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**Nixon Friend Gave Tricia  
\$25,000 Trust Fund in '58**

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WASHINGTON, Dec. 8—When Richard M. Nixon was Vice-President, a wealthy friend established a trust fund of more than \$25,000 for Mr. Nixon's older daughter, Tricia, according to information released today by the White House.

The trust fund was set up in 1958 by Elmer B. Bobst, who was then chairman of the Warner-Lambert Pharmaceutical Company, and the gift consisted primarily of Warner-Lambert stock, White House officials said.

At the time of the gift, the late Estes Kefauver, then a Democratic Senator from Tennessee, was preparing for extensive hearings into prices and related matters in the drug industry. When he ran for the Presidency in 1960, Mr. Nixon, like his opponent, John F. Kennedy, took a strong stand against one of the key proposals that evolved from the Kefauver hearings—legislation that would establish Federal regulation of drug prices.

The officials said that President Nixon's younger daughter, Julie, now Mrs. David Eisenhower, had no such trust

fund, but they could not explain why a gift was made to one daughter and not the other.

When Tricia, now married to Edward F. Cox, reached the age of 21 in 1967, she received the proceeds from the trust fund and shortly afterward lent \$20,000 to her father to buy two undeveloped lots in Key Biscayne, Fla.

The Nixons got a bargain price on the lots and sold them five years later for nearly four times what they paid for them.

Newsweek magazine reported last month that, to minimize the capital-gains taxes on the profit from the sale, the President claimed the entire capital gain on his own tax return last year. Since Mr. Nixon had established such large deductions last year, the Newsweek article said, he would have had to pay lower taxes than his daughter on her share of the profit.

Documents released by the White House today indicated that the Newsweek allegation was incorrect and that Mrs. Cox had paid taxes on the deal.

Mr. Bobst, now 88 years old

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and "honorary chairman" of Warner-Lambert, met Mr. Nixon in 1953 and is a long-time family friend. He is said to have had a father-son relationship with Mr. Nixon, and the Nixon daughters reportedly call him "Uncle Elmer."

#### Unanswered Question

Efforts to reach Mr. Bobst today to learn the exact size and nature of the trust fund and why it was given to one Nixon daughter and not the other were unsuccessful. Reporters could not reach him by telephone or in person at his homes in New York and Palm Beach, Fla.

For years Mr. Bobst had one of the highest salaries of any corporate executive in America. From his first marriage he had a son, E. Walton Bobst, and now has two grandchildren and four great-grandchildren. His present wife, whom he married in 1961, is about 40 years younger than he.

From the documents released by the White House today and from official records on file in Florida, it was possible to piece together the following account of the Florida land transaction:

In April, 1967, according to the White House, Mr. Nixon bought two undeveloped lots in Key Biscayne from the Cape Florida Development Company for a total of \$38,080.



The New York Times  
**Elmer H. Bobst, who set up a trust fund for Tricia Nixon 15 years ago.**

The deed for one of the lots is dated April 14, 1971, and lists a purchase price of \$30,000. The deed for the other lot is dated June 28, 1971, and lists a price of \$23,100. The White House did not explain the discrepancies in dates and costs.

The lots, which are adjacent, are about a mile from the ocean and about two miles from the Nixon compound on Key Biscayne. Public records

show that similar lots were selling in 1967 for about \$50,000 each, or more than double what Mr. Nixon, according to the White House accounting, paid for his lots.

One explanation for the lower price charged Mr. Nixon could be that, after buying the lots, he posed for publicity pictures with the development company's owner, Donald L. Berg.

Charles G. Rebozo, a close friend of Mr. Nixon, was widely reported at the time to have been a partner in the development company.

According to the White House, in May, 1967, Mr. Nixon made an "oral agreement" with Tricia, under which she lent him \$20,000. In return, he promised to give her 40 per cent of any profit from the real estate and promised to pay her back the \$20,000 in the unlikely event the real estate lost money.

#### Interest Not Paid

The White House produced today a copy of the demand note for \$20,000 that the President gave his daughter. It was dated June 28, 1967, and signed by Mr. Nixon. The note indicated Mr. Nixon's promise to pay his daughter 6 per cent interest on the loan, but the White House said the interest was never paid.

Tax experts said that it was not unusual for Mr. Nixon to have given his daughter only 40 per cent of the profit and to have paid her no interest, even though she put up more than half the purchase money. The



The Nixons in 1958, when the trust fund was set up. Julie is at lower right. In 1967, Tricia lent \$20,000 to her father from the proceeds of the trust fund.

experts said that was so because Mr. Nixon had agreed to indemnify her for any loss.

Last December, the lots were sold for \$150,000 to William E. Griffin of Yonkers, the corporate secretary of the Precision Valve Company, which is owned by Mr. Nixon's friend, Robert H. Abplanalp. Records released by the

White House today showed that Mrs. Cox paid \$11,617 in capital gains last year and will owe additional taxes this year on the final installment payment.

Six months after he bought the lots from Mr. Nixon and Mrs. Cox, Mr. Griffin sold them to the Vicky Holding Company of Miami for \$180,500.

That company took a \$50,000 mortgage at 10 per cent interest on one of the lots from the Key Biscayne Bank and Trust Company, which is headed by Mr. Rebozo.

Vicky sold the other lot for \$90,250 to Wendell C. Swartz, and Mr. Swartz took a \$75,000 mortgage from Mr. Rebozo's bank.