

Jury Told Stans Sought to

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NEW YORK, May 9—Nixon campaign finance chief Maurice H. Stans suggested last fall that the Securities and Exchange Commission omit reference to a secret contribution by Robert L. Vesco from its massive fraud charge against Vesco and 41 other defendants, a federal grand jury here has been told.

Stans today denied any attempt to influence the SEC.

The payment—\$200,000 in \$100 bills—was made to Stans by two Vesco representatives on April 10, 1972. At that time the SEC was investigating Vesco's connections with a foreign financial complex which he

was later accused of "looting" of \$224 million.

The complaint against Vesco was filed in U.S. District Court here Nov. 27. Stans reportedly made his suggestion to G. Bradford Cook, then director of the Division of Market Regulations and now SEC chairman, on Nov. 15 while the two were goose-hunting in Georgia, sources close to the investigation said.

In its complaint, the SEC referred only to "large sums of cash" that moved between Vesco, companies and other parties. "The source, ownership, use of, and accountability for, said monies are unknown," the complaint said.

At that time, sources said, the SEC had no evidence that the money had been paid to the Nixon campaign, although it was widely sus-

pected. About the same time, according to two sources, Cook received a telephone call from Arthur Liman, a Vesco attorney. Liman is said to have told Cook that the money came from Vesco's personal funds, but he did not tell him it had been given to Stans. Instead, he reportedly said, "you don't want to know here it went."

The grand jury here is investigating the reasons for the cash payment, which was not publicly reported at the time. The grand jury may hand down indictments within the next several days.

Stans and Cook have both appeared before the grand jury at least twice. Others who have testified include former Attorney General John N. Mitchell, former SEC Chairman William J. Casey, other officials of the SEC and several Vesco associates.

The SEC, whose investigation of Vesco began in March, 1971, learned of the cash transfer late in October, while questioning Ralph P. Dodd, a former vice president of International Controls Corp., of which Vesco was chairman. Dodd told the investigators he picked up \$250,000 in cash from a downtown Manhattan branch of Barclay's Bank and delivered it to Vesco's home in Boonton, N.J.

It was not until February that the SEC learned the money had been paid to the Nixon campaign, the sources said. Early that month, they reported, Stans showed Cook a copy of a letter he sent to Vesco returning the money, along with an additional \$50,000 Vesco contributed in October. The second payment, made by check, was publicly announced.

Influence Vesco Charges

Later that month, Harry L. Sears, a Vesco attorney and prominent New Jersey politician, testified that he met with Stans several times to discuss the contribution. Sears said he also met with Mitchell to discuss Vesco's problems with the SEC.

According to sources here, Cook told the grand jury he discussed the contribution with Stans three times. The first was shortly after the SEC learned of the money, when Cook asked Stans if it had gone into the campaign. The second was on the goose-hunting trip in Georgia, when Stans, the former Secretary of Commerce, is alleged to have asked Cook about his future plans. The third was in a telephone call. In each case, Cook reportedly testified, Stans said he would check campaign records as to whether Ves-

co's money had ended up with the Nixon campaign committee. He never reported back to Cook, Cook is said to have testified here.

Stans never asked that the mention of the money be deleted from the court papers, the sources said. Instead, he suggested to Cook, according to Cook's testimony, that the payment was not properly a part of the SEC's charge against Vesco.

Stans told The Washington Post about the reported Cook testimony, issued a statement saying, "I would be surprised if Mr. Cook made any statement that I tried to influence the SEC in the Vesco matter. But if it is suggested that such a statement was made, I deny that at any time I sought to influence the SEC in its actions against Vesco."

Stans is an old acquaintance of Cook's father,

George B. Cook, who is a long-time Republican fund raiser in the Midwest.

According to sources in Washington, the money was not mentioned in the first draft of the SEC charge against Vesco. However, at least one staff member objected to its exclusion and drafted a proposed paragraph. That paragraph, said to speak of specific amounts of money moving between Vesco and unknown parties, was trimmed because, one source said, "it just sounded silly. There was no proof of where it had gone and even now the SEC doesn't know where it came from."

In essence, the SEC complaint, which is now in a preliminary hearing here, charges that Vesco masterminded a scheme to swindle \$224 million from mutual funds managed by IOS, Ltd., a Swiss-based financial



MAURICE H. STANS
... denies interfering

complex. The money, it is charged, was diverted to other companies controlled by Vesco.