

Filed Under Seal

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO. 19-00071
v.	:	DATE FILED:
STEVEN MAZZONE	:	VIOLATIONS:
a/k/a/ "Stevie,"	:	18 U.S.C. § 1962(d) (RICO conspiracy - 1
DOMENIC GRANDE	:	count)
a/k/a "Dom,"	:	18 U.S.C. § 1955 (conducting an illegal
a/k/a "Mr. Hopkins,"	:	gambling business - 1 count)
a/k/a "Mr. Brown,"	:	18 U.S.C. § 892(a)(conspiracy to make
a/k/a "Dom14,"	:	extortionate extensions of credit - 1 count)
JOSEPH SERVIDIO	:	18 U.S.C. § 1951 (conspiracy to commit
a/k/a "Joey Electric,"	:	Hobbs Act extortion - 2 counts)
SALVATORE MAZZONE	:	21 U.S.C. § 846 (conspiracy to distribute
a/k/a "Sonny,"	:	controlled substances - 1 count)
JOSEPH MALONE	:	21 U.S.C. § 841(a)(1) (distribution of a
LOUIS BARRETTA	:	controlled substance - 1 count)
a/k/a "Louie Sheep,"	:	18 U.S.C. § 2 (aiding and abetting)
VICTOR DELUCA	:	Notice of Forfeiture
a/k/a "Big Vic,"	:	
KENNETH ARABIA	:	
a/k/a "Kenny,"	:	
DANIEL CASTELLI	:	
a/k/a "Cozzy,"	:	
a/k/a "Butch,"	:	
a/k/a "Harry,"	:	
CARL CHIANESE	:	
ANTHONY GIFOLI	:	
a/k/a "Tony Meatballs,"	:	
JOHN ROMEO	:	
DANIEL MALATESTA	:	
a/k/a "Danny,"	:	
DANIEL BUCCERONI	:	
JOHN MICHAEL PAYNE	:	

SUPERSEDING INDICTMENT

**COUNT ONE
Racketeering Conspiracy**

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THE GRAND JURY CHARGES THAT:

The Enterprise

1. At all times relevant to this Superseding Indictment, defendants:

**STEVEN MAZZONE,
a/k/a/ "Stevie,"
DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14,"
JOSEPH SERVIDIO,
a/k/a "Joey Electric,"
SALVATORE MAZZONE,
a/k/a "Sonny,"
JOSEPH MALONE,
LOUIS BARRETTA,
a/k/a "Louie Sheep,"
VICTOR DELUCA,
a/k/a "Big Vic,"
KENNETH ARABIA,
a/k/a "Kenny,"
DANIEL CASTELLI,
a/k/a "Cozy,"
a/k/a "Butch,"
a/k/a "Harry," and
CARL CHIANESE,**

and others known and unknown to the grand jury, were members and associates of the Philadelphia family of La Cosa Nostra ("the Philadelphia LCN" or "the Enterprise"). The Philadelphia LCN is a criminal organization operating in eastern Pennsylvania and southern New Jersey, whose members engage in acts of illegal gambling, loansharking, drug trafficking, and extortion, among other crimes, for the purposes of enriching the organization and its members.

2. The Philadelphia LCN, including its leadership, members, and associates, constitute an “enterprise,” as defined by Title 18, United States Code, Section 1961(4), that is, a group of individuals associated in fact, although not a legal entity. The enterprise constitutes an ongoing organization whose members function as a continuing unit for the common purpose of achieving the objectives of the enterprise. The enterprise engages in, and its activities affect, interstate and foreign commerce.

Structure of the Philadelphia LCN

3. La Cosa Nostra, or “LCN,” is an international criminal organization which is popularly known as the “mafia” or “mob.” The formal name derives from an Italian phrase meaning “this thing of ours,” which is how LCN members internally refer to their organization. With origins in Sicily, LCN has been active in the United States since the late 19th century. Since 1931, LCN has operated through a system of independent “families” based in various cities and regions of the United States, such as New York, Boston, and Chicago. Historically disputes among LCN families were mediated by a central Commission, which was made up of the leaders (or “Bosses”) of several of the most prominent LCN families.

4. Each LCN family has a similar hierarchy and structure. At the top of the chain of command is the Boss, who wields absolute power over the operations of the family. He is the principal decision maker on all matters related to the enterprise. He has the authority to admit new members, promote and demote subordinates, and issue discipline for violations of LCN rules. He is supported by an Underboss, who acts as second-in-command and insulates the Boss from direct involvement in criminal activity by managing the day-to-day affairs of the

enterprise. The Boss is advised by a *Consigliere*, typically an older, experienced mobster who counsels him on important issues. When the Boss of a family, or another member of the hierarchy, is incapacitated due to imprisonment, his functions may be fulfilled by an “acting boss” or “street boss.”

5. Beneath the central administration of the family (Boss, Underboss, Consigliere), a family is divided into “crews,” each of which is led by a *Caporegime* (also called “*capo*” or “captain”). Capos are appointed by the Boss and act as intermediaries between the organization’s leadership and its rank-and-file members. Capos are responsible for implementing the orders of the Boss and Underboss, and supervising the activities of their crews. Crews are the backbone of LCN and carry out its criminal activities. Every member of LCN is assigned to a crew.

6. Crews consist of both “soldiers” and “associates.” Soldiers are members of the family who have been formally initiated into LCN through a ritual called a “making ceremony”; as a result, they are also referred to as “made members” of LCN. As part of a making ceremony, a soldier swears allegiance to LCN over and above all other interests and obligations, including his biological family. He swears a vow of secrecy, agreeing not to divulge LCN business to non-members, or even to acknowledge the organization’s existence. He also agrees to commit violence on behalf of LCN if necessary. By rule, a made member of LCN must be male and of 100% Italian ancestry.

7. Associates are individuals who engage in criminal activity on behalf of LCN but who have not been formally “made.” They may be up-and-coming gangsters who

aspire to full membership, or they may be ineligible to be made because they lack full Italian ancestry. Associates are typically subordinate to a specific LCN soldier, and are said to be “with” that Soldier. Despite their unofficial status, Associates are often integral to the criminal functions of the enterprise, generating significant income and sometimes running important rackets.

8. Since the beginning of the family system, a single LCN family has operated continuously in the greater Philadelphia region. The Philadelphia LCN is based in South Philadelphia and has historically had a substantial presence in southern New Jersey, particularly Atlantic City. The Philadelphia LCN follows the hierarchical structure outlined above. During the period covered in the Superseding Indictment, the Philadelphia LCN was led by Street Boss M.L., Underboss defendant STEVEN MAZZONE, and Consigliere J.L.

Purposes of the Enterprise

9. The principal purposes of the Philadelphia LCN are:

- (a) to generate money for its leadership, members, and associates through the commission of various criminal acts, including, but not limited to: loansharking, illegal gambling, drug trafficking, and extortion;
- (b) to protect and expand the enterprise’s territory by exercising control over bookmakers, drug dealers, and loansharks in Philadelphia and southern New Jersey;
- (c) to promote and enhance the reputation and standing of the enterprise among its rivals, bookmakers, drug dealers, loansharks and victims, including its reputation for violence;

(d) to control, manage, supervise, participate in, and set policy concerning the manner in which the enterprise made money through illegal means; and

(e) to protect the enterprise and its members from detection, apprehension, and prosecution by law enforcement.

Means and Methods of the Enterprise

10. Among the means and methods by which the members and associates of the enterprise conducted and participated in the conduct of the affairs of the Philadelphia LCN were the following:

(a) To generate income for the Enterprise, the members and associates of the Philadelphia LCN engaged in a variety of money-making criminal activities, including the operation of illegal gambling businesses (particularly involving sports bookmaking), loansharking (which includes the making of usurious loans and extortionate extensions of credit), and drug trafficking.

(b) Extortion was often the means by which the Philadelphia LCN controlled other rackets, intimidating local criminals involved in the above-described activities into giving part of their business and proceeds of their businesses' illegal activity to the enterprise and paying financial tribute to the enterprise.

(c) To supervise and control the activities of the Enterprise, the members and associates of the Enterprise created, maintained, and honored a leadership structure as previously described. Disloyalty to the recognized hierarchy, failure to abide by chain of command, or disobedience to orders could result in serious disciplinary action.

(d) To increase the strength and revenues of the Enterprise and to perpetuate its existence, the members of the Enterprise “proposed” new members. Criteria for being “proposed” included, among other things, being perceived as a “stand-up guy” who would be loyal to the Enterprise and refuse to cooperate with law enforcement if arrested. A person proposed for membership must have also demonstrated a willingness to commit crimes and an ability to earn money through the commission of crimes, usually through years of service as a reliable associate of the Enterprise.

(e) To formalize the initiation of new members, the Enterprise conducted highly ritualized ceremonies, called “making” ceremonies. During these ceremonies, which were conducted in secret locations in the presence of already-made members of the Enterprise, the inductee would swear an oath to commit violence on behalf of the family if necessary. He would also declare that he would “burn in Hell if I betray my friends.” A high-ranking member of the Philadelphia LCN would then assign the new inductees to a crew and explain the rules of the Enterprise. Following the ceremony, there would be a celebration in which the new inductees were formally “introduced” to the other made members.

(f) Among the most important rules and traditions of the LCN is “Omerta,” or the Code of Silence. Omerta prohibits LCN members from revealing the activities, or even the existence, of the Enterprise to outsiders in general and to law enforcement in particular. Made members who break Omerta are looked upon disfavorably as “rats,” and may be targeted for death by other members of the Enterprise. Because the core activities of LCN are illegal, secrecy is vital to the continued success of the Enterprise.

(g) Of nearly equal importance to Omerta is the rule that members of LCN must “touch base” with higher-ups and keep them informed about their criminal activities. In order to profit from and exercise control over LCN-connected rackets and associates, the central members of the hierarchy must be aware of what their underlings are doing. Therefore, LCN soldiers meet regularly with their capos to discuss their criminal activities in “crew meetings,” and the capos in turn meet regularly with the central administration. LCN members and associates who engage in criminal acts “on the side” without the knowledge and approval of their superiors are subject to severe discipline.

(h) Related to “touching base,” LCN members and associates are also required to “kick up” a percentage of their criminal proceeds to higher ranking members of the Enterprise. This money is essentially a tax that criminals must pay so that their activities are seen as “legitimate” by LCN. In exchange, LCN offers to its members and associates a variety of “services” which they cannot obtain through regular channels due to the illegal nature of their activities. These services include banking (loansharking), dispute resolution, and “protection,” both from other criminal organizations and from LCN itself.

(i) To maintain strong relationships and perpetuate the culture of the Enterprise, members and associates of the Enterprise frequently socialize with one another outside of their “business” activities. This includes gatherings at the holidays and regular meetings at designated LCN “hangouts.” Popular hangouts during the period associated with this Superseding Indictment included the now-defunct Broadway Theatrical Club in South

Philadelphia, an Italian restaurant in Collingswood, New Jersey, and a café and lounge in Margate, New Jersey.

Racketeering Conspiracy

11. From an exact date unknown, but from at least in or about August 2015, up through and including the date of this Superseding Indictment, in the Eastern District of Pennsylvania and elsewhere, defendants

STEVEN MAZZONE,
a/k/a/ "Stevie,"
DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14,"
JOSEPH SERVIDIO,
a/k/a "Joey Electric,"
SALVATORE MAZZONE,
a/k/a "Sonny,"
JOSEPH MALONE,
LOUIS BARRETTA,
a/k/a "Louie Sheep,"
VICTOR DELUCA,
a/k/a "Big Vic,"
KENNETH ARABIA,
a/k/a "Kenny,"
DANIEL CASTELLI,
a/k/a "Cozy,"
a/k/a "Butch,"
a/k/a "Harry," and
CARL CHIANESE,

and others known and unknown to the grand jury, being persons employed by and associated with the Philadelphia LCN, an enterprise which was engaged in, and the activities of which affected, interstate and foreign commerce, knowingly combined, conspired, confederated, and

agreed together and with other conspirators 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 Philadelphia LCN, through a pattern of racketeering activity as set forth in paragraphs 12 and 13 below, and through the collection of unlawful debt as set forth in paragraphs 14 and 15 below.

12. The pattern of racketeering activity, as defined in Title 18, United States Code, Sections 1961(1) and 1961(5), through which the defendants and their conspirators agreed to conduct and participate, directly and indirectly, in the conduct of the affairs of the enterprise, consisted of:

(a) Multiple acts indictable under:

- (1) Title 18, United States Code, Section 892, relating to making extortionate extensions of credit;
- (2) Title 18, United States Code, Section 893, relating to financing extortionate extensions of credit;
- (3) Title 18, United States Code, Section 894, relating to the collection of extensions of credit by extortionate means;
- (4) Title 18, United States Code 1951, relating to interference with interstate commerce by means of extortion;
- (5) Title 18, United States Code, Section 1955, relating to the prohibition on illegal gambling businesses;

- (6) Title 18, United States Code, Section 1084, relating to transmission of gambling information; and
- (7) Title 18, United States Code, Section 1952, relating to racketeering;
- (b) Multiple offenses involving trafficking in controlled substances, in violation of:
 - (1) Title 21, United States Code, Section 846, conspiracy to possess with intent to distribute controlled substances and conspiracy to distribute controlled substances; and
 - (2) Title 21, United States Code, Section 841(a)(1), possession with intent to distribute controlled substances and distribution of controlled substances.
- (c) Multiple acts involving:
 - (1) extortion, chargeable under Title 18, Pennsylvania Consolidated Statutes Annotated, Sections 3923, 901, 903 and New Jersey Statutes Annotated, 2C:20-5; 2C:5-1; 2C:5-2; 2C:2-6; and
 - (2) gambling, chargeable under Title 18, Pennsylvania Consolidated Statutes Annotated, Sections 5514, 901, 903 and New Jersey Statutes Annotated, 2C:37-2.

13. It was 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.

Collection of Unlawful Debt

14. The collection of unlawful debt through which the defendants and their conspirators agreed to conduct and participate, directly and indirectly, in the conduct of the

affairs of the Enterprise consisted of the collection from various individuals of unlawful debt, as that term is defined by Title 18, United States Code, Section 1961(6), that is: (a) a debt which was incurred and contracted in gambling activity and which was incurred in connection with the business of gambling, which activity and business were in violation of the laws of the United States and the Commonwealth of Pennsylvania and the State of New Jersey; and (b) a debt which was unenforceable under state and federal law in whole and in part as to principal and interest because of the laws relating to usury and which was incurred in connection with the business of lending money at a rate usurious under state and federal law, where the usurious rate was at least twice the lawfully enforceable rate.

15. It was part of the conspiracy that each defendant agreed that a conspirator would commit at least one collection of unlawful debt in the conduct of the affairs of the Enterprise.

Overt Acts

16. In furtherance of the conspiracy and to achieve the object and purposes thereof, the defendants, along with others known and unknown to the grand jury, performed and caused to be performed the following overt acts, among others, in the Eastern District of Pennsylvania and elsewhere:

17. On or about October 15, 2015, defendants STEVEN MAZZONE, DOMENIC GRANDE, and SALVATORE MAZZONE participated in a “making ceremony” in South Philadelphia, during which several new soldiers were inducted into the Philadelphia LCN.

18. On or about November 24, 2015, defendant DOMENIC GRANDE instructed soldiers in his crew to work with defendants KENNETH ARABIA and DANIEL CASTELLI to reclaim territory in Atlantic City by extorting local bookmakers and loansharks into to giving part of their business and proceeds of their business's illegal activity to the Philadelphia LCN.

19. On or about December 1, 2015, defendant DOMENIC GRANDE approved the involvement of a soldier in his crew, Person #5, a person known to the grand jury, in the extortion of Person #2, a person known to the grand jury, commending him for "touching base" with his capo before engaging in criminal activity on behalf of the Philadelphia LCN.

20. On or about December 9, 2015, defendant KENNETH ARABIA discussed the extortion of Person #2 with LCN soldier, Person #5, and stated, in substance and in part, that defendant DANIEL CASTELLI wanted to "crack" Person #2, to which Person #5 replied, in substance and in part, "Yeah, that's five to ten."

21. On or about March 18, 2016, defendant DOMENIC GRANDE made a usurious loan of \$10,000 to Person #5, financed by STEVEN MAZZONE.

22. On or about March 25, 2016, STEVEN MAZZONE collected an interest payment directly from Person #5 on the usurious loan described in paragraph 21.

23. On multiple occasions between in or about March 2016 and in or about September 2016, defendant DOMENIC GRANDE made usurious and extortionate loans to an LCN soldier in his crew, Person #5, with the approval and financial backing of defendant STEVEN MAZZONE.

24. On or about May 12, 2016, defendant DOMENIC GRANDE approved the involvement of a soldier in his crew to work with defendant JOSEPH SERVIDIO in the distribution of controlled substances, including heroin and oxycodone pills.

25. On or about June 20, 2016, defendant KENNETH ARABIA, defendant DANIEL CASTELLI and Person #5 discussed the purchase of a quantity of cocaine by another individual for the LCN. Defendant CASTELLI stated, in substance and in part, that defendant CASTELLI could get 92% pure cocaine for \$38,000 from defendant Daniel Malatesta.

26. On or about July 8, 2016, defendant KENNETH ARABIA sold 55.7 grams of cocaine to an undercover law enforcement officer. ARABIA had conspired to distribute the cocaine with defendant DANIEL CASTELLI, along with others known and unknown to the grand jury.

27. On or about August 26, 2016, defendant KENNETH ARABIA and Person #5 met with Person #1, a person known to the grand jury, and Person #2 to discuss unlawful debts owed by Person #1 to the Philadelphia LCN, and to continue ARABIA's attempts to extort Person #2 into giving part of the business and proceeds of Person 2's gambling business's illegal activity to the Philadelphia LCN's illegal bookmaking business.

28. On or about September 2, 2016, defendant KENNETH ARABIA, Person #5 and others known and unknown to the grand jury, met with Person #2 and Person #3, a person known to the grand jury, in an attempt to extort both victims into giving part of their gambling business and proceeds of the business's illegal activity to the Philadelphia LCN's illegal bookmaking business.

29. On or about October 6, 2016, defendant DOMENIC GRANDE and Person #5 met with Person #2, to discuss the terms of their future illegal bookmaking relationship. At this meeting, GRANDE provided Person #2 with a telephone number for him to use to call illegal sports bets into the Philadelphia LCN-backed bookmaking operation.

30. On or about October 23, 2016, defendant JOSEPH SERVIDIO delivered to Person #5, 99 pills containing a total of 9.8 grams of heroin and fentanyl, as well as 19 electronic cigarettes containing marijuana.

31. On or about November 18, 2016, Person #5 collected an unlawful bookmaking debt of \$5,975 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

32. On or about November 25, 2016, Person #5 collected an unlawful bookmaking debt of \$750 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

33. On or about November 26, 2016, defendant JOSEPH SERVIDIO sold 300 pills containing 30.5 grams of heroin and fentanyl to an undercover law enforcement officer for \$3,000.

34. On or about December 2, 2016, Person #5 collected an unlawful bookmaking debt of \$2,454 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

35. On or about December 9, 2016, Person #5 collected an unlawful bookmaking debt of \$4,280 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

36. On or about December 16, 2016, Person #5 collected an unlawful bookmaking debt of \$873 from Person #2, which he delivered to defendant DOMENIC GRANDE on or about December 19, 2016.

37. On or about December 23, 2016, defendant JOSEPH SERVIDIO and defendant CARL CHIANESE sold 305 pills containing 29 grams of heroin and fentanyl to an undercover law enforcement officer for \$3,000.

38. On or about December 30, 2016, Person #5 collected an unlawful bookmaking debt of \$823 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

39. On or about January 6, 2017, Person #5 collected an unlawful bookmaking debt of \$1,040 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

40. On multiple occasions from in or about 2016 to in or about 2017, defendant VICTOR DELUCA made usurious and extortionate loans to a Philadelphia LCN associate and at least one other borrower, with the approval of and financed by defendant SALVATORE MAZZONE.

41. On multiple occasions from in or about December 2016 through in or about January 2017, defendant LOUIS BARRETTA participated in telephone calls with sports

bettors in which defendant BARRETTA accepted wagers from individual bettors, took wagers from bookmakers working under him, provided odds on various sporting events, and coordinated the settle-up of weekly wins and losses with bettors and other bookies.

42. On or about January 8, 2017, defendant JOSEPH SERVIDIO and defendant CARL CHIANESE sold 300 pills containing 28.4 grams of heroin and fentanyl to an undercover law enforcement officer.

43. On or about January 20, 2017, defendant JOSEPH SERVIDIO sold 300 pills containing 27.3 grams of fentanyl to an undercover law enforcement officer.

44. On or about January 27, 2017, Person #5 collected an unlawful bookmaking debt of \$348 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

45. On or about February 3, 2017, Person #5 collected an unlawful bookmaking debt of \$1,220 from Person #2, which he delivered to defendant DOMENIC GRANDE on or about February 6, 2017.

46. From on or about February 3, 2017 to on or about February 8, 2017, and from on or about March 17, 2017, to on or about March 29, 2017, defendant LOUIS BARRETTA and his associates accepted at least 469 sports wagers totaling approximately \$77,880.

47. On or about February 23, 2017, defendant LOUIS BARRETTA collected an unlawful bookmaking debt of an unknown amount from R.C., a person known to the grand jury, a sub-bookie in the LCN-backed gambling operation.

48. On or about March 10, 2017, Person #5 collected an unlawful bookmaking debt of \$440 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

49. On or about March 17, 2017, Person #5 collected an unlawful bookmaking debt of \$937 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

50. On or about March 23, 2017, defendant LOUIS BARRETTA collected an unlawful bookmaking debt of \$4,500 from C.D., a person known to the grand jury, a sub-bookie in the LCN-backed gambling operation.

51. On or about March 24, 2017, Person #5 collected an unlawful bookmaking debt of \$488 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

52. On or about March 24, 2017, defendant LOUIS BARRETTA negotiated a loan to borrower R.S. for \$1,000 with an annualized interest rate of 196%, an extortionate rate.

53. On or about March 31, 2017, Person #5 collected an unlawful bookmaking debt of \$4,093 from Person #2, which he delivered to defendant DOMENIC GRANDE on the same day.

54. On or about March 31, 2017, defendant LOUIS BARRETTA collected an unlawful bookmaking debt of \$3,003 from J.C., a person known to the grand jury, a sub-bookie in the LCN-backed gambling operation.

55. On or about April 6, 2017, defendant LOUIS BARRETTA collected an unlawful bookmaking debt of \$2,488 from J.C.

56. On or about April 24, 2017, defendants JOSEPH SERVIDIO, VICTOR DELUCA, and CARL CHIANESE, along with others known and unknown to the grand jury, attempted to purchase two pounds of methamphetamine from a drug dealer in Philadelphia. After receiving fake methamphetamine from the dealer, the same defendants conspired to kidnap or murder the dealer to protect the reputation of the Philadelphia LCN.

57. On or about April 21, 2017, Person #5 collected an unlawful bookmaking debt of \$2,875 from Person #2, which he delivered to defendant DOMENIC GRANDE on or about April 22, 2017.

58. On or about April 22, 2017, defendant LOUIS BARRETTA collected an unlawful bookmaking debt of \$2,150 from F.N., a person known to the grand jury, a sub-bookie in the LCN-backed gambling operation.

59. On or about April 26, 2017, defendant LOUIS BARRETTA collected an interest payment from borrower J.H., a person known to the grand jury, in Philadelphia on a \$10,000 loan with an annualized interest rate of 156%, an extortionate rate

60. On or about April 29, 2017, defendant LOUIS BARRETTA collected an unlawful bookmaking debt of \$1,719 from F.N.

61. On or about May 6, 2017, defendant LOUIS BARRETTA collected an unlawful bookmaking debt of \$1,955 from F.N.

62. On or about May 5, 2017, defendant LOUIS BARRETTA collected \$4,300 from S.A., a person known to the grand jury, an individual bettor who owed an unlawful debt to the LCN-backed gambling operation.

63. On or about May 14, 2017, defendant JOSEPH SERVIDIO sold 200 pills containing 18.3 grams of methamphetamine and heroin, and 102 pills containing 9.6 grams of tramadol to an undercover law enforcement officer.

64. On or about May 16, 2017, defendant LOUIS BARRETTA collected an unlawful bookmaking debt of \$6,675 from S.A.

65. On or about May 30, 2017, defendant JOSEPH SERVIDIO instructed defendant VICTOR DELUCA to traffic in larger amounts of methamphetamine, as opposed to counterfeit oxycodone/heroin pills, in order to increase LCN profits from drug sales.

66. On or about June 23, 2017, defendant JOSEPH MALONE collected an unlawful bookmaking debt of \$1,200 from D.B., a person known to the grand jury, a sub-bookie in the LCN-backed gambling operation.

67. On or about June 24, 2017, defendant JOSEPH MALONE met with borrower J.C. to deliver him the principal on a \$500 loan, made with an annualized interest rate of 264%, an extortionate rate.

68. On or about July 1, July 8, and July 15, 2017, defendant JOSEPH MALONE met with borrower J.C. to collect interest payments on the above-mentioned usurious loan.

69. On or about July 10, 2017, defendant JOSEPH MALONE instructed unindicted co-conspirator D.C. to “go over there with a baseball bat and hit” an unidentified victim in order to collect an unlawful loansharking debt.

70. In or about July 2017, at the direction of defendant JOSEPH MALONE, defendant John Romeo made threats of violence to A.F., a person known to the grand jury, in an attempt to collect an unlawful loansharking debt that A.F. owed to ROMEO and MALONE.

71. On or about July 21, 2017, defendant JOSEPH SERVIDIO sold 87 pills containing 8 grams of methamphetamine, heroin, and quinine and .47 grams of fentanyl to an undercover law enforcement officer.

72. On or about August 8, 2017, defendant VICTOR DELUCA met with S.P., a person known to the grand jury, and Person #4, a person known to the grand jury, and told S.P., in substance and in part, that the LCN was assuming S.P.’s usurious loan and S.P. would make loan repayments to defendant SALVATORE MAZZONE.

73. On or about August 14, 2017, defendant VICTOR DELUCA collected money from S.P. as a partial payment for a usurious loan.

74. On or about August 14, 2017, defendant VICTOR DELUCA handed a sum of money to defendant SALVATORE MAZZONE.

75. On or about August 22, 2017, defendant VICTOR DELUCA made a usurious loan to borrower S.R., a person known to the grand jury, at an annualized interest rate of 400%, an extortionate rate. During their meeting, DELUCA made implicit threats to the borrower about what would happen if he failed to repay the usurious loan.

76. On or about September 25, 2017, defendant JOSEPH SERVIDIO sold 2 ounces of methamphetamine to an undercover law enforcement officer.

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

COUNT TWO
Conducting an Illegal Gambling Business

THE GRAND JURY FURTHER CHARGES THAT:

From before in or about October 2016 through at least in or about July 2017, in the Eastern District of Pennsylvania, the District of New Jersey, and elsewhere, defendants

STEVEN MAZZONE,
a/k/a/ "Stevie,"
DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14,"
JOSEPH MALONE,
LOUIS BARRETTA,
a/k/a "Louie Sheep," and
ANTHONY GIFOLI,
a/k/a "Tony Meatballs,"

and others known and unknown to the grand jury, knowingly conducted, financed, managed, supervised, directed, and owned all or part of an illegal gambling business, as defined in Title 18, United States Code, Section 1955(b), and aided and abetted the conducting, financing, managing, supervising, directing and owning of an illegal gambling business, that is, a gambling business involving a sports bookmaking operation, which is a violation of the laws of the Commonwealth of Pennsylvania, Title 18, Pennsylvania Consolidated Statutes Annotated, Section 5514 and the State of New Jersey, New Jersey Statutes Annotated, 2C:37-2(b)(1), and which involved five or more persons who conducted, financed, managed, supervised, directed, and owned all or part of such business and which had been in substantially continuous operation for a period in excess of thirty days and had a gross revenue of \$2,000 in any single day.

In violation of Title 18, United States Code, Sections 1955 and 2.

COUNT THREE

Conspiracy to Make Extortionate Extensions of Credit

THE GRAND JURY FURTHER CHARGES THAT:

At all times material to this count of the Superseding Indictment:

1. Paragraphs 1 through 10(a), 12 through 15, and 66 through 70, of Count One are incorporated by reference herein.

2. From before June 19, 2017, until at least on or about July 19, 2017, in the Eastern District of Pennsylvania, the District of New Jersey, and elsewhere, defendants

**STEVEN MAZZONE,
a/k/a "Stevie,"
JOSEPH MALONE, and
JOHN ROMEO**

knowingly conspired and agreed together and with others known and unknown to the grand jury, to make extortionate extensions of credit, as defined in Title 18, United States Code, Section 891(6), to multiple borrowers, including J.C., T.W., and A.F., persons known to the grand jury.

All in violation of Title 18, United States Code, Section 892(a).

COUNT FOUR
Conspiracy to Commit Hobbs Act Extortion

THE GRAND JURY FURTHER CHARGES THAT:

At all times material to this count of the Superseding Indictment:

1. Person #2 and Person #3 conducted, financed, managed, supervised, directed, and owned all or part of an illegal gambling business that operated in New Jersey, Philadelphia, and elsewhere. The illegal gambling business operated partially through the use of telephone calls and text messages transmitted through wire and electronic communications, and travel to and from New Jersey, Philadelphia, and other locations, to transmit wagers and currency, and was engaged in and affecting interstate commerce.

2. From in or about October 2015 until in or about October 2016, in the Eastern District of Pennsylvania, the District of New Jersey, and elsewhere, defendants

STEVEN MAZZONE,
a/k/a/ "Stevie,"
DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14," and
KENNETH ARABIA,
a/k/a "Kenny,"

conspired and agreed together and with others, known and unknown to the grand jury, to obstruct, delay, and affect commerce, and the movement of articles and commodities in commerce, by extortion, in that the defendants agreed to obtain property of the individuals listed below, with their consent, which consent was to be induced by the wrongful use of threatened

force, violence, and fear of physical and economic harm, in that defendants demanded a thing of value, that is, money, in the form of proceeds from an illegal gambling operation, from Person #2, a bookmaker living in New Jersey, and Person #3, a bookmaker living in Philadelphia, as a condition of allowing Person #2 and Person #3 to continue their illegal gambling operation.

All in violation of Title 18, United States Code, Section 1951(a).

COUNT FIVE
Conspiracy to Commit Hobbs Act Extortion

THE GRAND JURY FURTHER CHARGES THAT:

At all times material to this count of the Superseding Indictment:

1. Person #1 made extortionate extensions of credit, as defined in Title 18, United States Code, Section 891(6), to multiple borrowers in New Jersey and elsewhere. Person #1 made, and collected upon, extensions of credit partially through the use of telephone calls and text messages transmitted through wire and electronic communications, and through travel to and from New Jersey, Philadelphia, and other locations, to transmit currency, and was engaged in and affecting interstate commerce.

2. From in or about October 2015 until in or about August 2016, in the Eastern District of Pennsylvania, the District of New Jersey, and elsewhere, defendants

STEVEN MAZZONE,
a/k/a/ "Stevie,"
DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14,"
KENNETH ARABIA,
a/k/a "Kenny," and
DANIEL CASTELLI,
a/k/a "Cozzy,"
a/k/a "Butch,"
a/k/a "Harry,"

conspired and agreed together and with others known and unknown to the grand jury to obstruct, delay, and affect commerce, and the movement of articles and commodities in commerce, by

extortion, in that the defendants agreed to obtain property of the individual listed below, with their consent, which consent was to be induced by the wrongful use of threatened force, violence, and fear of physical and economic harm, in that defendants demanded a thing of value, that is, money, in the form of proceeds from an illegal loansharking business, from Person #1, a loanshark living in New Jersey, as a condition of allowing Person #1 to continue in the illegal loansharking operation.

All in violation of Title 18, United States Code, Section 1951(a).

COUNT SIX

Conspiracy to Distribute Controlled Substances

THE GRAND JURY FURTHER CHARGES THAT:

1. From in or about May 2016 through in or about March 2018, in the Eastern District of Pennsylvania, the District of New Jersey, and elsewhere, defendants

**DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14,"
JOSEPH SERVIDIO,
a/k/a "Joey Electric,"
VICTOR DELUCA,
a/k/a "Big Vic,"
KENNETH ARABIA,
a/k/a "Kenny,"
DANIEL CASTELLI,
a/k/a "Cozzy,"
a/k/a "Butch,"
a/k/a "Harry,"
CARL CHIANESE,
DANIEL MALATESTA,
a/k/a "Danny,"
DANIEL BUCCERONI, and
JOHN MICHAEL PAYNE**

conspired and agreed together and with others known and unknown to the grand jury, to knowingly and intentionally distribute controlled substances, in violation of Title 21, United States Code, Section 841(a)(1).

2. It is further alleged that, with respect to the conspiracy charged in this Count, 500 grams or more of a mixture and substance containing a detectable amount of methamphetamine, a Schedule II controlled substance, is attributable, and was reasonably

foreseeable, to defendants JOSEPH SERVIDIO, VICTOR DELUCA, CARL CHIANESE, and JOHN MICHAEL PAYNE, in violation of Title 21, United States Code, Section 841(a)(1), (b)(1)(A).

3. It is further alleged that, with respect to the conspiracy charged in this Count, 500 grams or more of a mixture and substance containing a detectable amount of cocaine, a Schedule II controlled substance, is attributable, and was reasonably foreseeable, to defendants DOMENIC GRANDE, KENNETH ARABIA, DANIEL CASTELLI, DANIEL MALATESTA, and DANIEL BUCCERONI, in violation of Title 21, United States Code, Section 841(a)(1), (b)(1)(B).

4. It is further alleged that, with respect to the conspiracy charged in this Count, 100 grams or more of a mixture and substance containing a detectable amount of heroin, a Schedule I controlled substance, is attributable, and was reasonably foreseeable, to defendants DOMENIC GRANDE and VICTOR DELUCA, in violation of Title 21, United States Code, Section 841(a)(1), (b)(1)(B).

All in violation of Title 21, United States Code, Section 846.

COUNT SEVEN
Distribution of a Controlled Substance

THE GRAND JURY FURTHER CHARGES THAT:

On or about July 8, 2016, in the District of New Jersey, and elsewhere, defendants

**KENNETH ARABIA,
a/k/a "Kenny," and
DANIEL BUCCERONI**

knowingly and intentionally distributed, and aided and abetted the distribution of, a mixture and substance containing a detectable amount of cocaine, a Schedule II controlled substance.

In violation of Title 21, United States Code, Section 841(a)(1), (b)(1)(C), and Title 18, United States Code, Section 2.

NOTICE OF FORFEITURE 1

THE GRAND JURY FURTHER CHARGES THAT:

1. The allegations of Count One of this Superseding Indictment are incorporated here for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 1963 and Title 28, United States Code, Section 2461(c). Pursuant to Rule 32.2, Fed. R. Crim. P., notice is hereby given to the defendants that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Section 1963 in the event of any defendant's conviction under Count One of this Superseding Indictment.

2. Defendants:

STEVEN MAZZONE,
a/k/a/ "Stevie,"
DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14,"
JOSEPH SERVIDIO,
a/k/a "Joey Electric,"
SALVATORE MAZZONE,
a/k/a "Sonny,"
JOSEPH MALONE,
LOUIS BARRETTA,
a/k/a "Louie Sheep,"
VICTOR DELUCA,
a/k/a "Big Vic,"
KENNETH ARABIA,
a/k/a "Kenny,"
DANIEL CASTELLI,
a/k/a "Cozzy,"
a/k/a "Butch,"
a/k/a "Harry," and
CARL CHIANESE

A. Have acquired and maintained interests in violation of Title 18, United States Code, Section 1962, which interests are subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(1).

B. Have interests in, securities of, claims against, and properties or contractual rights affording a source of influence over, the Enterprise, which they have established, operated, controlled, conducted, and participated in the conduct of, in violation of Title 18, United States Code, Section 1962, which are subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(2).

C. Have any property constituting, or derived from, any proceeds which the person obtained, directly or indirectly, from racketeering activity and unlawful debt collection in violation of section 1962, which property is subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(3).

3. The interests of the defendants subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963 (a) (1), (a)(2) and (a)(3), include but are not limited to: any and all proceeds and property derived from proceeds traceable to the racketeering activities and collections of unlawful debt alleged in Count One during the relevant time period alleged in this Superseding Indictment and all interests and proceeds traceable thereto.

4. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

A. cannot be located upon the exercise of due diligence;

B. as been transferred or sold to, or deposited with, a third person;

- 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 subdivided without difficulty; it is the intent of the United States, pursuant to Title 18, United States Code, Section 1963(m), to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

All pursuant to Title 18, United States Code, Section 1963.

NOTICE OF FORFEITURE 2

THE GRAND JURY FURTHER CHARGES THAT:

1. The allegations of Count Two of this Superseding Indictment are incorporated here for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 1955.

2. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given to the defendants that the United States will seek forfeiture as part of any sentence in the event of any defendant's conviction under Count Two of this Superseding Indictment, in accordance with Title 18, United States Code, Section 1955.

3. Defendants:

**STEVEN MAZZONE,
a/k/a/ "Stevie,"
DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14,"
JOSEPH MALONE,
LOUIS BARRETTA,
a/k/a "Louie Sheep," and
ANTHONY GIFOLI,
a/k/a "Tony Meatballs"**

have interests in property used in violation of Title 18, United States Code, Section 1955.

4. The interests of the defendants subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963 (a) (1), (a)(2) and (a)(3), include but are not limited to: any and all proceeds of the illegal gambling business charged in Count Two.

5. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- A. cannot be located upon the exercise of due diligence;
- B. as been transferred or sold to, or deposited with, a third person;
- 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

subdivided without difficulty; it is the intent of the United States, pursuant to Title 28, United States Code, Section 2461(c) and Title 21, United States Code, Section 853(p) to seek forfeiture of any other property of said defendants up to the value of the above forfeitable property.

All pursuant to Title 18, United States Code, Section 1955

NOTICE OF FORFEITURE 3

THE GRAND JURY FURTHER CHARGES THAT:

As a result of the violations of Title 21, United States Code, Section 841(a)(1) and 846 set forth in this Superseding Indictment, defendants

**DOMENIC GRANDE,
a/k/a "Dom,"
a/k/a "Mr. Hopkins,"
a/k/a "Mr. Brown,"
a/k/a "Dom14,"
KENNETH ARABIA,
a/k/a "Kenny,"
DANIEL CASTELLI,
a/k/a "Cozzy,"
DANIEL MALATESTA,
a/k/a "Danny,"
DANIEL BUCCERONI,
JOSEPH SERVIDIO,
a/k/a "Joey Electric,"
VICTOR DELUCA,
a/k/a "Big Vic,"
CARL CHIANESE, and
JOHN MICHAEL PAYNE**

shall forfeit to the United States of America:

- (a) any property used or intended to be used, in any manner or part, to commit, or to facilitate the commission of such offense;
- (b) any property constituting, or derived from, proceeds obtained directly or indirectly from the commission of such offense.

2. If any of the property subject to forfeiture, 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;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendants up to the value of the property subject to forfeiture.

All pursuant to Title 21, United States Code, Section 853.

A TRUE BILL:

[REDACTED]

GRAND JURY FOREPERSON

for Karaym D. Caper
WILLIAM M. McSWAIN
United States Attorney

Filed Under Seal

No. _____

UNITED STATES DISTRICT COURT

Eastern District of Pennsylvania

Criminal Division

THE UNITED STATES OF AMERICA

vs.

STEVEN MAZZONE, a/k/a/ "Stevie,"
DOMENIC GRANDE, a/k/a "Dom," a/k/a "Mr. Hopkins," a/k/a "Mr. Brown," a/k/a "Dom14,"
JOSEPH SERVIDIO, a/k/a "Joey Electric,"
SALVATORE MAZZONE, a/k/a "Sonny,"
JOSEPH MALONE
LOUIS BARRETTA, a/k/a "Louie Sheep,"
VICTOR DELUCA, a/k/a "Big Vic,"
KENNETH ARABIA, a/k/a "Kenny,"
DANIEL CASTELLI, a/k/a "Cozzy," a/k/a "Butch," a/k/a "Harry,"
CARL CHIANESE
ANTHONY GIFOLI, a/k/a "Tony Meatballs,"
JOHN ROMEO
DANIEL MALATESTA, a/k/a "Danny,"
DANIEL BUCCERONI
JOHN MICHAEL PAYNE

SUPERSEDING INDICTMENT

Counts

18 U.S.C. § 1962(d) (RICO conspiracy - 1 count) ; 18 U.S.C. § 1955 (conducting an illegal gambling business - 1 count); 18 U.S.C. § 892(a)(conspiracy to make extortionate extensions of credit – 1 count); 18 U.S.C. § 1951 (conspiracy to commit Hobbs Act extortion – 2 counts); 21 U.S.C. § 846 (conspiracy to distribute controlled substances – 1 count); 21 U.S.C. § 841(a)(1) (distribution of a controlled substance – 1 count); 18 U.S.C. § 2 (aiding and abetting); Notice of Forfeiture

Filed in open court this _____ day,
Of _____ A.D. 20 _____

Clerk

Bail, \$ _____
