

# Rebozo, called 'honest' by Nixon, faces federal probe

United Press

WASHINGTON — Florida banker C. G. "Bebe" Rebozo, described by his close friend President Nixon as "a totally honest man," faces a federal investigation into allegations he may have traded in stolen stock in 1968.

Frank Wille, chairman of the Federal Deposit Insurance Corp., said yesterday that the agency's board of directors would take up the Rebozo case at its next scheduled meeting on Tuesday at the request of Sen. William Proxmire (D-Wis.).

Proxmire, the ranking Democrat on the Senate Banking and Currency Com-

<sup>25 OCT</sup>  
mittee, asked Thursday that Rebozo be suspended as an officer and director of the Key Biscayne (Fla.) Bank & Trust Co. until the FDIC can investigate the alleged improper stock transaction.

The Washington Post reported earlier this week that in 1968 Rebozo accepted 900 shares of International Business Machines Corp. stock as collateral for a loan. The stock turned out to have been stolen by the Mafia from the vaults of a Wall Street brokerage firm, the Post said.

The newspaper said Rebozo made the \$195,000 loan without checking whether

the borrower, Charles L. Lewis, was the actual owner. Further, the Post said it had learned, Rebozo sold 300 of the IBM shares for \$91,500 after an insurance investigator had told him the stock was stolen. Rebozo's lawyer denied to the Post that Rebozo knew the origin of the stock.

Wille also said the FDIC is investigating Rebozo's hiring of Franklin S. Debour to head Key Biscayne Bank's trust department less than a year after the Securities and Exchange Commission barred him for allegedly selling unregistered securities.