

Ex-U.S. Aide Reportedly Served Simultaneously in a Vesco Bank

WASHINGTON, Dec. 6 (UPI)—A former official of the Small Business Administration served simultaneously as director of a foreign bank controlled by Robert L. Vesco, the fugitive New Jersey financier, sources at the Securities and Exchange Commission confirmed yesterday.

They said that Arthur McZier, who resigned as S.B.A. associate administrator for minority enterprise Dec. 1, had been identified in court documents in New York as a director of the Bahamas Commonwealth Bank.

S.E.C. briefs filed in a New York Federal court allege that the bank was used by Mr. Vesco and his associates to siphon off money from mutual funds managed by Investors Overseas Services a Geneva-based financial operation.

The S.E.C. has alleged that Mr. Vesco, 37 years old, and his associates caused the mutual funds to sell blue chip American securities and to invest the proceeds for their own benefit in foreign concerns of dubious value.

The United States is trying to extradite Mr. Vesco from the

Bahamas to face trial in a fraud case in New York.

The charge of apparent conflict of interest was raised during hearings of the House Small Business subcommittee last week. A former Philadelphia regional director of the Small Business Administration, Russell Hamilton, said that Mr. McZier had resigned his government job after the agency administrator, Thomas Kleppe, had been told about the dual posts.

Mr. Kleppe said that Mr. McZier had actually "told us about his desire to leave last July."

A committee investigator, Curtis Prins, then presented an Oct. 29 newspaper article identifying Mr. McZier as a new director of General Bahamian Companies, Ltd., a concern in Nassau that is 100 per cent controlled by Mr. Vesco.

The Price Was Right

STANTON, Mo. (AP)—Lester B. Dill, who operates Meramec Caverns here, was asked by a tourist what attracted Jesse James to hide out in the cave. "Free admission," Mr. Dill replied.