

Rebozo Lawyers Ordered To Yield Nixon House Data

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By JOHN M. CREWDSON AUG 23 1974

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WASHINGTON, Aug. 22 — Three attorneys for Charles G. Rebozo were ordered today by Chief Judge George L. Hart Jr. of the United States District Court here to surrender to the Watergate special prosecutor their records relating to the financing of improvements to former President Richard M. Nixon's Florida home.

The counsel for the three lawyers — Thomas H. Wakefield, Robert Hewitt and Garth A. Webster, all of Miami—contended in a motion filed with the court and in oral argument before Judge Hart today that the documents were protected by the attorney-client privilege.

Robert C. Ward, the counsel, said in court that the special prosecutor's subpoena had already been honored. The subpoena called for canceled checks and bank statements reflecting more than \$36,000 in expenditures by Mr. Rebozo on his own behalf and on behalf of Mr. Nixon.

Mr. Ward argued that demands by Paul R. Michel, the assistant special prosecutor in charge of the investigation, for the Wakefield law firm's internal records of the transactions should be denied, since Mr. Wakefield served Mr. Rebozo as a legal and personal adviser at the time the expenditures were made.

Mr. Michel suggested in a brief filed earlier this week that the \$36,000 had been illegally diverted from contributions by Howard R. Hughes, the billionaire, and A. D. Davis, a Florida grocery executive, to Mr. Nixon's 1972 re-election campaign.

He argued today that the expenditures, made at Mr. Rebozo's behest from several bank accounts controlled by Mr. Wakefield or his law firm, were business matters and not legal ones, and that the attorney-client privilege did not apply.

Judge Hart agreed that if the half-dozen transactions set forth in the prosecutor's subpoena were simply business dealings, "under no stretch of anybody's imagination is that a legal service." "That is a transaction that could be handled by the janitor," he added.

But Mr. Ward balked at the judge's request that he describe to the court the details surrounding Mr. Wakefield's deposits of the \$100 bills he received from Mr. Rebozo, and his instructions to spend the money for extensive remodeling of and additions to Mr. Nixon's house in Key Biscayne.

To do so, Mr. Ward argued, would make his claims of privilege pointless.

Judge Hart then summoned both sides into his chambers and emerged half an hour later to report that he had denied Mr. Ward's motion to suppress the subpoenas for records of the cash deposits and expenditures.

66 Items Sought

The special prosecutor had demanded that Mr. Wakefield produce 66 items, including a ledger kept by the law firm's bookkeeper and interoffice memorandums relating to the expenditures.

The judge said that he had sustained a claim of privilege for one of the 66 items and denied claims for a "few" of the others, and that the lawyers had agreed not to seek a decision on the rest for the time being.

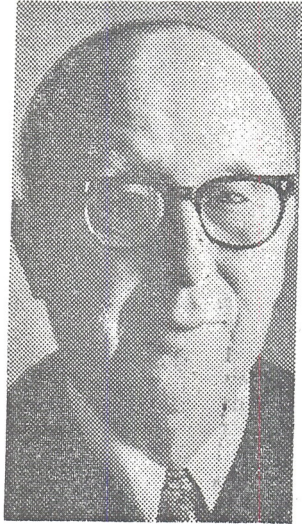
Afterward, Mr. Michel declined to answer reporters' questions about the material that had been denied him, saying only that "testimony and remaining records" about the money had been ordered produced.

But he would not say whose testimony was involved in the judge's order.

In an affidavit attached to his brief, however, Mr. Michel said that Mr. Wakefield, again citing attorney-client privilege, declined earlier this year to tell the Senate Watergate committee what Mr. Rebozo had told him about the source of the \$36,000.

The order by Judge Hart would presumably require Mr. Wakefield to give that information to one of the Watergate grand juries if he was called to testify about the matter.

The Michel affidavit de-



Associated Press

Judge George L. Hart Jr.

scribed the grand jury investigating as focusing on possible income tax evasion and other offenses in the "receipt and expenditure for personal purposes of political campaign contributions."

The office of Leon Jaworski, the special prosecutor, has declined to comment on whether the investigation is limited to Mr. Rebozo's handling of the funds, or whether it is considering possible violations on the part of Mr. Nixon as well.

Mr. Wakefield's testimony, if it is sought, may eventually clear up the continuing mystery about the source of the money spent by Mr. Rebozo on Mr. Nixon's behalf and the disposition of \$150,000 that Mr. Rebozo has admitted receiving from Mr. Davis and an employee of the reclusive Mr. Hughes.

The Florida banker, who has known the former President for nearly 25 years, has said that he gave the Davis money to Mr. Nixon's re-election organization. Investigators have been unable to find any record of its receipt.

The \$100,000 from the Hughes organization, Mr. Rebozo testified, remained untouched in the vault of his bank for nearly three years before he returned it in June of last year.

But Herbert W. Kalmbach, who was Mr. Nixon's personal lawyer while he was President, has testified that Mr. Rebozo told him some of the Hughes money had gone to Mr. Nixon's two brothers, his former White House secretary and others.