

# Damaging Testimony

New York

A former chairman of the Securities and Exchange Commission testified yesterday that, at the request of Nixon fund-raiser Maurice H. Stans, he reworded an SEC charge against financier Robert Vesco in 1972 to obscure the movements of \$250,000 in cash.

The money, transferred by Vesco from a Bahamas bank to his New Jersey home, was presumably the \$250,000 later donated to President Nixon's 1972 campaign, \$200,000 of it secretly.

G. Bradford Cook, who resigned under fire last year after an investigation that resulted in indictments against former Commerce Secretary Stans and former Attorney General John N. Mitchell, testified in their federal court conspiracy trial.

The two, Mr. Nixon's chief re-election campaign officials, are charged with attempting to impede an SEC investigation of Vesco in return for the secret \$200,000 contribution. Vesco was later charged by the SEC with looting his financial companies of more than \$224 million and is now a fugitive.

Earlier, former White House Counsel, John W. Dean III wound up three days of testimony under questioning about a Watergate White House tape transcript quoting Mr. Nixon as being unable to believe that Stans took any money from Vesco.

"Stans would never do a thing like that — never," Mr. Nixon was quoted in the transcript after he was told about the \$200,000 by Dean.

Cook, who was chief counsel for the SEC in the 1972 re-election campaign year, said he talked about the Vesco case with Stans on a Texas hunting trip six days after the election, mentioning particularly the mysterious movement of a large amount of cash the previous April.



G. BRADFORD COOK  
Ex-SEC chairman

"I don't think we took any money from Vesco and if we did I think we would take it in checks," Cook quoted Stans as saying.

Seven months earlier, Stans had personally accepted the money and in November it was still in the Nixon finance committee's safe, according to previous testimony.

Cook said Stans asked him a few days later to "see if you can do something" about one of the 102 charges the SEC had drawn up against Vesco, for eventual submission to the Justice Department. It was the most damaging testimony against Stans so far in the trial.

The specific charge detailed Vesco's withdrawal of \$250,000 in \$100 and \$50 bills from a Bahamas bank, its transfer to New York and then to Vesco's New Jersey home, from which it disappeared.

Earlier testimony established that a Vesco aide delivered \$200,000 to Stans in Washington on April 10, 1972, and \$50,000 was contributed later.

Cook said he told Stanley Sporkin, an SEC counsel, that the detail about the \$250,000 hardly seemed relevant "when we're talking about \$224 million" — the to-

tal amount Vesco and his associates were charged with stealing in a corporate looting conspiracy.

Sporkin returned with a substitute paragraph, which government prosecutor John R. Wing read to the jury. It mentioned only that large sums of cash had been transferred from the Bahamas to New York, the "source, ownership and use of which is unknown."

"Well, that's better," Cook quoted Stans as saying.

But Cook also said that the SEC was filing transcripts of depositions along with the charges and detailed information was included in them. He said Stans asked him to "find out" about eliminating the transcripts, which Sporkin agreed to do. However, one transcript mentioning the \$250,000 got filed with the charges anyway.

Cook said he told then-

SEC chairman William Casey, a previous witness who denied being influenced by Stans or Mitchell, what he had done.

He testified that Casey told him: "We shouldn't lose the focus of what this case is all about. We don't want sensationalism and politicizing getting in the way of our objective. But anything you work out with Sporkin is

OK."

Cook said on Feb. 1, 1973, Stans met him and showed him a letter he had written to Vesco returning the \$250,000 in two checks because the financier had been formally charged with SEC violations. The letter said the refund was "in your best interest and ours."

"Mr. Stans, I can't under-

stand why you ever could have taken that sort of money from that kind of man," Cook quoted himself as saying. He said Stans replied that Harry Sears, an attorney and friend of Vesco's who was indicted along with Mitchell, Stans and Vesco, had assured Mitchell that "the Vesco case was a minor one and would soon be concluded and (there was) no reason not to take the money."

Cook said he argued for immediate public announcement of the refund because the contribution scandal would come out in the Vesco prosecution, but Stans opposed this because "there's no sense in causing embarrassment."

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