SFChronicle: APR 6 1974 Edward Nixon's Talk With Vesco

New York

President Nixon's youngest brother, Edward, testified, yesterday at the Mitchell-Stans trial he was the one who put a cash-only label on financier Robert L. Vesco's secret \$200,000 contribution to the 1972 presidential re-election campaign.

The first witness for the defense quoted former Commerce Secretary Maurice H. Stans as telling him that "the contribution should be in cash to remain absolutely anonymous, but as far as the committee was concerned it didn't make any difference."

Nixon said he then called Vesco and "I must have said something like cash if you can do it by cash, do it by cash."

The government claimed it was Stans who specified cash only as a means of keeping the contribution secret. But the 43-year-old Nixon said the desire for secrecy originated with Vesco.

Stans is on trial with former Attorney General John N. Mitchell on charges they conspired to impede a Securities and Exchange Commission fraud investigation of Vesco's international financial empire in return for the \$200,000 contribution.

Nixon was the first witness for the defense. He took the stand after U.S. District Judge Lee Gagliardi dismissed for lack of evidence a, one count of the 16-count



UPI Telephoto EDWARD NIXON Defense witness

Indictment charging conspiracy, obstruction of justice and perjury against Mitchell and Stans. The dismissed count was one of three in the indictment charging obstruction of justice. Each encompassed a specific time period during which the government claimed the conspiracy was active.

The effect of throwing out the one count was minimal. The other two cover most of the alleged sequence of events. However, it reduces the maximum possible sentence upon conviction from 50 years to 45 years for each defendant.

Nixon was the second of the President's two brothers to testify at the trial, now ending its seventh week.

F. Donald Nixon, 59, testified for the government earlier in the week that he rebuffed an effort by a Vesce aide to get a message to the President.

Edward Nixon testified in a calm even voice.

The witness described himself as an environmental scientist and said he served on the board of directors, or as a consultant, to various companies which he did not name.

Nixon said that he had known Vesco since 1968, when he had helped the financier in making a \$25,000 campaign contribution.

Turning to March 29, 1972, Nixon testified:

"In my office in Washington, D.C., I received a call from Howard Cerny, and Mr. Cerny wanted me to come to Newark and right away I wanted to know why. He said he couldn't tell me, it was a personal matter."

"Mr. Cerny met me," the witness continued, "then he told me when I asked what's this all about, that Mr. Vesco wanted to make a contribution and April 7 was the deadline facing him and he had to make it before April 7."

"The reason I was called in such a hurry-up nature was that they were within a week of the deadline, the deadline for making anonymous contributions. Mr. Vesco wanted to make that contribution and he wanted to do it anonymously."

April 7, 1972, was the effective date of a law requiring public disclosure of any campaign contribution above \$100.

The government claims Stans and Mitchell kept Vesco's contribution secret even though they accepted it on April 10, 1972, — three days after the deadline.

Nixon said he met Stans in New York and testified:

"What I must have done was to say what the questions were that the Vesco people wanted answered. The answer I got from Mr. Stans was something to this effect: He reiterated the policy of which I was already aware. He said that a contribution to remain anonymous would have to be made before April 7 because the new law became effective then that required reporting contributions and the committee intended to report them.

"The contribution should be in cash to remain absolutely anonymous, but as far as the committee was concerned it didn't make any difference."

Associated Press