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**Agnew Prosecution Took Pains  
To Prepare a 'Locked-Up Case'**

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BALTIMORE, Oct. 12 — It started modestly.

When George Beall, the United States Attorney for Maryland, asked that a grand jury be impaneled last Dec. 4, he recalled in an interview today, the thought was: "If we ended up bringing criminal charges against a couple of building inspectors in Baltimore it would have been justified."

And the inquiry remained focused on lesser political figures, with no hint that it would lead higher, until the beginning of June when several key witnesses began to seek favored treatment from the prosecutors by telling them what they knew about making payments to the then Vice President Agnew.

By the beginning of July, Mr. Beall was convinced that the case against the Vice President was serious and on July 3 he called Attorney General Elliot L. Richardson to inform him of the explosive turn of events.

Mr. Beall comes from a long line of prominent Republicans in Maryland. He is the son of J. Glenn Beall, the former Republican United States Senator, and the brother of J. Glenn Beall Jr., who won election to the Senate in 1970. Today he recalled his feelings at that point last summer when he realized the implication of the inquiry.

"I was turning somersaults," he said as he sat at his neat

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desk in his office. "I was distraught. It was right in the middle of Watergate. The Presidency was in turmoil. I was frightened that this office would come to head-to-head battle with the Vice President. I think my stomach was in knots for seven days. I'm a Republican and it occurred to me that I might be looked at as the Benedict Arnold of the Republican party. But you go ahead and do what you have to do."

During the next two and one-half months, Mr. Beall and his three assistant United States Attorneys—Barnet D. Skolnik, Russel T. Baker Jr. and Ronald S. Liebman—backed up by agents of the Internal Revenue Service, prepared the case

against the Vice President.

Sources close to the investigation described some of the key breaks and some of the extraordinary measures to make sure that the evidence would be unshakable, whether it was to be presented before Congress in an impeachment proceeding or before a court.

As one source put it: "When it involves a figure like the Vice President you have to have a locked-up case."

The first concern was that two of the key witnesses—Jerome B. Wolff, an environmental engineer and longtime associate of Mr. Agnew, and Lester Matz, head of a consulting engineering concern—were themselves involved in the payoffs.

#### Spurred by Fornoff

The two men had reportedly become alarmed when William A. Fornoff, who had served under four Republican and Democratic Baltimore County Executives, including Mr. Agnew, was allowed by the prosecutors to plead guilty June 4 to a minor tax charge in return for his information.

According to sources close to the case, Mr. Wolff and Mr. Matz, who had been calling on friends during the early part of the inquiry urging them to try to head it off, got in touch with the prosecutors to offer their cooperation in return for leniency, after Mr. Fornoff decided to talk.

Mr. Wolff and Mr. Matz, who have no binding agreement with the prosecutor on what charges, if any, will be brought, provided information, according to the sources, that led to two other men who also decided to cooperate, under pressure from the prosecutors.

They were I. H. Hammerman 3d, a real estate developer and investment banker and longtime associate of Mr. Agnew, and Allen Green, president of Green, president Green Associates, Inc., a Maryland engineering company. Mr. Green has pleaded guilty to a single tax charge and Mr. Hammerman has agreed to plead guilty also to a single income tax charge.

#### Independent Proof Sought

Since all of the key witnesses were involved in the kickbacks and were supplying information to gain favored treatment from the prosecutors, sources said that a major effort had been made to build a case based on documents that would provide independent proof. As one source said, "You cannot cross-examine documents."

A further test of the case

was made by Henry E. Petersen, Assistant United States Attorney General in charge of the Criminal Division, who came in mid-August to the fourth-floor offices of the court here and spent hours giving Mr. Matz and Mr. Wolff a withering cross-examination to determine how their testimony would stand up.

At about the same time Mr. Agnew offered to answer the prosecutors' questions about the case personally. Sources close to the case said, however, that although the prosecutors were willing to talk to Mr. Agnew they could not accept the conditions outlined by his lawyers: that the questioning be done in the Vice President's office in Washington, that no stenographic record be kept and that the kind of questions that could be asked would be limited.

While I.R.S. agents thorough-

ly examined personal financial records turned over by Mr. Agnew, in an effort to show that the money he had been receiving was being used for personal expenditures rather than for political activity, the scene shifted to Washington by mid-September.

There the first series of plea-bargaining sessions were held between attorneys for Mr. Agnew and the Justice Department. In the first series of the sessions, which eventually were broken off at Mr. Agnew's instigation, sources said that a major point of disagreement had been insistence by the Justice Department that there be a full disclosure of the charges.

One source said that the Justice Department had insisted on full disclosure because it did not want a cloud to hang over the investigation as to whether the evidence had been strong enough and to prevent its piecemeal disclosure by the press. "The public needed to be told what the case was," one source said.

Also a major concern of Mr. Richardson in these sessions was that a mishap would befall President Nixon and the nation would be faced with the prospect of having a Vice President

take over who was undergoing a criminal investigation.

One source recalled that in the long meetings at the Justice Department Mr. Richardson would say: "The President's plane could go down tomorrow the could be an assassin's bullet, and here we have a Vice President who is under a cloud."

The second plea-bargaining session, which began last Friday and led to the agreement of Wednesday in which Mr. Agnew pleaded no contest to a charge of income tax evasion, kept the prosecutors on pins and needles here until they saw Mr. Agnew walk into the courtroom.

"He could have changed his mind at any time," one source said. "They could have taken the document outlining our case and called off the deal."

Sources said that the prosecutors here were not upset at the agreement reached even though they had wanted Mr. Agnew to get some kind of jail sentence.

"I just feel a great sense of relief," Mr. Beall said, while toying with a piece of paper given to him by his wife that had drawn on it two hearts and the word "Congratulations."