

# SEARS DECLARES HE ARRANGED GIFT

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Says He Dissuaded Vesco  
From Contributing More

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MORRISTOWN, N.J., Feb. 28

— Former State Senator Harry L. Sears said today that he dissuaded Robert L. Vesco, the financier, from contributing \$500,000 to President Nixon's re-election campaign last year because "it would have been open to an unfavorable interpretation" in light of Mr. Vesco's troubles with the Securities and Exchange Commission.

But Mr. Sears agreed to arrange for a \$250,000 contribution after he was asked to do so by both Mr. Vesco and Maurice H. Stans, former Secretary of Commerce and chairman of the Finance Committee to Re-elect the President, "because of my political experience."

Mr. Vesco was chairman of the International Controls Corporation and Mr. Sears a board member and corporation counsel when the contribution was arranged. It was to have been paid in two transactions, \$200,000 in cash before April 7, when the campaign reporting requirements of the Federal Election Campaign Act of 1971 took effect, and a \$50,000 check sometime thereafter. The \$200,000 was actually received on April 10, three days after the law took effect.

### 'Direct Solicitation'

Reached by telephone at his law office today, Mr. Sears said Mr. Vesco's decision to contribute to the President's campaign was the result of "direct solicitation" by the finance committee, but the size of the contribution was his own idea.

"He wanted to contribute \$600,000 because he wanted to be known as one of the biggest contributors to the President's campaign," Mr. Sears said of Mr. Vesco.

Mr. Vesco contributed \$100,000 to the Nixon campaign in 1968 and Mr. Sears said, "I told him the new contribution should be consistent with what he did in 1968 while reflecting a change of circumstances."

Although the S.E.C. had been investigating Mr. Vesco's connection with the financially troubled Investors Overseas Services, Ltd., since 1970, Mr. Sears maintained that "there was no quid pro quo" in connection with the contribution.

### Timing of Lawsuit

Mr. Sears also noted that the S.E.C. filed a civil suit against Mr. Vesco and 41 other defendants on Nov. 27—"after the election"—as a result of financial moves made last summer, months after the contribution was made. The S.E.C. contends that the defendants "spirited" away \$224-million in cash and securities from four mutual funds.

The Finance Committee to Re-elect the President disclosed two days ago that it had returned the \$250,000 to Mr. Vesco on Jan. 31. The committee referred to the civil suit in the letter it sent to Mr. Vesco notifying him of its decision. "Under these circumstances we believe it is in your best interest, as well as ours, that the contribution be returned," the committee letter said.

Mr. Sears said today he "really didn't expect the committee to return the contribution; so far as I had any contact with it, that's all it was, a political contribution."

### 'Scramble' Defined

Mr. Sears was asked by newsmen if there was a "scramble" by the finance committee to secure campaign contributions before the April 7 deadline and he replied, "That is a euphemism for the kind of activity that was going on—in both parties, I might add."

Mr. Sears served as New Jersey chairman of the Committee for the Re-election of the President last year, but was not involved in any fund-raising activities.

The former State Senate majority leader said he first met Mr. Vesco during Mr. Sears's unsuccessful campaign for the Republican gubernatorial nomination in 1969. Both men live in Boonton and Mr. Vesco contributed or raised \$20,000 for Mr. Sears's campaign.

In December, 1971, Mr. Vesco and two other officers of the International Controls Corporation were jailed in Switzerland on a fraud complaint filed by a company stockholder.