

UNITED STATES OF AMERICA

v.

ANTHONY L. DINUNZIO
ALBINO FOLCARELLI, a/k/a "Albie"
THEODORE CARDILLO, a/k/a "Teddy",

Defendants.

Criminal No.: 11-004-S

Violations:

18 U.S.C. § 1962(d)

18 U.S.C. § 1951

18U.S.C. § 1952

18 U.S.C. § 2

The Grand Jury charges:

The Enterprise

At all times relevant to this Indictment, unless otherwise stated:

1. The members and associates of the New England organized crime family of La Cosa Nostra (the “New England LCN,” or “NELCN”), constituted an “enterprise,” as that term is defined in Title 18, United States Code, Section 1961(4), that is, a group of individuals associated-in-fact (hereinafter also referenced as “the Enterprise”). The NELCN was engaged in, and its activities affected, interstate and foreign commerce. The NELCN constituted an ongoing

organization whose members functioned as a continuing unit for a common purpose of achieving the objectives of the Enterprise.

2. The NELCN was a criminal organization engaged in extortion, loan sharking, gambling, and other crimes. The NELCN operated in the City of Providence, within the District of Rhode Island; Boston; Massachusetts; parts of Connecticut; and elsewhere.

3. The head of the NELCN was known as the "Boss," whose leadership was to be respected by all members and associates. The Boss supervised, supported, protected and disciplined members and associates of the NELCN, and regularly received reports regarding the activities of the members and associates of the NELCN. The Boss was also responsible for resolving any disputes among members and associates of the NELCN, and for approving all significant actions taken by members and associates of the NELCN. He was often assisted by an "Underboss" and caporegimes or "Capos" who shared in the leadership responsibilities of the Enterprise. When a Boss, Underboss or Capo was unable to fulfill their responsibilities because of incarceration or other reason, a member of the NELCN was appointed to that position in an acting capacity.

4. The NELCN was operated through smaller groups, sometimes known as "crews," based in Rhode Island and elsewhere. These crews of the NELCN generally consisted of members or "soldiers" and associates who participated in the activities of the NELCN, performed necessary and helpful roles in the criminal endeavors of the NELCN, and served as insulation from criminal exposure for the hierarchy of the Enterprise.

5. The NELCN enterprise frequently used intimidation and fear to induce owners and operators of certain adult bookstores and topless nightclubs, or "strip clubs" in Providence, Rhode

Island and parts of Connecticut (hereinafter also referenced collectively as “adult entertainment businesses”) to provide monthly “protection” payments in cash, and to exert and preserve the NELCN’s control over these businesses, and otherwise promote the purposes of the NELCN enterprise.

Purposes of the Enterprise

6. The purposes of the Enterprise included the following:
 - a. Enriching the leaders, members, and associates of the Enterprise through various criminal activities, including extortion;
 - b. Preserving and protecting the power, control and revenue of the Enterprise through intimidation and threats of force and violence;
 - c. Promoting and enhancing the Enterprise and its members’ and associates’ activities;
 - d. Keeping victims in fear of the Enterprise, and in fear of its members and associates, through direct and indirect threats of force and violence;
 - e. Avoiding government detection of their illegal activities and the proceeds of those activities.

The Defendants

At various times relevant to this Indictment:

7. ANTHONY L. DINUNZIO was a member, Capo and is currently acting Boss of the NELCN. DINUNZIO received from other NELCN members, monthly protection payments, paid in cash by the owners and operators of certain adult entertainment businesses in

Providence, Rhode Island, including but not limited to the strip clubs known as the Satin Doll, the Cadillac Lounge, and the Foxy Lady.

8. Louis Luigi Manocchio, a/k/a "Louie," a/k/a "Baby Shacks," a/k/a "The Professor," a/k/a "The Old Man," was a member, and, at various times, Underboss, and Boss of the NELCN. Manocchio received monthly protection payments, paid in cash by the owner and operator of certain adult entertainment businesses in Providence, Rhode Island, including but not limited to the strip clubs known as the Satin Doll, the Cadillac Lounge, the Foxy Lady and Desire. Sometime in or about 2009, Manocchio stepped down as NELCN Boss, but remained a member of the NELCN.

9. Edward Lato, a/k/a "Eddie" was a member and a Capo of the NELCN, primarily responsible for the Rhode Island NELCN members and their activities. LATO received monthly protection payments paid in cash by the owners and operators of certain adult entertainment businesses in Providence, Rhode Island, including but not limited to the strip clubs known as the Satin Doll, the Cadillac Lounge, and the Foxy Lady.

10. Alfred Scivola, a/k/a "Chippy" was a member of the NELCN. On February 15, 2005 Scivola admitted to his June 6, 2002 and August 15, 2002 role in the attempted extortion of an adult entertainment business in Connecticut on behalf of the NELCN. Scivola was aware of the monthly protection payments being made to the NELCN by certain adult entertainment businesses in Providence, Rhode Island, including but not limited to the strip clubs known as the Satin Doll, the Cadillac Lounge, the Foxy Lady and Desire. He would from time to time receive a portion of those payments and assisted Lato and another member of the NELCN whose identity is known to the grand jury to carry out the extortion scheme by communicating information about

the scheme to other members of the NELCN and accompanying Lato and another member of the NELCN whose identity is known to the grand jury to Massachusetts to pay a portion of the protection payments to members of the NELCN leadership.

11. Thomas Iafrate, a/k/a "Tommy" was an associate of the NELCN, who acted, at various times, under the authority of Manocchio and others known to the grand jury. Iafrate at various times was employed as a bookkeeper for certain adult entertainment businesses in Providence, Rhode Island, including the Satin Doll and the Cadillac Lounge. Iafrate was responsible for setting aside, collecting and delivering the protection payments at various times to Manocchio and others on behalf of the Satin Doll, the Cadillac Lounge, and certain other adult entertainment businesses.

12. Richard Bonafiglia and Theodore CARDILLO, a/k/a "Teddy," were associates of the NELCN who acted, at various times, under the authority of Manocchio. Bonafiglia was employed as a bouncer at the Cadillac Lounge. CARDILLO was a manager of the Cadillac Lounge. Bonafiglia and CARDILLO provided reports to Manocchio of the ongoing business affairs of the Cadillac Lounge which aided Manocchio and the NELCN in maintaining control over the club.

The Racketeering Conspiracy

13. Beginning on or about a date unknown to the Grand Jury, but at least as early as the mid-1980s, and continuing thereafter through and including on or about the date of this indictment, in the District of Rhode Island and elsewhere, the defendants

**ANTHONY L. DINUNZIO
THEODORE CARDILLO, A/K/A "TEDDY"**

together with others known and unknown to the Grand Jury, including Louis "Luigi" Manocchio a/k/a "Baby Shacks," a/k/a "The Professor," a/k/a "The Old Man," Edward Lato, a/k/a "Eddy," Alfred Scivola, a/k/a "Chippy," and Richard Bonafiglia, being persons employed by and associated with the NELCN, an enterprise which was engaged in, and the activities of which affected, interstate and foreign commerce, did unlawfully, knowingly and willfully conspire and agree together, and with other persons known and unknown to the Grand Jury, to violate Title 18, United States Code, Section 1962 (c), that is, to conduct and participate, directly and indirectly, in the conduct of the affairs of the NELCN enterprise through a pattern of racketeering activity, as that term is defined in Title 18, United States Code, Sections 1961(1) and (5), consisting of multiple acts indictable under Title 18, United States Code, Section 1951 (Extortion).

14. It was a further part of the conspiracy that each defendant agreed that a conspirator would commit at least two acts of racketeering activity in the conduct of the affairs of the Enterprise.

Manner and Means of the Conspiracy

15. Among the manner and means by which the defendants, and others known and unknown to the Grand Jury, conducted and participated in the affairs of the NELCN enterprise, and accomplished and attempted to accomplish the objectives of the conspiracy, were the following:

- a. The defendants, and other members and associates of the NELCN enterprise, promoted a climate of fear through threats and implied threats of force and violence.
- b. The defendants, and other members and associates of the NELCN enterprise, engaged in the use of threatened or implied force, violence and fear, to induce the

owners and operators of certain adult entertainment businesses in Providence, Rhode Island, and elsewhere including but not limited to the Cadillac Lounge, the Satin Doll, the Foxy Lady, Desire and other clubs, to provide monthly protection payments in cash. At various times, the monthly payment per club from each of these adult entertainment businesses ranged from \$2,000 to \$6,000 per month.

c. Manocchio, Lato, and others known to the grand jury, at various times, met with the owners and operators of the adult entertainment businesses, to establish and maintain the protection payments and their amounts, and to arrange for the delivery of the payments.

d. Beginning in the early 1990's the NELCN, including defendants Manocchio, Lato and others known to the grand jury, caused Thomas Iafrate to set aside and collect cash from the gross receipts of certain adult entertainment businesses. Since in or about 2006, approximately \$125 each day was set aside from the proceeds of the Cadillac Lounge by Iafrate for delivery to the NELCN. This amount was kept in a safe in the manager's office of the Cadillac Lounge, and covered the protection payment to the NELCN from the Satin Doll, the Cadillac Lounge, and the owner's other adult entertainment businesses.

e. Manocchio, and others known to the grand jury, at various times, caused Iafrate to collect and deliver the protection payments to the NELCN each month.

f. Manocchio's consult and approval were required for business decisions at the Cadillac Lounge, including financial matters and the hiring and firing of certain employees, even though Manocchio was never an owner or operator of these strip clubs, nor of any other adult entertainment businesses in Providence, Rhode Island.

g. Manocchio caused the owner and operator of the Cadillac Lounge to hire defendants Bonafiglia and CARDILLO, and other members and associates of the NELCN, to enhance the financial status of the NELCN, and to exert and preserve the NELCN's control over the business affairs of the Cadillac Lounge, including the monthly protection payment.

h. Iafrate, along with Bonafiglia and CARDILLO, and other members and associates of the NELCN, would meet at various times, and discuss the ongoing business affairs of the Cadillac Lounge, including matters related to the monthly protection payments and law enforcement's investigation into this unlawful scheme.

i. Iafrate, together with Bonafiglia and CARDILLO, and other members and associates of the NELCN, provided reports to Manocchio and others known to the grand jury of the ongoing business affairs of the Cadillac Lounge to promote the purposes of the NELCN enterprise.

j. Prior to November 2008, Manocchio would share some of the proceeds from the extortion of certain adult entertainment businesses with other NELCN members, including Lato and Scivola.

k. The NELCN continued to collect protection payments from the Cadillac Lounge and Satin Doll even after the FBI executed a search warrant on November 6, 2008 on the person of Manocchio. During that search, the FBI seized \$2,900 in protection payments from Manocchio's person.

l. Sometime after the November, 2008 search of Manocchio, members of the NELCN sought to have Manocchio step down or retire from his role as Boss of the NELCN. Thereafter, in or about 2009, Manocchio stepped down as NELCN Boss, but remained a member

of the NELCN. When Manocchio stepped down as Boss, the NELCN leadership transferred from Rhode Island to other NELCN members located in Boston.

m. In late 2009 and early 2010, DINUNZIO, then an NELCN Capo assumed a leadership role and ultimately became the acting boss of the NELCN. At or about the same time, Lato, an NELCN Capo was given responsibility and leadership over the Rhode Island members of the NECLN.

n. Members of the NELCN would often meet to discuss NELCN business. These meetings would occur at various locations. One such meeting occurred on November 3, 2009, in Boston, Massachusetts at a wake of an NELCN member's mother, and later that same evening at a restaurant known as Carmen's Kitchen. During these meetings, DINUNZIO and another NELCN member known to the grand jury, discussed among other things, the distribution of proceeds from the extortion of the Rhode Island strip clubs. DINUNZIO indicated that a portion of those extorted monies would now be coming to DINUNZIO and the NELCN leadership in Boston.

o. Commencing in or about late 2009 or early 2010 and continuing until September 22, 2011, Lato would travel, from time to time, with persons known and unknown to the grand jury, from Rhode Island to Massachusetts and elsewhere for the purpose of discussing NELCN business and to pay a portion of the money collected from the adult entertainment industry to the NELCN leadership, including DINUNZIO. These meetings occurred at various locations in Massachusetts and Rhode Island.

p. In addition to the extortion of the Rhode Island strip clubs and commencing in or about late 2009 or early 2010, DINUNZIO asked a person known to the grand jury to extort

a prominent person in the adult entertainment industry known as Person G. Person G, who was from Rhode Island and operated nationally and internationally in the adult entertainment industry, had over the years paid extortion monies to the Gambino crime family from New York to protect his adult book stores and other adult entertainment ventures. DINUNZIO and the NELCN desired to receive a portion of this extorted money for the NELCN since Person G operated some of his adult bookstores in NELCN territory.

q. In furtherance of the scheme to extort Person G, DINUNZIO dispatched an NELCN member and person known to the grand jury to New York to meet with Gambino crime family members to investigate and receive Gambino family permission to extort money from person G for adult entertainment businesses operating in New England. Several meetings in New York did in fact occur with a person known to the grand jury and members of organized crime from New York. Ultimately DINUNZIO informed a person known to the grand jury that an arrangement had been reached to his satisfaction and that there was nothing further that the person known to the grand jury should do in this regard.

r. On June 15, 2010 DINUNZIO met with Manocchio and another NELCN leader at Billy Tse's Chinese restaurant in Boston, Massachusetts. At this meeting the NELCN members discussed NELCN business. One year later, during a June 22, 2011 conversation with a senior Gambino crime family member known to the grand jury, DINUNZIO acknowledged that he had discovered the existence of the (Billy Tse's) sealed wiretap of this meeting stating "We met, me and two other guys...They had us on tape. I just found out yesterday...the whole place was wired no matter what table we sat at."

s. After the arrest of Iafrate and Manocchio in January 2011, the extortion of the Cadillac Lounge stopped. However, beginning in February 2011, Lato met on several occasions with a person known to the grand jury to discuss the continuation of the extortion of the Cadillac Lounge as well as the extortion of other adult entertainment clubs.

t. On February 18, 2011, in North Providence, Rhode Island, in a meeting with a person known to the grand jury, Lato discussed the extortion of the adult entertainment industry including the Cadillac Lounge, Desire and Cheaters. Lato discussed sending "Chippy" [Scivola] into the "Cadillac" to collect payments and further discussed that Cheaters was another club in which the NELCN received money, stating "It's another joint we use to get money out of the joint for him," referring to Manocchio. During the February 18, 2011 meeting, Lato also expressed concern about surveillance and law enforcement scrutiny of the NELCN in Rhode Island and Massachusetts, at one point indicating that there was "heat on everything."

u. On February 25, 2011 in North Providence, Rhode Island, Lato again met with a person known to the grand jury to discuss NELCN extortions of adult entertainment businesses and other matters, including the incarceration of Manocchio. Lato discussed sending either "Chippy" [Scivola] or "Albi" [Folcarelli] into the Cadillac to collect payments and stated that "We better get that back...I don't know how we are gonna get that back." During the same meeting, Lato discussed the NELCN involvement in the extortion of Desire indicating that "Gerardo, he was giving Louie [Manocchio] a G note a week." Again, Lato recounted recent law enforcement efforts against the NELCN and expressed concern about surveillance of DINUNZIO as well as himself.

v. On March 11, 2011, in North Providence, Rhode Island, Lato met with a person known to the grand jury and again expressed concerns about law enforcement surveillance when Lato traveled to Massachusetts to meet with DINUNZIO. Lato stated, "Every time I leave there's someone looking at me...there's a guy on the corner in a car every time. It's got to be something right? Then he's telling me I'm being followed there...how the am I being followed there?" Later, Lato stated that law enforcement must be following DINUNZIO, stating that, "They're following him...I mean...not that they're not suppose to follow him, he's the boss."

w. At the March 11, 2011 meeting, Lato continued to discuss with a person known to the grand jury the extortion of the Rhode Island adult entertainment businesses, including the Cadillac Lounge and Desire. Lato discussed how DINUNZIO as the Boss was making Lato bring the money to Boston and was waiting for it: I was bringing four "G's" a month, now I am bringing half that." With regard to the Cadillac Lounge extortion payment, Lato stated, "We have to get back in there." With regards to Desire, Lato stated that, "Desire is Louie's joint," and that another member of the NELCN (hereinafter referred to as "Member A") had told him, "They had been getting money out of the kid until Louie said to stop." Later in a conversation on March 25, 2011 with a person known to the grand jury, Lato stated that they cannot currently take money out of Desire because, "Desire is Louie's club."

x. On May 2, 2011, Lato met with a person known to the grand jury, who provided Lato with \$2,000 in U.S. currency, telling Lato that the money was the proceeds of the renewed extortion of the Cadillac Lounge. At this meeting, Lato indicated that he would share a

portion of this money with the NELCN leadership in Boston, Massachusetts including DINUNZIO.

y. On May 5, 2011, Lato traveled from Rhode Island to Boston, Massachusetts, and met with DINUNZIO near Thatcher and Endicot Streets. After the meeting, the FBI executed a search warrant for DINUNZIO and seized \$5,000 in cash from him. In a conversation with a person known to the grand jury on May 12, 2011, Lato acknowledged that the money seized from DINUNZIO included money Lato had accumulated from the adult entertainment businesses in Rhode Island.

z. On June 6, 2011, Lato met with a person known to the grand jury. At that meeting, Lato indicated that DINUNZIO had called for Lato that day through a person referred to as "Chris" and that Lato had to go and visit DINUNZIO. Referring to the May 5, 2011 FBI search of DINUNZIO, Lato stated that the money given to Lato by a person known to the grand jury and later delivered to DINUNZIO had been "changed." At the June 6, 2011 meeting, Lato was provided another \$2000 by a person known to the grand jury, the money being described to Lato as proceeds of the Cadillac Lounge extortion.

aa. On June 22, 2011, DINUNZIO met with a senior made member of the Gambino crime family at My Cousin Vinny's restaurant in Malden, Massachusetts. During that meeting DINUNZIO discussed the extortion of the Rhode Island strip clubs indicating that "it is still going." DINUNZIO also discussed the May 5, 2011 FBI search of his person and the possible informants. DINUNZIO told the senior Gambino member, "It was marked money... the four was marked money." DINUNZIO also told the senior Gambino member that after the search

he told Lato, "come on, let's go have a steak for lunch because we are probably going to get pinched tomorrow."

bb. In this June 22, 2011 meeting with the senior Gambino crime family member, DINUNZIO also discussed the rules for joining the NELCN. In discussing a fellow LCN member, DINUNZIO stated, "You know what I can't understand? How the hell did he get made, because he's half Irish...I don't understand that...that's not the rules...you gotta do one hundred percent (Italian)." DINUNZIO, referring to a person sponsored for membership, stated, 'I said he's good.' For ten years he waited. Then he come and see me and said 'Thank you Anthony. You know I'm with you all the way.' He deserved it though."

cc. During the same June 22, 2011 meeting with the senior Gambino crime family member, DINUNZIO discussed his NELCN leadership style stating "As soon as I took over I changed everything. One guy... 'What if nobody wants to listen to you?' 'I said you're shelved.' He said 'What if they don't wanna get shelved?' 'Well then you and I get to watch you die in the ground....I'll bury you right in the ground puts all the dirt. You're alive. They stay there. I'll stay there ten (10) hours until your dead. And I'll dig you back up and make sure your dead.'"

dd. On July 6, 2011, a person known to the grand jury met with a Providence-based member of NELCN, Member A, and discussed the extortion of Providence strip club "Desire." In that meeting Member A stated that he and Manocchio were getting \$2,000 a month from the owner until about a year and a half earlier. Member A also stated in that meeting that he had personally received the extortion payments and shared them with Manocchio.

ee. Additionally, at the July 6, 2011 meeting, a person known to the grand jury and Member A discussed how Member A assisted Manocchio in concealing Manocchio's unexplained wealth. Member A stated, "See, if Louie went on my ah...American Express. He gave me the cash. I'm not gonna lie to you. But I'm not gonna tell the Feds that or tell my lawyer to tell the Feds that...."

ff. On July 12, 2011, a person known to the grand jury met with Scivola and gave him \$2,000 in U.S. currency, which was represented to be proceeds of the Cadillac Lounge extortion. At that time, Scivola agreed to provide the money to Lato, and shortly thereafter Scivola was observed in the Federal Hill area of Providence, Rhode Island meeting with Lato.

gg. On August 10, 2011 at approximately 12:17 p.m., a person known to the grand jury spoke via telephone with Scivola to arrange for the delivery of another \$2,000 which was represented to be proceeds of the Cadillac Lounge extortion scheme. During this conversation, Scivola agreed to inform Lato about this money and to inform LATO about the agreed upon location of the money, which was in a mailbox in a residential neighborhood in Rhode Island. Less than an hour later, the money was in fact removed from the mailbox at the agreed upon location after a white colored Sport Utility Vehicle (SUV) had pulled up to the mailbox. Lato and another person were later seen exiting the white-colored SUV.

hh. On December 7, 2011 DINUZIO met with the senior Gambino crime family member in Clifton, New Jersey. During that meeting, DININZIO discussed the September 2011 Second Superseding Indictment against other NELCN members and the investigation of him, including possible Government cooperators in the case. In that meeting, DINUNZIO stated that "Eddie brought the money" from the RI strip clubs and that "Mark" and another person

known to the grand jury were “part of this.” When asked about the “strip joints”, DINUNZIO stated that “That’s the only thing I could think that could set me up.” DINUNZIO also stated that even with some of the NELCN facing charges, he could get other members to assist in running the Rhode Island part of the criminal enterprise. With respect to one of those he had in mind DINUNZIO stated, “I will make him a captain. I’ll make him a captain Friday.”

ii. Also, during the December 7, 2011 conversation with the senior Gambino made member, DINUNZIO spoke about possible criminal charges against him, but stated that if they came for him he did not need to escape to New York because “I got places... I could go live in my neighborhood and nobody would ever find me....” Later, DINUNZIO affirmed that even if he is jailed he will still be a NELCN leader, stating, “If I go to the can, I’m still the boss...No matter what.”

jj. Finally, during a December 17, 2011 meeting between a senior Gambino made member and another member of the NELCN, member S, the two made men discussed member S taking over a leadership role in RI to continue the extortion payments. During that conversation member S indicated to the senior Gambino member that, “I got a dangerous situation up there, oof....it’s messed up. It’s messed up... I told him [Dinunzio] that...he wants the strip clubs back. He says it’s tough. I don’t care. I went after that guy....”

kk. The defendants, and other members and associates of the NELCN, continually engaged in conduct to conceal the existence of the conspiracy, and to prevent the disclosure of their illicit activities.

All in violation of Title 18, United States Code, Section 1962(d).

COUNT TWO
(Extortion Conspiracy)

17. Paragraphs 1 through 16 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

18. Beginning on or about a date unknown to the Grand Jury, but at least as early as 1993, and continuing thereafter through and including on or about the date of this Indictment, in the District of Rhode Island and elsewhere, the defendants

ANTHONY L. DINUNZIO
THEODORE CARDILLO, A/K/A/ "TEDDY"

did conspire and agree together, and with others known and unknown to the Grand Jury, including Louis "Luigi" Manocchio a/k/a "Baby Shacks," a/k/a "The Professor," A/K/A "The Old Man," Edward Lato, a/k/a "Eddy," Alfred Scivola, a/k/a "Chippy," and Richard Bonafiglia, to obstruct, delay, and affect commerce and the movement of articles and commodities in commerce by extortion, as those terms are defined in Title 18, United States Code, section 1951, that is, the defendants conspired to obtain U.S. currency, the property of the owner and operator of certain adult entertainment businesses in Providence, Rhode Island, including but not limited to the strip clubs known as the Satin Doll and the Cadillac Lounge, with the owner and operator's consent induced by the wrongful use of force, violence, and fear.

All in violation of 18, United States Code, Section 1951.

COUNT THREE
(Extortion Conspiracy)

19. Beginning on or about July 2010 and continuing thereafter through and including on or about the date of this Indictment, in the District of Rhode Island and elsewhere, the defendant

ALBINO FOLCARELLI, a/k/a "Albie"

and others known and unknown to the Grand Jury including Edward Lato, a/k/a "Eddy" and Raymond R. Jenkins, a/k/a "Scarface" did conspire and agree together, to obstruct, delay, and affect commerce and the movement of articles and commodities in commerce by extortion, as those terms are defined in Title 18, United States Code, section 1951, that is, the defendants conspired and attempted to obtain U.S. currency, from Person A, a person known to the grand jury, with the consent induced by the wrongful use of force, violence, and fear.

Manner and Means of Conspiracy

a. The New England organized crime family of La Cosa Nostra (the "New England LCN" or the "NELCN") was a criminal organization engaged in extortion, loan sharking, gambling, and other crimes. The NELCN operated in the City of Providence, within the District of Rhode Island, Boston, Massachusetts, parts of Connecticut and elsewhere.

b. The head of the NELCN was known as the "Boss," whose leadership was to be respected by all members and associates. The Boss supervised, supported, protected and disciplined members and associates of the NELCN, and regularly received reports regarding the activities of the members and associates of the NELCN. The Boss was also responsible for resolving any disputes among members and associates of the NELCN, and for approving all significant actions taken by members and associates of the NELCN. He was often assisted by an

“Underboss” and capo regimes or “Capos” who shared in the leadership responsibilities of the Enterprise. When a Boss, Underboss or Capo was unable to fulfill their responsibilities because of incarceration, or other reason, a member of the NELCN was appointed to that position in an acting capacity.

c. The NELCN was operated through smaller groups, sometimes known as “crews,” based in Rhode Island and elsewhere. These crews of the NELCN generally consisted of members or soldiers and associates who participated in the activities of the NELCN, performed necessary and helpful roles in the criminal endeavors of the NELCN, and served as insulation from criminal exposure for the hierarchy of the Enterprise.

d. Lato was a member and currently Capo of the NELCN, primarily responsible for the Rhode Island based NELCN crew. Jenkins and FOLCARELLI were associates of the NELCN.

e. Starting in or about July 2010, members of the NELCN and their associates, Jenkins and FOLCARELLI, devised a scheme to extort money from an individual herein identified as Person A and to assure that the NELCN and those participating in the scheme would not be linked to the scheme. This scheme involved implied threats of violence, through defendants’ use of the power and criminal prestige of the NELCN, thereby extorting from Person A the total sum of \$25,000 to allegedly resolve a debt Person A had incurred with another individual.

f. NELCN associate FOLCARELLI, assisted in the scheme through implied threats of fear and intimidation including a visit to Person A’s place of employment and driving in

the driveway of Person A's residence. During the conspiracy NELCN associate FOLCARELLI had discussions with a person known to the grand jury about the extortion scheme.

g. Another associate of the NELCN, Jenkins, collected a portion of the money from Person A. This money was obtained when Person A's spouse learned of FOLCARELLI's visit to Person A's employer and residence, and became fearful of bodily injury. This fear caused her to prematurely withdraw a sum of money from her IRA account held by Fidelity Investments. The money from the account was used to pay Jenkins the sum of \$20,000. After receiving \$20,000 from Person A, Jenkins shared the money with others, including FOLCARELLI who assisted in the scheme, a person known to the grand jury and NELCN Capo Lato.

h. On May 23, 2011, Jenkins met with a person known to the grand jury to discuss the extortion of Person A and the related law enforcement investigation. During that meeting Jenkins indicated that, "there is no way they can link it" referring to law enforcement efforts to link the extortion scheme to Jenkins and a person known to the grand jury, because Jenkins went to Person A alone. Jenkins stated that he received the money from Person A and that he told him "you got to pay the money, you got to pay." Jenkins further stated that, "there is no proof of money there is no proof of nothing...nothing." Also, during that conversation Jenkins indicated that he later met to give a portion of the extortion proceeds from Person A to Lato stating "I happened to bump into him. I don't do nothing out of character. I do the same thing all the time. I'm repetitious. There is nothing to worry about listen to me."

i. Previously, on May 2, 2011, in a discussion with a person known to the grand jury, Lato expressed concern about the investigation of the extortion scheme stating that he "was nervous, we got to worry about this [Person A]." Lato also indicated that "Albi's

gotta be careful; how the they know he went up there?” in reference to FOLCARELLI's visit to Person A's place of employment.

j. On June 2, 2011, FOLCARELLI met in Providence with a person known to the grand jury and discussed his involvement in the extortion. FOLCARELLI was concerned that Person A and his family may be cooperating and was surprised that “Ray turned us on to a family of stool pigeons...” FOLCARELLI also discussed that he was thinking about manufacturing an alibi and also “getting someone close to this kid [Person A] to do a little fishing.” FOLCARELLI hoped that the “kid” don't roll over because if he does we have a headache.”

All in violation of 18, United States Code, Section 1951.

COUNT FOUR
(Travel in Aid of Racketeering)

20. On or about January 29, 2010, in the District of Rhode Island and elsewhere, defendant **ANTHONY L. DINUNZIO** did travel in interstate commerce from the state of Massachusetts to the state of Rhode Island with the intent to promote, manage, establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, that is, extortion of adult entertainment businesses in violation of Title 18, United States Code, Section 1951, and thereafter performed and attempted to perform an act to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity.

All in violation of Title 18, United States Code, Sections 1952

COUNT FIVE
(Travel in Aid of Racketeering)

21. On or about April 27, 2010, in the District of Rhode Island and elsewhere, defendant **ANTHONY L. DINUNZIO** did travel in interstate commerce from the state of Massachusetts to the state of Rhode Island with the intent to promote, manage, establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, that is, extortion of adult entertainment businesses in violation of Title 18, United States Code, Section 1951, and thereafter performed and attempted to perform an act to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity.

All in violation of Title 18, United States Code, Sections 1952

COUNT SIX
(Travel in Aid of Racketeering)

22. On or about June 10, 2010, in the District of Rhode Island and elsewhere, defendant **ANTHONY L. DINUNZIO** did cause and aid and abet Edward Lato, a/k/a "Eddy," and a person known to grand jury to travel in interstate commerce from the state of Rhode Island to the state of Massachusetts with the intent to promote, manage, establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, that is, extortion of adult entertainment businesses in violation of Title 18, United States Code, Section 1951, and thereafter performed and attempted to perform an act to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity.

All in violation of Title 18, United States Code, Sections 1952 and Section 2.

COUNT SEVEN
(Travel in Aid of Racketeering)

23. On or about July 30, 2010, in the District of Rhode Island and elsewhere, defendant **ANTHONY L. DINUNZIO** did cause and aid and abet Edward Lato, a/k/a "Eddy," to travel in interstate commerce from the state of Rhode Island to the state of Massachusetts with the intent to promote, manage, establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, that is, extortion of adult entertainment businesses in violation of Title 18, United States Code, Section 1951, and thereafter performed and attempted to perform an act to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity.

All in violation of Title 18, United States Code, Sections 1952 and Section 2.

COUNT EIGHT
(Travel in Aid of Racketeering)

23. On or about May 5, 2011, in the District of Rhode Island and elsewhere, defendant **ANTHONY L. DINUNZIO** did cause and aid and abet Edward Lato, a/k/a "Eddy," to travel in interstate commerce from the state of Rhode Island to the state of Massachusetts with the intent to promote, manage, establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, that is, extortion of adult entertainment businesses in violation of Title 18, United States Code, Section 1951, and thereafter performed and attempted to perform an act to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity.

All in violation of Title 18, United States Code, Sections 1952 and Section 2.

FORFEITURE ALLEGATIONS

24. The allegations contained in Counts One, Two, and Three of this Indictment are hereby repeated, re-alleged, and incorporated by reference herein as though fully set forth at length for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 1963, Title 18, United States Code, Section 981(a) (1) (C) and Title 28, United States Code, Section 2461.

25. The defendants, **ANTHONY L. DINUNZIO** and **THEODORE CARDILLO, a/k/a "Teddy"**

a. have property constituting and derived from proceeds which they obtained, directly and indirectly, from racketeering activity, in violation of Title 18, United States Code, Section 1962, as to which proceeds and assets derived therefrom the said defendants are jointly and severally liable, making those proceeds and assets or an amount equivalent thereto subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(3), including but not limited to, at least two million dollars (\$2,000,000) in United States currency in that such sum in the aggregate represents the proceeds the said defendants obtained, directly and indirectly, from the racketeering activity as set forth in Count One of this Indictment for which the defendants are jointly and severally liable.

26. Pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, upon conviction, the defendants, **ANTHONY L. DINUNZIO**, and **THEODORE CARDILLO, a/k/a "Teddy"**, shall forfeit to the United States of America any and all right title and interest in any and all property constituting or derived from any proceeds the defendants obtained, directly or indirectly, as a result of the offense alleged in Count Two of this

Indictment, which alleges conspiracy to obstruct, delay, and affect commerce and the movement of articles and commodities in commerce by extortion, in violation of Title 18, United States Code, Section 1951, and any and all property traceable to the such property, including but not limited to a sum of money equal to at least \$2,000,000, in United States currency, in that this sum represents the amount of proceeds obtained as a result of the offense alleged in Count Two of this Indictment, for which the defendants are jointly and severally liable.

27. Pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, upon conviction the defendant, **ANTHONY L. DINUNZIO** shall forfeit to the United States of America any and all right title and interest in any and all property constituting or derived from any proceeds the defendant obtained, directly or indirectly, as a result of the offense alleged in Count Three of this Indictment, which alleges obstruction, delay, and the affecting of commerce and the movement of articles and commodities in commerce by extortion, in violation of Title 18, United States Code, Section 1951, and any and all property traceable to such property, including but not limited to a sum of money equal to \$7,000 in United States currency, in that this sum represents the amount of proceeds obtained by the defendant as a result of the offense alleged in Count One and Two of this Indictment.

28. If any of the property described above in paragraphs 25, 26 and 27, as a result of any act or omission of the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 18, United States Code, Section 1963(m) and Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(b).

All pursuant to Title 18, United States Code, Section 1963, Title 18 United States Code, Section 981(a)(1)(C) and Title 28 United States Code, Section 2461.

THIS IS A TRUE BILL

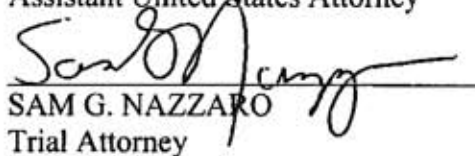

GRAND JURY FOREPERSON



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WILLIAM J. FERLAND
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Dated: 4/24/2012