

Judge Again Postpones Start

By Philip Greer

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NEW YORK, Jan. 2—The obstruction of justice and perjury trial of former Attorney General John N. Mitchell and former Commerce Secretary Maurice H. Stans was delayed again today, probably until late February.

U.S. District Court Judge Lee P. Gagliardi granted a defense motion for the delay because Peter Fleming, who is representing Mitchell, is tied up in a fraud trial in Oklahoma City. The Mitchell-Stans trial had been scheduled to begin Jan. 9.

Gagliardi said, however, that the trial will begin within "two or three days" after the completion of the Oklahoma

case, which is expected to go to the jury about Feb. 15.

"As soon as Fleming is finished with his engagement in Oklahoma City, this case is going to start," Gagliardi said from the bench. The judge has resisted two previous efforts to delay the trial, but has acceded both times, once under pressure from the second U.S. Circuit Court of Appeals.

Mitchell and Stans are accused of trying to obstruct a Securities and Exchange Commission investigation of fugitive financier Robert L. Vesco in return for a secret \$200,000 cash contribution to President Nixon's re-election campaign in 1972.

They are also charged with lying to the grand jury that in-

vestigated the contribution. Vesco, who was also indicted for obstruction, has turned back two government efforts to extradite him from his bases in the Bahamas and Costa Rica.

It was also learned that the U.S. attorney's office here has begun an investigation of possible criminal charges stemming from the SEC's 1972 civil fraud complaint against Vesco and 41 other individuals and corporations.

In that case, which has not yet had a full trial, the SEC charged that Vesco masterminded a plan to divert \$224 million in assets belonging to mutual funds operated by IOS, Ltd., the Geneva financial complex.

A federal judge here has issued preliminary injunctions against Vesco and other defendants. He has also ordered receivers for several Vesco-controlled companies.

The new group, headed by assistant U.S. Attorney Elliot Sager, is being complemented by SEC specialists. One of the specialists is Daniel Schatz, whose discovery of suspicious

of Mitchell-Stans Trial

documents at a former IOS office here touched off the original SEC investigation of the financial company.

The U.S. attorney's office refused to comment on the new group, but its existence was confirmed by other sources. The sources said the group, which is still in the formative stages, will operate in conjunction with the prosecu-

tors on the Mitchell-Stans case—which developed from pre-trial testimony in the SEC civil case—and will concentrate on criminal aspects of the giant fraud charge.

Creation of the group was seen here as a stepped-up effort to secure Vesco's return from his foreign bases. Last month, a magistrate in the Bahamas turned down a U.S. request for extradition on the grounds that the charge against Vesco—defrauding a company he once controlled of \$50,000—was not extraditable under the terms of the U.S.-United Kingdom extradition

treaty, which is binding in the Bahamas despite that nation's independence last July. Previously, a Costa Rican court turned down an extradition request based on a charge of attempted wire fraud.

Plea for Trial Delay For Chapin Unopposed

Lawyers for former White House aide Dwight Chapin asked yesterday for a one-month postponement of trial here on charges of lying under oath.

U.S. District Court Judge Gerhard A. Gesell had tenta-

tively scheduled the trial to start Feb. 19, but Chapin's lawyers, citing a busy schedule, asked that it be continued until March 19. A spokesman for the Watergate Special prosecution force said they would have no objection.