

Justice Dept. Acts In the Vesco Case

Washington

The Justice Department accused the Nixon re-election campaign yesterday of illegally failing to report a \$200,000 cash contribution from financier Robert L. Vesco.

The three-count criminal information carries a maximum penalty of a \$3000 fine against the Finance Committee to Re-elect the President. No individuals were named.

The information alleged that the committee received a \$200,000 contribution April 10, 1972, and failed to report the money or its donor. This is the date a representative of Vesco delivered a briefcase full of \$100 bills, totaling \$200,000 to Maurice Stand, the campaign finance chairman.

Although the money was delivered three days after a new law took effect requiring disclosure of large campaign donors, the Nixon committee had argued that the gift had been pledged earlier and so didn't legally have to be reported.

The committee repeated that argument yesterday after the Justice Department charges were filed in federal court. "This matter involved a bona fide action by the committee taken on the advice of counsel at the time, and present counsel believes it did not constitute a violation of law," the committee said in a statement.

The Justice Department information didn't name Vesco, but the date and amount of the contribution coincide with the Vesco gift, which government auditors had previously listed as an apparent legal violation to Justice Department.

The money is believed to figure also in a New York grand jury's investigation of Vesco, who is being sued by the Securities and Exchange Commission for allegedly looting \$224 million from four mutual funds.

The grand jury continued hearing secret testimony during the day, taking stringent precautions to shield witnesses from being seen. Courthouse sources refused to comment on reports that the jury heard testimony Wednesday from a close relative of President Nixon—his brother, Edward, or his nephew, Donald F. Nixon Jr.

The Nixon campaign returned the money two months after the SEC filed suit against Vesco.

CHARGES

The first count of yesterday's charges said Stans failed to report receipt of the money to committee treasurer Hugh P. Sloan Jr., as required by the federal Election Campaign Act which took effect April 7, 1972.

A second count accused the committee of failing to keep records of the donation and the name and occupation of the contributor.

The third count accused the committee, acting through Sloan, of failing to report the contribution to the Office of Federal Elections of the General Accounting Office.