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JURY CLEARS CURRENCY EXCHANGE OWNER

Matt O'Connor, Tribune Staff Writer.

A Chicago currency exchange owner was acquitted Friday by a federal jury of charges he converted a total of \$580,000 cash into money orders without reporting the transactions to the Internal Revenue Service as required by law.

Jerry C. Tufano, 38, fought back tears as he bear-hugged his lawyers moments after the jury's verdict was announced in U.S. District Court.

Prosecutors played tapes of an undercover IRS agent who, in a nine-month sting investigation in 1988 and 1989, wore a hidden recorder during numerous visits to Economy Currency Exchange, 747 W. Armitage Ave., operated by Tufano.

Even though the woman agent handed over as much as \$150,000 in cash at a time, Tufano structured the transactions so none of the money orders exceeded \$10,000, to avoid having to file required reports to the IRS, prosecutors argued.

Tufano, a third-generation currency exchange operator, contended he didn't know it was illegal to try to defeat reporting requirements in that way.

Defense lawyers Thomas Breen and Marc Martin told jurors that structuring transactions in such a manner didn't become a crime until 1987, and that the government didn't define what structuring meant until early 1989.

The agent was posing as someone laundering drug proceeds, but the defense maintained Tufano never knew that.

The one time the agent used the word "drug" in front of Tufano didn't occur until well into the investigation, and she admitted she dropped her voice. Tufano testified he never heard what

she said.

Breen and Martin made much of the fact that authorities waited more than four years before confronting Tufano, a father of five, as he played basketball with his children in the driveway of his Glenview home in May 1993.

Tufano, part-owner of four currency exchanges, faced a mandatory sentence of at least 6 years in prison if he had been convicted.

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