

[page 1]

Morris "Snag" Klein
435 West 62nd Street Terrace
Kansas City, Missouri

Klein is now a prisoner in the Federal Penitentiary. Formerly he was the business partner of Charles Binaggio in the Ace Sales Company which included as partners Eddie Spitz and John Noonan.

He was also partner of Binaggio in the Missouri Electric Company. Other partners in the Missouri Electric Company were

Klein also was a partner of Binaggio in the Green Hills Gambling Club together with Gargotta, Lococo, McLeroy, Moran and Freeland. At Green Hills there was a horse book, and dice tables. Klein does not know about Balestrere having any participation.

Klein was a partner in the Stork Club in Council Bluffs, Iowa, and also in the Standard, Harmony, and Mo Kan News Service. Other partners in the Stork Club were Charles Hutter, Eddie Spitz, George Beskas, Fred Weryman, Fred Barnes, Una Abrahamson and Max Abrahamson. Klein claims that he and Spitz bought a half interest for \$20,000, and sold it the same day or the following day to the other four partners for \$20,000, but the other four put up the \$20,000. Hutter, who ran the wire service at Omaha, made the deal with Spitz. Hutter had been taking his service from Harmony at the time. Klein took over the active management of the Stork Club, and stayed there for a couple of weeks until it was started, and then returned on numerous occasions, but not as often as every week or two weeks. Spitz spent very little time in the operation of the Stork Club. Klein estimated his income from the Stork Club over a period of about two and one-half years was \$20,000 to \$25,000. Spitz made approximately the same amount. The Club closed right after Binaggio was killed.

Klein also was a partner in the Last Chance Gambling establishment together with Spitz, Lococo, Gargotta, Freeland and McLeroy. The Last Chance is the same as the State Line, and was owned by John Goulding, who also had a percentage of the game. Klein says his total income from the Last chance was about \$10,000, but Spitz has stated that Binaggio, with about a 10% participation which he obtained in the latter part of 1949, earned \$4,000 in just two months.

Klein creates some confusion by saying that the Last Chance is different than the State Line Tavern, but the other witnesses say they are in adjacent buildings and that the game was known by both names. Inspection of the premises indicate that the other witnesses are right. The operation at the Last Chance was on the State line between Missouri and Kansas, and there is testimony that the game was transferred from one State to the other depending on which officers came to raid.

K Klein says he heard this, but has never seen it done. Spitz states he has seen it done several times.

There was also a horse wire in operation at the Last Chance. Klein denies that Binaggio was ever a partner at the Last Chance.

Klein and Spitz became partners in the Stork Club after the Club had been bombed, and the former owner had been threatened with murder. Hutter, with whom they went into the Stork Club, was convicted of shooting a night club owner in Alabama.

Klein and Spitz entered the Last Chance operation after a former operator had been murdered (Fred Renegar), and after the place had been bombed. Goulding, who owned the building and who had a piece of the game, will testify that he was present during one bombing, and also that McLeroy told him it was impossible to operate unless "we take in the fellows."

Klein, Spitz, Lococo and Gargotta became partners of Partnoy in the wire service. In the latter part of 1946 or the beginning of 1947, they paid Partnoy \$7,500 for the equipment, franchise and goodwill, and gave him a salary of \$200 a month plus a 15% interest in the profits.

Previously Klein, Spitz, Gargotta and Lococo had formed the Universal Service which took its service from Trans-America. Spitz handled the relationship with Trans-America, Spitz does not clearly remember, but would not deny, that the profits for the wire service during the year 1943 were about \$40,000, Klein had a 25% interest in the profits.

Klein imagined his customers were bookmakers. The customers never had to choose between wire services, because one service dropped out and they merged, although they were on a competitive basis for a short time.

Klein has known Binaggio about 20 years, having served as a precinct captain.

Klein also had a dice game at 1711 East 9th Street. Other partners were Lococo, Spitz and Nigro. There also was a wire service at that location.

He had a dice game at 9th and Main Street, Binaggio's father-in-law, Tony London, worked this dice game, but Binaggio did not have an interest in it. There also was a wire service for bookmaking at this location.

Klein's brother, Gus Klein, together with Homer Cooper purchased the LaBrea Club, Los Angeles, from Mickey Cohen. Cooper had an interest in the operation at 9th and Main in Kansas City, and also in the Last Chance, Cooper worked at Green Hills.