

Jury Indicts Mitchell
and Stans -- Perjury

Ex-Cabinet Officials Accused of Blocking A Federal Probe

Washington Post Service

New York

John N. Mitchell and Maurice H. Stans, two former Nixon Cabinet members, were indicted here yesterday.

They were accused of obstructing a federal investigation and lying to a federal grand jury.

Mitchell is a former U.S. Attorney General and Stans has served as Secretary of Commerce.

The grand jury also charged financier Robert L. Vesco and New Jersey politician Harry L. Sears of attempting to obstruct an investigation by the Securities and Exchange Commission into Vesco's financial empire.

The indictment charged that Mitchell and Stans arranged a secret \$200,000 cash contribution from Vesco in return for promises that they would arrange meetings for Vesco and Sears with SEC officials. Later, the grand jury charged, both Mitchell and Stans lied about their roles in the contribution.

If convicted of all the charges, Mitchell and Stans each would face potential prison terms of 50 years and \$85,000 in fines. Vesco and Sears, if convicted on all counts, would face terms of 20 years in jail and \$25,000 in fines. The defendants are scheduled to enter pleas May 21.

DENIALS

The Committee for the Re-Election of the President, of which Mitchell was formerly chairman and Stans is still finance chairman, issued denials of the charges on behalf of both men.

The Mitchell statement said, "There has been no wrongdoing on my part and, in so far as I know, on the part of any other person in this matter. I am certain that the judicial proceedings in this case will fully vindicate me and confirm the absence of any wrongdoing."

The statement on Stans' behalf said, "I am greatly dismayed by the action of the grand jury. I have full faith and confidence in God and in American justice. I expect that when all the facts are heard I will be vindicated. Not only was there no effort made by me to obstruct the SEC proceedings, but the SEC did in fact proceed vigorously against Mr. Vesco."

Sears, speaking through an attorney, said he is "innocent of all wrongdoing"

See Back Page

From Page 1

and added that he will enter a plea of innocent.

There was no comment from Vesco's attorneys. A bench warrant for Vesco's arrest was issued last week after he failed to appear at the grand jury proceedings.

CHARGES

The indictments, one of the few times a past or present administration member has ever been accused of law violations, were handed down by the grand jury with 19 members of the jury sitting before Judge Sylvester J. Ryan.

An hour later, U.S. Attorney Whitney North Seymour Jr. read a summary of the charges to a crammed news conference in an auditorium across the square from the federal courthouse.

The government's charges

agencies.

In addition to their efforts to obstruct the SEC probe, the indictment said, the defendants conspired to keep any specific references to the contribution out of the SEC's complaint against

were detailed in a 46-page indictment. The only persons cited in the papers were the four defendants. No co-conspirators were named.

Seymour said that would come later, when a bill of particulars is filed. He said that "certain related aspects of this investigation are still being examined," bringing up the possibility of further indictments relating to the case.

According to the indictment, Mitchell, Stans, Sears and Vesco conspired "to defraud the U.S. government and agencies thereof, to wit, the SEC and the General Accounting Office by interfering with and obstructing their lawful governmental functions by deceit, craft, trickery and means that are dishonest."

As part of the conspiracy, the indictment said, the four men agreed that Vesco would contribute \$200,000 in cash — "the largest cash contribution ever received by the committee" — to the Nixon re-election drive, that Mitchell would arrange meetings for Sears with William J. Casey, then chairman of the SEC, and that Stans would conceal the contribution and try to keep

mention of it out of the SEC's fraud charge against Vesco.

DATES

While public testimony on the contribution has referred only as far back as late November, 1971, when Mitchell helped secure Vesco's release from jail in Geneva, Switzerland, the indictment charges that Sears, Vesco and Mitchell were in contact as far back as June and July of that year.

At that time, it said, Sears met with Mitchell to discuss the SEC investigation, which began in March 1971.

At the same time, the indictment said, Sears asked Mitchell to speak with Casey about the investigation.

In December 1971 and January 1972, it was alleged, Vesco promised and paid Sears "substantial sums of money in return for Sears request to defendant John N. Mitchell to exert his influences on the SEC on behalf of Vesco, ICC, IOS and others."

Vesco.

At the same time, according to the indictment, Mitchell called John W. Dean III, then counsel to the President, and asked him "to communicate with Casey to seek postponement of the re-

FIRMS

ICC refers to International Controls Corp. of Fairfield, N.J., of which Vesco was chairman until September, 1972.

IOS, Ltd., is a Swiss-based financial complex. A SEC civil fraud charge filed against Vesco and 41 other defendants charges that they "looted" \$224 million from four mutual funds managed by IOS.

Also in January, the indictment said, Sears gave Mitchell documents relating to the SEC probe and asked Mitchell to arrange a meeting with Casey.

On March 8, according to the charges, Vesco met with Stans and offered to contribute "at least \$250,000 and possibly \$500,000 to the Nixon campaign" with the intent of having Stans, Mitchell and others exert their influence on the SEC on behalf of Vesco, ICC, IOS and others."

CHARGES

Vesco allegedly met with Mitchell to discuss the SEC investigation and "shortly thereafter, Stans and Mitchell discussed the proposed contribution from Vesco."

On April 10, Sears and Laurence B. Richardson, former president of ICC, delivered the money to Stans — all in cash at Stans' request, according to the charges — and two hours later, Sears met with Mitchell to tell him that the payment had been made.

Two hours after that, the charges said, Sears met with Casey and G. Bradford Cook, then general counsel of the SEC and now its chairman, to discuss the case.

In October, with the SEC's investigation still in full swing, Vesco allegedly threatened to disclose the contribution unless a subpoena issued for Vesco was withdrawn.

MEMO

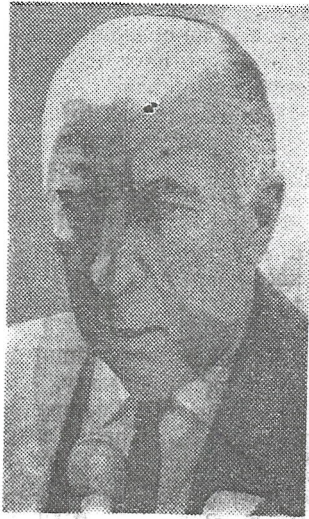
The next month, according to the charges, Vesco attempted "to submit a written memorandum to Donald Nixon, the brother of the President, the purport and tenor of which was to threaten disclosure of the secret cash contribution and other consequences unless the SEC was directed to drop all

turn of SEC subpoenas served on employees of ICC in order to prevent or delay disclosure by them of facts relating to the secret Vesco contribution."

In January, the indictment charged, Stans asked Cook to limit the SEC inquiry into the \$250,000. (The additional \$50,000 had been contributed by Vesco in a check in October. All the money was returned to Vesco on Jan. 21,

legal proceedings against Vesco."

The jury charged that, when the memorandum reached Mitchell, he gave it to Sears instead of turning it over to law enforcement



AP Wirephoto

JOHN MITCHELL
Former attorney general

AP Wirephoto

MAURICE STANS
Ex-Commerce Secretary



UPI Telephoto

ROBERT VESCO
Accused financier



AP Wirephoto

HARRY SEARS
New Jersey politician