

CURIOSITY EXPOSES COUNTERFEIT RING

**Warned Not to Open Package,
Woman Does So and Uses
\$5 to Pay for Laundry.**

SIX HELD IN \$1,000,000 PLOT

**\$25,000 in Bogus \$5 Notes and Plant
in Flushing Seized With Stock of
Paper for \$1,000,000 More.**

A counterfeiting plant which had already issued more than \$25,000 in five-dollar notes was seized yesterday in Flushing by Federal agents and New York police, together with \$25,000 in finished counterfeits and a supply of paper cut to the five-dollar size, ready to be made into \$1,000,000 in additional bank-notes.

The Secret Service had been looking for the plant since last June, when counterfeit five-dollar notes of the Federal Reserve Bank of New York began to appear in all parts of the country. The agents were in command of Alan Straight and supervised by James H. Beary. They had been working on the case with city detectives. They finally found the gang through the curiosity of a woman, whose husband, Charles Stern, is now under arrest for printing the counterfeits.

Woman's Curiosity Led to Arrests.

Mrs. Stern paid a bill at a Chinese laundry near their home, 611 West 180th Street, the Bronx, with a five-dollar bill which the Chinese later discovered to be worthless. He reported the matter to the police and gave them the customer's address. Detectives called on Mrs. Stern.

According to the police, Mrs. Stern said her husband recently brought home a package which he forbade her to open. Her curiosity got the better of her one day, and she was delighted to find the package contained 500 brand new \$5 notes. She took a few of them and tied up the rest again. She used one to pay for the family laundry.

When the police and Federal agents questioned Mr. Stern they got the rest of the story. They said he was an expert printer who was hired by two men on a promise of \$20,000 "in real money" if he would print \$1,000,000 in counterfeits for them.

They had a set of plates and a press at the time, but after printing the first \$10,000 found the "stuff" was so bad that no distributor would take it. Stern, according to the police, told them they would have to get a new press and new plates, and they did so. Thereafter he printed some \$40,000 of counterfeit \$5 notes, it was said, of which only \$25,000 was seized.

The detectives said that Stern admitted that the package of notes which he had brought home and which his wife opened was stolen from the counterfeiting plant.

When the Federal agents were satisfied that they had located the entire manufacturing gang here, they proceeded, with the aid of the police, to pick them up yesterday. The prisoners were turned over to the Federal authorities for arraignment before United States Commissioner Edward E. Fay in Brooklyn, who held them in \$20,000 bail each. They face a hearing on Feb. 17.

Said to Admit Backing Venture.

The detectives said that one of the prisoners, who admitted providing the funds for the illegal enterprise, identified himself as Louis Reggione, 37 years old, who said he had a malt shop and bottle business at 174 Thompson Street, Manhattan.

His alleged associate, who works for Reggione in the malt shop, identified himself on arrest as Cesar Contino, 31, a laborer, of 1,525 Benson Avenue, Brooklyn. Contino was recognized as a former prizefighter under the name of John Ritchie or Tommy.

These were the two who hired Stern, according to his statements to the police. When they arrested an engraver, Peter Bush, of 383 Willis Avenue, the Bronx, the police said he also admitted that Reggione and Contino had hired him to make the good set of counterfeit plates.

The police proceeded then to the basement of 56-12 134th Street, Flushing, Queens, occupied by Quirino Constantino, 34, who gave his occupation as bricklayer. The Secret Service and police there found the printing plant, plates, finished counterfeits and materials for the manufacture of more. Constantino also was arrested.

Including Stern, the Secret Service had five men under arrest. The plant was demolished. Mrs. Stern was released, and it was indicated by Federal Attorney Henry Singer in Brooklyn that no charge would be made against her. Later in the day a sixth man was arrested. He gave his name as William B. Davis, 38, of 217 East Forty-third Street, Brooklyn. It was said the prisoners face charges that may send them to prison for fifty years each.