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# Charge Naming the I.T.T. Is Reported Cut in S.E.C.

## Casey Took Lead in Advocating Deletion Although Decision Was Unanimous, Sources on Capitol Hill Say

NYTimes By MICHAEL C. JENSEN MAY 21 1973  
Special to The New York Times

WASHINGTON, May 20—A Robert L. Vesco, a New Jersey proposed charge of fraud financier, were deleted from against the International Tele- an S.E.C. complaint against Mr. phone and Telegraph Corpora- Vesco. Mr. Casey has denied tion was deleted from a that he had knowledge of any Securities and Exchange Com- wrongdoing in this case. mission draft complaint last G. Bradford Cook, who suc- year, even though it had been ceeded Mr. Casey as chairman recommended by the agency's of the S.E.C. resigned in the top staff officials, according to wake of that disclosure, al- Government sources. though Mr. Casey was his boss at the time of the controversial

deletion. Government sources said the Under Secretary of State, took the lead in advocating the deletion of the fraud charge against I.T.T. was made even though the charge was supported by the agency's two top enforcement officials, Stanley Sporkin and Irving Pollack, and by Mr. Cook, who was then serving as the commission's general counsel. Congressional investigators say they are looking into the complex deal, in which I.T.T. sold a large bloc of Hartford Fire stock to Mediobanca, an Italian bank, in order to qualify for a tax-free merger. In effect, I.T.T. had to dispose of the Hartford stock it already owned before it was allowed to

William J. Casey, then chair- man of the S.E.C. and now an Under Secretary of State, took the lead in advocating the deletion, but the decision was a unanimous one by the whole commission, according to sources on Capitol Hill and in regulatory agencies. The charge revolved around the failure of I.T.T. to make known to the S.E.C. and to the investing public details of a controversial sale of stock to an Italian bank. The complex transaction made possible I.T.T.'s \$1.5 billion merger with the Hartford Fire Insurance Company.

Mr. Casey's role at the S.E.C. has recently been called into question in another matter.

where references to a secret \$200,000 contribution to the Nixon re-election campaign by