

Judge's Refusal

San Diego

A federal judge from San Francisco refused yesterday to dismiss a 25-count felony indictment against financier C. Arnholt Smith.

The ruling was announced by U.S. District Judge Robert Schnacke, assigned to the forthcoming trial.

Smith, former chairman of the Westgate-California Corp., was indicted on charges of conspiracy and

misapplication of \$27.5 million in bank funds.

A long-time friend of former President Richard Nixon, Smith is also a former chairman of United States National Bank, which was declared insolvent.

Another defendant is Philip A. Toft, former president of the Westgate conglomerate, who joined Smith in the motion to dismiss charges.

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