

## WALTERS RESIGNATION

The White House today announced that E. Henry Knoche will be the new Deputy Director of the CIA, succeeding Vernon Walters, who is resigning (see attached release.)

Q. Is Walters being fired or eased out?

A. Absolutely not. We talked with George Bush this morning and here is the story as I understand it:

When Bush was appointed by the President to head the CIA, Walters came to Bush and expressed his support of the new director, but at the same time, said he would be retiring from the Army on June 30 and resigning for his CIA job at the same time. This was done, as I understand it, to give George Bush time to pick his own deputy.

Q. Why was Walters' resignation announced this way? Why is there no exchange of letters?

A. Since Walters' June 30 retirement date is fast approaching, the White House felt it was important to announce the President's intention to nominate Mr. Knoche and get the nominate before the Senate, so the hearing and confirmation process could start with an eye toward ~~completing~~ completing it in time for the new Deputy to be on the Job by June 30. We should have an exchange of letters in a few days.

Q. How does the President and George Bush feel about General Walters?

A. They have the highest regard for the General and for the job he has done at the CIA and for the country.

Office of the White House Press Secretary  
-----THE WHITE HOUSE

The President today announced his intention to nominate E. Henry Knoche, of Fairfax, Virginia, to be Deputy Director of Central Intelligence. He will succeed Lieutenant General Vernon Anthony Walters, United States Army, who is resigning. Mr. Knoche has been Associate Deputy to the Director of Central Intelligence since 1975.

Born on January 14, 1925, in Charleston, West Virginia, Mr. Knoche received his A.B. degree from Washington and Jefferson College in Pennsylvania.

Mr. Knoche joined the Central Intelligence Agency in 1953 as an intelligence analyst specializing in political and military affairs. From 1962 to 1967, he was Special Assistant to the Director and Deputy Director of Central Intelligence. He became Executive Director of the National Photographic Interpretation Center in 1967. He became Deputy Director of the CIA's planning and budgeting activities in 1969 and was named Deputy Director of the Office of Current Intelligence during 1970. From 1972 to 1975, he was responsible for several of the Agency's areas including the Intelligence Directorate's Office of Strategic Research, until his appointment as Associate Deputy.

Mr. Knoche is married to the former Angie Papoulas and they have five sons.

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WASHINGTON (UPI) -- PRESIDENT FORD ANNOUNCED TODAY THAT LT. GEN. VERNON R. WALTERS, A KEY WITNESS IN THE WATERGATE CASE, IS RESIGNING AS THE CIA'S NO. 2 RANKING OFFICIAL.

FORD SAID HE WAS NOMINATING E. HENRY KNOCHE, A CAREER OFFICIAL IN THE CENTRAL INTELLIGENCE AGENCY, TO REPLACE WALTERS AS DEPUTY DIRECTOR.

FORMER PRESIDENT RICHARD M. NIXON HAD REGARDED WALTERS AS A PERSONAL FRIEND AS WELL AS A TOP CIA OFFICIAL. WALTERS HAD COME TO PRESIDENTIAL FAVOR BECAUSE HE ACTED AS INTERPRETER FOR PRESIDENTS HARRY S. TRUMAN, DWIGHT D. EISENHOWER, JOHN F. KENNEDY, LYNDON B. JOHNSON AND NIXON IN SUMMIT MEETINGS WITH SOVIET OFFICIALS AND OTHER EUROPEAN LEADERS.

WALTERS TESTIFIED DURING THE WATERGATE COVERUP TRIAL THAT HE WAS INVOLVED IN EFFORTS BY THE WHITE HOUSE TO USE THE CIA TO BLOCK THE FBI INVESTIGATION INTO THE WATERGATE BREAK-IN.

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