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NEWS RELEASE

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An ex-convict who has spent 19 of his 46 years in prison, was ordered today to show cause why he should not be permanently barred from the sale of securities in New York State, including the stock of a publishing company he organized to promote the sale of a book based on his criminal career.

Attorney General Louis J. Lefkowitz obtained an order, signed by Supreme Court Justice Henry Epstein, naming Frank Canizio, Frank Canizio Music Corp., Frank Canizio Publishing Corporation, and Viola Kelly, as defendants.

According to the affidavit of Assistant Attorney General James Catterson, which is on file in the court, Canizio organized the publishing corporation to promote the sale of a book entitled, "Man Against Fate", detailing his criminal career dating back to 1931 and picturing him as an "innocent victim of police state persecution." He formed the music corporation to handle his "music writing efforts."

Canizio contacted potential investors with the claim that "Man Against Fate" was being published in 23 foreign countries and that the corporation would reap huge profits, including those from the sale of the movie rights. The book only has been published in the United States and Canizio has a contract for the publication in England.

Actually, Attorney General Lefkowitz' office alleges, "as of the present time, a total of approximately 914 copies of the book have been sold. This office also has ascertained upon investigation that no major movie producer has taken more than a passing interest in the book."

Despite the fact that only 914 copies of the book have been sold since publication last fall, Canizio sold the stock for as much as \$750 a share. The Attorney General noted that even before Canizio organized the corporations in May, 1957, he had already sold 40 per cent interests in the book to at least six individuals, receiving as much as \$3,000 from one of these sales.

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"From June, 1957, to the present, this office, through investigation, has accounted for at least 25 persons who have been bilked. He has acquired at least \$50,000 in exchange for the worthless stock or valueless assignments of his rights," the affidavit continues.

In efforts to promote the sale of stock in the Canizio Music Corporation, Canizio is alleged to have told at least one potential investor that he had written 41 songs which were going into juke boxes "all over the nation." "Investigation showed that, at most, Canizio caused about six songs to be recorded," the affidavit states.

"The defendant, Viola Kelly, accompanied Canizio from November, 1958, through April, 1959, and acted and was introduced as his 'secretary,'" the Attorney General's office states.

Last April 11, Canizio was arrested as a fugitive from New Jersey and is presently imprisoned at Riker's Island. The affidavit relates that "approximately 19 of Canizio's 46 years have been spent in prison." In 1931, he was convicted of first degree robbery and while serving a term of 15 to 30 years, escaped from Walkkill Prison. He was reapprehended and made a second attempt to escape. He was paroled in 1947, was rearrested in 1950 for possession of a machine gun and sent to Sing Sing Prison as a parole violator. The New Jersey charges stem from the alleged passing of bad checks following his release from Sing Sing Prison.