

NYTimes MAR 7 1974
**STANS IS LINKED
TO CASH DEMAND**

**Sears Says Vesco Aide Told
Him Contribution to Nixon
Was Sought in Currency**

By MARTIN ARNOLD

A Government witness testified yesterday that he had been told that Maurice H. Stans had asked Robert L. Vesco, a financier undergoing a Federal investigation, to make his \$200,000 contribution to President Nixon's re-election campaign in cash.

The witness, Harry L. Sears, said further that Mr. Stans had been willing to accept the \$200,000 in cash in secret three days after the campaign funding law was changed on April 7, 1972, so that the law required that such contributions be reported to the General Accounting Office.

Method of Contribution

Mr. Sears testified that Mr. Vesco and Laurence Richardson, a business associate of Mr. Vesco, met with Mr. Stans on March 8, 1972. Mr. Sears said he met with Mr. Richardson on March 9 and "Richardson indicated that he was concerned about this feature. He said, 'Mr. Maurice Stans said that he wanted—wanted the money in currency.'"

This appeared to contradict testimony that Mr. Stans made before the Federal grand jury on March 5, 1973.

John N. Mitchell and Mr. Stans are accused of conspiracy, perjury and obstruction of justice in that they allegedly attempted to impede a Securities and Exchange Commission investigation of Mr. Vesco in return for the secret \$200,000 contribution.

In his 1973 grand jury testimony, Mr. Stans said that

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when he was asked by Mr. Vesco whether the money should be in cash or a check, "I replied that it made no difference to us, that most people gave by check, but if he preferred it was acceptable in currency."

Mr. Mitchell testified to the same grand jury on April 24, 1973, that Mr. Sears, who was working for Mr. Vesco, had never given him anything in writing about Mr. Vesco.

Yesterday, however, Mr. Sears, in his second day on the witness stand, said that John D. Ehrlichman, then President Nixon's chief domestic adviser, had sent a memorandum to Mr. Mitchell, the former Attorney General, telling him that Mr. Vesco, who is now a fugitive, wanted "a good word put in for Bob Vesco" at various United States embassies overseas.

Mr. Ehrlichman was apparently asking Mr. Mitchell's advice on this matter, and, Mr. Sears said, Mr. Mitchell telephoned Mr. Sears on Jan. 4, 1972, and asked for some background information on Mr. Vesco.

Mr. Sears, the former Republican majority leader of the New Jersey Senate, said that the informant had been produced in a memorandum he wrote to Mr. Mitchell on Jan. 12, 1972. A copy of that memorandum, the existence of which seems to contradict Mr. Mitchell's grand jury testimony, was introduced into evidence yesterday.

But the main thrust of the day in Federal District Court, as far as the Government was concerned, was devoted to an attempt to show how Mr. Vesco and Mr. Sears arranged to donate the secret \$200,000 to Mr. Stans, the former Secretary of Commerce and Nixon's campaign fund-raiser.

Jersey Meeting Described

At one point while the arrangements were being made, Mr. Sears testified, Edward Nixon, one of the President Nixon's brothers, was used as an intermediary between Mr. Vesco and Mr. Stans.

Mr. Sears testified that Edward Nixon arrived at Mr. Vesco's office in Fairfield, N.J., one day in late March, 1972, and met with Mr. Vesco and Mr. Sears and three other Vesco associates, who, Mr. Sears said, were wondering whether to make the contribution in cash or not.

"At the time Mr. Nixon arrived," Mr. Sears testified, "he was asked by Mr. Vesco, I believe, if he would contact Maurice Stans in Washington, and Mr. Vesco said that, 'We have had a discussion here about whether this contribution has to be in cash. Would you call Maury and find out?'"

Mr. Sears said that Mr. Nixon left the room to call Mr. Stans and returned to report that Mr. Stans had just left his Washington office to take the shuttle to La Guardia Airport.

"Mr. Vesco said—looked at his watch, if I recall—said, 'you would have time to intercept him there [at La Guardia]. Get a helicopter, and you and Ed [Nixon] fly over there and try to meet him, so you can get an answer,'" Mr. Sears recalled. He said that Mr. Nixon and another Vesco associate then left for the local airport to get a helicopter.

Asked what happened as the result of the Nixon helicopter trip, Mr. Sears was about to answer when the defense objected to the question and was upheld by Judge Lee P. Gagliardi. The question was not answered.

Throughout the day, Mr. Sears appeared to be somewhat of a reluctant witness against Mr. Mitchell, whom he still describes as a friend.

At one point, John R. Wing, a Government attorney, attempted to turn Mr. Sears into



The New York Times
**Maurice H. Stans arriving
at U.S. Court House for
his trial yesterday.**

a "hostile" witness so that he could cross-examine him rather than just examine him. Out of hearing of the jury Mr. Wing complained to the judge that Mr. Sears was giving "self-serving" answers, at the end of which he would give a little something about Mr. Mitchell.

Mr. Sears has been indicted in this case but was granted full immunity from prosecution to testify as a government witness.

The Government was not allowed to turn him about into a "hostile" witness, but the judge said he would give Mr. Wing some leeway and allow him to ask "leading" questions.