

# Ex-Official Contradicts Stans, Mitchell Grand Jury Testimony

MAR 16 1974

By Stephen Isaacs

Washington Post Staff Writer

NEW YORK, March 15 — A former aide to Maurice H. Stans today directly contradicted testimony that Stans and John N. Mitchell swore to, under oath, before a grand jury here last year.

The aide, Washington investment banker Daniel W. Hofgren, recounted several events relating to Robert L. Vesco in the trial here of the two former Cabinet officers on charges of conspiracy, obstruction of justice and lying to a grand jury.

During cross-examination,

Mitchell's attorney, Peter E. Fleming Jr., tried to make Hofgren appear less credible to the 12 jurors and six alternate jurors.

Hofgren was a vice chairman of the Finance Committee to Re-elect the President when Stans was its chairman and Mitchell was overall head of the campaign.

Hofgren said he was present for part of a meeting between Stans, Vesco and a Vesco aide in Stans' office on March 8, 1972, when Vesco said he wanted to give \$500,000 to the Nixon campaign.

Mitchell and Stans are ac-

cused of trying to intervene in an investigation of Vesco by the Securities and Exchange Commission in exchange for a secret \$200,000 cash campaign payment from Vesco.

Hofgren first corroborated other testimony in saying that Vesco told Stans about his problems with the SEC and that Stans had said, "Well, I think Mr. Mitchell can handle that."

According to Hofgren, Stans made a telephone call in another room, then told Vesco, "Your appointment with Mr.

See MITCHELL, A6, Col. 5

## MITCHELL, From A1

Mitchell is ready," and that was the end of the meeting...

"He asked me to show them to the elevators and I took them out to the elevators, and I punched the up button..." Hofgren said.

That night, said Hofgren, he ran into Mitchell at a fund-raising affair at the Washington Hilton. "I recall going up to him and saying, 'Did you see Vesco?'" said Hofgren.

"And he turned around and said, 'You stay away from that...'"

In testimony before the grand jury here on April 24, 1973, Mitchell was asked:

"Did Hofgren at that party ask you if you had seen Vesco that day?"

"Not to my recollection he did not," Mitchell testified. "I don't even recall seeing him, let alone a question of that type."

"Would you recall that if Hofgren had asked you that?" Mitchell was asked.

"I would certainly believe so," Mitchell answered.

On April 23, 1973, Stans was before the grand jury and was asked:

"Was there any reference by either you or Mr. Vesco to John Mitchell at that meeting?"

"No, I'm sure there was not," Stans replied.

Later on before the grand jury, Stans was asked, "Where were Vesco and Richardson going after they left your office?" (Lawrence B. Richardson Jr. was president of Vesco's International Controls Corp.)

"I have no idea," Stans replied.

And Stans was asked, "Was there any discussion at the meeting of Vesco going up to see Mitchell who was located in the same building?"

"No," said Stans, "not that I recall."

Fleming sharply attacked

Hofgren, at times nearly shouting questions to the witness, who wrung his hands and, at several points, answered with palms-up gestures.

"Am I correct that your first recollection of these events... varies or varied from your present recollection?"

"Yes," Hofgren replied.

Repeatedly, Fleming sarcastically asked Hofgren if his accusatory questions were offending him. Each time Hofgren answered that they were not.

Fleming seemed to be implying to the jurors that he thought Hofgren had been taught what to answer by U.S. prosecutors. He finished his cross-examination with a gratuitous, "Be a good boy."

Later, Fleming reminded Hofgren that he had altered his first answers to a grand jury in a second appearance before it.

As he concluded, Fleming asked:

"Just to be clear, in your first appearance before the grand jury, before your recollection was refreshed... you also failed to testify—did you not fail to testify about this taking Vesco and Richardson to an elevator and pressing the up button? You didn't say that in your first appearance, did you?"

"No, sir, I didn't," Hofgren replied.

Fleming also elicited this admission from Hofgren: "I forgot the whole meeting took place and the aftermath of it."

Hofgren was followed to the witness stand today by W. Mark Felt, former deputy associate director of the Federal Bureau of Investigation, who said that Mitchell had asked him to check into the conditions surrounding Vesco's arrest in Switzerland in 1971.

Felt testified that Mitchell, then the Attorney General, called him on Jan. 19, 1972, and told him to "send a message to the (U.S. ambassador in Beirut, Lebanon) but through the FBI communica-

tions channel because he didn't want to go through the State Department channel."

The cable, admitted into evidence, stated that "Attorney General contacted bureau this date stating he wanted U.S. ambassador in Beirut to know that Attorney General and the administration have the utmost confidence in the integrity of Robert Vesco, who is in Beirut at this time. You should immediately so advise the ambassador. Vesco is chairman of the board of Investors Overseas Services."

The final witness of the day was Hugh W. Sloan Jr., who was Stans' treasurer at the re-election finance committee. Sloan was a witness before the Senate Watergate committee last summer.

Sloan said that Stans had twice asked that Vesco's name be removed from lists of prospective contributors and that he had not known that Vesco had been a contributor until 1973, long after the campaign.

He said that at one point Stans "called me into his office, he gave me, as I recall it, a bank bag, a white bag, and indicated that there were some \$200,000 in it. He asked me to count it and verify it, and place it in the safe."

"... He simply told me John Mitchell wanted it listed under the initials JM for the time being."

He also said that Stans later ordered him to compile a summary of cash gifts prior to April 7, 1972, and ordered him to make only one copy of the summary. Later, he said, Stans told him he had destroyed the list.

Fleming asked only a few questions in cross-examination of Sloan, and the sessions

were adjourned before Stans' attorney, Walter J. Bonner, could begin. The judge took an hour-long recess in the afternoon session for private meetings related to the case, but ordered all attorneys in the case to refrain from discussing what the subject of the meeting was.

The next testimony, after Sloan is cross-examined on Monday, is due to come from William J. Casey, who was chairman of the SEC when the Vesco investigation was carried out and whose nomination to be the head of the Export-Import Bank is pending in the Senate.

## Shell Plant Hit By Bomb in Protest

SAN RAMON, Calif., Mar. 15 (UPI)—A group protesting oil company policies set off the third explosion in a week Thursday at a Shell Oil Co. plant, blowing a hole in a wire fence at the Shell research and development plant here.

An organization calling itself "Americans for Justice" claimed responsibility for all three explosions, none of which caused major damage. The group demanded in a telephone call to a newspaper that gasoline prices be reduced and old persons be given free gas. On March 7, a bomb exploded in an empty fuel storage tank at a Shell distribution yard in San Jose. The next day, a Los Altos "showcase" Shell station received minor damage from a bomb.