



SFChronicle

Mitchell Talks of Big Fund

New York

Former Attorney General John N. Mitchell testified before a federal grand jury here yesterday — apparently about a \$200,000 cash contribution from Robert L. Vesco to President Nixon's 1972 election campaign.

Mitchell declined to tell newsmen about the subject of his testimony, but the grand jury is believed to be investigating the cash contribution to determine if it was an attempt to influence a federal investigation of Vesco, a New Jersey financier accused of looting mutual funds.

"I answered all the questions fully, frankly and fearlessly," Mitchell said, after the grand jury session.

When newsmen asked if he had ever met Vesco to discuss the financier's problems with him, Mitchell replied, "No, I never did."

Mitchell said that he had testified voluntarily without a subpoena.

Federal prosecutors refused to comment on the Vesco case, the Mitchell testimony or reports that the grand jury had previously questioned Maurice H. Stans, former secretary of commerce and chairman of the Finance Committee to Re-elect the President.

The \$200,000 contributed by Vesco was disclosed on February 27 in a pretrial deposition by Harry L. Sears, former Republican leader of the New Jersey Senate, who testified in a civil suit in Federal court here by the Securities and

Exchange Commission.

In a statement following the disclosure, the finance committee to re-elect the President said that the \$200,000 and a separate contribution of \$50,000 from Vesco had been returned to the financier on Jan. 31, 1973, almost ten months after the money had been received.

The SEC had charged in its civil suit on November 27 that Vesco and 41 others had "spirited" about \$224 million away from four mutual funds controlled by Investor Overseas Services, Ltd., the financial complex created by Bernard Cornfeld in Switzerland and sold to the Vesco interests in 1971.

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John Mitchell (second from left) after testifying