

Ex-Guards Accused in JFK Extortion

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their country of origin or until they had an immigration hearing. Detainees were legally required to be housed individually in hotel rooms near the airport with two male guards for each male detainee and two female guards for each female detainee.

Usually, however, there was one guard for every three detainees, male guards were allowed to guard female detainees, and often more than a half-dozen detainees and their guards were housed in a single hotel room, the complaint said.

Most of the victims of the scheme were from either the Dominican Republic or Jamaica, which was the native country of most of the Wells Fargo employees charged in the scheme.

The 21, who included 70 percent of Wells Fargo personnel at the airport, were also accused in the federal complaint of crowding as many as nine detainees in a single hotel room while the guards used their rooms for sleeping or for abusing individual detainees, and of falsely reporting, for billing purposes, the number of guards on duty at any one time.

One female detainee was kept against her will for several days in a hotel room and coerced into having sex with a guard while her relatives attempted to raise a \$5,000 bribe for the guards, according to the complaint.

In April, 1986, another detainee in a crowded hotel room on the fifth floor of the Viscount Hotel near Kennedy Airport jumped to his death while all his guards slept, according to a complaint.

Assistant United States Attorney Gregory O'Connell, who is prosecuting the case, said that the complaint lists a general conspiracy charge against the defendants but additional charges could include mail fraud and smuggling aliens. All the suspects were arraigned yesterday.

Accusations that guards forced several detainees into prostitution and robbed wealthy tourists at gunpoint are not mentioned in the complaint and are still under investigation, according to investigators.

The scheme was uncovered by federal postal inspectors Martin Biegelman and David Sussan, and Immigration and Naturalization Service Agent Charles Ferrigno.

The scheme apparently originated several years ago when relatives of detainees offered individual guards several thousand dollars if they would allow the detainees to escape into the country, according to the complaint.

Over time, the scheme evolved into a complex and sophisticated operation in which Wells Fargo employees would not only systematically shake down detainees, but would also have associates assume the names of the es-

caped detainees and return to those persons' native land briefly.

This was done to avoid the reporting of too many escapees.

In other variants, a deportee would be placed on board a plane for his native land and instructed to get off before the plane took off, or led in the front door of a plane and immediately escorted off through the back door.

The going rate for allowing an escape was between \$2,000 and \$10,000 and at least 70 aliens are known to have escaped between October, 1985, and July, 1986. Only three or four have been recaptured.

But investigators believe that hundreds of more detainees may have escaped since 1980 when Wells Fargo first got the guard contract to provide security for several airlines.

Joe Allen, a spokesman for Baker

Industries, the firm that owns Wells Fargo, said that the organization had cooperated fully with investigators, had closed its Kennedy operation last July, when it was first informed of the federal investigation, and no longer employs any of those arrested.

Allen said that Baker bought the name Wells Fargo to use for its guard services in the 1960s and that is the only connection between the firm and the 19th-Century guard service and freight company that made its name in the developing West.

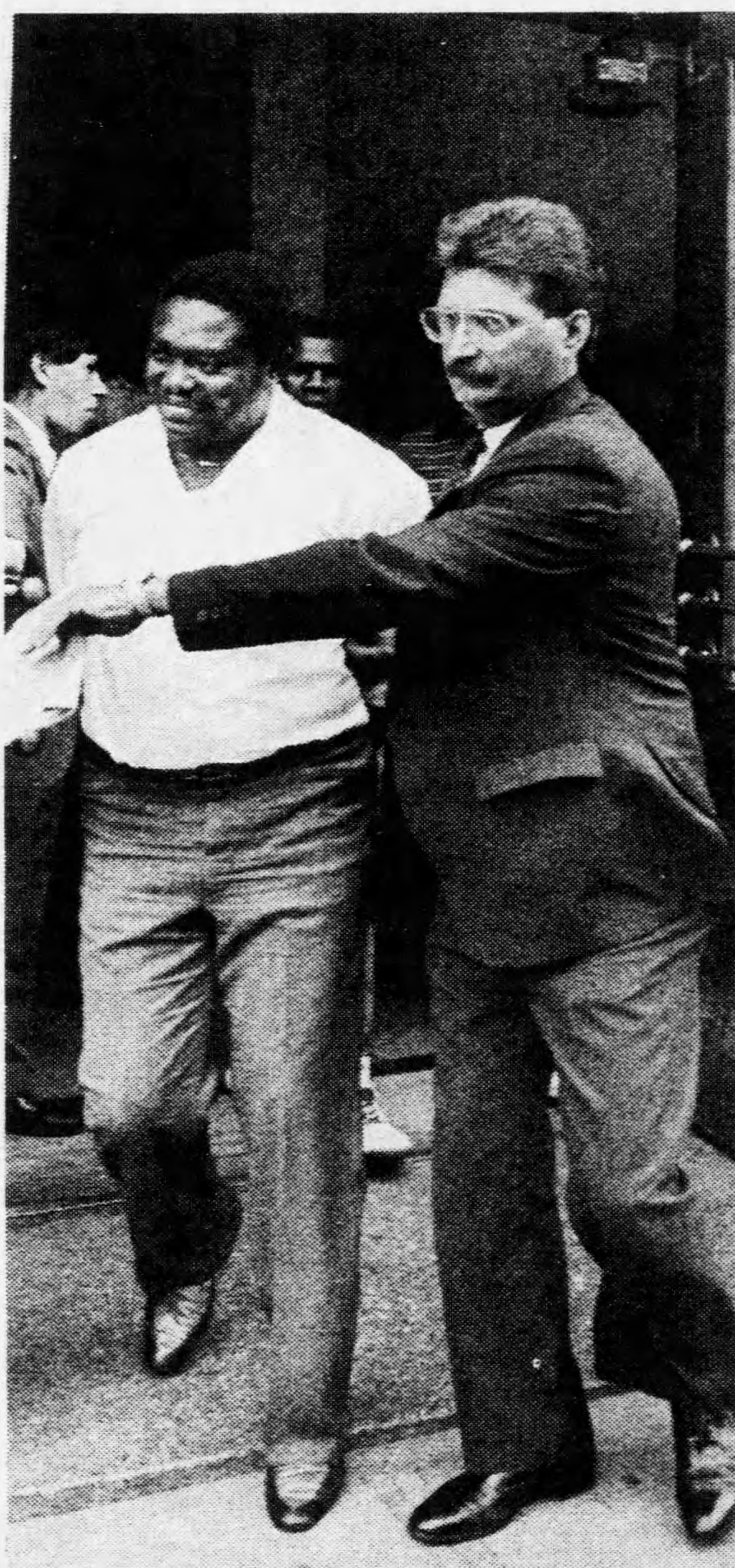
Another private guard service now has the contract and it is supervised directly by the immigration service.

Among the airlines that had contracted with Wells Fargo for the guard service were American, Eastern, Air Dominican and Air Jamaica.

Among those arrested were William

Van Mannen of Lindenhurst, L.I., the former head of operations for Wells Fargo at the airport, and his deputy Atilio Iantrono of Inwood, L.I., 14 former guards and five dispatchers.

Those arrested also included: Andres Rosado, the Bronx; Luis Nelson-Gonzalez; Norman Harry, Far Rockaway, Queens; James Quirindongo; Luis Catalan; Lindoia Martinez; Luis Picon; Alex Rivera; Helene Riezenman; Delphine Martinez; John Daly; Fred Cabarcas, Richmond Hill; Angela Khandzhyan; Ian Sancho; Frederick Rowe; Gregory Marshall; Salvator Velez, Brooklyn; Raymond Minott, Rego Park; Heriberto Ruiz-Duran; George Curtin; Alejandro Suazo; Luciano Dela Cruz Gonzalez; Richard Guzman-Rosado; Michael O'Riley, Brooklyn and Lawrence Pankey, Far Rockaway, Queens.



Newsday / Christopher Hatch

Ex-employees of Wells Fargo are led to Federal Court, Brooklyn, for arraignment.

Postal Inspectors: More Than the Mail

The federal postal inspection service that played a key role in uncovering the extortion and sex scheme at Kennedy Airport is little known to the general public but widely respected in the law enforcement community.

"The postal inspectors have been one of the outstanding federal investigative agencies," says Andrew Maloney, the U.S. attorney for the Eastern District. "It's always good to have them on any sophisticated investigation. The only problem is there aren't enough of them."

The Kennedy smuggling ring was not the first complex criminal enterprise that has been broken up by postal inspectors.

In recent years, postal inspectors were among the key investigators in the insider-trading case on Wall Street and when alleged mob boss Michael Franzese was arrested for heading up a supposedly billion-dollar gasoline-tax scheme two years ago, the arrest was made by Postal Inspector John LaPerla, head of the service's Long Island consumer frauds unit. The unit had been pursuing Franzese, who is now in federal prison, for four years.

Postal inspectors get the authority to investigate almost any sophisticated white-collar crime through their authority to enforce the federal statute against using the mail for fraud. Mail and wire fraud statutes are often called key weapons by federal prosecutors.

In the publicity-conscious world of law enforcement, where agencies can spend hours and days negotiating over who should get the credit in a press release for putting together a case, the postal inspectors are almost legendary in their willingness to give credit to other agencies.

The slot for a press relations person for the inspection service has been vacant for the past six months.

The service is one of the oldest federal law enforcement agencies, dating back to colonial times, and has a colorful history.

When Butch Cassidy and the Sundance Kid wondered who were those guys following them, the correct historical answer was: the postal inspectors.

With a perverse sense of pride, many postal inspection service offices display an article from the Tombstone Epitaph an Arizona newspaper from the Butch Cassidy era.

The piece goes: "A typical Post Office Inspector is a man past middle age — spare, wrinkled, intelligent, cold, passive, noncommittal; with eyes like a codfish, polite in contact but at the same time unresponsive; calm, and as damnably composed as a concrete post or a plaster of Paris case; a petrification with a beard of feldspar and without charm or the friendly germ; minus passion or a sense of humor. Happily, they never reproduce and all of them finally go to hell." —Robert E. Kessler

Brooklyn Firms Raided in Insurance Scam

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said, 500 livery cab drivers put in claims for accident coverage in Brooklyn. Of those 500, only 50 actually had policies with the company.

On average, every year one of six livery cabs has an accident, according to Hanratty.

The brokerages, which advertised multiple services for livery drivers through Haitian newspapers, radio stations and word of mouth, usually asked for a \$300 to \$500 deposit, and \$45 weekly from the drivers to cover insurance. That amounted to about \$3,000 yearly, about half of the legitimate insurance costs for a livery cab.

When a driver came to one of the brokerages, he would bring in his car's title, which would be put in the name of the brokerage company, and keep the registration in his own name. Livery cabs are not

supposed to pick up fares on the street and are required to be part of a fleet of at least five vehicles, Hanratty said.

Because the drivers paid weekly, Hanratty said, there were records of the drivers involved. If a driver failed to pay, the brokerage confiscated his car's license plates, Hanratty said. Police carried out boxes of license plates from the brokerage offices after the raids.

The brokerages used one of five schemes to issue the false insurance, Hanratty said. One method was simply to issue a false policy, either using a nonexistent company or the name of a legitimate insurance company and a nonexistent policy number.

In another scheme, the brokerage would have a blanket policy for perhaps 200 cars, and then add 40 or 50 additional cars to the policy that were not le-

gitimately insured, Hanratty said.

The brokerages would also register the livery cabs as school buses for the educationally handicapped, which allowed them to get cheaper insurance, and also registered those cabs out of the city, to get lower rates, Hanratty said.

Kevin Foley, deputy superintendent of the state Insurance Department, said the false insurance scam is not new; a similar operation was cracked last year in the Bronx. Hanratty said that of 949 arrests in New York City for fraudulent car insurance from January, 1986, to last month, 349 were in Brooklyn.

The inspector also said there was no evidence of large-scale insurance fraud involving livery services in the city's other boroughs.