

# Former SEC Chief Tells of His Lies

New York

A former Securities and Exchange Commission chairman testified yesterday at the Mitchell-Stans trial that he had lied under oath on at least five occasions.

The witness, G. Bradford Cook, already had admitted that he lied twice to the grand jury that indicted former Commerce Secretary Maurice H. Stans and former Attorney General John N. Mitchell on charges of conspiracy, obstruction of justice and perjury. They are accused of acting to block an SEC fraud investigation of financier Robert L. Vesco in return for his secret \$200,000 cash contribution to President Nixon's 1972 campaign.

Under cross-examination, Cook admitted perjuring himself on three other occasions. One of his lies, Cook said, was when he testified before a Senate committee about whether an SEC complaint against Vesco was scheduled for redrafting before its details were made known to Stans.

Stans is accused in this trial of having caused the redrafting of a paragraph in the complaint in order to cover up Vesco's secret contribution.

Cook changed his testimony to say only a top SEC investigator agreed independently of Stans that the revision was in order.

"You're lying now to avoid prosecution," the defense charged moments before Cook left the stand.

"I'm not lying," the witness replied.

Cook hedged when asked whether he supplied information which Stans later relayed to the grand jury and which was cited in the indictment as perjury on the part of the defendant. He said he couldn't recall doing so.

The government won the right to re-examine Cook on why he lied after arguing to Judge Lee Gagliardi: "The government should be able to ask why he lied . . . because the government should be allowed to rehabilitate a witness whose credibility has been attacked."

Assistant U.S. Attorney John Wing asked Cook why he lied, and Cook replied: "I think there were two basic reasons. Number one, as a result of my conversations with Mr. Stans. Number Two, my own position with the SEC. And that I did not want to bring any discredit or dishonor on the SEC with regard to my discussions with Mr. Stans."

In an obvious effort to sug-

gest to the jury that Cook's perjury was overlooked in return for his testimony for the government, the defense asked: "You have committed perjury under oath on five occasions. And it is true, is it not, that you have not been indicted for any of these perjuries?"

"That is correct," Cook replied.

The cross-examination by Stans' attorney, Walter Bonner, was aimed at further discrediting the 36-year-old Cook.

The jury followed Bonner's cross-examination intently, as the lawyer led Cook from one reluctant admission to the next. When it was over, it was left squarely to the jury eventually to decide whether a confessed multiple liar under oath was to be believed in his present testimony.

Cook is a keystone witness for the government against Stans, and the case against the former secretary would be severely damaged if his testimony was rejected by the jury. Cook made only passing mention of Mitchell.

The indictment charges that as part of a conspiracy, Stans caused Cook to eliminate reference to Vesco's campaign contribution from a \$224 million SEC complaint filed against the financier Nov. 27, 1972, and also tried to halt transcripts of testimony that were to be filed with the complaint.

Under the perjury section of the indictments, Stans is accused of lying when he denied before the grand jury that he had first discussed the Vesco case with Cook prior to the filing of the SEC complaint.

Before he got down to details, Bonner mentioned Cook's appearance at a hearing May 14, 1972, of a Senate committee headed by Senator William Proxmire (Dem-Wis.) that was looking into SEC operations.

"Did you tell the truth?" demanded Bonner.

"Not completely," Cook replied.

"Is it your testimony today that on May 14 you perjured yourself again — yes or no," demanded Bonner in a loud voice, advancing on the witness with arm outstretched and forefinger pointing at him.

"The answer is yes," Cook said.

Bonner then asked him in succession if he lied in all three appearances before the grand jury that indicted Stans and Mitchell, and also before a House investigating committee — for an over-all total of five.

"That's correct," conceded Cook to each of the questions.

Bonner then turned to a paragraph in the SEC Vesco complaint that the government said Stans caused to be rejected. The attorney brought out that Cook had discussed its revision with Stanley Sporkin, a top aide in the SEC investigation of Vesco.

"Didn't Stanley Sporkin agree the paragraph ought to be redrafted?" Bonner asked.

"Stans . . ." Cook began.

"Answer my question, yes or no!" the lawyer shouted.

"Yes," said Cook.

In a telephone call the next day, Nov. 15, 1972, Cook said, he first raised the question of the redraft with Stans.

"And that was a violation of SEC regulations, was it not, a technical violation," Bonner went on, referring to rules against discussion of SEC cases outside the agency.

"Yes," Cook agreed.

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