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Nixon Contribution May Have Strayed

By Bob Woodward and Carl Bernstein
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The Senate Watergate committee has obtained testimony alleging that \$50,000 in cash, given by a food chain executive to Charles G. (Bebe) Rebozo as a secret contribution to President Nixon's re-election effort, never reached the President's campaign committee as intended, according to informed sources.

Rebozo has acknowledged in sworn testimony that he received an envelope containing the \$50,000, the sources said. He contends that he turned the money over to Frederick C. Larue, a Nixon campaign official who has pleaded guilty to obstructing justice in the Watergate case.

Larue, however, has testified in a closed-door session that he did not receive the money and, in the words of one source close to him, "He can say for sure that he knows positively that he did not get the money . . ."

According to independent sources, investigators for the Senate committee have been unable to find any record that the \$50,000 was received by the President's campaign committee.

The sources reported that investigators now are seeking to find out whether circumstances surrounding the \$50,000 contribution represent a pattern in which Rebozo, never officially a fund-raiser for the Nixon campaign, collected secret cash contributions that may never have been used for campaign purposes.

Another contribution they are investigating, the sources said, involves \$100,000 in cash that Rebozo received from an emissary of billionaire Howard Hughes.

Rebozo testified that he kept that \$100,000 in a safe deposit box for three years and then returned it. But

President Nixon's personal lawyer, Herbert W. Kalmbach, has testified that Rebozo told him portions of the \$100,000 were either loaned or given to the President's secretary, Rose Mary Woods, and to Mr. Nixon's brother, F. Donald Nixon.

Senate investigators are

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now attempting to determine what happened to the newly discovered \$50,000 — given to Rebozo by A. D. Davis, vice chairman of the Winn-Dixie Corp., a food chain headquartered in Jacksonville, Fla.

According to Rebozo's testimony about the \$50,000, he received the money from Davis several days before a new campaign finance law took effect on April 7, 1972. The transaction, which did not have to be reported publicly under the then-current campaign finance statutes, took place in a saloon, according to the sources.

Both Davis and Rebozo have testified that the money was intended as a campaign contribution, the sources said.

However, the Senate investigators believe they have a complete record of secret contributions received during the period in question — none of which show evidence that the Davis money reached the Nixon campaign, the sources said.

Rebozo and his attorney, William S. Frates, were in Washington yesterday appearing before the Senate Watergate committee. They and Davis and Larue could not be reached for comment.

A source familiar with the investigation said that Rebozo may have given a lesser amount of campaign cash to Larue six months after the April, 1972, transaction.

"But there is nothing to explain the whereabouts of

the Davis \$50,000," the source said.

Another source observed: "The Davis \$50,000 puts Rebozo right in the middle again. And there is checking that should be done into others who may have given in the same way . . ."

Accordingly, the Senate committee has issued subpoenas for Rebozo's financial records and documentation of other transactions.

Frates, the lawyer for Rebozo, filed suit yesterday in an attempt to quash the subpoenas requiring Rebozo to produce any such information in his possession. Late yesterday, however, Rebozo and the committee reportedly reached a settlement on the subpoena question, with Rebozo agreeing to turn over most of the records sought by the committee.

Senate investigators have been intensively examining the \$100,000 Hughes contribution for six months, and according to several senior committee sources, have obtained a vast amount of contradictory testimony about its purpose and ultimate disposition.