

More detailed column, WXP, filed w/gate

Rebozo and The Slush Fund

NIXON (FINANCIAL)



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SENATE WATERGATE investigators have pieced together evidence, still strictly circumstantial, that Bebe Rebozo collected a slush fund for President Nixon's personal use.

Rebozo accepted both cash and checks in the President's behalf, investigators have established that Rebozo deposited all the checks and the small, receipted cash donations in a special account in his Key Biscayne, Fla., bank. This money eventually was delivered, all properly recorded; to the President's campaign organization.

But curiously, the big cash contributions were never deposited in the special account and no record has been found that the money ever reached the campaign.

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THERE IS NO proof, of course, that any of the cash wound up in the President's pocket. But the circumstances are so suspicious that they require an airing. Here are the available facts:

Three years ago, a troubled White House source told us Rebozo was collecting cash contributions as "walking around money" for the President. The source said that no written records were kept but that the President sometimes would acknowledge the contributions by telephoning the donors.

We were able to trace only \$100,000, which billionaire Howard Hughes had skimmed off his Las Vegas gambling operations for Mr. Nixon. It was delivered in two \$50,000 bundles to the President's estates in San Clemente and Key Biscayne.

Our August 6, 1971, column about the \$100,000 Hughes gift led eventually to investigations by the Senate Watergate Committee, Internal Revenue Service and special prosecutor. Under questioning, Rebozo swore that he had kept the money in a safe deposit box for three years and had never mentioned it to the President.

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THIS WAS DISPUTED by our White House source who said the President, as a generous gesture, had invited Rebozo to keep some of the Hughes money and to distribute the rest to the President's secretary, Rose Mary Woods, and brothers Donald and Edward. They categorically denied receiving any part of the \$100,000.

Our White House source told us that the President had sent Rebozo to his personal attorney, Herbert Kalmbach, for legal advice. Kalmbach was finally compelled, under threat of contempt, to testify about his conversation with Rebozo. Kalmbach acknowledged that Rebozo had told him about distributing the money to the President's secretary and brothers.