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COSTA RICA

SPECIAL COMMISSION CONTINUES INVESTIGATION OF MUTUAL FUND FIRMS

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Yesterday, the special legislative commission in charge of investigating the activities of the American investor Robert Vesco and the mutual fund companies operating in the country approved a motion authorizing deputies Longino Soto Pacheco and Edgar Arroyo Cordero to go to New York and the Bahamas for the purpose of attending the beginning of Vesco's trial scheduled for 20 March in the city of the skyscrapers and in order to compile pertinent documents.

At the first session of the special commission, presided over by legislator Rafael A. Valladares Mora, a motion was approved to invite former President Otilio Ulate Blanco to appear, along with the legal partners Fournier, Facio, and Canas, a representative of the Costa Rican Anglo Bank, and deputies Daniel Oduber Quiros, Jenaro Valverde Marin, and Oscar Saborio Alvarado.

The deputy who is chairman of the legislative body was asked because he was the author of the motion to investigate Robert Vesco and the mutual fund companies. The other two deputies were asked because they had said during a session of the legislature that they are in possession of documents having to do with the activities in question. The investigation of Vesco will be thorough.

At its opening session, the commission decided to provide a 30-day period, until 12 March, for the reception of documents having to do with the case under investigation. During its first working session, it will compile as much evidence as possible and, if possible, will have the help of a German lawyer now in Costa Rica representing numerous small savers who have allegedly been cheated. The commission will have the necessary translation services in order to carry out its duties, since numerous vitally important documents in what has been termed the Velasco case are written in English and German.

Deputy Longino Soto Pacheco said that the study to be undertaken by the commission will be so broad that from its conclusions

there will emerge a thesis that will be useful for any legislative bill concerning foreign investment in the country. For his part, Deputy Valladares Mora suggested that at a later date, the commission could invite representatives of the Federation of University Students, if the Federation should have documents relating to activities of the mutual fund firms.

During their discussion of their impressions and plans of work, the members of the commission expressed the view that the trip of the two commission representatives to New York and the Bahamas was absolutely essential, because "New York is the place where Vesco's trial will take place and is the document receiving center and because for a time the Bahamas were the epicenter of the activities of Vesco and his mutual fund subsidiary firms," said Deputy Rafael Valladares Mora.

The commission will hold intensive meetings during the recess of the legislative assembly on the first 4 days of each week for the purpose of gaining as much time as possible before the next period of special sessions.

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