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CORRUPTION BEAT

Five guilty in North Providence bribery and extortion schemes; four sentenced



North Providence town councilmen **Joseph Burchfield**, **Raymond L. Douglas III**, and **John Zambarano** conspired in bribery and extortion schemes connected with town business. Burchfield, Douglas and Zambarano demanded \$25,000 in exchange for a zoning change to allow a supermarket development. They solicited a \$75,000 bribe to allow a residential development at a Lymanville mill. They also attempted to extort \$3,000 in exchange for a liquor

license, and \$8,000 from a restaurant owner who wanted longer business hours. **Edward Imondi**, a local businessman, acted as a middle man in one of the bribery schemes, delivering \$21,000 to the councilmen on behalf of the mill site developer. All four pleaded guilty to federal charges.

Zambarano also admitted devising a scheme to file a fraudulent \$50,000 insurance claim for damages purportedly caused by the March 2010 floods. He admitted that he and others intentionally damaged a home and swimming pool to justify the claim. Douglas also admitted extortiously collecting gambling debts.

A Federal judge sentenced Douglas to 78 months in federal prison, Burchfield to 64 months, Imondi to 12 months, and Zambarano to 71 months in prison.

U.S. Attorney Peter F. Neronha



United States Attorney Peter F.

Neronha commented, "Mr. Burchfield, Mr. Douglas and Mr. Zambarano took an oath to serve the people of North Providence. Instead, to line their own pockets, they engaged in a scheme to victimize them, recruiting cohorts along the way. They received stiff sentences. Those sentences are well-deserved."

A federal jury convicted **Robert Ciresi**, a former North Providence town solicitor and councilman, of conspiracy and extortion for participating in two of the bribery schemes: the supermarket zoning variance and the Lymanville mill development. Ciresi is awaiting sentencing. Assistant U.S. Attorneys Terrence P. Donnelly and John P. McAdams.

MUSLIM AMERICAN COMMUNITY OUTREACH

“In the war on terrorism, as a community, Muslim Americans have done their part. And so it is incredibly ironic and tragic that, as a community, they have often been singled out for reprisals after terrorist incidents. Such reprisals are unfair, they are wrong, and they are quintessentially un-American. In this country, we hold *individuals* responsible for individual misconduct, not entire communities. We do not practice guilt by association. Was that the standard, which among us could stand against the tide?”

– United States Attorney Peter F. Neronha at the March 23, 2011 Brown University Forum on Religious Liberty and National Security



On March 9, 2011, United States Attorney Peter F. Neronha met with Imam Farid Ansari of the Muslim American Dawah Center, Imam Abdul-Latif Sackor of the Islamic Center of Rhode Island, David Coolidge of the Rhode Island Center of Muslim Americans and Brown University Muslim Community Office, Mufti Ikram ul Haq of the Massid Al-Islam Mosque in Smithfield, RI, and Imam Muyideen Ibiyem of the Muslim Center of Rhode Island to discuss national security, civil rights and other issues of interest to Rhode Island's Muslim American community and to law enforcement. Also attending were Assistant U.S. Attorney Adi Goldstein, Community Outreach Specialist/Public Information Officer James Martin and Intelligence Specialist Brian Pires of the U.S. Attorney's Office, Rhode Island TSA Director Joseph Salter, FBI ASAC Lucia Ziobro, FBI SSA Jeff Sallet, ICE ASAC James Nagle, and ICE RAC David Riccio.

On March 23 United States Attorney Neronha was invited, with Mufti Ikram ul Haq, Imam Farid Ansari, and Reverend Janet Cooper-Nelson, to participate as a panelist in a Brown University forum entitled “A Question of Balance – Religious Liberty and National Security.” Following remarks by each of the panelists, there was an extended question and answer session with those in attendance.

FEDERAL DRUG AND GUN CASES

Eight-year prison sentence for violent felon with a handgun

The Providence Police Violent Crime Task Force developed evidence that **Michael Blow** would be traveling in a taxi, armed with a gun. As a team of officers converged on the taxi, Blow fled on foot, tossing a bag to the ground. Police apprehended Blow and recovered the bag, which contained a loaded .50 caliber handgun and a box of ammunition. The gun had been reported stolen in Taunton five years earlier. Blow, who has been convicted twice of robbery and once for domestic assault, pleaded guilty to being a felon in possession of a firearm and a federal judge sentenced him to 96 months in federal prison. *Assistant U.S. Attorney William J. Ferland.*



Cocaine dealers were based in three residences

For five months Providence Police tracked the activities of **Immanuel Rosario**, who was using three Providence residences as bases for cocaine trafficking. After learning that Rosario and an accomplice were expecting a shipment, detectives detained the pair and searched the three residences and a vehicle. They seized a total of 1.2 kilograms of cocaine, \$17,000 in cash, cocaine-trafficking materials, and a pistol. Rosario pleaded guilty to conspiracy to traffic in cocaine and is awaiting sentencing. A codefendant is awaiting trial. *Assistant U.S. Attorney Gerard B. Sullivan.*



Career drug dealer sentenced to 15 & 1/2 years

Charles Newton had three prior drug convictions when Pawtucket Police suspected that he was dealing cocaine again. When officers executed a search warrant in a storage shed, Newton charged at them and tossed a handful of cocaine into the faces of two officers. The officers developed breathing difficulty and other discomfort as a result. Newton pleaded guilty and a federal judge sentenced him to 188 months in prison, factoring in the assault on the Pawtucket officers. *Assistant U.S. Attorney Gerard B. Sullivan.*



CRIMINAL DOCKET SHEET

Former art dealer guilty in investment schemes

Rocco DeSimone falsely represented that a corporate CEO had agreed to purchase rights to the Drink Stik, a device designed to allow law enforcement officers and military personnel in haz-mat suits to drink fluids without having to remove their gear. DeSimone also claimed he could market the Disk Shield, a protective shield for computer discs. Claiming that he could sell the rights of the inventions for millions of dollars, DeSimone obtained cash, debt forgiveness, tangible property and shares of the devices' property rights. A jury convicted him of mail fraud and money laundering.



This conviction follows another federal conviction in Rhode Island. In 2005, a federal judge sentenced DeSimone to 27 months in prison for tax fraud in the sale of three paintings. DeSimone ran the investment schemes while free on bail pending appeal of the tax conviction.



In March 2008, when he was nearing completion of his prison sentence in the tax case, DeSimone fled a federal facility in New Jersey after learning that the FBI had executed a search warrant at his Johnston home. He surrendered in Rhode Island three days later.

The government is seeking forfeiture of an estimated \$2,000,000 in assets, including cars, antique Japanese swords and paintings, that DeSimone derived through his fraud. The proceeds will go toward restitution to his victims, who lost about \$6,000,000 to his schemes. DeSimone is detained pending sentencing. *Assistant U.S. Attorneys Lee H. Vilker and John P. McAdams.*



Centuries-old Japanese swords that an investor gave DeSimone to secure investment rights (trial exhibit photo).

Home invasion nets prison sentences

Julio Candelario, Robert Beuparlant, and Pedro Cuadrado traveled from Woonsocket to Providence to meet a man, purportedly to buy marijuana. The victim was staying at a house that he was renovating. When they entered the house, they pulled a gun on the victim and robbed him of a half-kilo of marijuana and a leather bank bag containing \$2,800 in cash that was intended to pay for renovation materials. The three defendants pleaded guilty to Hobbs Act robbery and other offenses. A federal judge sentenced Candelario and Beuparlant to 15 years in prison, and Cuadrado to 111 months. The case resulted from a joint firearms investigation by Woonsocket Police and ATF. *Assistant U.S. Attorney Richard W. Rose.*



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CRIMINAL DOCKET (CONTINUED)**Anthony St. Laurent, Sr. admits plotting murder of rival**

Anthony St. Laurent, Sr., who has admitted in court documents that he is a made member of the New England La Cosa Nostra (LCN), pleaded guilty to a murder-for-hire plot. St. Laurent tried to hire known violent criminals to murder LCN member Robert DeLuca, because DeLuca had publicly accused St. Laurent of being a government informant. The murder-for-hire plot was uncovered during an investigation into an extortion scheme that St. Laurent, his wife and son carried out against Taunton area bookmakers. St. Laurent, 70, is serving a 78-month prison sentence for the extortion scheme and is awaiting sentencing for the murder-for-hire plot. *Assistant U.S. Attorney William J. Ferland, DOJ Organized Crime Section Trial Attorney Sam Nazzaro.*

**International money laundering scheme tied to Internet car ads**

Guido Rotondo and **Angelo Papocchia** were money couriers in an Internet-based scheme to defraud people trying to buy automobiles on line. Using counterfeit passports and fake identification, they opened bank accounts while other participants in the scheme placed car ads on line. Prospective buyers were directed to wire funds into accounts that Rotondo and Papocchia had opened. The two defendants then wired the deposited funds to various individuals in Europe, keeping a portion for themselves. No cars were ever delivered to the victims. Rotondo and Papocchia, both Italian nationals, pleaded guilty to money laundering and possessing fraudulent passports. They are detained, awaiting sentencing. *Assistant U.S. Attorney Richard B. Myrus.*

**Guilty plea in child pornography**

Agents arrested **Michael Hodge** for receiving and distributing child pornography over a computer network. After that initial arrest on a state warrant, agents discovered that he again was downloading child pornography onto his computer and sharing it with others. Agents of the Internet Crimes Against Children Task Force arrested him a second time, seizing 200 images and 24 videos. Hodge pleaded guilty to receiving and distributing pornographic images of children, and is awaiting sentencing. *Assistant U.S. Attorney Mary E. Rogers.*



TRAINING: ASSET FORFEITURE



Forty officers and detectives from Rhode Island police departments attended a training on criminal asset forfeiture. Assistant U.S. Attorney Michael Iannotti, DEA Special Agent Kevin Eaton and Cranston Police Lieutenant Russell Henry explained how to conduct investigations that can result in the forfeiture of assets used in or derived from crime. ICE Special Agent Michael Agostinho presented a briefing on the agency's Bulk Cash Smuggling Center.

"Asset forfeiture serves two purposes," U.S. Attorney Peter F. Neronha said in opening remarks. "It takes away illicitly derived assets, depriving criminals of their profits. And it helps local departments through Equitable Sharing, in which portions of the forfeited assets go to agencies that worked on the investigation, to help purchase equipment and finance future investigations."

Questions about the federal Asset Forfeiture program? Call Mike Iannotti at 401-709-5063

CIVIL DOCKET SHEET

Court shuts down tax business

Michael Brier ran a tax preparation service called **Refunds Now**, based on Wickendon Street, Providence. An IRS investigation determined that among 24,000 returns prepared by Refunds Now between



Partially covered sign at 381 Wickendon Street, where Refunds Now was located.

2003 and 2007, there was a pattern of abuse, including "fabricated income, fabricated deductions, inflated deductions, (and) underreported income," resulting in approximately \$1.1 million in lost tax revenue. The investigation determined that Brier and his associates manipulated or falsified income and dependent information to achieve the maximum amount of earned income tax credit for customers. The Department of Justice Tax Division filed action against Refunds Now in 2009, and, in 2010, a preliminary injunction was issued ordering Refunds Now out of the tax business. In March 2011, Chief U.S. District Court Judge Mary M. Lisi issued a permanent injunction, barring tax preparation or similar operations by Refunds Now, four related companies, Brier, and codefendants Jeffrey Sroufe, Esther Santiago and Carmen Miranda. The Court found that Brier had engaged in "EIFN roulette," using electronic tax filing numbers belonging to associates after the IRS terminated his. The injunction also ordered Refunds Now to notify its customers of the injunction and to cover up any

signs at the company headquarters on Wickendon Street identifying it as a tax preparation business. *Lisa L. Bellamy, Trial Attorney, Tax Division.*



Members of the Rhode Island Crime Victims Service Providers Steering Committee with U.S. Attorney Peter F. Neronha, at a ceremony marking Victims Rights Week. The committee is comprised of victim advocates from government and non-profit agencies, including Family Services of Rhode Island, Day One, the Institute for the Study & Practice of Nonviolence, and the Rhode Island Coalition Against Domestic Violence.



North Providence Detective James Watts, who worked on a multi-agency task force, led by the Food and Drug Administration, Office of Criminal Investigations, that investigated Human Growth Hormone smuggling into the U.S. by the Chinese manufacturer, GeneScience. One result: a \$3,000,000 anti-sports doping program, funded by the company.



State Police Detective Ken Bell, with U.S. Attorney Neronha. Detective Bell is a member of the Internet Crimes Against Children Task Force, which in 2009 conducted Operation Clean Up, resulting in the arrest of a dozen persons engaged in on-line trading of child pornography.

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