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Ex-Officials Also Face Charges of Plot With Vesco and Sears

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By ROBERT J. COLE

A special Federal grand jury yesterday indicted John N. Mitchell, former United States Attorney General; Maurice H. Stans, former Secretary of Commerce; Harry L. Sears, former majority leader of the New Jersey Senate, and Robert L. Vesco, the New Jersey financier.

United States Attorney Whitney North Seymour Jr. said that the four were charged with conspiracy to defraud the United States and conspiracy to obstruct justice.

Mr. Mitchell and Mr. Stans, both former officials of the Nixon Administration, were further charged with committing perjury before the grand jury.

Mr. Mitchell, Mr. Stans and Mr. Sears all denied any wrongdoing. Arraignment has been scheduled for May 21.

Maximum Penalties

If convicted, each defendant faces a maximum possible sentence of five years imprisonment and a \$10,000 fine on each count of conspiracy and perjury. The maximum penalty for obstruction of justice is five years imprisonment and a \$5,000 fine on each count.

The charges result from a four-month investigation by the grand jury into the circumstances under which Mr. Vesco secretly donated \$200,000 in cash to the Finance Committee to Re-elect the President.

At the time of the donation, Mr. Stans was head of the finance committee and Mr. Mitchell was head of the Committee for the Re-election of the President, the principal organization in President Nixon's political campaign.

Mr. Seymour, announcing the charges in the closing days of his administration, said that the investigation began in late January after a witness, whom he did not identify, gave information to the Government and agreed to cooperate.

The 37-year-old Mr. Vesco left the United States over two months ago when it appeared

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he might be indicted for trying to influence a Securities and Exchange Commission investigation. He is also named by the commission in a civil lawsuit charging that \$224-million in cash and securities was "spirited" away from four mutual funds.

"This is a seriously sad day for those of us concerned with justice," Mr. Seymour said yesterday.

Obstruction Is Alleged

He said that the four defendants were charged with conspiracy to obstruct justice in connection with the commission's investigation into Mr. Vesco's activities and the "source and disposition" of the funds from which the political contribution was made.

They are also charged, he said, with conspiring to defraud both the commission and the General Accounting Office, which oversees the operation of the Federal election spending law, with respect to the disclosure of the cash donation and the uses to which it was put.

The conspiracy indictment specifically charges that Mr. Sears met with Mr. Mitchell on April 10, immediately after de-



The New York Times

Whitney North Seymour Jr. at news session on indictments here in the Robert L. Vesco case.

livery of the secret cash donation and three days after the effective date of new Federal law requiring that such donations be made public.

Conference Arranged

In further charges that the same afternoon Mr. Mitchell arranged a conference for Mr. Sears with William J. Casey, then chairman of the commission and now Under Secretary of State for Economic Affairs, to discuss the Government investigation.

Mr. Sears, it charges, then held several meetings with Mr. Casey about the investigation and with G. Bradford Cook, at that time chief counsel of the commission and now its chairman.

The indictment also asserts that both Mr. Cook and John W. Dean 3d, then President Nixon's counsel, were asked for specific assistance.

Mr. Cook yesterday denied any wrongdoing. Mr. Dean was not available for comment.

Mr. Seymour said that when the commission issued subpoenas to persons familiar with the withdrawal of \$250,000 from a bank in the Bahamas, Mr. Mitchell is alleged to have asked Mr. Dean to communicate with Mr. Casey.

Mr. Dean, he said, was asked to obtain a postponement of the dates on which witnesses were to testify about the secret donation and thus prevent or delay its disclosure.

Deletion Allegedly Sought

Mr. Stans, he added, is alleged to have persuaded Mr. Cook to delete from the commission's proposed lawsuit all references to the \$250,000 funds from which the Vesco political

contribution had been made. The suit was ultimately filed in United States District Court here last Nov. 27.

Mr. Stans, Mr. Seymour further charged, persuaded Mr. Cook to ask the S.E.C. staff not to file in the court proceedings the transcripts of testimony relating to these funds.

The secret donation became public, however, after Mr. Sears testified at length before the commission last February. He said at the time that he and Laurence B. Richardson Jr., former president of International Controls Corporation, which Mr. Vesco heads, personally handed the \$200,000 to Mr. Stans at his office in Washington.

Statement by Mitchell

Responding to the charges, Mr. Mitchell said, "There has been no wrongdoing on my part and, insofar 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."

Mr. Stans 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 S.E.C. proceedings but the S.E.C. did, in fact, pro-

ceed vigorously against Mr. Vesco."

The statement were issued by the Nixon campaign headquarters.

Mr. Sears said he was "innocent of any wrongdoing" and would enter a plea of not guilty.

Mr. Cook denied he made any changes in the S.E.C. complaint, under pressure from Mr. Stans, before it was filed with the court.

But earlier inetaoinmcmvcmv But in earlier testimony before a Congressional committee studying the commission budget, Mr. Cook first testified that Mr. Stans had inquired about one paragraph of the proposed complaint. Correcting this testimony later, Mr. Cook made no mention of that paragraph but said that Mr. Stans had been interested in whether the money Mr. Vesco had contributed was his own money or corporate funds.

The pending indictments for conspiracy and obstruction of justice were reported yesterday by The New York Times. An indictment, drawn up by a prosecutor and agreed upon by a grand jury, is a formal statement charging one or more persons with specific criminal offenses. It is followed by a jury trial.

'Overt Acts' Specified

In the current 46-page indictment, seven specific "overt acts" allegedly committed in furtherance of the alleged conspiracy are listed, as follows:

1. Mr. Vesco caused Ralph Dodd, a former International Controls executive, to receive \$250,000 in cash from Barclay's Bank here and to transport it to Mr. Vesco's office in Fairfield, N. J.

2. On the same day, on or about April 6, 1972, Mr. Sears talked with Mr. Dodd by telephone.

3. On the same day, Mr. Vesco and Mr. Dodd talked by phone.

4. In October, 1972, Mr. Sears and Mr. Mitchell held a phone conversation in New York.

5. In November, 1972, Mr. Vesco "sent a package" to Donald Nixon at the Essex House, New York. The indictment did not specify whether this referred to F. Donald Nixon, brother of the President, or his son, Donald F. Nixon.

6. Around Nov. 15, 1972, Mr. Mitchell and Mr. Stans met at the Metropolitan Club in New York.

7. Around Nov. 21, 1972, Mr. Sears and Mr. Mitchell met in New York.