

NYTimes
Vesco Is Ordered
To Pay 5.6-Million
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NEWARK, May 8—A New Jersey Superior Court Judge ruled today that the fugitive financier Robert L. Vesco must pay the stockholders of the defunct I.O.S., Ltd., a default judgment of \$5.6-million.

The ruling, issued by Judge Melvin Antell in Essex County, came in a detailed, 38-page document that traced nearly five years of developments in which Mr. Vesco managed to take control of both I.O.S., a Geneva-based Canadian corporation now in liquidation, and the International Controls Corporation, its parent company.

The suit, which was originally filed as a stockholder's suit against Mr. Vesco and the two companies, was described by Judge Antell as "a suit against Mr. Vesco based on an alleged course of fraudulent misconduct and self-dealing while occupying positions of conflicting loyalties."

However, inasmuch as Mr.

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Vesco has left the United States and has avowed not to return, lawyers who have been following the suit said it remained unclear how the stockholders would be able to recover their investments from him.

Because of the complexities involved in deciding the case, Judge Antell attached to his 38-page opinion a chronological synopsis of 38 separate events leading to Mr. Vesco's takeover of the corporations.

Max Wild, one of the attorneys for the I.O.S. stockholder group, after learning of the decision, commented, "If you know of any place where [Mr.] Vesco has some money, jet, us know. I don't think he is going to send us a check."

In describing Mr. Vesco's maneuvers in taking control of I.O.S., Judge Antell wrote, "He was single-mindedly motivated in his overtures by his purpose of becoming involved to a degree where he could, by a blend of guile and audacity, manipulate I.O.S.'s cornucopia of assets into his possession."

Treachery Seen

The judge added that Mr. Vesco hoped to take over by "entangling I.O.S. into a harsh and treacherous contract which he would then use to secure complete corporate control."

The opinion continued, "He proceeded to do this fully aware that I.O.S. had no need for his services or the program of assistance he offered. In his view, however, 'They were too dumb to know they didn't need the money' and for this reason he correctly anticipated that 'They would go for it.'"

Judge Antell wrote that "deceit and misrepresentation were freely employed to establish a beachhead."

In a related action, another Superior Court Judge here, Irwin I. Kimmelman, ruled today



Associated Press
Robert L. Vesco

that the singer Elvis Presley would not be obligated to fulfill a \$1.5-million offer he had made earlier for Mr. Vesco's lavish private jet and subsequently withdrew. The court-appointed receiver for the Fairfield General Corporation, which now owns the jet, said he would appeal Judge Kimmelman's decision.