum and ask you if this is a correct copy and does it cover the testimony you have just given.
General Walters. Yes, it is a correct copy.
Mr. Dash. Mr. Chairman, may that memorandum be marked as an exhibit and received in evidence?
Senator Envit. In the absence of objection by any committee member it is so ordered, and will be appropriately marked as an exhibit and received in evidence as such.
[The document referred to was marked exhibit No. 129*]
Mr. Dash. Now, after you met with Mr. Gray did you return to your office at the CIA and—
General Walters. Yes; I did.
Mr. Dash [continuing]. And did you make a report of that meeting to former Director Helms?
General Walters. And I also started to check on whether this was a fact. I talked to the people at our geographic area that handles Mexico and I am not sure whether this was completed on the Friday.

*See p. 3815.
EXHIBITS SUBMITTED FOR THE RECORD


No. 130—(3478) Walters memorandum of June 29, 1972, regarding his meeting with John Dean on June 26, 1972, at 11:45 hours in Dean's office, room 116 at the Executive Office Building.

No. 131—(3479) Walters memorandum of June 29, 1972, re: Walters meeting with Dean on June 29, 1972, at 11:30 hours in the FBI.

No. 132—(3480) Walters memorandum of June 30, 1972, re: Walters meeting with Dean on June 29, 1972, at 11:30 hours in Dean's office.

No. 133—(3481) Walters memorandum of July 13, 1972, re: Walters meeting with Gray on July 12, 1972, at 11:15 hours in Gray's office.


No. 136—(3484) Walters memorandum dated May 11, 1972, re: Walters meeting with Dean at 1:30 hours at Dean's White House office.


No. 138—(3486) Collection of McCord letters contained in CIA documentation provided Senate Appropriations Committee.

No. 139—(3487) Memorandum from D. J. Dolby dated July 20, 1976, re: Dissemination of Information, the White House, Criminal Cases.

No. 140—(3488) Memorandum on McCord's letter to D. J. Dolby dated July 24, 1972, re: Answer to note on dissemination of Intelligence and security data to the White House.

No. 141—(3489) Article by James W. McCord entitled: "What the FBI Almost Found", the August issue of the Armed Forces Journal International.

No. 142—(3490) Memorandum from Lt. Gen. Vernon A. Walters for Acting FBI Director dated July 6, 1972, subject: Information provided the FBI regarding the Watergate incident.

No. 143—(3491) Memorandum from Vernon A. Walters for Acting Director of the FBI, dated July 7, 1972, subject: E. Howard Hunt.

No. 144—(3492) Memorandum from Vernon A. Walters (UJA) to: Mr. "Chief's" contacts with Hunt during August of 1971.

No. 145—(3493) Article from American Nurses Association, Inc.
3815

EXHIBITS SUBMITTED FOR THE RECORD

Exhibit No. 1210

28 June 1972

MEMORANDUM FOR RECORD

At 1430 on 23 June I called on the Acting Director of the FBI, L. Patrick Gray, at his office in the FBI Building and saw him alone.

I said that I had come to see him after talking to the "White House". I cited no names and he asked for none. I added that I was aware of the Director's conversation with him the previous day and while the further investigation of the Watergate Affair had not touched any current or ongoing covert projects of the Agency, its continuation might lead to some projects. I recalled that the FBI and the Agency had an agreement in this respect and that the Bureau had always scrupulously respected this. Gray said he was aware of this and understood what I was conveying to him. His problem was how to keep this matter now that it was launched. He said that a lot of money was apparently involved and there was a matter of a check on a Mexican bank for $9 thousand dollars. He asked if the name Dahlburg meant anything to me and I said it did not but that that was not really significant as I had only been with the Agency for a few months.

Gray then said that this was a most awkward matter to come up during an election year and he would see what he could do. I repeated that if the investigations were pushed "south of the border" it could trespass upon some of our covert projects and, in view of the fact that the five men involved were under arrest, it would be best to taper the matter off there. He replied that he understood and would have to study the matter to see how it could best be done. He would have to talk to John Dean about it.

Gray said he looked forward to cooperating closely with the Agency. After some pleasantries about J. Edgar Hoover and our past military careers, I left saying that my job had been an awkward one but he had been helpful and I was grateful.

Yeston A. Walters
Lieutenant General, USA
35. On June 23, 1972 at 3:00 p.m. Maurice Stans met at the CRP offices with Kenneth Dahlberg who, at the request of Stans and Fred LaRue, had flown to Washington that day for the meeting. LaRue and Stans discussed the check drawn by Dahlberg, the money from which had reached the bank account of Bernard Barker. At 5:00 p.m. on the same day Dahlberg met with Stans, LaRue and Robert Mardian.

35.1 Maurice Stans calendar, June 23, 1973 (received from SSC).

35.2 Maurice Stans testimony, 2 SSC 701.

35.3 Maurice Stans telephone records, June 23, 1973 (received from SSC).
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PRESIDENTIAL CAMPAIGN ACTIVITIES OF 1972
SENATE RESOLUTION 60

HEARINGS BEFORE THE
SELECT COMMITTEE ON
PRESIDENTIAL CAMPAIGN ACTIVITIES
OF THE
UNITED STATES SENATE
NINETY-THIRD CONGRESS
FIRST SESSION

WATERGATE AND RELATED ACTIVITIES
Phase I: Watergate Investigation
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Book 2

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WASHINGTON : 1972
The treasurer, not being sure, discussed it with the general counsel for the committee and the general counsel suggested that he take the check and convert it into cash. The treasurer gave him the check.

Now, again, I can report what the treasurer has said, that he did not get the proceeds of the check back until some time in May. He received them in full and they were deposited in a bank account on May 25.

Now, as to these two transactions and several others in a similar category, we treated that as cash on hand on April 7 and reported it in the report of the media Committee To Re-Elect the President, in the amount of $350,000, and that exact amount of $350,000 was deposited in that committee's bank account on May 25. We felt that we had complied with every requirement of the law as to the handling and reporting of that money; we had accounted for it fully.

The General Accounting Office subsequently cited our committee for a possible violation of the law in failing to report the $25,000. But the Department of Justice, in a letter some months later, concluded that there was no violation of the law in the handling of that transaction.

Mr. Edmisten. Mr. Stans, when was the first time that you learned that these checks had cleared through a bank account of Bernard Barker?

Mr. Stans. It was well after the Watergate event of June 17.

Mr. Edmisten. Now, shortly after that, did you have any discussions with Mr. John Mitchell or anyone at the White House concerning any of these checks during the week immediately following?

Mr. Stans. I don't recall any specific conversation with John Mitchell, but I do recall a conversation with Fred LaRue and subsequently with Robert Marden.

Mr. Edmisten. What did you talk about?

Mr. Stans. As I recall it, it was the morning of the 23d of June, which was 6 days after the Watergate affair. I received a phone call from Fred LaRue, saying, "Do you know Kenneth Dahlberg?"

And I said, "I certainly do."

He said, "Well, his contribution ended up in a bank account of one of the fellows who was arrested."

I said, "Dahlberg didn't make a contribution."

He said, "Well, it is his check."

So he came down and we discussed it and concluded that, in some manner or other, Dahlberg's check must have reached the bank account of Bernard Barker.

We called Dahlberg and discussed it with him, got him to Washington on that same day, met with him, and he met with LaRue and I think with Marden, and got all the facts of the transaction in hand. It was clear that neither Dahlberg nor I nor Hugh Sloan had anything to do with the checks, that check or the Mexican checks, entering the Barker bank account. They could only have gotten there through the hands of our general counsel, Gordon Liddy, who had taken them into his custody.

Mr. Edmisten. Mr. Stans, I am going to skip along, I don't want to encyclopedia the committee. At one time did you approve or consent to giving Mr. Fred LaRue $30,000?

Mr. Stans. Yes, I did. Would you like to know the background of that?
Senator Gurney. Did you have any phone calls?

Mr. Stans. None that my records show.

Senator Gurney. Do you recall any?

Mr. Stans. I do not recall any.

Senator Gurney. At some point in time, of course, you learned, as we all have, about Watergate, the people who were the key people in it, and to the best of your recollection when did you learn about Watergate and who were the key people in it and from whom?

Mr. Stans. The first thing I learned about Watergate, to the best of my recollection was on June 23 when I received a call from Fred LaRue, as I testified yesterday, and he said: "Do you know Kenneth Dahlberg?"

And I said: "Yes, I know Kenneth Dahlberg very well."

He said: "Well, did you know that his contribution ended up in the bank account of one of the fellows who was arrested in the Watergate?"

And I said: "To the best of my knowledge Mr. Dahlberg didn't make a contribution, particularly in that amount of money that you mentioned."

He said: "Well, we had better talk about it."

So he came down to my office and we reviewed the situation. I recalled, of course, the circumstances under which Dahlberg had given us the check, and we called Dahlberg on the phone and got him to come to Washington to review the whole matter. That is my first knowledge of the Watergate situation.

Senator Gurney. Did you ever discuss it with John Mitchell at any time before this point in time? That is June 23.

Mr. Stans. Well, I would be sure that I discussed this with John Mitchell on a number of occasions and my records show that the first time I talked to John Mitchell after the 17th was on the 23rd when we had lunch in his office. I am not sure what the conversation was about. Whenever I met with Mitchell I usually had a list of five or six things to talk about. I would not presume that we didn't talk about the Watergate. I am sure it was a subject of interest but certainly not about who and when and why.

Senator Gurney. Did LaRue come to you in January 1973, this year, and ask you for the names of some of the larger contributors to the campaign?

Mr. Stans. Yes; I reported that to the staff of the committee. He asked me for the names of some contributors to whom he might go for money for a White House project.

Senator Gurney. What was the project?

Mr. Stans. He didn't tell me.

Senator Gurney. Did you ask him?

Mr. Stans. No; I did not. Mr. LaRue again was a man of high standing in the campaign. He had been assistant to John Mitchell. There were no revelations at that time involving him in anything and I had total confidence in anything Mr. LaRue told me.

Senator Gurney. Have you ever conferred with John Mitchell, Magruder, Haldeman, Ehrlichman, Dean or anybody else on the cover-up of Watergate?

Mr. Stans. I have no recollection of any discussion with anyone about the cover-up on the Watergate until after the disclosures that have occurred within the last 2 months.
35.3 NOTE: 612 / 473-3002 is the listed telephone number for Kenneth Dahlberg.

(Source: Telephone Directory for Minneapolis and Surrounding Communities, December 1973, p. 28)
### CALLS AND TELEGRAMS:

**July 16, 1972**

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<td>969 6530</td>
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</table>

**Total Charges:** $66.20

**Telephone Records:** 35.3

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### CALLS AND TELEGRAMS:

**July 15, 1972**

<table>
<thead>
<tr>
<th>PLACE</th>
<th>AREA</th>
<th>TELEPHONE NO.</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>FROM LK MTK MN</td>
<td>612</td>
<td>473</td>
<td>1.55</td>
</tr>
<tr>
<td>CREVECOEUR MO</td>
<td>314</td>
<td>432 3130</td>
<td>2.00</td>
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<tr>
<td>LOS ALTOS CAL</td>
<td>415</td>
<td>948 2182</td>
<td>0.70</td>
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<tr>
<td>MIDDLEBURG VA</td>
<td>703</td>
<td>687 6303</td>
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<tr>
<td>NEW YORK</td>
<td>NY</td>
<td>582 1424</td>
<td>0.55</td>
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<tr>
<td>LINCOLN</td>
<td>NEB</td>
<td>467 1122</td>
<td>1.15</td>
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<tr>
<td>JACKSONVILLE FLA</td>
<td>904</td>
<td>390 1131</td>
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<tr>
<td>ST JOSEPH</td>
<td>MICH</td>
<td>983 2213</td>
<td>1.00</td>
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<tr>
<td>BOSTON</td>
<td>MASS</td>
<td>942 6236</td>
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<td>LEXINGTON KY</td>
<td>605</td>
<td>755 3726</td>
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<td>GREECE</td>
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<td>WHITELAKES NY</td>
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<td>949 1290</td>
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</table>

**Total Charges:** $66.20

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**35.3 Telephone Records**