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**24 INDIVIDUALS INDICTED IN MULTI-MILLION DOLLAR
ILLEGAL NATIONWIDE SPORTS BETTING RING**

*Charged With Enterprise Corruption and Promoting Gambling;
Search Warrants Executed In Multiple States Across The Country*

Queens District Attorney Richard A. Brown, joined by New York City Police Department Commissioner Raymond W. Kelly, Acting Assistant Director in Charge of the New York Office of the Federal Bureau of Investigation Mary E. Galligan, and representatives of other law enforcement agencies from across the country, today announced the indictment of 24 individuals – including three associates of a sports betting Internet website – in five states on charges of operating an illegal sports betting enterprise in Queens County and elsewhere that profited by more than \$50 million during an eighteen-month period by accepting wagers on various sporting events – including horse-racing and professional and college football, basketball, hockey and baseball.

In addition, dozens of search warrants and asset seizure warrants were executed in multiple jurisdictions in New York, New Jersey, Pennsylvania, Nevada and California, resulting, to date, in the seizure of real property and more than \$7.6 million in cash and gambling chips. The arrests and/or warrants were carried out by the New York City Police Department's Organized Crime Investigation Division, the FBI's Asset Forfeiture Section, the Nevada Gaming Control Board, the New Jersey State Commission of Investigation, the Monmouth County (NJ) Prosecutor's Office, the New Jersey State Attorney General's Office, the Pennsylvania State Police and the Los Angeles Police Department. Furthermore, the Office of Loretta E. Lynch, the United States Attorney for the Eastern District of New York, has filed asset forfeiture warrants against the defendants' assets.

Seven defendants were arrested yesterday and arraigned in Queens County Supreme Court in Kew Gardens. Seventeen additional defendants were arrested yesterday in New Jersey, Pennsylvania, Nevada and California. The defendants are all charged with Enterprise Corruption – a violation of New York State's Organized Crime Control Act – as well as being variously charged with promoting gambling, money laundering and conspiracy. They each face up to 25 years in prison if convicted.

District Attorney Brown said, "The defendants are accused of operating an incredibly

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lucrative illegal gambling operation – taking in more than \$50 million in a year and a half. Such unlawfully earned profits are often – and easily – diverted to more insidious criminal enterprises.”

The District Attorney continued, “Illegal gambling is not a victimless crime. Those who participate in these criminal enterprises often use threats, intimidation and even physical force to collect debts and oftentimes charge usurious interest rates on outstanding debts. In addition to our NYPD and FBI partners, I want to thank our other law enforcement and governmental colleagues and authorities in other states for their cooperation and efforts in this investigation. So massive was the enterprise that only with their assistance could we bring these defendants to justice.”

Police Commissioner Kelly said, “The defendants in this case gambled and lost that their illegal activities would fly under the radar. I want to commend the NYPD detectives, federal agents and our out-of-state partners, who together with the Queens District Attorney’s prosecutors, brought these individuals to justice.”

Acting FBI Assistant Director in Charge Galligan said, “This action is an important step in policing illegal sports wagering, from hockey to horse racing. This is yet another example of the collaboration between the FBI and our partners that is increasingly necessary to combat evermore sophisticated crimes and the criminals who commit them.”

District Attorney Brown said that the investigation leading to today’s indictment began in February 2011 when NYPD Organized Crime Investigation Division detectives developed information about an illegal sports betting operation and began a joint investigation with the District Attorney’s Organized Crime and Rackets Bureau. The investigation included physical surveillance, intelligence information and court-authorized electronic eavesdropping.

According to the indictment, between April 13, 2011 and October 18, 2012, the defendants conspired to acquire money illegally through the operation of an unlawful gambling enterprise involving the use of Internet web sites that accepted bets on sporting events.

The indictment also alleges that the ring used non-traditional “wire rooms” in the form of off-shore, Internet-based gambling services – such as www.pinnaclesports.com, www.jazzsports.net/com, www.wager4you.com and www.playhera.ag – used by bettors and agents to actually place their wagers. It is alleged that the members of the enterprise used the off-shore wire rooms to maintain the gambling accounts of numerous agents through the Internet website in an effort to evade law enforcement detection through traditional methods.

Law enforcement crackdowns on traditional mob-run wire rooms have led to the use by illegal gambling rings of off-shore gambling web sites where action is available around the clock. Bettors can click on an off-shore gambling website over the Internet and be assigned individual login codes and passwords. Their wagers and win-loss amounts are recorded in “sub-accounts” maintained in the accounts of “agents.” These gambling web sites typically store their information on computer servers outside the United States – such as in Costa Rica and Panama – and “bounce” their data through a series of server nodes in an effort to evade law enforcement.

The indictment charges that at least fifteen of the defendants were “bookmakers”– Daniel Monreal and Pinnacle Sports associates Stanley Tomchin and George Molsbarger, in California;

Steven Diano, Jerald Branca, Kelly Barsel, Joseph Paulk and Pinnacle Sports associate Brandt England in Las Vegas; Andrew Belardino, Michael Duong and Gadoon Kyrollos in New Jersey; and Vincent Basciano, Jr., Edward Cappucci, Edward Iazzetti and John Tognino, in New York. These bookmakers were allegedly responsible for overseeing “agents” – such as Thomas Chiantese in New Jersey and Pennsylvania, Joseph Kornreich in New York and Ian Mandell, and Michael Colbert in Las Vegas – whose jobs allegedly were to build a clientele of bettors who would regularly bet with the enterprise. It is alleged that the agents were the intermediaries between the bettor and the enterprise itself, and were responsible for “squaring up” or “settling up” with the bettors – usually on a designated day each week – by collecting and paying out money owed.

According to the indictment, the enterprise also employed “money collectors,” “money distributors” and “banks” – such as Paul Sexton in Las Vegas, Daniel Bornico in New York, and Danny Belardino and Christian Rodriguez in New York and New Jersey – to handle the illegal flow of money between the participants of the enterprise. These individuals were allegedly responsible for the collection and distribution of illegal gambling proceeds between the bookmakers and the agents. They also allegedly transported money throughout the United States and to and from Panama and/or Costa Rica via courier. It is additionally alleged that the money collectors and distributors that acted as banks were responsible for holding large amounts of money for the operation. Bookmaking enterprises use money collectors, distributors and banks to avoid wire transfers and credit card transactions which are prohibited by federal law for the payment and collection of gambling debts.

The investigation was conducted by Detectives Gerard McNally, of the New York City Police Department’s Organized Crime Investigation Division, under the supervision of Sergeant James Bratta, Lieutenant Christopher Farano and Inspector Brian H. O’Neill, and the overall supervision of Chief Anthony Izzo of the Organized Crime Control Bureau.

Also assisting in the investigation were former Assistant District Attorneys Christine Corbett and Christine Maloney.

Assistant United States Attorney Ameeet B. Kabrawala and Forfeiture Support Associates Law Clerk Anthony Lauro, of the Asset Forfeiture Unit of the Office of the United States Attorney for the Eastern District of New York, are handling the asset forfeiture lawsuits against the defendants under the supervision of Laura D. Mantell, Chief of the Asset Forfeiture Unit, and under the overall supervision of Loretta E. Lynch, the United States Attorney for the Eastern District of New York.

Assistant District Attorney Gerard A. Brave, Bureau Chief of the District Attorney’s Organized Crime and Rackets Bureau, is prosecuting the case under the supervision of Executive Assistant District Attorney for Investigations Peter A. Crusco and Deputy Executive Assistant District Attorney for Investigations Linda M. Cantoni.

It should be noted that an indictment is merely an accusation and that defendants are presumed innocent until proven guilty.

Note to Editors: E-version of this press release posted at www.queensda.org.

ADDENDUM

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Alleged Bookmakers (15 defendants)

KELLY BARSEL, 42, of 9400 Tournament Canyon Drive in Las Vegas, Nevada, is charged with enterprise corruption, fourth-, third-, second- and first-degree money laundering and fifth-degree conspiracy.

VINCENT BASCIANO, JR., 31, of 732 Wilcox Avenue in the Bronx, New York, is charged with enterprise corruption, first-degree money laundering, first-degree promoting gambling, and fifth-degree conspiracy.

ANDREW BELARDINO, 50, of 30 Ridgeview Way in Allentown, New Jersey, is charged with enterprise corruption, fourth-, third-, second- and first-degree money laundering, first-degree promoting gambling and fifth-degree conspiracy.

JERALD BRANCA, 67, of 5415 West Harmon Avenue in Las Vegas, Nevada, is charged with enterprise corruption, fourth-, third-, second- and first-degree money laundering and fifth-degree conspiracy.

STEVEN DIANO, 48 of 6464 Tara Avenue in Las Vegas, Nevada, is charged with enterprise corruption, fourth-, third-, second and first-degree money laundering and fifth-degree conspiracy.

MICHAEL DUONG, 36, of 30 Smock Court in Manalapan, New Jersey and 147-27 72nd Avenue, Flushing, Queens, is charged with enterprise corruption, second- and first-degree money laundering, first-degree promoting gambling and fifth-degree conspiracy.

BRANDT ENGLAND, 46, of 2817 High Sail Court in Las Vegas Nevada, is charged with enterprise corruption, fourth-, third-, second- and first-degree money laundering, first-degree promoting gambling, fourth-degree conspiracy and fifth-degree conspiracy. England is an owner of Pinnacle Sports, an online sports gambling website.

EDWARD IAZETTI, 55, of 1103 Rhinelander Avenue in the Bronx, New York, is charged with enterprise corruption, first-degree promoting gambling, fourth- and first-degree money laundering and fifth-degree conspiracy.

GADOON KYROLLOS, 34, of 12 Autumn Lane in Freehold, New Jersey, is charged with enterprise corruption, fourth-, third-, second- and first-degree money laundering, first-degree promoting gambling, fourth-degree conspiracy and fifth-degree conspiracy.

THOMAS LACERRA, 73, of 685 Sheldon Avenue in Staten Island, New York, is charged with enterprise corruption and fourth-, third- and first-degree money laundering and fifth-degree conspiracy.

GEORGE MOLSBARGER, 66, of 603 Ocean Avenue in Santa Monica, California, is charged with enterprise corruption and fourth- third-, second- and first-degree money laundering, and fifth-degree conspiracy. Molsbarger is an owner of Pinnacle Sports, an online sports gambling website.

DANIEL MONREAL, 61, of 1521 Stonewood Court in San Pedro, California, is charged with enterprise corruption, third-, second and first-degree money laundering, first-degree promoting gambling and fifth-degree conspiracy.

JOSEPH PAULK, 35, of 3750 Las Vegas Boulevard in Las Vegas, Nevada, is charged with enterprise corruption, fourth-, third-, second- and first-degree money laundering, and fifth-degree conspiracy.

JOHN TOGNINO, 70, of 3191 Ampere Avenue in the Bronx, New York, is charged with enterprise corruption, fourth-, third-, second- and first-degree money laundering, first-degree promoting gambling and

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fifth-degree conspiracy.

STANLEY TOMCHIN, 67, of 727 Lilac Drive in Montecito, California, is charged with enterprise corruption and fourth-, third-, second- and first-degree money laundering and fifth-degree conspiracy. Tomchin is an owner of Pinnacle Sports, an online sports gambling website.

Alleged Money Collectors/Distributors/Banks (4 defendants)

DANIEL BELARDINO, 57, of 25-09 Rosalie Street in Fair Lawn, New Jersey, is charged with enterprise corruption, fourth- and first-degree money laundering, first-degree promoting gambling and fifth-degree conspiracy.

DANIEL BORNICO, 67, of 732 Naples Avenue in Franklin Square, Long Island, is charged with enterprise corruption, fourth-, third- and first-degree money laundering, first-degree promoting gambling and fifth-degree conspiracy.

CHRISTIAN RODRIGUEZ, 33, of 695 Arlington Drive in Old Bridge, New Jersey, is charged with enterprise corruption and fourth-, third-, second- and first-degree money laundering and fifth-degree conspiracy.

PAUL SEXTON, 29, of 2708 Robust Court in Henderson, Nevada, is charged with enterprise corruption and fourth-, third-, second- and first-degree money laundering, and fifth-degree conspiracy.

Alleged Money Collectors/Agents (5 defendants)

EDWARD CAPPUCCI, 69, of 78 Todt Hill in Staten Island, New York, is charged with enterprise corruption, third-, second- and first-degree money laundering and fifth-degree conspiracy.

THOMAS CHIANTESE, 64, of 101-66 Verree Road in Philadelphia, Pennsylvania, is charged with enterprise corruption, third- and first-degree money laundering, first-degree promoting gambling and fifth-degree conspiracy.

MICHAEL COLBERT, 32, of 10098 Peak Lookout Street in Las Vegas, Nevada, is charged with enterprise corruption, fourth-, third- and first-degree money laundering and fifth-degree conspiracy. Colbert is a vice president of Cantor Gaming, which operates seven sportsbooks in Las Vegas.

JOSEPH KORNREICH, 60, of 21-15 80th Street in East Elmhurst, Queens, is charged with enterprise corruption, third- and first-degree money laundering, first-degree promoting gambling and fifth-degree conspiracy.

IAN MANDELL, 43, of 1885 Cape Cod Landing in Las Vegas, Nevada, is charged with enterprise corruption and fourth-, third- and first-degree money laundering and fifth-degree conspiracy.

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