Ex-Vesco Aide Indicted on Fraud

NYTimes OCT 2.4 1975 in this case ran into a bull

By ROBERT LINDSAY

Special to The New York Times

LOS ANGELES, Oct. 23—
Thomas P. Richardson, an associate of the fugitive financier Robert Vesco, and four other men were indicted by a Federal grand jury today for allegedly conducting a massive stock short-selling plan in which some of the nation's most prestigious universities, several brokerage houses, and other investors lost more than \$14-million.

Short-selling is the practice in which a person sells stock he does not own in the expectation that the price will go down in the future, enabling the seller to profit by later buying the same stock at a [leged fraud included Harvard University, which lost \$532,500; to cornell university, sellers can theoretically make a profit, but, government atto.

The New York Times

In a 94-page, 46-count indict ment, the now defunct T. P. Rothschild, both of New York and the North American Equity Corporation, Los Angeles, a subsidiary of the Equaity Funding for fore than \$3-million.

Mr. Wilson estimated that of about \$11-million in the scheme, because they were unable to obtain stock from the Richardson company and thus were unable to trade it at a time of peak values early this year.

According to Stephen V. Willows provential states in which a person sells stock he does not own in the expectation that the price will go down in the future, enabling the seller to profit by later buying the same stock at a [Cornell University, \$374,450]. Cornell University, \$374,450. Cornell University, \$347,800; Yale University, \$348,150. New York's Bowery Savings Bank lost a profit, but, government atto.

Continued From Page 51

sociation with Mr. Vesco be-came known and scared off

ny, adding a further drain on would continue to fall. its resources.

charged the costs to the compa-sion and that stock prices Mass., a vice

sociation with Mr. Vesco became known and scared off some of the firm's institutional clients.

Mr. Richardson was identified during Senate hearings last the owner of a private jet aircraft that carried weapons and prostitutes to Mr. Vesco, who fled to Costa Rica to evade prosecution of stock manipulation and other charges.

Eugene Bill temporary receiver from T. P. Richardson who lives in Los Angeles, also indicted.

Mr. Bell alleged that the company funds the fund profited from its short-selling transactions. But, the continued, in January, 1975, the continued from its short-selling transactions. But, the fund profited from its short-selling transactions. But, the fund p charge of the Boston office