

**File #:**

62-HQ-116464

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**Serial Scope:**

280-290

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- 2 - Mr. J. A. Mintz
- (1 - J. B. Hotis)
- 1 - Mr. W. R. Wannall
- 1 - Mr. W. O. Cregar

January 14, 1976

The Attorney General

Director, FBI

U. S. HOUSE SELECT COMMITTEE  
ON INTELLIGENCE ACTIVITIES (HSC)

- 1 - Mr. J. G. Deegan
- 1 - Mr. A. J. Duffin
- 1 - Mr. V. R. Thornton
- 1 - Mr. R. D. Shea

Reference is made to HSC letter dated December 1, 1975, which requests access to any and all files, memorandums or other files regarding the following: (1) Jesse Benjamin Stoner, Chairman; National States Rights Party (NSRP); (2) "The Thunderbolt" and the subscriber list thereto. This is the NSRP publication; (3) The NSRP; (4) Carl W. Ridout - member of NSRP; (5) John Mercer Johns - member of NSRP; (6) Vernon Higgins (Detroit, Michigan).

Enclosed for your approval and forwarding to the HSC is the original of a memorandum responding to the above request.

A copy of this memorandum is being furnished for your records.

Enclosures (2)

62-116464

1 - Deputy Attorney General  
Attention: Michael E. Shaheen, Jr.  
Special Counsel for  
Intelligence Coordination

FEB 6 1976

- Assoc. Dir. \_\_\_\_\_
- Dep. AD Adm. \_\_\_\_\_
- Dep. AD Inv. \_\_\_\_\_
- Asst. Dir.:
- Admin. \_\_\_\_\_ 1 - 105-66233
- Comp. Syst. \_\_\_\_\_ 1 - 157-97
- Ext. Affairs \_\_\_\_\_
- Files & Com. \_\_\_\_\_ 1 - 157-1228
- Gen. Inv. \_\_\_\_\_ 1 - 157-3151
- Ident. \_\_\_\_\_
- Inspection \_\_\_\_\_ 1 - 170-6412
- Intell. \_\_\_\_\_
- Laboratory \_\_\_\_\_
- Plan. & Eval. \_\_\_\_\_ RDS:klm
- Spec. Inv. \_\_\_\_\_ (17)
- Training \_\_\_\_\_
- Legal Coun. \_\_\_\_\_
- Telephone Rm. \_\_\_\_\_

SEE NOTE PAGE 2

UNRECORDED COPY AVAILABLE  
105-66233  
157-97  
157-10232  
157-3151  
170-6412

REC-106 62-116464-290

*Handwritten signatures and initials:*  
JAC  
SAMP  
5-  
W...  
P...  
M...

The Attorney General

NOTE:

In regard to HSC's request set forth in their letter 12/1/75, FBIHQ files disclose that we have approximately 96 volumes pertaining to the National States Rights Party (NSRP). These volumes consist of numerous internal memoranda, reports, letterhead memoranda, as well as numerous miscellaneous correspondence pertaining to "The Thunderbolt" which is the publication for the NSRP. Also, there are approximately six volumes pertaining to Jesse Benjamin Stoner, which contain numerous reports, letterhead memoranda and internal memoranda as well as other miscellaneous pieces of correspondence. We have one volume pertaining to Carl W. Ridout, one volume on John Mercer Johns, and one volume on Vernon Higgins, which is a 170 classification (extremist informant), Office of Origin Detroit, and is in a closed status. He was approved as a potential extremist informant on 7/23/73, and elevated to a full extremist informant on 3/27/74. He furnished information on the United Klans of America. He was discontinued on 6/20/74 for the reason that on 6/19, 20/74, upon confrontation by Nation Caucus of Labor Committees (NCLC) personnel, Detroit, admitted to them serving as a Bureau informant which thereafter resulted in his public exposure through NCLC media. This exposure terminated any further capability of Higgins functioning as a Bureau informant. NCLC is currently under investigation by the Bureau as it is a revolutionary socialist organization which aims to over-throw the U. S. Government by force and replace it with a communist form of government. In view of the immensity of this material, the conference between SA Duffin and Staff Member Oliphant was necessary in order to place this particular request into its proper perspective. The following personnel of IS-1 Section will brief Staff Member Oliphant: Section Chief Joseph G. Deegan and Supervisor Vernon R. Thornton.

62-116464

- 2 - Mr. J. A. Mintz  
(1 - J. B. Hotis)
- 1 - Mr. W. R. Wannall
- 1 - Mr. W. O. Cregar
- 1 - Mr. J. G. Deegan
- 1 - Mr. A. J. Duffin

January 14, 1976

- 1 - Mr. V. R. Thornton
- 1 - Mr. R. D. Shea

**U. S. HOUSE SELECT COMMITTEE  
ON INTELLIGENCE ACTIVITIES (HSC)**

Reference is made to HSC letter dated December 1, 1975, which requests access to any and all files, memorandum, or other materials concerning the following: (1) Jesse Benjamin Stoner, Chairman; National States Rights Party (NSRP); (2) "The Thunderbolt" and the subscriber list thereto. This is the NSRP publication; (3) The NSRP; (4) Carl W. Ridout - member of NSRP; (5) John Mercer Johns - member of NSRP; (6) Vernon Higgins (Detroit, Michigan).

On January 8, 1976, a conference between Special Agent Andrew J. Duffin of the FBI and HSC Staff Member Timothy Oliphant was held regarding the material mentioned above. As a result of this conference, it was agreed that an oral briefing would satisfy this request. This is to advise that FBI Headquarters representatives familiar with this material are prepared to provide same at the HSC's convenience.

1 - The Attorney General

- Assoc. Dir. \_\_\_\_\_
- Dep. AD Adm. \_\_\_\_\_
- Dep. AD Inv. — 1 - 105-66233
- Asst. Dir.:
- Admin. \_\_\_\_\_ 1 - 157-97
- Comp. Syst. \_\_\_\_\_ 1 - 157-1228
- Ext. Affairs \_\_\_\_\_ 1 - 157-3151
- Files & Com. \_\_\_\_\_ 1 - 170-6412
- Gen. Inv. \_\_\_\_\_ 1 - 170-6412
- Ident. \_\_\_\_\_
- Inspection \_\_\_\_\_
- Intell. \_\_\_\_\_
- Laboratory \_\_\_\_\_ RDS:klm
- Plan. & Eval. — (16)
- Spec. Inv. \_\_\_\_\_
- Training \_\_\_\_\_
- Legal Coun. \_\_\_\_\_
- Telephone Rm. \_\_\_\_\_
- Director Sec'y \_\_\_\_\_ MAIL ROOM  TELETYPE UNIT

ORIGINAL AND ONE TO AG

62-116464-290

*WRW/TWL*  
*JAM*  
*JAF*  
*prol*  
*WSS*  
*APL*

OVERLOOK, N. Y., CHAIRMAN

ROBERT N. GIAMMO, CONN.  
JAMES V. STANTON, OHIO  
RONALD V. DELLUMS, CALIF.  
MORGAN F. MURPHY, ILL.  
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ROBERT W. KASTEN, JR., WIS.

A. SEARLE FIELD, STAFF DIRECTOR  
AARON B. DONNER, COUNSEL

TELEPHONE: (202) 225-9751

Select Committee on Intelligence  
U.S. House of Representatives  
Washington, D.C. 20515

December 1, 1975

Mr. Michael Shaheen, Jr.  
Spec. Counsel for Intel. Coordin.  
Department of Justice  
Washington, D.C.

Dec 4 9 09 AM '75  
DEPT. OF JUSTICE  
REC. MGR.

Dear Mr. Shaheen:

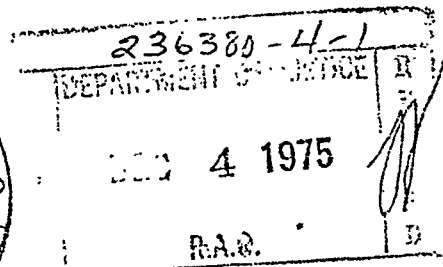
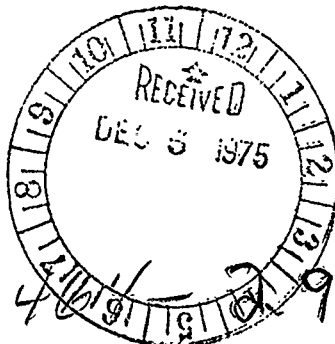
The House Select Committee hereby requests access to any and all files, memorandum or other materials re:

- 1) Jesse Benjamin (J.B.) Stoner (DOB) April 13, 1924, Chairman; National States Rights Party.
- 2) The Thunderbolt and the subscriber list thereto (publication of the National States Rights Party)
- 3) The National States Rights Party
- 4) Carl W. Ridout of Birmingham, Alabama member -- National States Rights Party
- 5) John Mercer Johns of Jacksonville, Florida - member - National States Rights Party
- 6) Vernon Higgins (Detroit, Michigan)

Sincerely,

*A. Searle Field*

A. Searle Field  
Staff Director



OFFICE OF LEGISLATIVE AFFAIRS

DEPUTY ATTORNEY GENERAL

*Let's J.W. in 1/14/76  
a.s. Searle/for Lm*

*LAM 1/14*

*62-116461-290*

5-140 (Rev. 1-21-74) FEDERAL BUREAU OF INVESTIGATION  
WASHINGTON, D. C. 20535

Addressee: HOUSE SELECT COMMITTEE

LTR  LHM  Memo  Report dated 1/14/76

Caption of Document: U. S. HOUSE SELECT COMMITTEE.

12/1/75 request

National States Rights Party

Originating Office: FBI

Delivered by: [Signature] Date: 1/21/76

Received by: [Signature]

Title: \_\_\_\_\_

Return this receipt to the Intelligence Division, FBI

62-116464-290

TO: Intelligence Community Staff  
ATTN: Central Index

FROM:  
**FBI**

SUBJECT: Abstract of Information Provided to Select Committees

1. HOW PROVIDED (check appropriate term. If a document was made available for review but not transmitted, so note.)

2. DATE PROVIDED

DOCUMENT     BRIEFING     INTERVIEW     TESTIMONY     OTHER

**1/14/76**

3. TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)

SSC

HSC

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)

**Memorandum**

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoena, etc.)

**HSC letter 12/1/75**

6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)

**U**

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)

**Information handling**

8. SUMMARY (see reverse side before completing this item)

Materials requested but a briefing was afforded to HSC Staff Members regarding Jesse Benjamin Stoner, chairman; National States Rights Party; "The Thunderbolt; and the subscriber list thereto; The National States Rights Party; Carl W. Ridout; John Mercer Johns; Vernon Higgins.

62-116464

FMK: fmk

(4)

**ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX  
IN CONNECTION WITH HOUSTUDY**

**TREAT AS YELLOW**

*5-200*

## INSTRUCTIONS

- Type or print clearly in ink.
- Indicate classification of the abstract top and bottom.
- Date the abstract and put on any internal control numbers required.
- "FROM" entry should clearly identify the organization providing the information.
- If additions (as when a copy of document sent to SSC is later sent to HSC) or changes to a previously submitted form are necessary, submit a copy of the original abstract, with the change indicated.

SPECIFIC ITEM NO. 8. SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.



- 2 - Mr. J. Mintz  
(1 - Mr. J. B. Hotis)
- 1 - Mr. W. R. Wannall
- 1 - Mr. W. O. Crogar
- 1 - Mr. H. W. Porter

The Attorney General

January 13, 1976

Director, FBI

U. S. HOUSE SELECT COMMITTEE ON INTELLIGENCE  
ACTIVITIES (HSC)

U. S. SENATE SELECT COMMITTEE ON INTELLIGENCE  
ACTIVITIES (SSC)

Reference is made to our memorandum of September 23, 1975, to the SSC, which responded to an SSC request of September 22, 1975, for information about domestic targets of surreptitious entries conducted by the FBI; and our memorandum of November 5, 1975, to the SSC, which responded to an SSC request for information about break-ins and other trespasses conducted by the FBI between 1970 and 1975.

Enclosed for your approval and forwarding to the respective Committees are the originals of two memoranda which contain data furnished previously to the SSC and HSC.

A copy of each memorandum is enclosed for your records.

Enclosures (2)

62-116398

62-116464 (House Select Committee)

1 - The Deputy Attorney General

Attention: Michael E. Shaheen, Jr. 170 JAN 25 1976  
Special Counsel for  
Intelligence Coordination

HWP:en  
(10)

ENCLOSURE

SEE NOTE PAGE 2

70 JAN 28 1976

ORIGINAL FILED IN  
 100-116398-1292  
 JAN 28 1976

The Attorney General

NOTE:

Our memoranda of 9/23/75, and 11/5/75, to the SSC and HSC, respectively, furnished data concerning surreptitious entries against domestic targets, break-ins, and other trespasses. Since preparation of these memoranda, we have discovered entries which amend data given to the SSC and HSC. These memoranda serve to revise those furnished previously.

Memorandum to the SSC concerns an October, 1963, entry into the New York City offices of the Fair Play for Cuba Committee. Memorandum to the HSC concerns entries conducted in the SMOOD matter. Our response to the SSC and HSC differ since previous submissions to those committees responded to different questions.

2 - Mr. J. [redacted] Mintz  
(1 - [redacted] J. B. Hotis)  
1 - Mr. W. R. Warfnall  
1 - Mr. W. O. Cregar  
1 - Mr. H. W. Porter

62-116464

January 13, 1976

U. S. HOUSE SELECT COMMITTEE ON  
INTELLIGENCE ACTIVITIES (HSC)

RE: HSC REQUEST DATED OCTOBER 15, 1975,  
CONCERNING WARRANTLESS ELECTRONIC  
SURVEILLANCES AND SURREPTITIOUS  
ENTRIES

Reference is made to the HSC letter of October 15, 1975, to the Department of Justice which requested, under Items 3 and 4, a list of all break-ins conducted by the FBI between 1970 and 1975, and a list of all other trespasses conducted by the FBI between 1970 and 1975, respectively.

Under Number 4 of our memorandum of November 5, 1975, with attachment, we combined response to the October 15, 1975, requests under Items 3 and 4.

Since preparation of our memorandum of November 5, we have learned of one target of surreptitious entry, in 1970 and 1971, not included in the November 5, Item 4, response. Accordingly, the Item 4 response should be amended to show in the category "Foreign Intelligence Agents" one target of surreptitious entry in 1970 and 1971.

1 - The Attorney General

HWP:en. [initials]  
(8)

- Assoc. Dir. \_\_\_\_\_
- Dep. AD Adm. \_\_\_\_\_
- Dep. AD Inv. \_\_\_\_\_
- Asst. Dir.:
- Admin. \_\_\_\_\_
- Comp. Syst. \_\_\_\_\_
- Ext. Affairs \_\_\_\_\_
- Files & Com. \_\_\_\_\_
- Gen. Inv. \_\_\_\_\_
- Ident. \_\_\_\_\_
- Inspection \_\_\_\_\_
- Intell. \_\_\_\_\_
- Laboratory \_\_\_\_\_
- Plan. & Eval. \_\_\_\_\_
- Spec. Inv. \_\_\_\_\_
- Training \_\_\_\_\_
- Legal Coun. \_\_\_\_\_
- Telephone Rm. \_\_\_\_\_
- Director Sec'y \_\_\_\_\_

*This document is prepared in response to your request and is not for dissemination outside your Committee. It is not to be used in official proceedings by your Committee and the content may not be disclosed to unauthorized personnel without the express approval of the FBI.*

*(Handwritten notes: WOC, [unclear], [unclear])*

5-140 (Rev. 1-21-74) FEDERAL BUREAU OF INVESTIGATION  
WASHINGTON, D. C. 20535

House Select Committee

Addressee: \_\_\_\_\_

LTR  LHM  Memo  Report dated 1/13/76

Caption of Document: HSC request dated 10/15/75 conc  
warrantless electronic surveillances and  
surreptitious entries. Items 3 & 4.

Originating Office: FBI

Delivered by: [Signature] Date: 1/21/76

Received by: [Signature]

Title: \_\_\_\_\_

Return this receipt to the Intelligence Division, FBI

TO: Intelligence Community Staff  
ATTN: Central Index

FROM:  
**FBI**

SUBJECT: Abstract of Information Provided to Select Committees

1. HOW PROVIDED (check appropriate term. If a document was made available for review but not transmitted, so note.)

2. DATE PROVIDED

**1/13/76**

<input checked="" type="checkbox"/>	DOCUMENT	<input type="checkbox"/>	BRIEFING	<input type="checkbox"/>	INTERVIEW	<input type="checkbox"/>	TESTIMONY	<input type="checkbox"/>	OTHER
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3. TO WHOM PROVIDED (check appropriate term; add specific names if appropriate)

<input checked="" type="checkbox"/>	SSC
<input checked="" type="checkbox"/>	HSC

4. IDENTIFICATION (provide descriptive data for documents; give name or identification number of briefer, interviewee, testifier and subject)

**Memorandum**

5. IN RESPONSE TO (list date and item number if in response to formal request, otherwise state verbal request of (name), initiative, subpoena, etc.)

**SSC request 9/22/76**

6. CLASSIFICATION OF INFORMATION (enter U, C, S, TS or Codeword)

**U**

7. KEY WORDS (enter the appropriate key words from the list provided separately; if key words not listed are used underline for emphasis)

**Intelligence Collection  
Operating Procedures**

8. SUMMARY (see reverse side before completing this item)

**Furnished information regarding one additional domestic subversive target of a surreptitious entry, amending figures furnished by FBI memorandum 9/23/75.**

**62-116395  
62-116464**

**AJD:1hb  
(5)**

**ORIGINAL VIA LIAISON TO CENTRAL COMMUNITY INDEX  
IN CONNECTION WITH SENSTUDY 75 AND HOUSTUDY 75.**

## INSTRUCTIONS

- Type or print clearly in ink.
- Indicate classification of the abstract top and bottom.
- Date the abstract and put on any internal control numbers required.
- "FROM" entry should clearly identify the organization providing the information.
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SPECIFIC ITEM NO. 8. SUMMARY - enter brief narrative statement describing substance of information and showing relationship to Intelligence Community matters if appropriate. Any feedback or evidence of investigatory interests should be noted. Commitments made to supply additional information should be noted. Additionally, certain administrative information may be entered here, e.g., restrictions on review of a document, if document was paraphrased, whether interviewee is current or former employee, etc. If actual document or transcript is provided, that fact should be noted and no summary is required. Additional pages may be attached if necessary.

- 1 - Mr. J. B. Adams
- 2 - Mr. J. A. Mintz  
(1 - Mr. J. B. Hotis)
- 1 - Mr. H. N. Bassett

The Attorney General

January 28, 1976

Director, FBI

- 1 - Mr. W. R. Wannall
- 1 - Mr. R. L. Shackelford
- 1 - Mr. F. J. Cassidy
- 1 - Mr. W. O. Cregar
- 1 - Mr. T. J. McNiff

U. S. HOUSE SELECT COMMITTEE  
ON INTELLIGENCE ACTIVITIES (HSC)

In response to the January 26, 1976, request of Mr. Rex Lee, Assistant Attorney General, Civil Division, this Bureau, with your approval, furnished Captain John Mathney, National Security Council Staff, Situation Room, White House, by letter that same date, synopsised write-ups concerning those matters appearing in the HSC's Draft Final Report which, upon initial review by this Bureau, were found to be gross misstatements of fact or false conclusions. A copy of the letter and each of the write-ups is being furnished to you as enclosures to this letter for your records.

Also enclosed for your approval and forwarding to Captain John Mathney, supra, is a letter containing additional write-ups setting forth this Bureau's position with regard to certain investigations, programs and administrative procedures which, it is believed, were inaccurately described in the above HSC Draft Final Report.

A copy of the above letter, along with its enclosures, is being furnished for your records.

Enclosures (19)

62-116464

**ENCLOSURE**

1 - The Deputy Attorney General  
Attention: Michael E. Shaheen, Jr.  
Special Counsel for  
Intelligence Coordination

- Assoc. Dir. \_\_\_\_\_
- Dep. AD Adm. \_\_\_\_\_
- Dep. AD Inv. \_\_\_\_\_
- Asst. Dir.:
- Admin. \_\_\_\_\_
- Comp. Syst. \_\_\_\_\_
- Ext. Affairs \_\_\_\_\_
- Files & Com. \_\_\_\_\_
- Gen. Inv. \_\_\_\_\_
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- Plan. & Eval. \_\_\_\_\_
- Spec. Inv. \_\_\_\_\_
- Training \_\_\_\_\_
- Legal Coun. \_\_\_\_\_
- Telephone Rm. \_\_\_\_\_
- Director Sec'y \_\_\_\_\_

TJM: lhb/jmn jmh  
(13)

SEE NOTE PAGE 2

Admin'd by TJM to Shaheen by [unclear]

EX 103 REC-14 62-116464-289

6 FEB 5 1976

TJM  
WOC

*[Handwritten signatures and initials: jmh, lhb, jmn, jmh, etc.]*

The Attorney General

NOTE:

On 1/26/76, Assistant Attorney General Rex Lee requested that this Bureau furnish Captain Mathney with "nut shell" rebuttals of "meaty" inaccuracies and conclusions appearing in the HSC Draft Final Report. Personnel in the Intelligence, Inspection, and General Investigative Divisions prepared material in compliance with the above request. Administrative Division declined input as it was not believed inaccuracies pertaining to functions of that Division were of "meaty" quality warranting rebuttal. Material, after approval by the Attorney General, was delivered to the White House the evening of 1/26/76.

When reviewing the above material for approval, Mr. Adams, Deputy Associate Director, noted that the above rebuttal material concerned itself only with specific sentences or paragraphs extracted from the HSC report. Mr. Adams noted that the entire tenor of the report indicated that the HSC has "missed the boat" concerning FBI functions and operations, and he instructed that material be prepared in a succinct but elucidative form pointing out HSC misconceptions promulgated in the report as it relates to specific areas of this Bureau's operations.



- 1 - Mr. J. B. Adams
- 2 - Mr. J. A. Mintz  
(1 - Mr. J. B. Hotis)
- 1 - Mr. H. N. Bassett
- 1 - Mr. W. R. Wannall
- 1 - Mr. R. L. Shackelford
- 1 - Mr. F. J. Cassidy
- 1 - Mr. W. O. Cregar
- 1 - Mr. T. J. McNiff

62-116464

**Date:** January 20, 1976

**To:** Captain John Mathney  
National Security Council Staff  
Situation Room  
White House

**From:** Clarence M. Kelley, Director

**Subject:** U. S. HOUSE SELECT COMMITTEE  
ON INTELLIGENCE ACTIVITIES (HSC)

Reference is made to my letter to you dated January 26, 1976, captioned as above, which letter forwarded to you synopsized write-ups concerning those matters in the HSC Draft Final Report which matters this Bureau believes to be gross misstatements of fact or false conclusions.

Attached for your information, and in furtherance of the purpose of referenced letter, are four write-ups setting forth this Bureau's position with regard to certain investigations, programs, and administrative procedures which this Bureau believes were inaccurately described in the above-mentioned HSC Draft Final Report.

**ENCLOSURE**

Enclosures (4)

EX 103

REC-14 62-116464-289

FEB 5 1976

1 - The Attorney General

TJM:lhb/jmn  
(13) *jmh*

*TJM*  
*WOC*  
*PLM*  
*JMN*  
*PLM*  
*JMN*

- Assoc. Dir. \_\_\_\_\_
- Dep. AD Adm. \_\_\_\_\_
- Dep. AD Inv. \_\_\_\_\_
- Asst. Dir.: **NOTE:** \_\_\_\_\_
- Admin. \_\_\_\_\_
- Comp. Syst. \_\_\_\_\_
- Ext. Affairs \_\_\_\_\_
- Files & Com. \_\_\_\_\_
- Gen. Inv. \_\_\_\_\_
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- Spec. Inv. \_\_\_\_\_
- Training \_\_\_\_\_
- Legal Coun. \_\_\_\_\_
- Telephone Rm. \_\_\_\_\_
- Director Sec'y \_\_\_\_\_

See letter to the Attorney General, same date and caption as above. AAG Rex Lee has instructed that material rebutting that information appearing in the HSC Draft Final Report should be made available to Mr. Mathney as soon as possible.

**ENCLOSURE**

*Approved for transmittal by Michael Shaker 1-28-76 and then delivered to SA B.R. Walker per SA Rose.*

MAIL ROOM  TELETYPE UNIT

HOUSE SELECT COMMITTEE FINAL REPORT

U. S. RECORDING COMPANY

INDEX  
62 11/1/04 289

## HOUSE SELECT COMMITTEE FINAL REPORT

Pages 34-35

This section is entitled "An Attack Averted," and alleges that the FBI intended to launch an attack to discredit the Committee following an interview of a Committee witness, Martin L. Kaiser, in which Kaiser had furnished a signed statement recanting portions of his testimony before the Committee. A Committee press release was made December 31, 1975, as shown in the report to head off any "FBI leak."

The facts are that there was no "attack" made or contemplated and the "leak" of the interview of Kaiser was made by the Committee on December 31, 1975, as shown in the report.

Kaiser was interviewed by FBI Agents on December 15, 1975, concerning purchases from U. S. Recording Company, and during the interview Kaiser stated that he prepared a statement for the House Select Committee prior to his testimony October 9, 1975, and that in this statement, which he prepared, he made no comment about a 30% markup on a sale from U. S. Recording Company to the FBI as he believed a 30% markup was reasonable. When he arrived to testify, he was handed a new statement which had been changed from the one he prepared himself. Kaiser furnished copies of the two statements which were reviewed at a later date and substantial differences were observed.

Kaiser was reinterviewed December 23, 1975, to clarify these differences and to determine whether the second statement contained his own views. Kaiser furnished a written statement recanting certain portions of his testimony. This information, as well as affidavits furnished by the interviewing Agents denying that any pressure was used to obtain Kaiser's statement, has been furnished to the Attorney General.

Kaiser commented during this interview that when he read the new statement handed to him by a Committee investigator, it was "blatantly wrong," and he confirmed this in his deposition to the Committee that he had made such a statement when interviewed on December 23, 1975.

*HNB*

HOUSE SELECT COMMITTEE FINAL REPORT

Page 83

The report alleges that a middleman who is a close friend of top FBI officials tacked onto covert purchases unwarranted markups amounting to thousands, if not millions, of dollars.

The statement is not factual as there is no evidence in the report to support the claim of "unwarranted markups" and there are no unwarranted markups known on any FBI purchases. The statement that the markups amounted to "thousands, if not millions" is evidence of the fact that there is no support for the statement. If the Committee has such evidence it should be so stated in a factual manner in the report.

*Handwritten signature*

