

MAHEU JURY TOLD OF HUGHES DOUBTS

Trial Hears That Recluse
Feared Bank Conspiracy

Special to The New York Times

LOS ANGELES, May 14—A Federal trial jury was told today that Howard R. Hughes hired private detectives to follow bankers who had turned down his request for financing of Trans World Airlines jet planes purchases in the nineteen-sixties.

The jury was also told that Mr. Hughes had obtained copies of the financier's long-distance telephone billings to trace their contacts with other bankers.

Robert A. Maheu, who testified that he had attempted to carry out the surveillance assignments for Mr. Hughes, said the financier was suspicious that a conspiracy existed among bankers in New York to use the refinancing problem as a means of wresting control of T.W.A. from Mr. Hughes.

Mr. Maheu, once an agent of the Federal Bureau of Investigation, was a witness in support of his \$17.3-million defamation suit against the billionaire recluse.

Mr. Maheu worked for the Hughes interests from about 1955 until he was dismissed in 1970 at a time when the Hughes companies paid \$520,000 a year to Robert A. Maheu Associates, Mr. Maheu's company. Mr. Hughes said Mr. Maheu "stole me blind" and Mr. Maheu sued in Federal court here.

Facts Not Detailed

The facts that have not been presented in detail to the jury indicate that as the price of getting his loans, Mr. Hughes had to put his T.W.A. stock—some 75 per cent of the company's total—into a trust voted without regard to Mr. Hughes's wishes.

As a result of this, new management filed damage actions against him and won judgments of \$145-million against his holdings, arguing that the airline had been damaged by his bad management. Mr. Hughes finally prevailed in the Supreme Court last year, but he sold his T.W.A. stock in 1965 for \$546,549,771.

Mr. Maheu, who testified previously that he was assigned to watch over Mr. Hughes's Tucson, Ariz., holdings before 1966, said today that from 1964 until 1968 he had slight involvement with the TWA litigation.

By 1968, when the multi-

million-dollar award of damages to T.W.A. was confirmed in Federal court, Mr. Maheu testified, he had become manager of the Hughes interests in Nevada, which included hotels, casinos, an airport and thousands of acres of land.

Mr. Maheu said he had been called by Mr. Hughes and told to take full responsibility for organizing the legal defense. Mr. Maheu said he insisted that Mr. Hughes put his instructions in writing. A four-page handwritten note identified by Mr. Maheu as Mr. Hughes's note, was admitted into evidence over the objections of the Hughes attorneys.

"You have the ball on the T.W.A. situation," the note said. Mr. Maheu was given the right to pick attorneys who would argue for Mr. Hughes. "I repeat, Bob, you have complete authority," Mr. Hughes wrote.

Corporate Fighting

However, in 1970, when Mr. Maheu sought to replace Chester C. Davis, who had been the chief lawyer in much of the T.W.A. litigation, a corporate fight erupted that ended with Mr. Maheu's dismissal and Mr. Davis remaining as chief counsel of the Hughes holding company, the Summa Corporation.

Mr. Maheu also testified about some of the unusual activities he had been asked to undertake while in the employ of Mr. Hughes. He said that when he managed the wealthy industrialist's holdings in Tucson, Ariz., he had been asked by Mr. Hughes to agree to take a salary from the Hughes Tool Company — at that time the Hughes holding company.

Mr. Maheu said he refused because the salary pattern for executives in the company was too low, and that Mr. Hughes then told him that he should change his billing practices for his services at Tucson so that he would receive a sizable income and, at the same time, conceal it from executives of the Hughes Tool Company who would be paid at lower rates.

Mr. Maheu said he made from \$35,000 to \$60,000 a year that way, and that at the end of each year he reported to Mr. Hughes how much he had made.

This arrangement changed in 1967, Mr. Maheu testified. He said that after he threatened to resign when Mr. Hughes attempted to renege on an agreement that Mr. Maheu had made with the interests that owned the Desert Inn, Mr. Hughes said, "we will spend the rest of our natural lives" working together. Mr. Maheu said that he and Mr. Hughes agreed that Mr. Maheu's company would be paid \$10,000 a week from that time on.