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Executive Registry
74-960

4 March 1974

MEMORANDUM FOR: Legislative Counsel

SUBJECT : Search of Office of Security "Watergate" Files

1. This office has taken possession of the files of the Office of Security which were used by those assigned to work on the so-called Watergate problem and related subject matter. Five Inspector General officers have gone through these files page by page, looking specifically for three memoranda reportedly written by [redacted] which would contain information on Lee Pennington dated 26 and 28 June 1972 or 1973 and 13 July 1972 (it was forwarded on 31 July 1973, and for any memoranda written by, or prepared for, Mr. Paul Gaynor and/or [redacted] also relating to Mr. Lee Pennington, from the period 1 January 1971 to 30 June 1973.

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2. We have found the three memoranda ascribed to [redacted] but they contain no information on Pennington (see Tab A). We have found only two memoranda by Mr. Gaynor on the subject in question in addition to the one previously supplied your office (see Tab B). One is a poor xerox copy of a memorandum dated 22 December 1972, referring to a report of the attitude of Mr. James McCord towards the intention of various parties involved in the legal aspects of the Watergate investigation. The second is a three paragraph type-written memorandum captioned "Explanatory Note" contained in material along with the previously supplied McCord letters. It is dated 9 January 1973 and although not signed by Gaynor it was obviously prepared by him as it refers to McCord's first communication being sent to his son's home. He has previously testified to this.

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3. Copies of both memoranda are attached (see Tab C).

[redacted]

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Donald F. Chamberlain
Inspector General

Attachments:
Tabs A, B and C

W-5

[redacted]

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A

TO WHOM IT MAY CONCERN

Attached document was not forwarded until 31 July

1973 per



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4 March 1974

29 JUL 1972

WATERGATE INCIDENT

1. BACKGROUND

Over the week-end of 1-2 July 1972 James W. McCord negotiated to retain F. Lee Bailey as his attorney. At a preliminary hearing in District of Columbia Superior Court on 6 July 1972, Mr. McCord was bound over to the grand jury after an unsuccessful attempt by his current attorney, Gerald Alch, to have burglary charges against his client dropped.

Bernard L. Barker has retained as his attorney Henry Rothblatt, of New York City. Mr. Rothblatt defended Colonel Oran Henderson during his court-martial in connection with the Mylai incident in Vietnam.

The remaining three Watergate incident suspects continue to retain Joseph A. Rafferty as their attorney, although he has stated that they will soon all have their own lawyers.

2. ROBERT R. MULLEN AND COMPANY

Robert Foster Bennett, Director and Executive Vice-President of Robert R. Mullen and Company, the Washington, D. C., public relations firm which employed Everette Howard Hunt, has admitted to the press a former relationship between his firm, Radio Free Cuba, and this Agency. Robert R. Mullen and Company currently provides cover for [] Agency assets. Of interest also is the fact that the mention of Robert R. Mullen and Company in the press has caused Philip Agee, a disaffected former Agency staff officer who is planning to write a book about the Agency, to comment that he is aware of certain cover arrangements entered into by the Agency and Robert R. Mullen and Company in the past.

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3. AMERITAS, INCORPORATED

Ameritas, Incorporated, has now been identified as a legitimate real estate firm in Miami, Florida. Principal officers are Miguel A. Suarez and Bernard L. Barker

4. AGENCY EMPLOYEE

On 5 July 1972 [redacted] received an inquiry from Mr. Carl Bernstein, of the Washington Post, in regard to Howard Hunt, [redacted] has been socially and professionally acquainted with Mr. Hunt for 20 years. An Office of Security representative plans to contact [redacted] for details.

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5. WHITE HOUSE STAFF

Charles W. Colson is a Special Assistant to President Nixon, and reportedly hired Everette Howard Hunt, Jr., as a White House Consultant. Mr. Colson was born on 16 October 1931 at Boston, Massachusetts. In 1963 he was employed by Craig Systems, Incorporated, Lawrence, Massachusetts, and held a Secret Air Force clearance. In August 1964, he was a legal consultant to the Controls Division of the Leach Corporation, Azusa, California, with offices at Gadsby, Hannah, Colson and Merin, 729 15th Street, Washington, D. C. On 9 September 1964 he was cleared at the Secret level for use on an Agency contract [redacted]. The contract, which was security-supervised by [redacted] terminated on 17 December 1969. [redacted] relationship with Mr. McCord has been previously reported.

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6. FEDERAL BUREAU OF INVESTIGATION INTERVIEWS

A. Stephen T. Anderson

Stephen T. Anderson, as noted previously, was a summer employee of this Agency in 1963 and 1965, and is currently a Security Officer for the Committee for the Re-election of the President. Mr. Anderson was interviewed by the FBI on 30 June 1972. He told them he had no knowledge of the case, explained his relationship with Messrs. McCord and Hunt, and identified their photographs.

B. [redacted]

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[redacted]
[redacted]

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[redacted] was interviewed by the FBI on 27 June 1972. He was asked if he knew why Mr. McCord had paid [redacted] by check, and gave the same explanation reported earlier--that the payments were for odd jobs he [redacted] performed for Mr. McCord. The FBI also asked the names of persons employed at McCord Associates; what work he did for Mr. McCord; whether Mr. McCord ever brought cameras to the office; and the degree of access [redacted] had to Mr. McCord's office files. [redacted] claimed he answered all questions truthfully.

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7.

[redacted]

FATHER OF PARTNER OF

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BERNARD L. BARKER

Miguel A. Suarez Fernandez is the father of Miguel A. Suarez Sarrain, the real estate partner of Bernard L. Barker. [redacted]

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[redacted]

Suarez Fernandez was born in Las Villas, Cuba, on 5 July 1903. He received a law degree at the University of Havana in 1924. Active in Cuban politics, he was elected a senator on four successive occasions, and served as President of the Senate from 1945 to 1950. In 1950 he was reportedly associated with the Revolutionary Insurreccional Union, a gangster-type organization which he reportedly used to further his political ends. He was named Minister of State in May 1951, but resigned in August and went to Spain. In 1952 he returned to Cuba and occupied posts under Batista for a short period. In 1954 he was again elected a senator, representing Las Villas.

8. [redacted] IS PARTNER OF
BERNARD L. BARKER

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Miguel A. Suarez mentioned in an earlier Watergate Incident Status Report dated 26 June 1972, has now been correctly identified as Miguel A. Suarez Sarrain. The previously reported information about his real estate partnership with Bernard L. Barker and his Republican Party activities in Florida is correct. He has not, however, been in contact with this Agency at any time, and the Agency has had no contact with his firm, Ameritas. [redacted]

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[redacted]

Miguel A. Suarez Sarrain was born in Cuba in about 1936, and is a United States citizen. He is married to Yolanda Suarez Sarrain, was educated in the United States, and passed the Florida Bar examinations in 1963. Prior to 1965 he was a law clerk for Attorney Ellis S. Rubin, Miami Beach, Florida. He also worked as secretary of the Pan American Drug Company in Miami, of which his father was President. Suarez Sarrain was an unsuccessful Republican candidate for mayor of Miami in 1971.

9. FEDERAL BUREAU OF INVESTIGATION INQUIRIES

The Federal Bureau of Investigation has inquired regarding the following additional individuals and activities:

A. [redacted]

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[redacted]

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B. [redacted]

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C.

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No specifics were provided by the FBI, except that the query was related to Eugenio Rolando Martinez Careaga. Agency checks to date have revealed no reference to this operation.

D. Manual Giberga

The Miami Field Office of the FBI expressed an interest in Mr. Giberga. Although he expressed interest in Agency employment in 1966, he has never been an Agency employee. He was said to be Secretary General of La Cruz (The Cross) in 1960. This was allegedly a Cuban anti-Communist underground organization.

E. Santiago Morales Diaz

The Miami Field Office of the FBI expressed an interest in Morales Diaz. He was a member of the Brigade 2506, was infiltrated into Cuba before the Bay of Pigs invasion, and evaded capture until August 1961. He was sentenced to death, then to 30 years. He escaped from prison in 1967, was recaptured, and as of February 1972 was reported to be still a prisoner. He was known by the war name "Diego." Also, a person named Santiago Morales, matronymic unknown, used the war name "Felipe" during 1961.

F. Miguel Suarez Sarrain

Mr. Sarrain is the real estate partner of Bernard L. Barker, one of the principals in the Watergate incident. The data regarding Suarez Sarrain outlined elsewhere in this memorandum was furnished to the FBI.

G. Reinaldo Quintero

The Miami Field Office of the FBI expressed an interest in this individual.

Quintero, also known as "Felipe," was a Cuban Air Force Captain who was a member or contact of Unidad Revolucionaria (Revolutionary Unity) in Cuba.

H. Manuel Ogarrio

aka: Manuel Ogarrio Daguerre

The Federal Bureau of Investigation expressed an interest in Subject. Agency traces were negative.

I. War Name "Felipe"

The Miami Field Office of the FBI expressed an interest in this name. Our research led to the possibility that the name might be linked to Santiago Morales Diaz or to Reinaldo Quintero.

10. MEDIA PUBLICITY

The following additional persons have received mention in the media in connection with the Watergate incident:

- A. Humberto Lopes is identified in the press as having been at the Watergate at the time of the alleged attempt to install listening devices in the Democratic National Committee Headquarters. He also has been identified by the press as a member of the Ex-Combatientes Cubanos de Fort Jackson, although one report says he is not. No identifiable data in Agency files.
- B. William Alexander, North Miami Beach, Florida, is mentioned in the press as the former President of Ameritas, Incorporated. He is an Eastern Air Lines test pilot, and a veteran of the Bay of Pigs. On the basis of information available to date, he is not identifiable in Agency records.

- C. Leonard Glasser, Miami, Florida, architect, is mentioned in the press as having been asked by Bernard L. Barker, to provide him last year with blueprints of the Miami Beach Convention hall and its air conditioning system. No identifiable traces.
- D. Michael J. Morrissey, Chief Engineer, B. R. Fox Incorporated, Holmes, New York, is mentioned in the press as a wiretapping expert. He provided general commentary on the field of wiretapping. No identifiable information.
- E. Hector de Lara is mentioned in the press as an accountant, and Treasurer of Ameritas, Incorporated. No identifiable data.
- F. Robert C. Mardian is mentioned in the press as a Republican Party official whom Mr. McCord reportedly called twice during the week before the Watergate incident. He is a former Assistant Attorney General in charge of the Division of Internal Security, and was a special assistant to the former Republican Party campaign director, John N. Mitchell. Mr. Mardian claimed not to know Mr. McCord, and said he might have talked to him about clearing a driver for the Republican Convention. Unidentified press sources state that Mr. Mardian and Mr. McCord were acquainted in 1969-1970, when Mr. Mardian was General Counsel with the Department of Health, Education and Welfare.

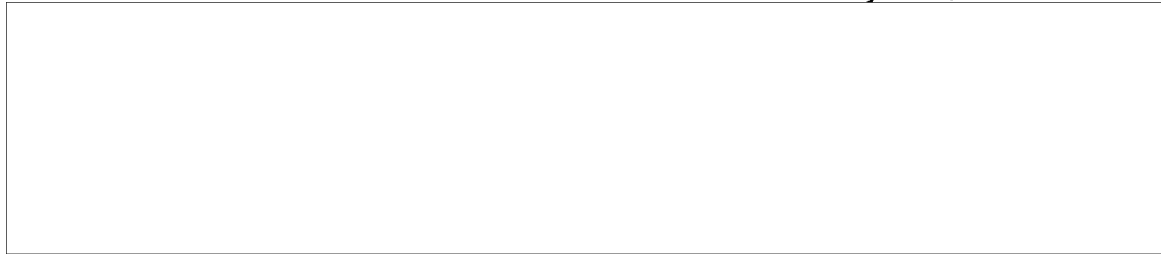
Agency files reflect that Mr. Mardian was born on 23 October 1923 in Pasadena, California. The Federal Bureau of Investigation conducted a favorable background investigation on him in March 1969. He was granted Special Clearances by the Agency in December 1970 in connection with his work at the Department of Justice. The clearances were dropped when he left there, effective 1 May 1972.

- G. Manuel Artime is mentioned in the press as a Cuban exile military leader of the 1961 invasion, and one with "links to the Republican Party." He is otherwise listed as Manuel Artime Buesa.

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- H. Dorothy N. Berry, of Houston, Texas, is mentioned in the press as a sister-in-law of James W. McCord, and one of the officers of McCord Associates. No identifiable Agency data.
- I. Kenneth W. Parkinson is mentioned in the press as an attorney representing the Nixon Re-Election Committee. He testified at a hearing in the damage suit brought by the Democratic National Committee against the principals in the Watergate incident. No identifiable data.
- J. Angel Ferrer, Miami, Florida, is mentioned in the press as having been at the Watergate at the time of the raid. Ferrer claims he was actually in Miami then. He is identified in the press as a former member of Ex-Combatientes de Fort Jackson, a Cuban exile organization. Not identifiable on the basis of available information.
- K. Charles W. Colson is identified in the press as a Special Consultant to the President, and Everette Howard Hunt, Jr., is alleged to have served as his part-time "consultant." The news media states that Colson and Hunt are "friends" dating back to 1966, when they were officers of the Brown University Club of Washington. Agency traces reflect a relationship with him as a consultant to an Agency contractor between 1964 and 1969 as reported above.
- L. Mario Lazo is identified in the press as a lawyer now living in Norfolk, Connecticut, who represented Americans in Cuba, and who asked Edward Bennett Williams help some years ago to get Bernard L. Barker's citizenship back.

This individual is Mario Lazo y Guiral, a 77 year old lawyer and writer who represented American interests in Cuba for many years. He is an American citizen, and



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- M. Dr. Miguel Alvarez, of Miami, Florida, is mentioned in the press as a contributor of funds to obtain Bernard L. Barker's release on bail. Dr. Alvarez is a grandfather of Mr. Barker's daughter, Maria Elena Barker Moffett.
- N. F. Lee Bailey, nationally known trial lawyer, has agreed to meet with James W. McCord to discuss his case with him, according to press reports. No pertinent Agency traces
- O. Representative William S. Moorehead is identified in the press as Chairman of the House Foreign Operations and Government Information subcommittee, which is looking into the activities of the Special Analysis Division an Air Force Wing involved in wartime information coordinating activities. Until January 1972, the unit was commanded by James W. McCord. Mr. McCord resigned from the unit because of "pressure from outside ventures and business activities.
- P. Urban A. Lester is identified in the press as one of three lawyers representing Douglas Caddy. (Douglas Caddy was brought into the Watergate case by the wife of Bernard L. Barker. Caddy is a personal friend of Bernard L. Barker, and is to be called as a witness to explain his own association with E. Howard Hunt.)

Mr. Lester was born on 24 August 1929 at Knoxville, Tennessee. He received a Bachelor of Arts Degree at Catholic University of America in 1954, and a Doctor of Laws Degree there in 1959. He was admitted to the District of Columbia Bar in 1962. From 1963 to 1969 Mr. Lester served as Special Counsel with the Federal Home Loan Bank, and from 1967 to 1969 represented the State of Alaska. He is a member of the Federal and American Bar Associations, and a Captain in the U. S. Air Force Reserves.

Mr. Lester is associated with Lester and Contrucci, Suite 709, 1776 K Street, N. W., Washington, D. C.; telephone: (202) 659-9010.

- Q. Jose Garciga is identified in the press as one of the three subscribers to the articles of incorporation of Ameritas, and involved with Barker Associates, Miami, Florida, in the building of the Biarritz Tower, a Miami condominium.

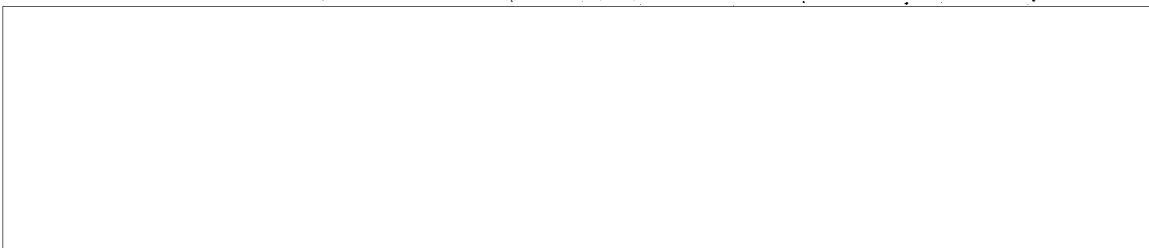
Garciga may be identical to Jose Ricardo Ramon Garciga Orbe, born 31 August 1922 in Cuba. He came to the United States on 9 September 1961. In May 1962, he was an unemployed accountant, and had been a member of the MRR, an anti-Castro group. [REDACTED]

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- R. Marta E. Palamo is identified in the press as the secretary of Miguel A. Suarez (Sarrain) at Ameritas, and one of the incorporators of that firm. No identifiable data.
- S. Maria E. Rios is identified in the press as one of the incorporators of Ameritas. No identifiable data.
- T. Henry B. Rothblatt is mentioned in the press as the new attorney (7 July 1972) for Bernard L. Barker. The press indicates that Mr. Rothblatt defended Colonel Oran Henderson in the MyLai massacre case. Agency files contain references to Mr. Rothblatt's association with the "Green Berets" case.
- U. Gerald Alch, described in the news media as an associate of F. Lee Bailey, accompanied James W. McCord to his District of Columbia Superior Court hearing on 6 July 1972. Agency files have revealed no record on Mr. Alch.
- II. OTHER PERSONS WHOSE ACTIVITIES RELATE TO THOSE OF JAMES W. MC CORD, JR.
- A. Norton R. Schoafeld is mentioned by Dr. Edward M. Gunn as Coordinator of the Law Enforcement Curriculum at

Mon. Somery Junior College, Rockville, Maryland. He is a former Agent of the Federal Bureau of Investigation and of the Office of Special Investigations. He resides at 6013 Kirby Road, Bethesda, Maryland. No identifiable traces.

- B. Robert H. Muhlback is identified by Dr. Edward M. Gunn as an associate of the Center for Protection and Safety Studies, Rockville, Maryland, whose Director is James W. McCord, Jr. Agency indices contain no record of Mr. Muhlback.
- C. Dennis V. Riley is mentioned by Dr. Edward M. Gunn as an associate of Mr. McCord's in the Center for Protection and Safety Studies, Rockville, Maryland. Riley is connected with the Beltway Alarm Service, 11205 Old Baltimore Pike, Beltsville, Maryland; telephone: 937-8880. Agency indices contain no identifiable record of Mr. Riley.
- D. Margarita Sarmiento Vega is mentioned by [redacted] as the ex-girlfriend of Juan Rigoberto Ruiz Villegas. No pertinent Agency traces.
- E. Robert L. Houston is mentioned by Stephen Tingley Anderson, an Agency dependent, as his supervisor at the Committee for the Re-election of the President.



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- F. Glenn L. Sedam is an official of the Republican National Committee with whom [redacted] made arrangements to employ Juan Rigoberto Ruiz Villegas on a part-time basis. Sedam has had no connection with this Agency.

ADDENDUM

As of 11 July 1972, Everette Howard Hunt had reportedly agreed to talk with the authorities if he could find acceptable counsel. Press reports reflect that he has retained William O. Bittman, of Hogan and Hartson, 815 Connecticut Avenue, N. W., Washington, D. C. Agency files contain no record of any Agency affiliation on Mr. Bittman's part.

Mr. Bittman was born on 6 August 1931 at Milwaukee, Wisconsin. He received a Bachelor of Science Degree at Marquette University in 1956, and a Doctor of Laws Degree at De Paul University in 1959. Mr. Bittman was Assistant United States Attorney at Chicago, Illinois, from 1960 to 1963. He was Assistant Chief of the Criminal Division 1962 to 1963; Special Attorney, Organized Crime and Racketeering Section 1964; and Special Trial Attorney 1965 to 1967, Department of Justice.

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Watergate Incident

| | | | |
|-------|--|-----------|--------------|
| FROM: | Howard J. Osborn Director of Security | EXTENSION | NO. |
| | | 6777 | 28 June 1972 |

| | | | | |
|---|----------|-----------|--------------------|---|
| TO: (Office designation, room number, and building) | DATE | | OFFICER'S INITIALS | COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.) |
| | RECEIVED | FORWARDED | | |

| | | | | | |
|-----|--------------------------------|------|------|-------------|---|
| 1. | Deputy Director for Support | | | | <p>EYES ONLY</p> <p>A supplemental report.</p> |
| 2. | | | | | |
| 3. | Executive Director-Comptroller | 6/29 | 6/30 | WFC W.P. | |
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EYES ONLY

WATERGATE INCIDENT1. BACKGROUND

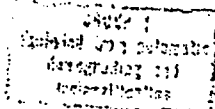
Reference is made to the previous summary of 26 June 1972, which provided details on the arrest of five men by the Washington Metropolitan Police, after having been discovered breaking into the Democratic National Headquarters on 17 June 1972. The five primary figures included Messrs. James Walter McCord, Jr., a former CIA Staff Employee (1951-1970); Bernard L. Barker, a former Agency Asset (1960-1966); Frank Anthony Sturgis, who has never been employed by CIA; Eugenio Rolando Martinez Careaga, who worked on an Agency project from 1961 to 1969, and has since been on a \$100.00 a month retainer; and Virgilio Ramon Gonzales-Rosabel, who has never had any ties with CIA.

2. EVERETTE HOWARD HUNT, JR.

Much of the publicity on the case has centered on Mr. Everette Howard Hunt, Jr., a White House Consultant who formerly served as a CIA Staff Employee from 1949 to 1970. Mr. Hunt was initially interviewed by the Federal Bureau of Investigation in the evening of 17 June 1972, but he refused to discuss details of his involvement on Constitutional grounds. Information has now developed which indicates that in 1960 he had a documented alias in the name of Edward V. Hamilton; he used the name Edward J. Hamilton in 1963; and in 1968-1970, he was seriously considering the publication of a book under the name of Edward J. Hamilton. Recent news articles indicate that Mr. Frank Anthony Sturgis had registered at the Watergate and gave the police the name of "Edward Hamilton" at the time of his arrest. As of 27 June 1972, the Federal Bureau of Investigation gave indications that the whereabouts of Mr. Hunt is unknown. The Bureau is checking on Mr. Hunt's handwriting.

EYES ONLY

~~SECRET~~



3. FEDERAL BUREAU OF INVESTIGATION INTERVIEWS

A.

[redacted]
[redacted] [redacted] [redacted]
[redacted]

was contacted
by a Special Agent of the Federal Bureau of Investigation

[redacted]

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(b)(3)

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B. Juan Rigoberto RUIZ Villegas

Juan Rigoberto RUIZ Villegas was last known to be residing in a boarding house in Gaithersburg, Maryland. The Federal Bureau of Investigation acquired his address as of 26 June 1972, and it was expected that he would be interviewed by the Bureau in the morning of 27 June 1972. The results of the interview are not yet known.

C. Ross Ward Lambert

Mr. Ross Ward Lambert, [redacted]

[redacted]
[redacted] applied for a position with McCord Associates but took a job elsewhere. On 27 June 1972, information was received that he had been interviewed by a Special Agent of the Federal Bureau of Investigation assigned to the Chicago Field Office. He apparently was asked why he applied at McCord Associates, but we have no other information on the interview.

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SECRET~~

~~SECRET~~

D.

[Redacted]

Mr. [Redacted] a GS-15, [Redacted]

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[Redacted] The Federal Bureau of Investigation was specifically interested in developing information concerning possible ties to Mr. Everette Howard Hunt, Jr. A Special Agent of the Federal Bureau of Investigation interviewed Mr. [Redacted] on 27 June 1972, but there were no significant Agency implications in this.

4.

[Redacted]

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Stephen Tingley Anderson

Mr. Stephen Tingley Anderson, [Redacted]

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[Redacted] worked as a "Summer Employee" in 1963 and 1965. Mr. Stephen Anderson was voluntarily interviewed by an Office of Security representative on 27 June 1972, at which time he indicated that he is currently employed by the Committee for the Re-election of the President, and he had been working as a Security Officer under the supervision of Mr. James Walter McCord, Jr. Young Anderson stated that he was somewhat concerned about a possible interview by the Federal Bureau of Investigation, and he mentioned that his present boss, Mr. Robert L. Houston, has advised all Committee employees to have a Committee attorney present during any discussions with Special Agents of the Federal Bureau of Investigation.

5.

[Redacted]

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A. Edward William Nacher

Mr. Edward William Nacher was previously mentioned as being a Bookkeeper and Accountant for Robert R.

~~EYES ONLY
SECRET~~

Mullen and Company, which has been utilized by the Central Cover Staff/DDP, since 1963.

[Redacted]

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B. John Eugene Kelly

Mr. John Eugene Kelly, [Redacted]

[Redacted]

was

of considerable security interest to the Far East Division in May 1970, when he was reported to be writing a book on American inefficiency and corruption in Vietnam. On 21 June 1972, Mr. Kelly contacted the Miami Office of Domestic Contact Service and offered to write a favorable report to CBS on the Watergate incident, in exchange for the Agency perspective and interpretation of the bugging story. This matter was referred to [Redacted] Deputy Assistant to the Director, and the decision was made not to go along with the deal.

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6.

[Redacted]

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Mrs. Bernard L. Barker

Mrs. Bernard L. Barker has been mentioned in the press as the individual who initially called an attorney, Michael Douglas Caddy, after the arrest of her husband in connection with the Watergate incident. There has been an increased focus of attention on him because of his financial interests.

[Redacted]

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7. FINANCIAL SUPPORT

The Federal Bureau of Investigation has apparently traced large sums of money to banking establishments in Mexico City, Mexico. Mr. Bernard L. Barker has been questioned extensively on the funding aspects of the operation, and his explanations on real estate deals are not being accepted as the truth. As of 27 June 1972, the Federal Bureau of Investigation continued to show considerable interest in the financial aspects of the Watergate incident.

8. MEDIA GRAPHIX

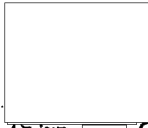
The Federal Bureau of Investigation expressed an interest in Media Graphix, a Washington, D. C. firm with offices at 1730 "K" Street, Northwest, and 919 18th Street, Northwest, Suite 130. On 27 June 1972, the Federal Bureau of Investigation was advised that we have no record of the organization.

SECRET
EYES ONLY

SUBJECT (optional)

EYES ONLY

| | | |
|--|-----------|------|
| FROM: Howard J. Osborn Director of Security | EXTENSION | NO. |
| | | DATE |

| TO: (Officer designation, room number, and building) | DATE | | OFFICER'S INITIALS | COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.) |
|--|----------|-----------|--------------------|---|
| | RECEIVED | FORWARDED | | |
| 1. Deputy Director for Support | | | | <p>1 - 3:</p> <p>For your information.</p> <p> John Coffey</p> |
| 2. | | | | |
| 3. Executive Director-Comptroller | 6/28 | 6/30 | WEC LIP | |
| 4. <i>JDB</i> | | | | |
| 5. <i>J/SEC</i> | | | | |
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| 15. | | | EYES ONLY | |

FORM 610 USE PREVIOUS EDITIONS SECRET CONFIDENTIAL INTERNAL USE ONLY UNCLASSIFIED

EYES ONLY

26 June 1972

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Watergate Incident--Status Report

1. The attached status report represents a concise summary of the involvement of this Office thus far in protecting Agency equities arising from the "Watergate Incident."

2. We have been cooperating fully with the Federal Bureau of Investigation and have responded in writing to various requests from them for traces. These memoranda were cleared in advance with the Executive Director-Comptroller.

3. I believe that you may wish to forward the attached to Mr. Colby for his information. I believe he is familiar with some of the material involved but may not know of the involvement of several current and former staff employees.

Howard J. Osborn
Director of Security

Attachment

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~~EYES ONLY~~
~~SECRET~~

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EYES ONLY

I. ENTRY INTO DEMOCRATIC NATIONAL HEADQUARTERS

A. BACKGROUND

Five men were arrested by the Washington Metropolitan Police at 2:10 a. m. on 17 June 1972, after having been discovered breaking into the Democratic National Headquarters at the Watergate in Washington, D. C. The five men had cameras and rather sophisticated bugging equipment. Although the suspects initially used aliases during the police interrogation, they were identified as Messrs. James Walter McCord, Jr.; Bernard L. Barker; Frank Anthony Sturgis; Eugenio Rolando Martinez Careaga; and Virgilio Ramon Gonzales-Rosabel. The Watergate incident has continued to receive extensive publicity, and there is suspicion that a sixth person was directly involved in the illegal entry.

B. PRIMARY FIGURES

1. James Walter McCord, Jr.

Mr. James W. McCord, Jr., a former Agent of the Federal Bureau of Investigation, served as a Staff Employee of the Agency from 22 August 1951 until his retirement on 31 August 1970. At the time of his retirement, he was a GS-15, Security Officer. He has since set up his private investigative organization known as McCord Associates, and in early 1972, he was named Security Coordinator for the National Committee for the Re-election of President Nixon.

2. Bernard L. Barker

Mr. Bernard L. Barker, a former Captain in the U. S. Air Force, was born in Cuba of American-born parents, and he began cooperating with the Agency in 1959. He was hired on a contract basis in April 1960, and was used primarily to report on Cuban exile activities. Mr. Barker was terminated by the Agency on 31 July 1966, to accept employment in private industry.

EYES ONLY

SECRET

~~EVER ONLY~~3. Frank Anthony Sturgis

Mr. Frank Anthony Sturgis, who has used numerous aliases, formerly served in the U. S. Marine Corps and the U. S. Army in the 1940's. As of 1959, Mr. Sturgis was a Captain in the Cuban Army, but later became disillusioned with Castro, became a soldier of fortune, and in 1961 headed an organization called the International Anticommunist Brigade, which he claimed had 5,000 members. Mr. Sturgis was never recruited by the Agency, but has been associated with Mr. Eugenio Rolando Martinez Careaga, an Agency contact since the 1960's.

4. Eugenio Rolando Martinez Careaga

Mr. Eugenio Rolando Martinez Careaga, an American citizen of Cuban birth, was recruited by the Agency in 1961. The project to which he was assigned was terminated in 1969, and he has since been on a part-time retainer [redacted]

[redacted] Prior to 1969, he received [redacted] for his full-time operational activity. It is to be noted that Mr. Martinez is a real estate partner of Mr. Bernard L. Barker.

(b)(3)

(b)(3)

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5. Virgilio Ramon Gonzales-Rosabel

Mr. Virgilio Ramon Gonzales-Rosabel, who has used various aliases, is not on record in WH Division/DDP, or any other component of the Agency. The Federal Bureau of Investigation has been advised that the Central Intelligence Agency has no record of Mr. Gonzales-Rosabel.

C. THE WHITE HOUSEEverette Howard Hunt, Jr.

Mr. Everette Howard Hunt, Jr., a former War Correspondent and free lance writer, was previously affiliated with the Office of Strategic Services, and he was employed as an Agency Staff

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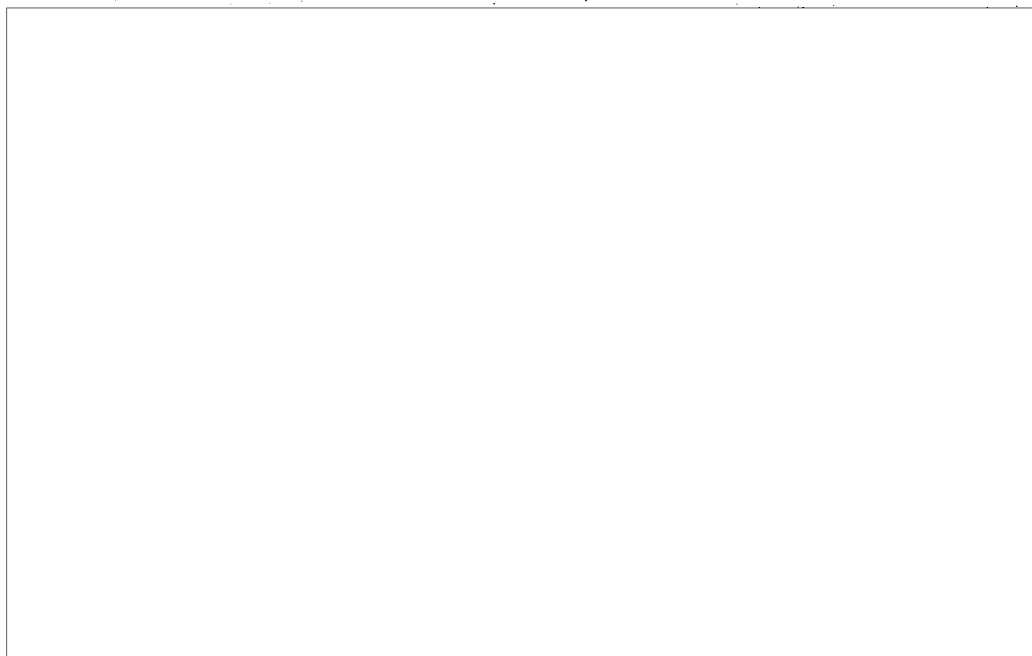
~~EYES ONLY~~

Employee from 8 November 1949 until his retirement on 30 April 1970, when he commenced private employment with Robert R. Mullen and Company, a firm which has been utilized by the Agency for cover purposes. A news article of July 1971 indicated that Mr. Hunt joined the White House Staff as a Consultant to President Nixon preparatory to the President's visit to the Peoples Republic of China. Much of the recent publicity in the case has focused on Mr. Hunt, who was interviewed by the Federal Bureau of Investigation on 17 June 1972. He admitted that he had written a check to Mr. McCord but invoked his Constitutional rights on all other questions.

On the White House issue, previous reference was made to the employment of Mr. James W. McCord by the Committee for the Re-election of President Nixon.

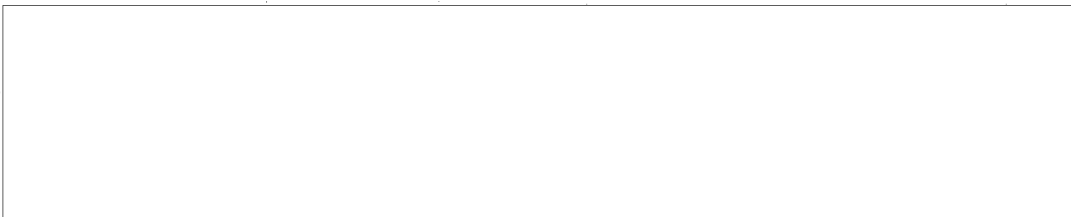
D. CURRENT AGENCY STAFF EMPLOYEES

1.



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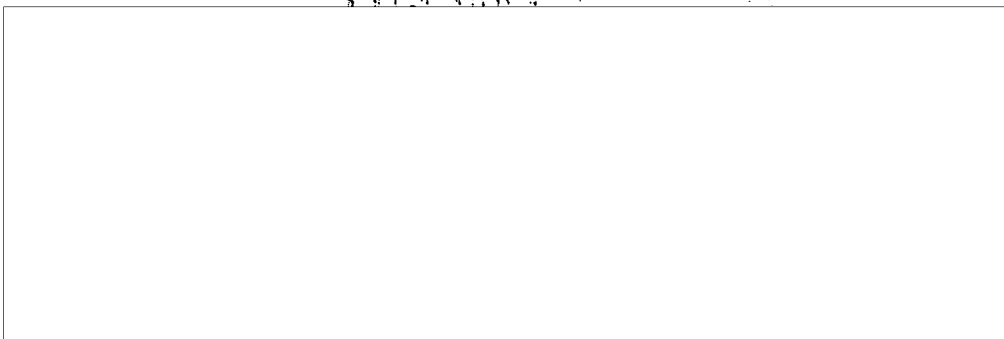
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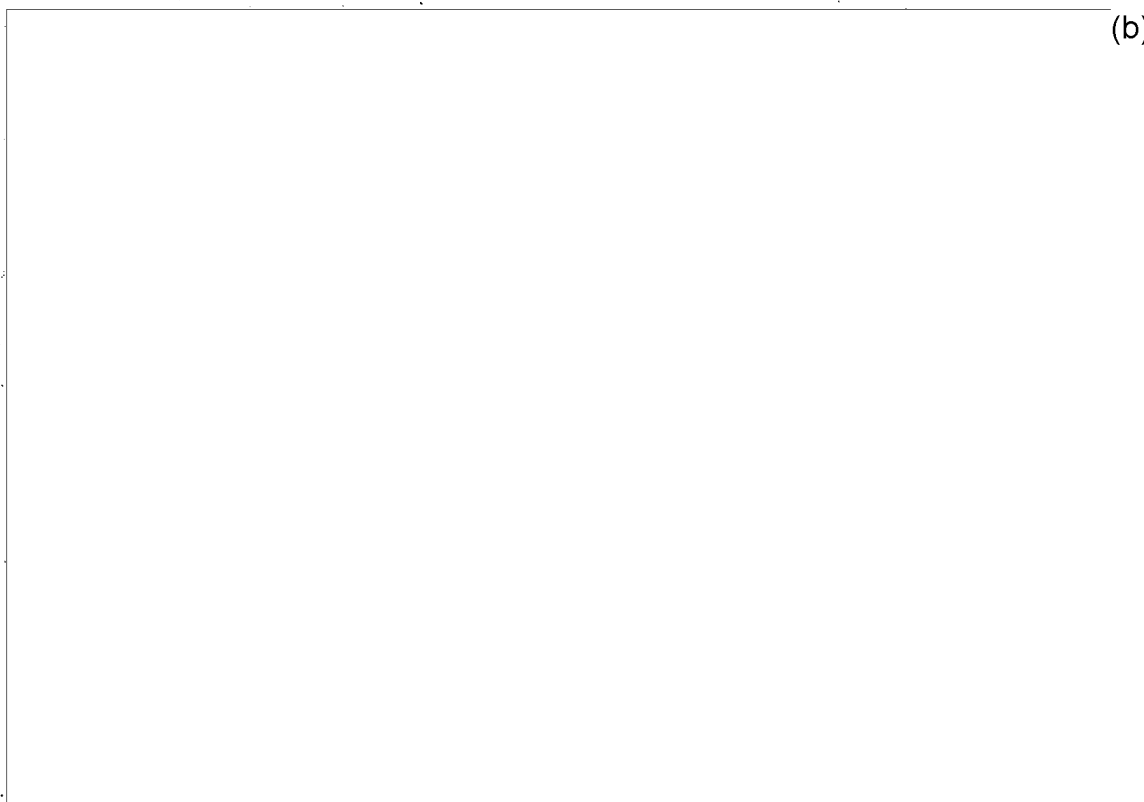
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EYES ONLY



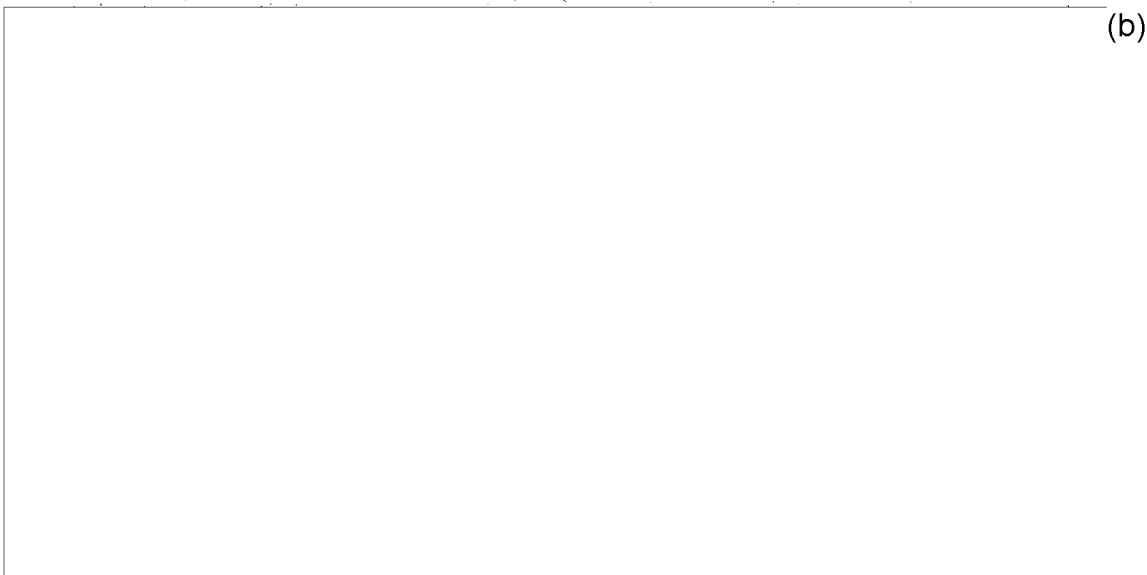
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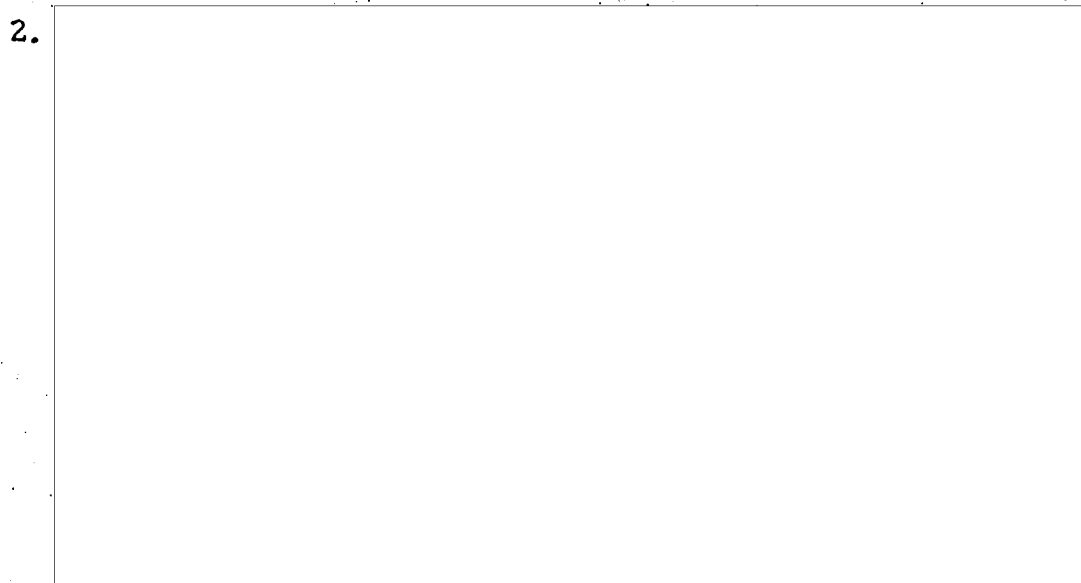


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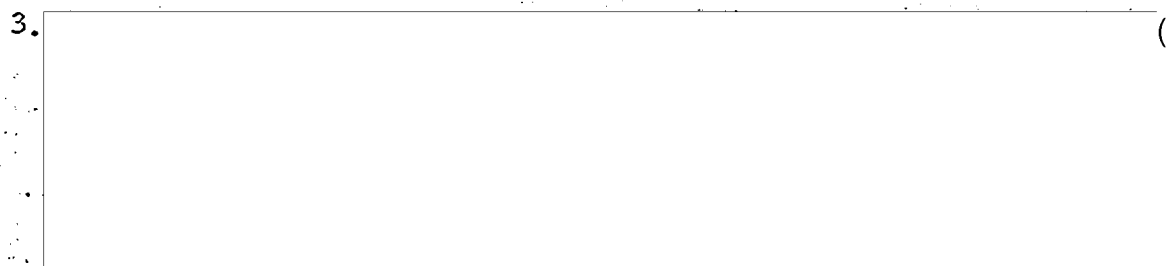
E. FORMER AGENCY STAFF EMPLOYEES



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(b)(3)

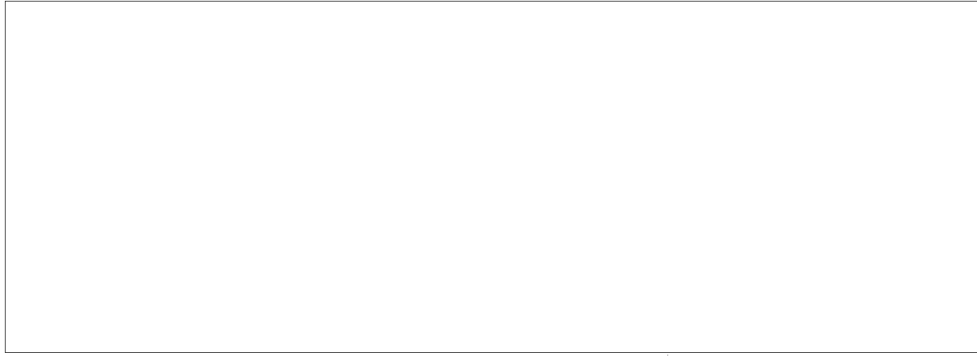


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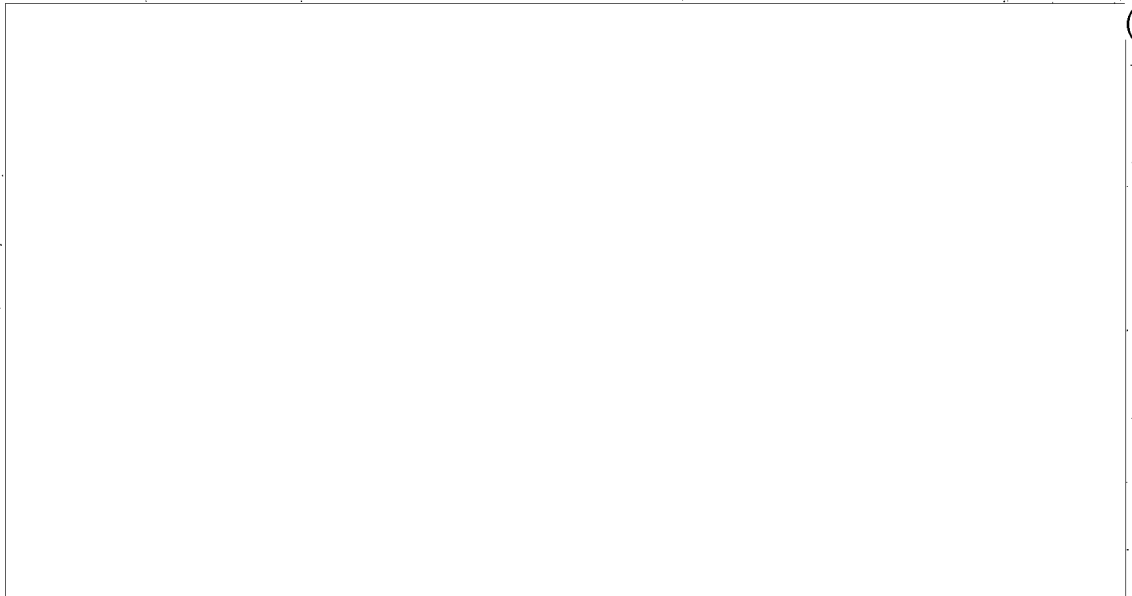
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5.



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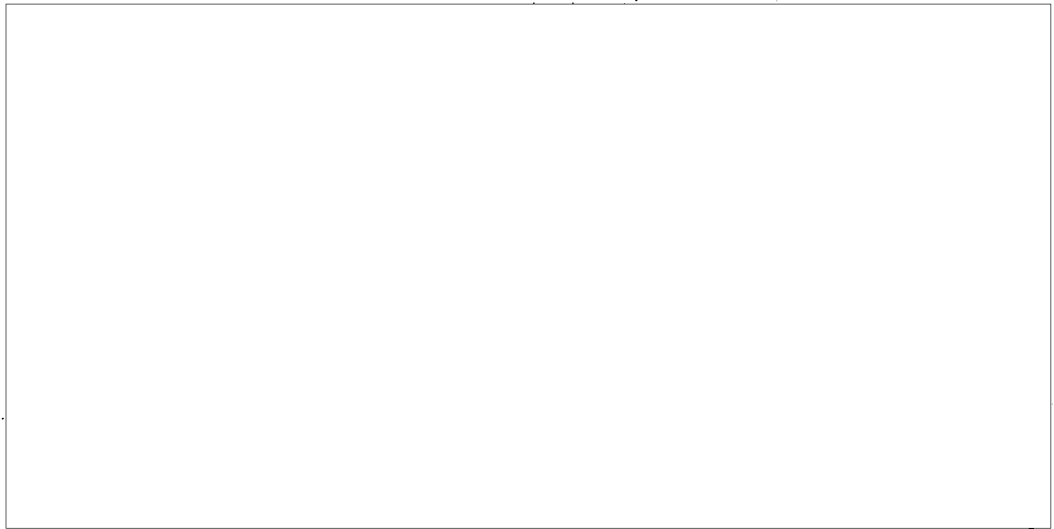
ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED

6.



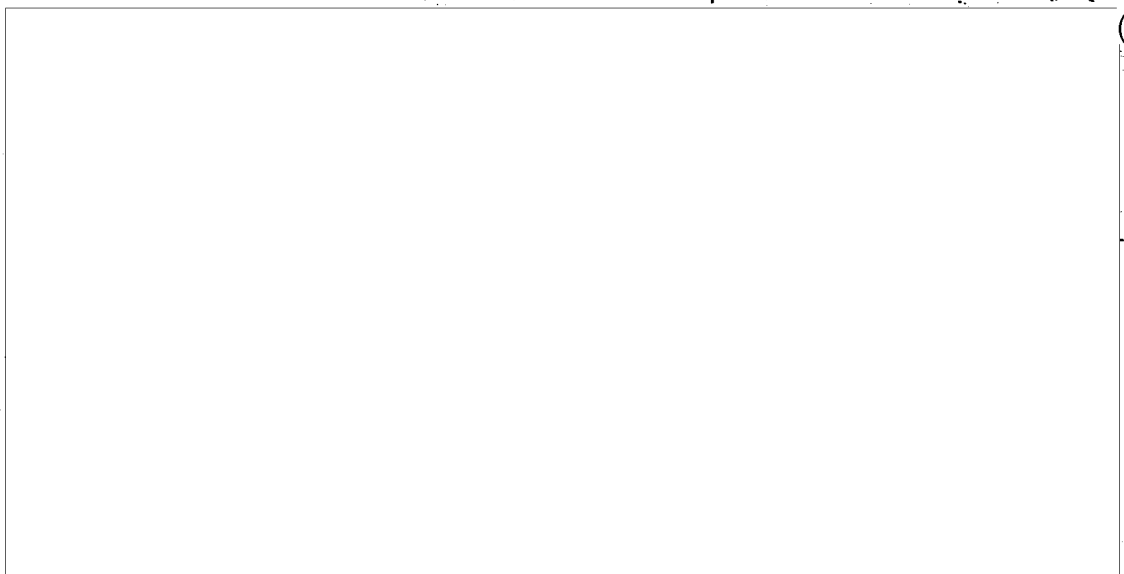
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7.



(b)(3)

8.



(b)(3)

EYES ONLY

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EYES ONLY

9.

(b)(3)



F. OTHER CIA CONNECTIONS

1. Robert Foster Bennett

Robert Foster Bennett, son of U. S. Senator Wallace Bennett of Utah, is Director and Executive Vice-President of Robert R. Mullen and Company, which has been utilized by the Agency for commercial cover purposes. Mr. Bennett has been interviewed by members of the news media because of intense interest in Mr. Everette Howard Hunt, Jr., a former Agency Staff Employee working for the same firm. A Covert Security Approval was issued on 19 March 1971 for Mr. Bennett's use in providing cover for an Agency overseas asset. The Executive Director-Comptroller and the Director of Central Intelligence were advised at the time of the approval.

EYES ONLY

8

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EYES ONLY

2.



(b)(3)

G. COVER ORGANIZATIONS

1. Robert R. Mullen and Company

Robert R. Mullen and Company has been utilized by the Central Cover Staff since 1963, and since that time a total of eight people of the Mullen Company have been cleared or made witting of Agency ties. Mr. Mullen has provided sensitive cover support overseas for Agency employees and he was instrumental in the formation of the Cuban Freedom Committee.

(b)(3)

As of 1 May 1970, Mr. Everette Howard Hunt, Jr., who had just retired from the Agency, became a legitimate employee of Mr. Mullen. He is aware of present cover placements under Robert R. Mullen and Company. The Federal Bureau of Investigation was informed of this Agency connection by memorandum dated 21 June 1972.

(b)(3)

EYES ONLY

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~~EYES ONLY~~

2. Interprogres

Interprogres is a new subsidiary of the Mullen Company formed in 1971, as a result of contacts developed at the Zagreb Trade Fair in Yugoslavia. It is a pilot operation aimed at expanding East-West commercial relationships.

[REDACTED]

(b)(3)

[REDACTED] The Federal Bureau of Investigation was advised of the Agency connection by memorandum dated 21 June 1972, which covered Robert R. Mullen and Company.

3.

[REDACTED]

(b)(3)

H. RELATED AGENCY CHECKS

The Federal Bureau of Investigation and/or the news media have mentioned the following individuals or organizations in the course of the investigation of the Watergate incident. Agency records are either negative or contain no information directly pertinent to the Watergate incident:

1. Association of National Advertisers

Association of National Advertisers was mentioned by the Federal Bureau of Investigation as having offices with Robert R. Mullen and Company. The Bureau was advised "no record".

~~EYES ONLY~~

~~SECRET~~

EYES ONLY

2. "CIF"

"CIF", without further details, was mentioned by the Federal Bureau of Investigation as having offices with Robert R. Mullen and Company. The Bureau was advised "no record" on the basis of available information.

3. Ameritas, Incorporated

Ameritas, Incorporated is said to be a Florida real estate firm and several individuals listed employment with this organization when registering at the Watergate. The Bureau was advised "no record".

4. George Leonard

George Leonard, 1601 Washington Avenue, Kansas City, Kansas, registered at the Watergate. The Federal Bureau of Investigation was advised "not identifiable".

5. Edward Warner

Edward Warner, 143 West 73rd Street, New York City, New York, registered at the Watergate. The Federal Bureau of Investigation was advised "not identifiable". The Federal Bureau of Investigation later listed the person as Edward L. Warren, of the same address, and we advised "no record". The press has speculated that "E. Warren" may be an alias of Mr. James W. McCord.

6. Paul Jose Piedra

Paul Jose Piedra registered at the Watergate. The Federal Bureau of Investigation was advised "no record".

7. Joe Granada

Joe Granada registered at the Watergate. The Federal Bureau of Investigation was advised "no record".

~~EYES ONLY
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EYES ONLY

8. Michael Douglas Caddy

Michael Douglas Caddy (aka: Douglas Caddy) is a lawyer with an office at 1250 Connecticut Avenue, Northwest, Washington, D. C. He is mentioned in the press as an attorney who was called into the case by the wife of Mr. Bernard L. Barker, one of the primary figures in the Watergate incident.

On 21 June 1972, the Federal Bureau of Investigation was advised that Caddy has never been employed by or associated with the Agency in any capacity.

9. McCord Associates

No Agency file reference located on McCord Associates.

10. Institute for Protection and Safety Studies, Inc.

Institute for Protection and Safety Studies, Inc. is affiliated indirectly with McCord Associates and has offices at the same Rockville, Maryland address.

11. Joseph A. Rafferty, Jr.

Joseph A. Rafferty, Jr., a trial lawyer who was called into the case by Mr. Barker's attorney, Douglas Caddy. No record.

12. Miguel A. Suarez

Miguel A. Suarez is mentioned in the press as a Cuban exile and lawyer and one of the "links to the Republican Party". He was listed by the press as a self-styled "Nixonian" who represented Florida's Cuban community in dealing with former GOP Governor Claude R. Kirk, Jr. He is listed as having an office with Mr. Barker at 955 First Street, Southwest, Miami, Florida, and is said to be a business partner of Mr. Barker. Allegedly the Federal Bureau of Investigation planned on interviewing him. He was of Agency interest between 1960 and 1965 in connection with propaganda activities aimed toward Cuba.

EYES ONLY

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EYES ONLY

13. Marie-Elene Barker Moffett

Marie-Elene Barker Moffett is mentioned in the press as the daughter of Mr. Bernard L. Barker. Thought was given to releasing Mr. Barker to her custody. No record.

14. Alberto Carricarte

Alberto Carricarte is mentioned in the press as the law partner of Miguel A. Suarez and Secretary of Ameritas, Incorporated. No record.

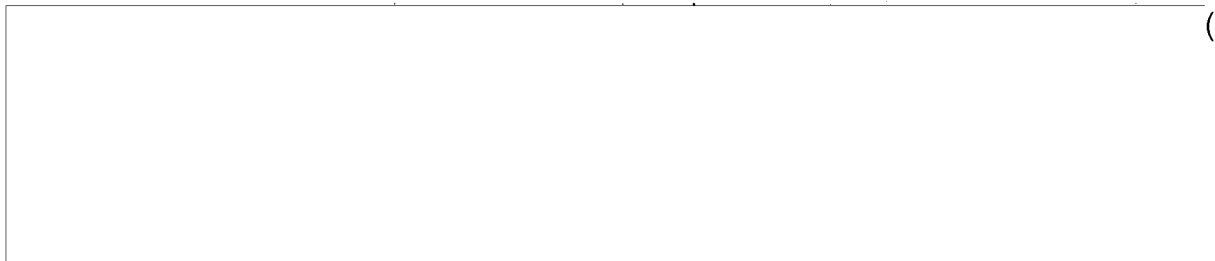
15. All State Investment Fund, S.A.,

All State Investment Fund, S.A., is mentioned in the press as the parent company of Ameritas, Incorporated. It reportedly was established in Panama by Miguel A. Suarez to engage in real estate investment activities in the Caribbean area. No record

I. BIOGRAPHIC SUMMARIES

Complete biographic summaries have been prepared on those current Staff Employees, former Staff Employees, and Contract Personnel who were in any way connected with the Watergate incident, McCord Associates, the Institute for Protection and Safety Studies, Inc., or cover organizations.

J. ADDENDUM



(b)(3)

EYES ONLY

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9 January 1973

EXPLANATORY REMARKS

1. Original source, 12-22-72, Lee Pennington, is a retired FBI agent. Has been a source of SRS for about 15 years. A C.P.A., did Hoover's income tax returns for years. His son Lee Jr. also a C.P.A. is our subject's accountant.
2. First communication was to the apartment of my son who is listed ahead of me in current phone directory.
3. There is a Carl Bittenbender assigned to Intelligence Unit of M.P.D. His supervisor is Capt. George Suter, a liaison contact of WFO/IOS/OS.

B

12-22-72

SUBJECT

FILE NUMBER

1. Lee Pennington advised this date that
 Mr. Ford told him there would be an
 attempt by Prosecution to blame CIA for
 Watergate bugging.

2. Marchetti may be used in trial
 as expert witness re training by CIA
 of defendants

3. More info later

OFFICE AND TITLE

SIGNATURE

W. S. R. / 12/22/72

FORM 62 1954

CLASSIFICATION

GROUP 1
EXCLUDED FROM AUTOMATIC
DOWNGRADING AND
DECLASSIFICATION

(40)

C

4 December 1972

MEMORANDUM FOR: Chief, Personnel Security Division

ATTENTION :

[Redacted]

(b)(3)

SUBJECT :

[Redacted]

1. I showed the Director of Security the memorandum that [Redacted] Security Research Staff, received from Mr. Lee Pennington. This memorandum, as you know, came from Mr. James W. McCord, Jr.

(b)(3)

2. At the request of the Director of Security, I advised [Redacted] that he is not to ever discuss Mr. McCord with Mr. Pennington, nor is he to accept any more items from Mr. Pennington which concern Mr. McCord or which come from Mr. McCord.

(b)(3)

3. [Redacted] agreed and stated that in all of his future contacts with Mr. Pennington, Mr. Paul F. Gaynor, Chief/Security Research Staff, would be present.

(b)(3)

[Redacted]

(b)(3)

Deputy Director of Security
for Personnel Security

[Redacted]

(b)(3)

EYES ONLY

29 November 1972

MEMORANDUM FOR: Deputy Director of Security (PS)

SUBJECT:

: [REDACTED]
James W. McCord, Jr.

1. At your request, I contacted [REDACTED] on 29 November 1972, to determine the origins of a memorandum received on or about 2 October 1972 in reference to [REDACTED] and sourced to Mr. McCord. You also wished to know whether Mr. McCord had provided the Security Research Staff with any other information or reports of interest.

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2. [REDACTED] advised that the memorandum was furnished to him by Mr. Lee Pennington, who is a close friend of Mr. McCord's. It was given to [REDACTED] in the course of an official contact with Mr. Pennington, and was probably not (according to [REDACTED] intended for Agency eyes. There have been no other instances of information passing from Mr. McCord to the Agency, as far as [REDACTED] knows.

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3. The memorandum itself is believed to be a portion of Mr. McCord's investigation of [REDACTED] which has already been reported on in the press. [REDACTED] said (not for publication) that Mr. Pennington gave him the definite impression that Mr. McCord intends to write two books or magazine articles. One will deal with [REDACTED] and the other with the Watergate incident.

(b)(3)

EYES ONLY

~~SECRET~~

(b)(3)

| SENDER WILL CHECK CLASSIFICATION | | TOP AND BOTTOM | |
|--|------------------|-------------------------------------|----------------|
| UNCLASSIFIED | CONFIDENTIAL | SECRET | |
| OFFICIAL ROUTING SLIP | | | |
| TO | NAME AND ADDRESS | DATE | INITIALS |
| 1 | [Redacted] | 12/2/72 | [Redacted] |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| <input type="checkbox"/> | ACTION | <input type="checkbox"/> | DIRECT REPLY |
| <input type="checkbox"/> | APPROVAL | <input type="checkbox"/> | DISPATCH |
| <input type="checkbox"/> | COMMENT | <input type="checkbox"/> | FILE |
| <input type="checkbox"/> | CONCURRENCE | <input checked="" type="checkbox"/> | INFORMATION |
| <input type="checkbox"/> | | <input type="checkbox"/> | PREPARE REPLY |
| <input type="checkbox"/> | | <input type="checkbox"/> | RECOMMENDATION |
| <input type="checkbox"/> | | <input type="checkbox"/> | RETURN |
| <input type="checkbox"/> | | <input type="checkbox"/> | SIGNATURE |
| Remarks: | | | |
| <p>This memo. comes from James. McC., a reliable source, thru her P. The info. may be accurate but has <u>not</u> been verified by this office.</p> | | | |
| FOLD HERE TO RETURN TO SENDER | | | |
| FROM: NAME, ADDRESS AND PHONE NO. | | DATE | |
| [Redacted] | | 12/2/72 | |
| UNCLASSIFIED | CONFIDENTIAL | SECRET | |

(b)(3)

(b)(3)

FORM NO. 1-67 237

Use previous editions

(40)

