

EX-AIDE TESTIFIES HE WARNED VESCO

Richardson Says He Told of Intent to Expose Secret Campaign Contribution

By MARTIN ARNOLD

Laurence B. Richardson Jr. testified yesterday that he had warned Robert L. Vesco, his employer at the time, that he was going to drop a public "bombshell"—which he did five days later when he voluntarily walked into the United States Attorney's office and implicated John N. Mitchell and Maurice H. Stans in Mr. Vesco's tangled affairs.

Mr. Richardson, a Government witness in the Mitchell-Stans trial, told how he had pleaded the Fifth Amendment against self-incrimination, when he testified before the Securities and Exchange Commission on Nov. 3, 1972. The commission was then investigating Mr. Vesco.

But, Mr. Richardson testified, in a meeting with Mr. Vesco on Jan. 30, 1973, he told Mr. Vesco that "I was going to tell all the facts as I recalled them" about a \$200,000 secret contribution Mr. Vesco had made to President Nixon's re-election campaign.

Mr. Mitchell, a former Attorney General, and Mr. Stans, a former Secretary of Commerce, are accused of attempting to impede an S.E.C. investigation of Mr. Vesco in return for the contribution.

Mr. Richardson, who has not been indicted, was named a co-conspirator in the case.

"I was very concerned about the contribution and was sure that there would be other opportunities to testify and that I was going to tell all the facts as I recalled them, and that I didn't understand how this was going to fail to be a bombshell," Mr. Richardson said he had told Mr. Vesco.

Tells of Contribution

As it turned out, Mr. Richardson did not wait to be called to testify before the S.E.C. a second time. Instead, five days after he said he had told this to Mr. Vesco, he went to the United States Attorney's office and told Government lawyers of the contribution.

Previously, on Oct. 18, 1972, Richard Clay, another Vesco associate, had told the commission for the first time about the campaign contribution, but

the S.E.C. did not tell the United States Attorney's office.

Mr. Richardson said that subsequently he had had 65 meetings with Government attorneys, and that 45 of them related directly to the Mitchell-Stans case. When he finally testified on Feb. 16, 1973, before the grand jury, which returned the indictments in this case, he was on the witness stand for only 30 minutes.

Later yesterday, under cross-examination by Peter Fleming Jr., Mr. Richardson angrily denied that he had "made a deal" with the Government to testify in return for not being indicted. He is, however, a defendant in the S.E.C. suit against Mr. Vesco.

"When did you make your deal Mr. Richardson?" Mr. Fleming asked, quietly and coldly.

Exchange About 'Deal'

"What deal are you talking about?" Mr. Richardson asked in return, equally coolly.

"The deal that keeps you out of this indictment, on your testimony, the deal that kept you out of the civil fraud case and the deal which leads you to expect that you will not named in this case, in which you are cooperating with the Government," Mr. Fleming said. Although Mr. Richardson is still a defendant in the commission suit, his S.E.C. case has been severed from Mr. Vesco's.

"I have made no deal, and have not made that statement," the witness stated.

Mr. Richardson, a nattily dressed man with thinning dark hair, is the 11th Governmental witness in this case, and the first who appears to enjoy the thrust and parry that goes on between witnesses and lawyers.

He smiles often, as if in appreciation of the courtroom scene, and leans forward when testifying, almost eager to be part of the fray.

First for John R. Wing, the chief Government prosecutor, and then for Mr. Fleming, Mr. Mitchell's chief counsel, and Walter J. Bonner, Mr. Stans' chief attorney, Mr. Richardson testified yesterday of Mr. Vesco's constant frustration in not being able to get the S.E.C. investigation quashed. The commission has accused Mr. Vesco of looting \$24-million from mutual funds.

Witness Unperturbed

At one point in the questioning he heard himself referred to as Mr. Vesco's "messenger" and at another point as Mr. Vesco's "bagman," but neither appellation seemed to bother him.

Mr. Richardson has testified that it was he who carried the \$200,000 cash contribution about, who hit it in the base of a lamp in Mr. Vesco's office, and who finally turned it over to Mr. Stans on April 10, 1972.

He told the court that he had had a falling out with Mr. Vesco, that he had resigned

a \$75,000-a-year post as president of the International Control Corporation, which Mr. Vesco headed, after listing in a letter to Mr. Vesco all the wrongdoing that Mr. Vesco had committed. Then he testified that he had attempted to persuade the corporation's board of directors to give him Mr. Vesco's job.

He also testified of Mr. Vesco's continuing frustration "Get hold of Mitchell and those guys and tell them to have that subpoena [the S.E.C. subpoena] quashed, or I'll blow the lid off the whole thing," he quoted Mr. Vesco as saying.

Mr. Vesco "was extremely agitated and emotional. I've never seen him so angry," Mr. Richardson testified, saying that at one point Mr. Vesco had referred to the S.E.C. staff as "those bastards" and had then added, in an apparent allusion to Mr. Mitchell, "at least we'll have the opportunity of getting information out of the Justice Department."

Casey Reaction Discussed

Mr. Richardson testified that Mr. Vesco was given the word "from Mr. Mitchell that Casey was extremely irritated about all the pressures being put on him from various sources in addition to Mr. Mitchell."

William J. Casey was chairman of the S.E.C. at the time.

The witness quoted Harry L. Sears, another Vesco associate and a friend of Mr. Mitchell, as telling Mr. Vesco that "there's no sense in talking to Casey anymore; he's completely lined up with the S.E.C. staff and convince that Vesco was a bad guy."

Mr. Richardson also testified that in July, 1972, he attempted to make an appointment in New York with Mr. Stans to discuss the Vesco-S.E.C. problem. He testified that Mr. Stans's secretary had called to cancel the appointment, explaining that Mr. Stans said, "Vesco ought to take up his problem with Mr. Mitchell directly" and that Mr. Stans did not want to see me.

Under cross-examination, Mr. Fleming went directly on the attack, attempting to tear down Mr. Richardson's credibility. As he talks, Mr. Fleming, who is about 6 feet 5 inches tall, waves his right arm about, up and down, sideways, like a conduc-

tor, wielding his baton. He attempted to contrast Mr. Richardson's grand jury testimony with his trial testimony.

Mr. Fleming listed what he called "slip-ups" on Mr. Richardson's part; that is, things he said "slipped your mind" when the witness was testifying before the grand jury.

Mr. Richardson testified at the trial, for instance, that when the \$200,000 was turned over to Mr. Stans on March 8, 1972, Mr. Stans promised to try to get him an appointment with Mr. Mitchell to discuss the S.E.C. case. "That slipped your mind" at the grand jury, Mr. Fleming said with contempt.

"That's right," Mr. Richardson replied with a smile.

At this point Mr. Fleming kept referring to the two defendants as "the former secretary of Commerce" and the "former Attorney General." He listed five or six other things that he solemnly said "slipped your mind" and to each Mr. Richardson replied, "that's right" or "I didn't testify to that."