

# REBOZO DISPUTED ON A HUGHES DEAL

## Expense Memo Hints Aide to Industrialist Saw Banker on Air West Matter

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WASHINGTON, June 23—The staff of the Senate Watergate committee has obtained evidence that contradicts Charles G. Rebozo's public assertions that no one from the Howard R. Hughes organization ever mentioned to him the billionaire's pending take-over of Air West, a struggling California-based carrier.

A partial draft report by staff investigators, which has not yet been made public, includes as an exhibit a handwritten expense statement from Richard G. Danner, a Hughes aide who delivered to Mr. Rebozo \$100,000 of the industrialist's funds sometime between late 1960 and mid-1970.

A copy of the report was made available to The New York Times.

The entry by Mr. Danner for the period of Feb. 3 through 5, 1970, reads as follows:

"To Miami, Fla., and Nassau, G.B. . . . Contact with C. G. Rebozo re TWA suit, Air West matters. Meals and entertainment, \$125.00."

### Tie to Gift Is Sought

The Watergate committee has been investigating the possibility of a relationship between the \$100,000, which Mr. Rebozo has said he assumed was a contribution to President Nixon's re-election campaign, and Government actions taken in connection with any of Mr. Hughes's varied financial interests.

In a rare interview printed last year in The Miami Herald, Mr. Rebozo, a Miami banker who is a longtime friend of Mr. Nixon, discussed the suggestion that the money he received from Mr. Danner might have been tied to the Air West matter.

"Then there was the claim that Hughes bought Air West by contributions through me," he said. "They never even mentioned Air West to me, Maheu or anyone else. They never mentioned any favors."

He referred to Robert A. Maheu, the former head of Mr. Hughes's Nevada operations who, as Mr. Danner's superior, arranged for Mr. Danner to pass the 1,000 \$100 bills, in two equal installments, to the

Florida banker.

### Manager of Hotels

Mr. Danner at the time managed the Hughes-owned Frontier hotel in Las Vegas, Nev. He now heads the Sands hotel there, also part of the Hughes chain.

Mr. Maheu was discharged by the reclusive billionaire in December, 1970, and is suing his former employer for libel over Mr. Hughes's public remark two years ago that Mr. Maheu "stole me blind."

The results of the Watergate committee's investigation of Mr. Hughes's take-over of Air West will be contained in a separate report to be completed this week, committee sources said. They indicated that Mr. Rebozo, in confidential testimony, had not deviated from his public assertion that he never discussed the matter with any Hughes employe.

On July 21, 1969, President Nixon approved a recommendation by the Civil Aeronautics Board that Mr. Hughes be permitted to purchase the airline, now Hughes Airwest. The line was then in severe financial straits.

But the merger was not consummated until April 3, 1970, two months after Mr. Danner's expense records state that he discussed the Air West situation with Mr. Rebozo.

### Recollections Differ

There are varying accounts as to when the two \$50,000 payments passed between Mr. Danner and Mr. Rebozo, but Mr. Rebozo places the deliveries in July and August, 1970.

However, Mr. Maheu, who accompanied Mr. Danner to Mr. Rebozo's Key Biscayne home with one of the installments, has said he recalls that the visit took place around August, 1969, shortly after Mr. Nixon signed the merger order.

Mr. Hughes, Mr. Maheu and three others were indicted last December by a Federal grand jury in Las Vegas for stock manipulation, conspiracy and fraud in connection with the Air West take-over.

The indictment was dismissed the next month by a Federal district judge in Reno, Nev., who called it "the worst criminal pleading I have ever encountered."

However, the office of De Voe Heaton, the United States Attorney for Nevada, is understood to have rewritten the indictment and forwarded it to Justice Department officials in Washington for review.

The original indictment alleged that Mr. Hughes and the others conspired between June, 1968, and April, 1970, to depress the market value of Air West stock, and put pressure on Air West directors, who at first opposed the sale, to change their votes by bringing lawsuits against them. The airline is reported to have eventually cost Mr. Hughes \$90-million.