NEWSDAY, Sunday, July 27, 1987, Pages 1, 2 & 33

DeLorean's Ex: He Was a Forger

AP Photo

Cristina Ferrare during a television interview in 1984

***Q.** Do you know whether or not Mr. DeLorean had equipment for aging documents?*

***A.** Well, he used surgical gloves and an old Westinghouse lamp bulb . . . and something to hook it up to the closet with.*

—From court deposition by Cristina Ferrare, ex-wife of auto executive John DeLorean

Page 2

Ex-Wife: DeLorean Altered Documents

Claim made in federal court deposition

By Micheline Maynard

John Z. DeLorean, whose efforts to save his floundering auto company resulted in two criminal trials, donned rubber surgical gloves and went into his former mother-in-law's closet to forge signatures and alter documents several times in 1984, his former wife contends in court papers obtained Friday.

The allegations by talk show hostess and model Cristina Ferrare, who was married to DeLorean from 1973 to 1984, come just seven months after DeLorean was acquitted in federal court in Detroit on fraud charges stemming from the bankruptcy of DeLorean Motor Co. Jurors said they voted for acquittal based in part on a key document, denounced as a forgery by federal prosecutors and the person who supposedly initialed it. No one has publicly accused DeLorean of personally forging the document.

The disclosure of DeLorean's alleged forging activities came in a deposition that was among papers filed in U.S. Bankruptcy Court in Detroit late Friday by creditors of the bankrupt auto company. Copies of the court documents were obtained by Newsday.

DeLorean's auto company, based in Northern Ireland, went bankrupt in 1982, days after he was arrested in Los Angeles on charges of trying to import $24 million in cocaine to save the automaker. The DeLoreans stayed with Ferrare's mother during the resulting cocaine trial, which began in 1984.

During that trial, according to a deposition given by Ferrare on Jan. 6 of this year, DeLorean began to practice copying signatures and changed a number of documents unrelated to the cocaine trial. Ferrare, now married to motion picture executive Anthony Thomopoulos, said she stood in the bedroom of her mother's home and watched DeLorean in the bedroom closet "writing and then holding whatever it is he had written over a light in the closet" so that the signature on the document would appear to be older. She said Delorean donned rubber surgical gloves for the practice and used a giant lamp to age the documents.

Asked during the deposition what she understood DeLorean to be doing, Ferrare responded, "I understood that he was forging documents." She said that she also watched him practicing writing other peoples' signatures on strips of paper while sitting in the office of their estate in Bedminster, N.J.

Asked by the attorneys whether she was surprised at DeLorean's activities, Ferrare responded, "Nothing that John did surprised me." She said she told her parents about it, who told her they thought the practice was "unusual." But Ferrare said that DeLorean's attorney in the cocaine trial, Howard Weitzman, dismissed it. "John was constantly doing all kinds of crazy things during the cocaine trial, and Howard just ignored him all the time," Ferrare said.

—Continued on Page 33

AP Photo

DeLorean and Ferrare during his cocaine trial in 1982

Ex-Wife: DeLorean Altered Documents

—Continued from Page 2

On another occasion, Ferrare said DeLorean asked her to type a document for him on company letterhead that he dictated to her. Ferrare said DeLorean told her it was a transcript of a conversation involving himself, Marie-Denise Juhan and the late Colin Chapman, two of the key figures at General Products Development Services, the company that provided development money for DeLorean's gull-winged sports car. Ferrare said she thought he later signed that document with the name of either Juhan or Chapman.

Ferrare said she did not see the document again after she handed it to DeLorean.

DeLorean was acquitted on the Los Angeles cocaine charges; Ferrare left him soon afterward.

Subsequently, DeLorean in 1985 was indicted on charges of racketeering, embezzlement and fraud stemming from the bankruptcy of his auto company, in which $17.6 million in company money disappeared. Federal prosecutors charged that DeLorean made off with $8.9 million of development money for the car that came from General Products Development.

But attorneys for DeLorean produced a document supposedly initialed by Juhan that showed the missing $8.9 million was a 10-year loan. Federal prosecutors denounced the undated document, signed by DeLorean, as a fake, and Juhan in Switzerland denied having initialed it. But she refused to come to Detroit to testify in person and the document was ruled admissible as evidence.

"That document was enough to create a reasonable doubt in the mind of the jury," said an attorney in the case, who asked not to be identified.

The document was apparently not the one Ferrare said she had typed for DeLorean in 1984. According to the attorney, who was familiar with the deposition, Ferrare was never directly asked whether DeLorean had forged the loan agreement, although she said she had seen the loan agreement in their house.

Federal prosecutors did not call Ferrare to the stand in the Detroit case, supposedly because they believed she would give testimony friendly to her former husband. She gave her deposition to attorneys for DeLorean's creditors in January, after DeLorean was acquitted.

Efforts to reach DeLorean at his Manhattan home were unsuccessful. He is now raising money for a new venture that would produce a $100,000, hand-built, German-designed sports car.

Efforts to reach Ferrare, the U.S. attorney in Detroit, DeLorean attorneys were unsuccessful.

Creditors had taken Ferrare's deposition to be used in a third trial in Detroit for civil bankruptcy claims, but last month DeLorean reached a settlement with the trustee of DeLorean Motor Co. that would give creditors $9.36 million to settle their claims totaling $100 million. However, creditors, including the Northern Ireland Office of Economic Development and the French automaker Renault, filed objections to the settlement, which goes before Judge Ray Reynolds Graves on Aug. 3. Creditors say they do not believe the settlement is "adequate or in the best interests of the estate of DMC."