

JAWORSKI PRESSES

NIXON FUND STUDY

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Court Data Confirm Inquiry on Charges of Diversion of Campaign Money

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WASHINGTON, Aug. 19—The Watergate special prosecutor confirmed today, in court papers filed here, that he was investigating charges that campaign funds had been used to finance improvements to former President Richard M. Nixon's Florida home and to purchase platinum and diamond earrings for Mrs. Nixon.

The disclosure was contained in legal papers filed in connection with a Federal grand jury investigation into the handling, by Charles G. Rebozo, a close personal friend of Mr. Nixon's, of \$150,000 of 1972 cash campaign donations.

The documents, filed on behalf of Leon Jaworski, the special prosecutor, did not state specifically whether the inquiry into Mr. Rebozo's handling of the funds had been broadened to encompass possible criminal prosecution of the former President.

But an affidavit filed with Chief Judge George L. Hart of the United States District Court by Paul R. Michel, an assistant to Mr. Jaworski, raised the possibility of a criminal investigation of Mr. Nixon.

The affidavit stated that documents sought in contested subpoenas from Mr. Rebozo's

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Florida attorneys would "assist the grand jury and the special prosecutor to determine whether and what currency received as political campaign contributions was subsequently used for the personal benefit of Mr. Rebozo, former President Nixon or others, and what Federal criminal laws, if any, may thereby have been violated."

Mr. Jaworski has been considering whether to pursue possible criminal action against Mr. Nixon since he resigned the Presidency on Aug. 9. A spokesman for the special prosecutor declined today to respond to questions about the potential significance of the papers filed with Judge Hart.

One well-placed investigative official said, however, that Mr. Jaworski has prepared to pur-

sue the campaign funds matter "wherever it may lead."

The documents confirmed an account, published July 28 by The New York Times, of an investigation by Mr. Jaworski into the handling of a \$100,000 cash payment from Howard R. Hughes, the reclusive billionaire, to Mr. Rebozo.

Donation by Davis

In addition, the legal papers referred to possible misuse of a \$50,000 campaign donation made, through Mr. Rebozo, by A. D. Davis, an executive of the Winn-Dixie Corporation. Mr. Rebozo told the Senate Watergate committee that he received both contributions between 1969 and early 1972, but

he denied misuse of the money.

Technically, the special prosecutor filed the legal documents in support of a request that Judge Hart require the enforcement of subpoenas issued to Thomas H. Wakefield and partners in Mr. Wakefield's Florida law firm. The firm was involved in financial transactions with Mr. Rebozo but has sought to suppress the subpoenas for records of the transactions on the ground they are protected by an attorney-client privilege.

The affidavit from Mr. Michel asserted that evidence showed that Mr. Rebozo gave Mr. Wakefield more than \$36,000 in \$100 bills between May, 1972, and April, 1973. Mr. Michel went on to say that a similar amount had been expended by the law firm for purposes including "improvements to homes" occupied by Mr. Nixon and Mr. Rebozo in Key Biscayne, Fla.

No Other Source Found

The affidavit stated that Mr. Rebozo "apparently did not have sufficient cash available" to make the deposits with the law firm "from any known source other than the political campaign contributions."

Moreover, according to the affidavit, records of several Florida banks showed that \$4,562.38 of "funds originally derived apparently from campaign contributions deposited in the Florida Nixon for President Committee Account" had been used as part of the \$5,650 purchase price of the diamond and platinum earrings Mr. Nixon gave to his wife Pat in March, 1972.

Mr. Jaworski said in the motion filed with Judge Hart that Mr. Rebozo had used the law firm's bank accounts in an apparent effort "to 'launder' political campaign funds in order to conceal their character."

He contended that the lawyer-client privilege could not be the basis for withholding information where "evidence of possibly criminal or fraudulent wrongdoing exists."