Attorney General Robert Abrams

For Further Information Contact Timothy Gilles 212/486-3334—518/474-7330

> FOR RELEASE: THURSDAY, JULY 1,1982 AFTER 11:00 A.M.

ABRAMS AND HYNES ANNOUNCE ARRESTS IN PHONY FIREFIGHTER PUBLICATIONS.

Attorney General Robert Abrams and Fire Commissioner Charles J.

Hynes today announced the arrests of three people and criminal prosecutions of two others in two separate cases involving the sale of ads in fraudulent or non-existent publications. Businesses, doctors, lawyers and other professionals, were allegedly fraudulently induced to purchase ads in the "New York Fireman's Yearbook" and in the "National Fire Fighters News" and told that the money from these ads would be used to benefit firefighters or the widows and orphans of deceased firefighters.

In one of the cases, according to legal papers filed in court by the Attorney General's office, the defendants threatened that if advertising were not purchased, a fire inspector would be sent to the victim's place of business seeking violations of the New York City Fire Safety Code.

The case was referred to the Attorney General by Fire

Commissioner Hynes and Secretary of State Basil Paterson. Surveillance and

undercover investigations conducted jointly by the Attorney General's

office and Commissioner Hynes' office led to the arrests and indictments.

The three persons arrested late yesterday were each charged with taking part in a scheme to defraud, a felony punishable by up to four years in prison, for their alleged sale of advertisements in the "National Fire Fighters News." According to court papers, the defendants allegedly made the following misrepresentations: that the caller was a fireman, that purchase of an ad would benefit firefighters and their organizations, that the paper was distributed to City of New York Fire Department firehouses throughout the five boroughs, and that fire inspectors would be sent if the victims failed to buy ads.

Attorney General Abrams and Commissioner Hynes stated that the "National Fire Fighters News" has no official connection to the Fire Department, that it is not distributed in firehouses, and that advertising revenues do not benefit firefighters or their families.

The individuals arrested in the "National Fire Fighters News" case were: Stanley Sherman, 47, of 2750 Homecrest Avenue, Brooklyn; Harry V. Klug, 30, a/k/a Slats, of 515 E. 6th Street, New York; William Dick, 27, a/k/a Bill Franklin, of 214 E. 25th Street, New York.

The second case involves the "New York Fireman's Yearbook," which purported to be an annual publication but, in fact, did not exist.

According to the charges the Yearbook used essentially the same fraudulent solicitation tactics as did "National Fire Fighters News." Peter Morales, the alleged head of the yearbook operation, has been indicted and charged with scheme to defraud in the first degree, four counts of grand larceny in the third degree and one count of petite larceny. He could serve up to four years in prison. His alleged partner Gedalya Weinberg pleaded guilty to scheme to defraud in the second degree, a misdemeanor, punishable by up to one year in prison.

Commissioner Hynes stated:

"The conduct alleged here represents a serious threat to the reputation for integrity of the New York City Fire Department. The Fire Department cannot be bought, and we will continue to act swiftly and vigorously against anyone who implies that we can."

Attorney General Abrams stated:

"Small businesses are frequently victimized by solicitors who are pretending to be members of the uniformed services or to be acting on their behalf. My office hears repeated complaints of strongarm tactics or outright fraud. This is a terrible abuse of the public and I find it unconscionable that our uniformed officers who frequently risk their lives in the performance of duty, are represented as in any way being involved in these extortionate practices."

Attorney General Abrams urged victims of such frauds to contact his office with inquiries or complaints. The number to call is (212) 488-3384.

The investigation was coordinated for the New York City Fire Department by Inspector General Martin Koropkin.

The matter was handled for the Attorney General by Assistant Attorney's General Jonathan Silbermann and Anthony Distinti under the supervision of Daniel L. Kurtz, Chief of the Charities, Trusts and Estates Bureau.