

Mitchell Trial

MAR 12 1974

'Mystery Tip' In Vesco Case

SFChronicle

New York

A mysterious federal source tipped off financier Robert L. Vesco months in advance of a criminal indictment that also named former Attorney General John N. Mitchell and onetime Commerce Secretary Maurice H. Stans, government witness Harry Sears testified yesterday.

Sears said he was summoned to Vesco's New Jersey home Dec. 7, 1972 — about ten days after the Securities and Exchange Commission had filed a massive civil fraud suit against the international operator, who was a secret contributor of \$200,000 to President Nixon's re-election campaign.

Present at the time, Sears testified in U.S. District Court, was Donald Nixon

Jr., the President's nephew who was serving as an aide to Vesco.

Sears told the jury of eight men and four women trying Mitchell and Stans on conspiracy, obstruction of justice and perjury charges:

"Mr. Vesco told me he had information that led him to be certain that the SEC staff had jumped into the U.S. attorney's office for the Southern District of New York, and in addition to the SEC suit there was going to be a criminal action that was going to be pushed at the same time.

"He said he was convinced he was going to be 100 per cent committed to the civil suit, that he would meet the criminal action when the time came.

"I said, 'Bob, what makes you so sure?' He said, 'Listen to this.'

"He turned on a tape. He said this was a tape of a telephone conversation he had with a guy who was connected with the SEC or the FBI, I don't know which.

"He said he was sure this was a reliable source."

Assistant U.S. Attorney John Wing finished his lengthy direct examination of Sears in late afternoon and Mitchell's defense attorney, Peter Fleming Jr., opened cross-examination.

Sears said he testified on at least ten separate occasions before the grand jury that returned the criminal indictment.

The trial was recessed for the night before Fleming got well into his cross-examination. It is to resume today.

Associated Press