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## Art Dealer Admits to Role in Fraud

By WILLIAM K. RASHBAUM and PATRICIA COHEN  
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The Long Island dealer at the center of an \$80 million art forgery scheme that duped dozens of experts and buyers pleaded guilty on Monday to charges of wire fraud, money laundering and tax evasion. The dealer, Glafira Rosales, is the only person who has been indicted in connection with the fraud, which passed off fake paintings as the work of Modernist masters. But she is cooperating with federal prosecutors, who have said that they expect further arrests. What has particularly fascinated the art world is that the scores of paintings and drawings successfully presented as newly discovered works by some of the 20th century's greatest artists were actually produced by a single man: an immigrant from China who painted out of his home and garage in Woodhaven, Queens.



Glafira Rosales, center, outside United States District Court in Manhattan on Monday.

Ms. Rosales, wearing a charcoal pinstripe jacket and speaking in a halting, barely audible voice, acknowledged to Judge Katherine P. Failla in United States District Court in Manhattan that she had promoted paintings as the work of Mark Rothko, Jackson Pollock and Robert Motherwell that “were, in fact, fakes created by an individual in Queens.”

Investigators have said that 40 of the counterfeits were sold through Knoedler & Company, a venerable Upper East Side gallery that abruptly closed in November 2011 after being in business for more than 165 years. At least 23 other fakes were sold through a second Manhattan dealer, Julian Weissman. Ms. Rosales earned \$33.2 million, while the galleries received more than \$47 million in total, according to a statement issued by the Manhattan United States attorney, Preet Bharara.

Knoedler; Ann Freedman, its former president; and Mr. Weissman are being sued in civil court by various clients who bought art provided by Ms. Rosales; they have all said that they were convinced that the works were genuine, though they have acknowledged that Ms. Rosales did not provide them with documentation to establish the art's provenance.

In court, Ms. Rosales, who had been arrested in May, dabbed at her eyes with a tissue after she detailed her role in the fraud and listened to the judge explain that she could owe up to \$81 million in restitution and have to forfeit her home in Sands Point, N.Y.; her art collection; and her bank accounts. She also faces a maximum sentence of 99 years in prison, although her recommended sentence under federal sentencing guidelines is likely to be far less.

Ms. Rosales's co-conspirators are not named in the indictment. But people familiar with the case have identified the painter as Pei-Shen Qian, 73, a Chinese immigrant who came to the United States in 1981 and attended classes at the Art Students League in New York. He was discovered in the 1980s by Ms. Rosales's partner and former boyfriend, who was named in the government's papers only as co-conspirator “CC-1,” but is identified in other court documents as Jose Carlos Bergantiños Diaz.



Both men were involved in marking the counterfeits with false signatures, according to the statement issued by Mr. Bharara's office. The prosecutors said CC-1 had treated the works to give them "the false patina of age."

Mr. Qian was paid as little as a few thousand dollars for each work.

Beginning in 1994, Ms. Rosales wove a story about these never-before-seen works, telling Knoedler and Mr. Weissman that the owner had inherited the works from his father and insisted on remaining anonymous.

Mr. Bergantiños Diaz and Mr. Qian are believed to be out of the country. Most of the profits garnered by Ms. Rosales through the sale of the fakes were funneled through a bank account in Spain controlled by Mr. Bergantiños Diaz's brother, according to court papers.

Ms. Freedman's lawyer, Nicholas A. Gravante Jr., said, "I have been assured in the strongest terms that nobody is contemplating filing any criminal charges against Ann Freedman."