



# Arrest of Vesco Ordered

New York

A federal judge yesterday ordered the arrest of financier Robert L. Vesco to force him to appear before a grand jury investigating his business affairs as well as his \$250,000 donation to the Nixon-re-election campaign in 1972.

U.S. District Judge Edmund L. Palmieri signed the bench warrant for Vesco's seizure at the government's request. He also signed a subpoena for the appearance of Vesco's wife before the panel.

Palmieri issued the arrest order after noting that Vesco had failed to honor a subpoena served on him April 18 in Nassau, the Bahamas, by an assistant U.S. attorney. Vesco, 37, of Boonton, N.J., also has a home in Costa Rica.

"The defendant is not here," Palmieri said.

#### REFUSE

Vesco's lawyer, Edward Bennett Williams, again said his client would refuse to appear before the grand jury unless he were granted im-

munity from prosecution. He said government lawyers had previously refused to grant him immunity.

Williams also told Palmieri: "I have strong reason to believe he will be indicted."

It was far from certain, however, that the arrest warrant would guarantee Vesco's appearance before the grand jury. The subpoena served on him in Nassau actually struck the financier—the government lawyer hit him in the back with it on the driveway of his estate—but Vesco's guards moments later threw the legal papers back over a fence.

#### ALLEGATIONS

The grand jury is looking into allegations that Vesco and associates siphoned off at least \$224 million from domestic and foreign mutual funds for their personal use.

Also under investigation is a report that Vesco's \$250,000 donation to the Nixon campaign was made to influence a Securities and Exchange Commission investigation of Vesco's dealings.

A federal grand jury in Washington also is investigating the donation.

Meanwhile, the SEC is suing Vesco and associates in connection with the mutual fund case. The civil trial is under way in U.S. District Court.

*Associated Press*