

that he will get all of his living costs out of the foundation and not pay any taxes at all.

Mr. HAYES. That is not correct, sir.

Mr. CONTE. All right, what did I say that was not correct?

Mr. HAYES. He could only——

Mr. CONTE. I took you step by step, all except his income. His income will be taxable.

Mr. HAYES. Right.

Mr. CONTE. He could draw the smallest income possible. As long as everything is paid for, he doesn't need much of an income, does he.

Mr. HAYES. Correct.

Mr. CONTE. Is that right.

Mr. HAYES. That is he is able——

Mr. CONTE. We agree here.

Mr. HAYES. He perhaps never can reduce his income to an absolute minimum, or to zero, I should say.

Mr. CONTE. No. All he will need is some pin money.

Mr. RAY. Clothes and food.

Mr. CONTE. That is about it.

Mr. HAYES. Clothes and food to be specific.

Mr. CONTE. I imagine that for a doctor you could set up a foundation where even his clothes would be provided. The foundation could buy his clothes because they are needed in his profession.

Mr. RAY. Uniforms.

Mr. HAYES. Uniforms only.

Mr. RAY. But not suits that can be worn normally.

Mr. CONTE. We are getting down to pin money now, suits and a few odds and ends. You say that you advise your clients that they should seek an attorney.

On October 30, 1967, a Mr. Herman E. Kimsey, president of Forensic Sciences Institute of Washington, D.C., gave us a signed statement to supplement his letter to us of October 24, 1967. The statement reads as follows:

On July 12, 1967, I received a check from the Americans Building Constitutionally in the sum of \$10,500 with their stipulation that it be applied for membership for Forensic Sciences Institute in Americans Building Constitutionally. This check was endorsed by myself and returned to their records and entered in Forensic Science Institute's records with a copy of the membership application. The sum does not appear in financial statements elsewhere in Forensic Science Institute's records, as it was never entered as a deposit in the foundation books.

Did you advise him that he could have an attorney and have his attorney check this out?

Mr. HAYES. His attorney did check it out.

Mr. RAY. He is qualified in Washington, D.C.

Mr. CONTE. Did he approve it? Did he advise his client to get into this type of deal?

Mr. HAYES. I wasn't present.

Mr. CONTE. Mr. Hayes, what compensation and what benefits do Mr. Walsh and you receive from ABC and all connected nonprofit corporations?

Mr. HAYES. Again, this is a question of ABC acting as a trustee. I can't reveal that.

Mr. PATMAN. As chairman I direct you to answer.

Mr. HAYES. As trustee?