

From The Office Of  
Attorney General Louis J. Lefkowitz  
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New York City

# NEWS RELEASE

IMMEDIATE RELEASE  
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LEFKOWITZ INDICTMENT CHARGES WALL STREET  
THEFT OF \$1,680,000.

Attorney General Louis J. Lefkowitz announced this morning that as a result of a 12 count indictment charging the theft of \$1,680,000, a 32 year old Lawrence, Long Island man, a former partner of a New York stock exchange firm, was taken into custody by State Police when he surrendered at the Attorney General's office.

The Attorney General said that Steven Telsey 140 Harlem View South, Lawrence, New York was arrested on the indictment which was obtained by his office.

The indictment charges four counts of grand larceny, second degree; three counts of issuing false financial statements and five counts of violation of the State's Securities Law, charging fraud, deception, concealment and false pretenses.

"This arrest resulted from the continuing inquiry being conducted by my office into the causes and resulting failure of major security houses, including member firms of the New York Stock Exchange," Attorney General Lefkowitz said.

The arrest of Telsey followed an investigation of Axelrod & Company, a former member firm of the New York Stock Exchange and presently involved in liquidation proceedings based on charges by the Securities & Exchange Commission of failure to meet capital requirements.

Telsey, a former partner of Axelrod & Company, is alleged to have stolen \$1,680,000 from subordinate lenders, partners and the public. The indictment alleges that Telsey used false and fraudulent financial statements to foster and continue an atmosphere of fiscal well-being ordinarily associated with member firms of the Stock Exchange.

The indictment charges that the representations made by Telsey were false and fraudulent and resulted in the alleged commission of grand larceny and other crimes.

Several subordinate lenders of money to Axelrod & Company suffered losses ranging from \$100,000 to \$1,000,000.00.

Telsey will be arraigned in Criminal Court, New York County, later today. The matter was handled by Assistant Attorney General Sheldon Walker.

- 30 -

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