

NYTimes OCT 27 1973
**Bank Insurance Agency to Study
Charges on Rebozo Stock Role**

WASHINGTON, Oct. 26 (UPI)—Frank Wille, the chairman of the Federal Deposit Insurance Corporation, said today that his agency would investigate allegations that President Nixon's close friend, Charles G. Rebozo, might have been involved in a questionable stock transaction.

Senator William Proxmire, Democrat of Wisconsin, asked yesterday that Mr. Rebozo be suspended as an officer and director of the Key Biscayne Bank and Trust Company in Florida until the F.D.I.C., which insures deposits there, can investigate.

Mr. Wille said Senator Proxmire's request "will be discussed at the next regular meeting of the corporation's board of directors currently scheduled for Tuesday, Oct. 30."

The Washington Post has reported that Mr. Rebozo cashed \$91,500 in shares of the International Business Machines Corporation in 1968 after an insurance investigator told him the stock had been stolen. The newspaper said an investigator, George H. Riley Jr., stated in a 1971 court deposition, "This would appear to me to be a shady deal."

Denial Reported

The Post quoted a lawyer for Mr. Rebozo as saying that the banker denied he knew the stock was stolen. The stock represented one-third of 900 shares of I.B.M. that Federal prosecutors say was stolen by Mafia members in 1968 from the vaults of a New York stock brokerage firm.

The Post also said that with the stock as collateral, Mr. Rebozo made a \$195,000 loan without checking whether the borrower, Charles L. Lewis, was the actual owner.

"The corporation's staff has been directed to make a thorough investigation relating to

the particular loan and its repayment," Mr. Wille said.

He also said that his agency had been looking into the hiring of Franklin S. DeBour as head of the Key Biscayne Bank's trust department less than a year after the Securities and Exchange Commission had barred him for allegedly selling unregistered securities.

Mr. DeBour's employment, Mr. Wille said, "is a matter the corporation's staff has had under investigation since Oct. 17 and which it expects to refer to the corporation's board of directors in a matter of days."

The F.D.I.C. was established to protect bank deposits, and Senator Proxmire said it had authority to suspend a bank officer suspected of illegal, dishonest or unsafe activities.

Mr. Rebozo is chairman, president and a stockholder of the bank, the only one in Key Biscayne.