

# VESCO AIDE TELLS OF \$200,000 GIFT

## Testifies That the Man Who Made Delivery Observed, 'I Hope It Does the Trick'

On the day that Robert L. Vesco's \$200,000 cash contribution was made to the Nixon re-election campaign, the man who actually handed the money to Maurice H. Stans is said to have reported back, "Well, I delivered the package. I hope it does the trick."

This was the testimony yesterday at the Mitchell-Stans trial of Mrs. Shirley Bailey, formerly personal secretary to Mr. Vesco and corporate secretary to the fugitive financier's company and now trustee of his four children's funds.

John N. Mitchell, the former Attorney General, and Mr. Stans, former Secretary of Commerce, are accused of conspiracy, perjury and obstruction of justice in attempting to quash a Securities and Exchange Commission investigation of Mr. Vesco's financial dealings in return for the \$200,000 contribution.

The money was turned over to Mr. Stans in Washington on April 10, 1972, by Laurence Richardson, then president of the company headed by Mr. Vesco, and by Harry L. Sears, another Vesco associate, they have testified. It was Mr. Richardson who Mrs. Bailey testified had reported back and said, "I hope it does the trick."

### On the Verge of Tears

Mr. Vesco had been quoted earlier in this trial as saying at one point that Mrs. Bailey would make a "poor witness" because she would become confused and "start crying." Throughout her testimony yesterday, her voice kept breaking, and she was continually on the verge of tears.

She testified that she had been summoned to Mr. Vesco's home in Boonton, N.J., and told that Ralph Dodd, a Vesco associate, would pick up a "package." When she asked what was in the package, she testified,

Mr. Vesco replied, "all that money." Mr. Dodd picked up the money the following day and gave it to Mr. Richardson who turned it over that Monday, April 10, according to testimony.

Mrs. Bailey also testified that she was summoned again to the Boonton home, one day in November, 1972, after the Presidential election. She said that at the home was Mr. Vesco, who has also been indicted in this case, and Donald Nixon, the President's nephew, who was then and is now Mr. Vesco's aide. Mr. Vesco has fled the country. The President's nephew is with him.

She said that she helped type up a memorandum that day, and that the memorandum, seven pages, single-spaced, was then put with other papers into "a red accordian envelope" and addressed to Donald Nixon the elder, the President's brother, at the Essex House.

### Delivery of Envelope

She delivered the sealed accordian envelope to the Essex House that day, a Sunday, she testified. It has been testified that the envelope was picked up the following day by Mr. Mitchell.

The memorandum in it contained a threat by Mr. Vesco to expose the fact of his secret \$200,000 cash contribution if the S.E.C. investigation of his affairs was not quashed, according to previous testimony.

On Feb. 12, 1973, in an affidavit, Mrs. Bailey said that on Jan. 18 of that year Mr. Richardson said that he did not believe that Mr. Vesco was guilty of the S.E.C. charges accusing him and 41 others of defrauding investors of \$224-million.

Yesterday, from the witness stand, she testified about the same conversation, but this time she reported Mr. Richardson as saying that he believed Mr. Vesco was guilty of the charges, and would flee the country.

Judge Lee P. Gagliardi, who is presiding at this trial, suggested, out of hearing of the jury, the possibility of perjury by Mrs. Bailey, "and whether the United States attorney knows about that."

John R. Wing, the chief prosecutor, then said the contradiction was "news to us," adding that it had been developed under cross-examination by the defense.

### Mistrial Is Denied

The defense, in turn, moved for a mistrial on the ground that Mrs. Bailey's testimony had alerted the jury that Mr. Vesco might be guilty of a crime and had fled the country. The judge said he was "concerned," but denied the mistrial motion.

Earlier, Leonard W. Hall, former Republican National

Chairman, added some to what had otherwise been dreary proceedings. Speaking as a witness, he testified for Mr. Vesco, how Cerny, came to his law in May, 1971, and asked to arrange a meeting for Vesco with William J. Cahn, who had been Mr. Hall's partner.

Mr. Hall then testified he had talked Mr. Cerny arranging for a foundation which he was a board member

to give a \$25,000 grant to Mr. Casey had said, "Len, no." Another witness yesterday was Robert Higgins of the General Accounting Office, who testified for the second day. He said that President Nixon's re-election finance committee had never reported—as required by law—Mr. Vesco's \$200,000 contribution to the campaign, but did report in January, 1973, that it had refunded to Mr. Vesco the \$200,000 secret contribution plus a \$50,000 public contribution Mr. Vesco had made.

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