

From The Office Of:
Attorney General Louis J. Lefkowitz
80 Centre Street
New York City
(Ontlandt 7-9800, Ext. 7192)



NEWS RELEASE

RELEASE P.M. NEWSPAPERS
THURSDAY, OCTOBER 13, 1960

A New York investment salesman, described in court papers as the "most disreputable savings and loan account solicitor in the United States," has been barred from the securities business in New York State and ordered to pay \$1,000 court costs in an action brought by Attorney General Louis J. Lefkowitz.

In papers which were filed in Supreme Court, New York County, with the injunction order, Albert Harris, doing business as Investor Service and Investaservice, Inc., of 11 West 42nd Street, New York City, is charged with "high pressure" sales of savings and loan investments worth more than a million dollars. Harris consented to the order.

The alleged fraud by Harris was committed in his representation that many of the companies were insured by the Federal Savings and Loan Corporation, a United States Government agency, when in fact many of them were only privately insured and some not insured at all.

The affidavit states that Harris "mislead investors by listing a savings and loan association, whose deposits were uninsured," in an advertisement listing other associations which were insured by the Federal agency.

"He was one of the important figures involved in portraying the financial soundness of International Guaranty and Insurance Company of Tangiers, Morocco, a firm presently under federal indictment in Baltimore, Md.," the affidavit of Special Assistant Attorney General David Clurman states.

Harris is also charged with maintaining inadequate books and records.

The case resulted from an investigation begun more than a year and a half ago by Attorney General Lefkowitz into the operations of savings and loan associations insured by International Guaranty and Insurance Company. An indictment has been obtained by the Federal government in Baltimore, Maryland, against Stewart B. Hopps, alleged

2--Lefkowitz

in an action brought by Attorney General Lefkowitz to be the master-mind behind the International Guaranty promotion.

-30-

From: Charles W. Stickle, Executive Assistant to the Attorney General
Cortlandt 7-9800, Extensions 7192, 7175 and 7187.