



The Evidence on 'Bebe' Rebozo

Washington

Two tape-recorded allusions by former President Nixon to an apparent "slush fund" gathered from campaign contributions has been described by Watergate investigators as a central piece of evidence in the government's inquiry into the affairs of Charles G. Rebozo, Mr. Nixon's close friend.

It has been known that, for the last year, the special Watergate prosecutor has been looking closely at Rebozo's handling of cash "contributions" to Mr. Nixon's 1972 re-election campaign, including a gift of \$100,000 from Howard R. Hughes, the billionaire, that Rebozo says he later returned.

But the transcripts of two April, 1973, conversations between Mr. Nixon and his aides, put into evidence at the Watergate coverup trial last week, contain the first solid indications that such a slush fund may have existed and that Rebozo may have distributed it at Mr. Nixon's direction.

The possibility of an illicit fund, made up of cash from wealthy contributors such as Hughes, was raised by the Senate Watergate committee in its report last summer.

Committee investigators produced evidence that Rebozo had received "at least" \$190,000, mostly in cash, on Mr. Nixon's behalf, had disbursed \$45,977 for improvements to the former President's Florida homes, and had diverted \$4500 in leftover 1968 contributions to buy diamonds that Mr. Nixon gave to his wife.

But the Senate committee never established that any

of the 1972 campaign money taken by Rebozo had been used for the President's personal benefit, and they never disproved Rebozo's contention that he had given the Hughes money back untouched.

One prosecution official confirmed that, on the basis of the recording, his office is actively seeking to learn where the money came from and how it was spent.

The remarks were made by Mr. Nixon during conversations with H.R. Haldeman and John D. Ehrlichman, then his two top aides and now two of the five defendants in the coverup trial.

According to the prosecution's transcript Mr. Nixon began by urging the two men to accept "two or three hundred thousand dollars" from him to pay their Watergate-related legal fees.

Haldeman and Ehrlichman demurred, but Mr. Nixon continued to press them to accept:

"No strain," he said. "Doesn't come outta me. I didn't, I never intended to use the money at all."

"As a matter of fact, I told B-B-Bebe, uh, basically, be sure that people like, uh — who, who have contributed money over the contributing years are, uh, favored and so forth in general."

"And he's used it for the purpose of getting things out, paid for in check and all that sort of thing."

"Bebe" is Rebozo's nickname.

That exchange took place on the afternoon of April 17, 1973.

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