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The Secret Nixon Funds --New Move

New York

Edward C. Nixon, President Nixon's youngest brother, former Attorney General John N. Mitchell and Maurice H. Stans, former Secretary of Commerce, were invited yesterday to tell what they know of a secret \$200,000 cash contribution made by a New Jersey financier last April to the finance committee to Re-Elect the President.

Attorneys for Robert L. Vesco, the financier, notified the Securities and Exchange Commission by mail that they intended to question the three men later this month.

Vesco is the former board chairman of the Investors Overseas Services, Ltd., the crumbling mutual fund empire based in Geneva and of the International Controls Corp., a New Jersey electronics concern. Last November he was charged along with 41 others of looting \$224 million from four mutual funds controlled by Investors Overseas Services.

Vesco has also been charged with the diversion of stockholder funds from International Controls.

A hearing on the appointment of an "equity receiver" to protect the assets of International Controls has been scheduled for this morning at U.S. District Court here.

Later today, a hearing will be held in the U.S. Court of Appeals here on whether the SEC will be permitted to question Vesco in preparation for its civil case.

Mitchell, Stans and Edward Nixon — as well as other administration officials — were mentioned in testimony given to the SEC last month by Harry L. Sears, a prominent New Jersey Republican.

Sears, who had been an attorney for Vesco, made the following statements to the SEC:

- In December, 1971, he asked Mitchell to help him obtain Vesco's release from a Swiss jail, after Vesco was arrested on charges resulting from a stockholder's civil suit. A day later, Vesco was released on bail.

- Last March, he communicated with Mitchell while the SEC was conducting its investigation of Vesco, and asked for help in obtaining an appointment with William J. Casey, then chairman of the SEC.

Last May 11, he met with Casey and G. Bradford Cook, then chief counsel for the SEC and now its chairman, to discuss the Vesco investigation.

- Last April 10, he and Laurence B. Richardson Jr., then president of International Controls, delivered \$200,000 in cash to Stans, chairman of President Nixon's finance committee, after Stans said the money was to be delivered in cash.

- Edward Nixon, who Sears said had "some relationship with ICC-oriented companies" — a statement that International Controls later denied — verified in Washington that the money was to be in cash.

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