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**OWNER OF RIVER NORTH ART GALLERY AND TWO OTHERS INDICTED FOR
ALLEGEDLY PRODUCING AND/OR SELLING COUNTERFEIT FINE ART PRINTS**

CHICAGO — The owner and an employee of a River North art gallery and a New York man were indicted on federal fraud charges for allegedly producing and/or selling counterfeit limited edition fine art prints of renowned artists, federal law enforcement officials announced today. The charges stem from an international investigation of fraudulent artwork that became public in Chicago three years ago when federal agents executed search warrants at the Kass/Meridan Gallery (KMG), also doing business as Allegro Art, located on West Huron Street in Chicago. In March 2008, seven defendants from Europe, Florida, New York and Illinois were charged with fraudulently producing and/or selling \$5 million worth of counterfeit fine art prints. Subsequently, two additional defendants were charged. The indictment announced today brings to 12 the total number of defendants who have been charged in Chicago as a result of this investigation.

The new indictment charges **Alan Kass**, owner, operator and president of KMG, with 13 counts of mail and wire fraud in an indictment returned yesterday by a federal grand jury. Kass allegedly sold hundreds of counterfeit and unauthorized prints and other purported original artworks, supposedly by such artists as Alexander Calder, Salvador Dali, Pablo Picasso, Marc Chagall, Roy

Lichtenstein, Joan Miro, Andy Warhol, Keith Haring and Marino Marini, and fraudulently obtained more than \$480,000 for these items from victims throughout the United States and other countries.

Also indicted were **Sawyer K. Cade**, a KMG employee, and **John Panos**, of New York and Florida, who allegedly distributed counterfeit, unauthorized and forged artwork, which he sold to Kass and others throughout the country.

Kass, 73, of Chicago; Cade, 47, of Chicago, also known as “Alexander E. Swing,” and “Xander Swing,” who was charged with four counts of mail and wire fraud; and Panos, 64, primarily of New York, who was charged with one count of mail fraud, will be ordered to appear for arraignment at a later date in U.S. District Court in Chicago. The indictment seeks forfeiture of \$480,000 from Kass.

The charges were announced today by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, together with Thomas P. Brady, Inspector-in-Charge of the U.S. Postal Inspection Service in Chicago, and Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation.

Anyone who suspects that they might be a victim of fraudulent art sales from KMG or Allegro Art may submit information to law enforcement authorities via the fraudulent art complaint referral form posted on the U.S. Attorney’s website at www.justice.gov/usao/iln . Persons without internet access may call a toll-free number, (866) 364-2621, and leave a message to have a form mailed to them.

According to the indictment, Kass knowingly acquired counterfeit and unauthorized prints and other artworks from various sources including co-defendant Panos, a national art distributor who was a principal in Equity Art Brokers and Prestige Art, and co-schemer Michael Zabrin, of

Northbrook, one of the nine defendants charged previously who was a principal in Fineartmasters and Zfineartmasters.

Kass allegedly knew that many of the counterfeit and unauthorized artworks that he acquired bore forged signatures and, in some cases, Kass and Panos allegedly caused false numerical or other markings to be placed on prints, making them appear to be part of a limited edition or works that were prepared for the artist's own use. Kass and Cade then sold these artworks on eBay and at auctions, as well as through two Internet web sites that Cade maintained for KMG.

Panos personally forged the signatures of certain famous artists on purported fine art prints, the indictment states, and he distributed numerous counterfeit and unauthorized artworks to Kass and Zabrin, knowing that they intended to sell the bogus prints as works signed by the artists. Panos obtained many of the counterfeit and unauthorized prints he distributed from Leon Amiel, Jr., another co-schemer who was among the nine defendants charged previously and who was a principal in Glass Inter Corp., and LLA International, both New York businesses that distributed artwork nationwide.

Both Zabrin and Amiel have pleaded guilty to the federal art fraud charges brought against them three years ago and are awaiting sentencing this spring in Federal Court in Chicago.

Kass and Cade also allegedly created and provided to some customers bogus "certificates of authenticity," which Kass signed knowing they contained false representations about the artist, year of publication and the number in the purported limited edition.

The government is being represented by Assistant U.S. Attorneys Stephen Heinze and Nancy DePodesta.

Each count of mail and wire fraud carries a maximum penalty of 20 years in prison and a \$250,000 fine, or a fine totaling twice the loss to any victim or twice the gain to any defendant, whichever is greater. If convicted, restitution is mandatory and the Court must impose a reasonable sentence under the advisory United States Sentencing Guidelines.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the United States has the burden of proving guilt beyond a reasonable doubt.

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