

Rebozo Aide Quits; FDIC Asks Proof

By Ronald Kessler
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The Federal Deposit Insurance Corp. said yesterday it will remove an officer of Charles G. (Bebe) Rebozo's bank because of his activities before he was hired by the bank unless the officer gives the FDIC written notice that he has resigned. The bank says he has resigned.

The government agency, which insures deposits at Rebozo's Key Biscayne Bank, cited a law empowering it to remove officers for engaging in "personal dishonesty."

The FDIC said it was informed this week that the officer, Franklin S. DeBoer, vice president in charge of the bank's trust department, already had submitted his resignation, effective yesterday.

The FDIC directors said they therefore voted to request written confirmation of the resignation and to delay sending DeBoer written notice of the agency's intention to remove him. If the resignation is received, an FDIC spokeswoman said, the order will not be sent because it would be pointless.

The Associated Press reported last night that it had confirmed DeBoer's resignation.

"Yes, I have resigned as of tonight," the AP quoted him.

All three FDIC directors—the chairman of the FDIC, the director of the FDIC and the comptroller of the

currency—voted for the removal action, an assistant to the director said.

The FDIC action arose from a Washington Post story reporting that DeBoer had been hired by Rebozo's bank less than a year after he was barred by the Securities and Exchange Commission from being a stock broker.

The story prompted Sen. William Proxmire (D-Wis.) to request the FDIC to conduct an investigation of DeBoer and his hiring.

The SEC order barring DeBoer from being a stock broker alleged that he had sold unregistered stock in violation of law, falsified records, and appropriated for his own use more than \$300,000 of a public company. DeBoer later returned the money, the SEC said.

The SEC order, issued in January, 1972, based the allegations on DeBoer's activities as a partner in the former New York stock brokerage firm of Baerwald & DeBoer and as a director of National Home Products Inc., a publicly-owned company that made aerosol can components. The company's name has since been changed by new management to Damson Oil Corp.

DeBoer neither admitted nor denied the allegations.

Asked by a reporter why he was hired by Rebozo's bank with this background, DeBoer said, "My background is fine." Rebozo, the chairman and president of the bank and a close friend of President Nixon, did not return telephone calls.

Frank Wille, chairman of the FDIC, said yesterday the agency's staff reported to FDIC directors that grounds existed to remove DeBoer as an officer of the bank "based on certain of DeBoer's activities as an officer and director of National Home Products Inc. and as a partner in Baerwald and DeBoer, a broker-dealer whose license was revoked by the SEC in 1971."

Wille continued, "The FDIC staff recommended that the board of directors at its regular weekly meeting this morning (yesterday) approve the necessary steps to effect DeBoer's immediate removal as an officer of the bank."

Wille said that since the FDIC board had been informed that DeBoer submitted his resignation effective yesterday, it would not send a formal notice ordering DeBoer removed unless the agency fails to receive written confirmation of the resignation.

An FDIC spokesman said the FDIC had voted to remove DeBoer but that it would be pointless to order him removed if he were no longer at the bank.

The spokesman said that during the past year, the FDIC had sent removal orders to seven officers, five of them because they were under indictment, among the 8,000 state-chartered banks that the agency insures. In addition, 18 officers had resigned because they knew they would be ordered to leave, the spokesman said.