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Story of Rebozo And the \$100,000



Jack Anderson

THE UBIQUITOUS Bebe Rebozo, who mixes martinis and collects cash for President Nixon, has been hard-pressed to explain what he did with \$100,000 that he received from billionaire Howard Hughes in 1970.

The money, earmarked for the President, was delivered in two \$50,000 consignments directly to the presidential estates at San Clemente and Key Biscayne.

Rebozo averred he had squirreled the money away in a safe deposit box.

Now his alibi is coming unstitched. We learned that Rebozo had not held on to the Hughes money at all but had distributed it to Mr. Nixon's brothers, Donald and Edward, and to the President's secretary, Rose Mary Woods.

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BUT WE could not prove, and therefore could not print, the story. We decided to turn the information over to someone with a subpoena.

We told what we knew, therefore, to the Senate Watergate Committee. The committee's crack investigator, Terry Lenzner, took over the hunt. His search for evidence led him to Mr. Nixon's personal attorney, Herbert Kalmbach, who refused to answer questions on the grounds that he had an attorney-client relationship with Rebozo.

But the shrewd Lenzner asked Rebozo whether he had gone to Kalmbach for legal advice on the Hughes \$100,000. The tight-lipped Bebe denied he had consulted Kalmbach.

Both Kalmbach and Rebozo were sum-

moned to Capitol Hill and were questioned simultaneously under oath in separate rooms. Again, Kalmbach tried to claim attorney-client privilege.

But chairman Sam Ervin (Dem-N.C.), noting Rebozo's denial that he had sought Kalmbach's legal advice, ruled against Kalmbach. Threatened with contempt if he didn't testify, the President's attorney acknowledged he had met at the White House with an anguished Rebozo on April 30, 1973.

Rebozo related that the \$100,000 Hughes payment was under investigation by the Internal Revenue Service and that he couldn't reveal what he had done with the money, Kalmbach testified. He said Rebozo told him that he had passed out the money to Miss Woods, the Nixon brothers and "others." The President had asked him to seek Kalmbach's advice, Rebozo allegedly said.

Kalmbach advised him to tell the IRS the full story but offered to consult a tax attorney for his expert opinion.

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THE IMPLICATIONS for Mr. Nixon could be more dangerous than any other Watergate revelation. For if Rebozo distributed \$100,000 in Hughes cash to the President's secretary and family, it strains all credulity to suggest that Mr. Nixon was told nothing about it by his bosom friend and constant shadow.

Rebozo is sticking to his story, nevertheless, that he kept the \$100,000 in a safe deposit box. Miss Woods and the Nixon brothers have also denied getting any cash from Rebozo.