

the Indictment unless otherwise indicated:

The Enterprise

1. The Gambino Crime Family of La Cosa Nostra (the "Gambino Crime Family" or "the Family", was a wholly illegal organization, operating in the District of New Jersey, and elsewhere in the United States, which constituted an "enterprise" as that term is defined in Title 18, United States Code, Section 1961(4), that is, a group of individuals associated together in fact as an enterprise, which was engaged in, and the activities of which affected, interstate commerce.

2. "La Cosa Nostra," also known as the "mafia" or "this thing of ours," was a nationwide criminal organization, which operated through entities, including the Gambino Crime Family, as well as four other New York based families, to wit, the Luchese, Genovese, Bonanno, and Colombo organized crime families. La Cosa Nostra also included other crime families based in geographic areas, including the DeCalvacante organized crime family, which principally operated in New Jersey and the Bruno/Scarfo or Philadelphia organized crime family, which principally operated in the Philadelphia area of Pennsylvania and Southern New Jersey.

3. The Gambino Crime Family was a highly structured criminal enterprise with a well defined chain of command. At the top of the Family hierarchy was the "boss" who exercised absolute control over the operation of the enterprise. Below the "boss"

was an "underboss" who acted as the second in command, and a "consigliere," or advisor. Beneath the "boss," "underboss," and "consigliere" were the captains, known as "caporegimes" or "capos" or "skippers." Each captain supervised and controlled the activities of one or more groups or "crews" of individual "soldiers" or members of the Family who had been formally initiated or "made" as members of the enterprise. Members of the Family in turn often recruited and controlled the activities of various associates, each of whom functioned in a subordinate capacity and sought the protection and economic benefits to be derived from such an association and, in some instances, ultimate elevation into the ranks of "made" members. Made members were also referred to as "wise guys."

4. The Gambino Crime Family constituted an ongoing organization, whose members functioned as a continuing unit for a common purpose of achieving the objectives of the enterprise. The principal purpose of the Gambino Crime Family was to generate money for the members and associates of the Family. This purpose was implemented by members and associates through various criminal activities, including, but not limited to, illegal gambling, collection of extensions of credit using extortionate means, extortion, fraudulent schemes and various forms of labor racketeering. Among the methods and means by which the members

of the enterprise furthered its criminal activities were the threatened and actual use of violence.

5. The Gambino Crime Family asserted its control over members and associates through a system of loyalty, protocol and internal discipline. Each level of the Family was responsible for advising the next higher level of all proposed criminal activity. Those higher levels in turn decided whether to sanction the criminal activity of those below them. Each person associated with the Family was then obligated to keep his supervisor informed about the nature of criminal activity in which that person and those below him in the hierarchy engaged. Persons associated with the Family sometimes made tribute payments to superiors in the hierarchy for the privilege of association with the Families. The higher levels of the Family also resolved disputes arising among lower level members and their associates and assisted in resolving disputes with members of other crime families. Violation of this duty of loyalty, or a failure to abide by the chain of command or rules of protocol, or a failure to share profits as required, or interference with operation of the enterprise could result in serious disciplinary action, including bodily harm and death.

Defendants and Entities

6. Defendant ANDREW MEROLA, also known as "Andrew Knapik," was a made member of the Gambino Crime Family La Cosa Nostra and one of the Gambino Crime Family's highest ranking members in New Jersey. MEROLA was in charge of and directed the various criminal activities of a group of associates or crew of the Gambino Crime Family ("Merola crew") which activities included illegal gambling, collection of extensions of credit by extortionate means, extortion, wire fraud, and labor racketeering.

7. Defendant RALPH CICALSESE was an associate of the Gambino Crime Family and a member of Merola's crew. Defendant CICALSESE reported directly to defendant ANDREW MEROLA and was MEROLA's right-hand man. One of defendant CICALSESE's primary responsibilities was to oversee and supervise most of the gambling agents in defendant MEROLA's gambling operation. CICALSESE also assisted MEROLA in carrying out the crew's labor racketeering activities.

8. Defendant CHARLES MUCCIGROSSO, also known as "Buddy Musk," was a made member of the Gambino Crime Family, a high ranking member of the Gambino LCN Family in New Jersey, and a member of Merola's crew. MUCCIGROSSO was involved in labor racketeering and fraudulent schemes on behalf of the crew.

9. Defendant KYLE RAGUSA was an associate of the Gambino Crime Family and a member of Merola's crew. Defendant RAGUSA reported directly to defendant MEROLA. RAGUSA was involved in illegal gambling, conspiring to collect extensions of credit by extortionate means, and wire fraud.

10. Defendant JOHN TIZIO was an associate of the Gambino Crime Family and a member of Merola's crew. Similar to RAGUSA, defendant TIZIO reported directly to defendant MEROLA and was involved in conspiring to collect extensions of credit by extortionate means and wire fraud.

11. Defendant MARTIN TACETTA was a made member and former underboss of the New Jersey faction of the Lucchese Crime Family. TACETTA was involved in a conspiracy to collect an extension of credit by extortionate means as well as labor racketeering.

Illegal Gambling

12. Defendants GENNARO FORTE, JUSTIN CERRATO, CHARLES RUSSO, VINCENT DEROGATIS, ERIC MAIONE, CHRISTOPHER DOSCHER, ANTHONY MARRA, and EDWARD DEAK were involved in the Merola crew's gambling operation as gambling agents. As gambling agents they controlled and were responsible for any bettors they brought into the gambling operation. They also physically collected and paid out gambling wins and losses on behalf of defendants MEROLA and CICALESE and received a percentage of any losses incurred by bettors in their respective packages. Bets were placed by

individual bettors over an internet website that operated overseas and by telephone calls placed to a toll free telephone number. Bets would be placed on sporting events as well as casino-style gambling.

13. Defendant CARMINE MAIONE assisted his son, defendant ERIC MAIONE, by meeting with either defendant CICALESE and/or defendant MEROLA in order to collect or pay out gambling wins and losses from ERIC MAIONE's gambling package.

Local 1153

14. Local 1153 of the Laborers International Union of North America ("Local 1153"), headquartered in Bloomfield, New Jersey, was a "labor organization," as that term is defined in Title 29, United States Code, Sections 142(3), 152(5), 402(i) and (j). Local 1153 represented, sought to represent, and would have admitted to membership the employees of companies who performed laborer's work in Essex County, New Jersey. Local 1153 through its officers and agents and on behalf of its members, entered into collective bargaining agreements ("CBA") with employers that employed construction laborers, including among others, masons, plasterers, carpenters and other building and construction crafts. These agreements contained provisions pertaining to conditions of employment, such as hours, overtime, shifts, holidays, wages and fringe benefits.

15. Local 1153, through its officers, agents,

employees, and representatives, also ensured that employers made contributions on behalf of Local 1153's members into several employee benefits plans, including a welfare fund, pension fund, and annuity fund, among others (hereinafter collectively "Local 1153 Benefit Funds"). The contribution payments were based upon the amount of hours that union employees worked. The Local 1153 Benefit Funds were subject to the provisions of Title I of the Employee Retirement Income Security Act of 1974 (commonly known as "ERISA"), Title 29, United States Code, Section 1001, et. seq.

16. Defendant MICHAEL URGOLA was the Business Manager of Local 1153 and under Local 1153's constitution and bylaws, the union's principal officer with primary authority for running the day-to-day operations of the union. Among his powers and duties, defendant URGOLA appointed all Business Agents and Job Stewards, and he approved all applicants' requests for membership into the union. As alleged herein, URGOLA was involved in the embezzlement of union assets, in particular, union membership cards/books, as well as a wire fraud scheme to bypass Local 1153's out-of-work list, that is, a list of employees and Local 1153 members waiting their turn for work referrals in accordance with union hiring rules.

17. Defendant JOSEPH MANZELLA was an officer and employee of Local 1153, that is, Recording Secretary and a Business Agent, respectively. MANZELLA's responsibilities included representing

members of Local 1153 employed at various construction projects by, among other things, monitoring and ensuring that employers complied with their obligations under various collective bargaining agreements. As alleged herein, MANZELLA was involved in the embezzlement of union assets, in particular, union membership cards/books, the receipt of unlawful labor payments in his capacity as a union official, a wire fraud scheme to bypass Local 1153's out-of work list, as well as conspiring and attempting to extort lunch truck vendors who parked their vehicles at various construction work sites.

18. Defendant RALPH CICALESE was appointed as a Job Steward for Local 1153 in the fall of 2006 at a demolition project at the Prudential Building garage in Newark, New Jersey. The demolition work was conducted by Par Wrecking Corporation ("Par Wrecking"), located in Suffern, New York. Par Wrecking Corporation had a collective bargaining agreement with Local 1153 and employed construction laborers who were represented by and would be admitted to membership in Local 1153. Par Wrecking was an "employer" as that term is defined in Title 29, United States Code, Sections 142 and 152(2), and the employees of Par Wrecking were employed in an industry affecting commerce, namely, the construction industry.

Local 825

19. Local 825 of the International Union of Operating Engineers (hereinafter "Local 825"), headquartered in Springfield, New Jersey, was a "labor organization" as that term is defined in Title 29, United States Code, Sections 142(3), 152(5), 402(i) and (j). Local 825 represented, sought to represent, and would have admitted to membership the employees of companies who worked as heavy equipment operators, mechanics, and surveyors. Local 825 represented approximately 7,000 members, many of whom were employed at various construction projects in New Jersey and New York. Local 825, through its officers and agents and on behalf of its members, entered into collective bargaining agreements with employers that employed operating engineers. These agreements contained provisions pertaining to conditions of employment, such as rates of pay and fringe benefits, and the circumstances under which an employer was obligated to man certain construction equipment, such as cranes, backhoes, forklifts, and booms, with Local 825 operating engineers, among other things.

20. Local 825, through its officers, agents, employees, and representatives, also ensured that employers made contributions on behalf of Local 825's members into several employee benefits plans, including a welfare fund, pension fund, and annuity fund, among others (hereinafter collectively "Local

825 Benefit Funds"). The Local 825 Benefit Funds were subject to the provisions of Title I of the Employee Retirement Income Security Act of 1974, Title 29, United States Code, Section 1001, et. seq.

21. Defendant JOHN CATALDO was an employee, that is, a Business Representative and Organizer for Local 825 of the International Union of Operating Engineers and was responsible for meeting with and recruiting non-union contractors/employers. As alleged herein, CATALDO conspired to and did receive unlawful labor payments in his capacity as a Local 825 union official for failing to enforce provisions of the collective bargaining agreement and also participated in a wire fraud scheme to provide defendants MEROLA and MUCCIGROSSO with no show/low show jobs at a construction project at the Goethals Bridge.

Fiduciaries of Local 1153 and Local 825

22. Defendants MICHAEL URGOLA, JOSEPH MANZELLA, and RALPH CICALESE, as Business Manager, Business Agent, and Job Steward of Local 1153, respectively, and defendant JOHN CATALDO, as Organizer of Local 825, were subject to Title 29, Section 501(a) of the Labor Management Reporting and Disclosure Act of 1959 ("LMRDA") governing labor unions, as "officers, agents, shop stewards, and other representatives" of their respective labor organizations as described in Section 3(q) of the LMRDA, 29 U.S.C. 402(q). Pursuant to Section 501(a) of the LMRDA, they

therefore occupied positions of trust in relation to such organizations and their respective members as a group.

23. As a consequence of their positions of trust, the defendants MICHAEL URGOLA, JOSEPH MANZELLA, RALPH CICALESE, and JOHN CATALDO were subject to the following fiduciary duties: (i) the duty to hold the money and property of their respective labor organization solely for the benefit of such organizations and members; (ii) to refrain from dealing with their respective labor organizations as an adverse party or on behalf of an adverse party in any matter connected to his duties; (iii) to refrain from holding or acquiring any pecuniary or personal interest that conflicted with the interest of their respective labor organizations; and (iv) to account to their respective labor organizations for any profit received in whatever capacity in connection with transactions conducted by the fiduciary or under his or her direction on behalf of such organization.

Barone Construction

24. Barone Construction & Equipment Corporation (hereinafter "Barone Construction"), was a family-operated business located in Kenilworth, New Jersey. Barone Construction, had a collective bargaining agreement with Local 825 and employed operating engineers who were represented by and would be admitted to membership in Local 825. Barone Construction was an "employer" as that term is defined in Title 29, United States

Code, Sections 142 and 152(2), and the employees of Barone Construction were employed in an industry affecting commerce, namely, the construction industry.

25. Defendant PAUL LANZA was the principal of Barone Construction and as alleged herein, was involved in a conspiracy to pay a bribe to Local 825 union official JOHN CATALDO to circumvent terms of the collective bargaining agreement. As alleged herein, PAUL LANZA also embezzled welfare fund assets by failing to pay monies due and owing to the Local 825 Benefit Funds.

26. Defendant JONATHAN LANZA was employed by his family's business Barone Construction and as alleged herein, was involved in a conspiracy to pay a bribe to Local 825 union official JOHN CATALDO to circumvent the terms of its collective bargaining agreement as well as the embezzlement of welfare fund assets by failing to pay monies due and owing to the Local 825 Benefit Funds.

Kiska Construction

27. Kiska Construction Corporation, located in Long Island City, New York ("Kiska Construction") had a collective bargaining agreement with Local 825 and employed operating engineers who were represented by and would be admitted to membership in Local 825. Kiska Construction was an "employer" as that term is defined in Title 29, United States Code, Sections 142 and 152(2),

and the employees of Kiska Construction were employed in an industry affecting commerce.

28. Defendant JOSEPH SCHEPISI was a foreman for Kiska Construction on a significant project at the New York Goethals Bridge. As alleged herein, SCHEPISI engaged in a wire fraud scheme to provide defendants MEROLA and MUCCIGROSSO with no show/low show jobs at the Goethals Bridge construction project.

Lowe's Home Improvement

29. Defendant INDIA FUGATE was employed by Lowe's Home Improvement store ("Lowe's") as a Customer Service Associate in Patterson, New Jersey. As a Customer Service Associate, FUGATE worked at the check out registers and processed applications for Lowe's credit cards. In anticipation of defrauding Lowe's, FUGATE applied for the position at Lowe's in February 2007, at the urging of defendant ANDREW MEROLA. As alleged herein, while working at Lowe's, FUGATE engaged in wire fraud schemes to 1) defraud Lowe's through creating, and using, false bar code labels, and 2) defraud Lowe's through the use of fraudulently issued temporary credit cards.

30. As alleged herein, defendant VINCENT FICHERA participated in the bar code label wire fraud scheme.

COUNT 1
(Racketeering Conspiracy)

31. Paragraphs 1 through 30 are realleged and incorporated as if set forth in full herein.

32. From in or about February 2002 through in or about March 2008, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALEASE,
CHARLES MUCCIGROSSO,
also known as "Buddy Musk,"
KYLE RAGUSA,
and
JOHN TIZIO

being persons employed by and associated with an enterprise, that is, the Gambino Crime Family, an enterprise that engaged in, and the activities of which affected interstate commerce, did unlawfully and knowingly conspire with each other and others to conduct and to participate, directly and indirectly, in the conduct of the affairs of the Gambino Crime Family through a pattern of racketeering activity as defined in Title 18, United States Code, Sections 1961(1) and (5), as set forth more particularly in Paragraphs 33 through 75 below, and through the collection of unlawful debts as defined in Title 18, United States Code, Section 1961(6), as set forth more particularly in Paragraphs 76 and 77 below.

PATTERN OF RACKETEERING ACTIVITY

33. It was part of the conspiracy that each defendant agreed that at least two acts of racketeering activity would be committed by a conspirator in the conduct of the affairs of the enterprise.

34. The pattern of racketeering activity, as defined in Title 18, United States Code, Section 1961(1) and 1961(5) consisted of the following Racketeering Acts:

Racketeering Act One
(Illegal Gambling Business)

35. From in or about February 2002 through in or about May 2007, in the District of New Jersey and elsewhere, the defendants ANDREW MEROLA, also known as "Andrew Knapik," RALPH CICALESE, and KYLE RAGUSA, together with others known and unknown to the grand jury, did unlawfully and knowingly conduct, finance, manage, supervise, direct and own all and part of an illegal gambling business which (i) was a violation of Chapter 37 of Title 2C of New Jersey Statutes Annotated (N.J.S.A. §§ 2C:37-2 and 2C:37-3), (ii) involved five or more persons who conducted, financed, managed, supervised, directed, and owned all and part of such business, and (iii) was in substantially continuous operation for a period in excess of thirty days and had a gross revenue of more than \$2,000 in any single day, contrary to Title 18, United States Code, Sections 1955 and 2.

Racketeering Act Two
**(Conspiracy to Collect an Extension of Credit by
Extortionate Means - John Doe #1)**

36. On or about March 19, 2007, in the District of New Jersey, the defendants ANDREW MEROLA, also known as "Andrew Knapik," KYLE RAGUSA, and Martin Taccetta, who is not named as a defendant in this Racketeering Act, did knowingly and willfully conspire with each other and others, known and unknown to the Grand Jury, to participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect and attempt to collect from John Doe #1, an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish John Doe #1 for the non-repayment thereof, contrary to Title 18, United States Code, Section 894.

Racketeering Act Three
**(Extortionate Collection of Credit Conspiracy/
Extortionate Collection of Credit - Vincent Derogatis)**

The defendants named below committed the following acts, either of which alone constitutes the commission of Racketeering Act 3:

(a) **Extortionate Collection of Credit Conspiracy**

37. From on or about January 2, 2007 through on or about February 1, 2007, in the District of New Jersey and elsewhere, the defendants ANDREW MEROLA, also known as "Andrew Knapik," RALPH CICALESE, and JOHN TIZIO, did knowingly and willfully conspire with each other and others, known and unknown to the

Grand Jury, to participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect and attempt to collect from Vincent Derogatis an extension of credit, as defined in Title 18, United State Code, Section 891, and to punish Vincent Derogatis for the non-repayment thereof, contrary to Title 18, United States Code, Section 894.

(b) **Extortionate Collection of Credit**

38. From on or about January 2, 2007 through on or about February 1, 2007, in the District of New Jersey and elsewhere, the defendants ANDREW MEROLA, a/k/a "Andrew Knapik," RALPH CICALESE, and JOHN TIZIO, together with others, known and unknown to the Grand Jury, did knowingly and willfully participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect and attempt to collect from Vincent Derogatis, an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish Vincent Derogatis for the non-repayment thereof, contrary to Title 18, United States Code, Sections 894 and 2.

Racketeering Act Four
**(Extortionate Collection of Credit Conspiracy/
Extortionate Collection of Credit - Gennaro Forte)**

The defendants named below committed the following acts, either of which alone constitutes the commission of Racketeering Act 4:

(a) **Extortionate Collection of Credit Conspiracy**

39. From in or about November 2006 through in or about May 2007, in the District of New Jersey and elsewhere, the defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALI, did knowingly and willfully conspire with each other and others, known and unknown to the Grand Jury, to participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect from Gennaro Forte, an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish Gennaro Forte for the non-repayment thereof, contrary to Title 18, United States Code, Section 894.

(b) **Extortionate Collection of Credit**

40. From in or about November 2006 through in or about May 2007, in the District of New Jersey and elsewhere, the defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALI, together with others, known and unknown to the Grand Jury, did knowingly and willfully participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect from Gennaro Forte, an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish Gennaro Forte for the non-repayment thereof, contrary to Title 18, United States Code, Sections 894 and 2.

Racketeering Act Five
(Wire Fraud - Bar Code Label Scheme)

41. At all times relevant to this Indictment:

a. Products for sale at stores throughout the United States routinely contain a Universal Product Code (hereinafter "UPC"), also referred to as a bar code, which is a series of numbers and adjacent parallel lines of varying widths. In order to determine the price of a particular product, a cashier electronically scans the bar code label containing the UPC. This series of numbers derived from the UPC is electronically transmitted over telephone lines to a database known as the "host." After this "host" database receives this numeric sequence, it attaches the product's price that has been set by the retail company, and then transmits this price back to the individual store so that the customer is properly charged for the merchandise.

b. Lowe's Home Improvement (hereinafter "Lowe's") was a home improvement retailer with its corporate headquarters in Mooresville, North Carolina and with store locations in New Jersey and elsewhere. Lowe's sold, among other things, appliances, tools, a wide variety of indoor and outdoor accessories, and building supplies. Lowe's "host" database was located in Mooresville, North Carolina.

The Scheme to Defraud

42. From in or about March 2006 through in or about May 2007, in the District of New Jersey, and elsewhere, the defendants ANDREW MEROLA, a/k/a "Andrew Knapik," RALPH CICALESE, CHARLES MUCCIGROSSO, a/k/a "Buddy Musk," KYLE RAGUSA, and JOHN TIZIO, together with others, known and unknown to the Grand Jury, knowingly and willfully devised, caused to be devised, and intended to devise a scheme and artifice to defraud, and to obtain money and property from stores, including Lowe's Home Improvement, by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice

43. The primary object of the scheme and artifice was to fraudulently obtain store merchandise at a greatly reduced price by creating, and using, false bar code labels to purchase merchandise from stores.

The Manner and Means of the Scheme to Defraud

44. It was part of the scheme and artifice to defraud that M.D., whose identity is known to the grand jury, entered a store, and sought out two similar items of merchandise, one high priced item and one substantially lower priced item. Thereafter M.D. recorded the bar code number of the substantially lowered priced item and exited the store. M.D. then created a bar code label

with the bar code number from the substantially lower priced item.

45. It was further part of the scheme and artifice to defraud that defendant ANDREW MEROLA and/or others returned to the store and placed the newly created bar code label for the substantially lower priced item of merchandise over the bar code label on the more expensive item of merchandise. Defendant ANDREW MEROLA and/or others would then purchase the more expensive item of merchandise, with the newly created bar code label, at the substantially lower price.

46. It was further part of the scheme and artifice to defraud that defendant ANDREW MEROLA and/or others would either (i) keep the more expensive item of merchandise; (ii) sell the item to acquaintances and associates for more than they paid for it; or (iii) return the item to the store and receive an in-store credit or gift card for the full value of the item of merchandise after removing the falsely or fraudulently created bar code label.

47. On or about the dates listed below for the purpose of executing and attempting to execute such scheme and artifice to defraud, the defendants ANDREW MEROLA, also known as "Andrew Knapik," RALPH CICALESE, CHARLES MUCCIGROSSO, also known as "Buddy Musk," KYLE RAGUSA, and JOHN TIZIO, together with others, known and unknown to the Grand Jury, knowingly and willfully

transmitted and caused to be transmitted by means of wire communication in interstate commerce, writings, signs, signals, and sounds, that is, a series of numbers derived from the UPC that determined the price for the items of merchandise listed below to and from Lowe's stores located in New Jersey and Lowe's host database in North Carolina:

<u>DATE OF WIRE</u>	<u>WIRE TRANSFER</u>
10/21/06	Series of numbers from the UPC for a Europro vacuum listed at \$49.97 rather than from the UPC for a Dyson vacuum cleaner valued at \$549.99
3/16/07	Series of numbers from the UPC for a chainsaw listed at \$44.97 rather than from the UPC for a more expensive chainsaw valued at \$374
3/17/07	Series of numbers from the UPC for a paintsprayer listed at \$58 rather than from the UPC for a more expensive paintsprayer valued at \$624
3/25/07	Series of numbers from the UPC for a battery charger listed at \$39.98 rather than from the UPC for a welding machine valued at \$669
3/28/07	Series of numbers from the UPC for a Europro vacuum listed at \$49.97 rather than from the UPC for a Dyson vacuum cleaner valued at \$549.99
3/31/07	Series of numbers from the UPC for a paintsprayer listed at \$58 rather than from the UPC for a more expensive paintsprayer valued at \$624.
4/01/07	Series of numbers from the UPC for a welding machine purchased for \$58 and then returned for its full value of \$669,

contrary to Title 18, United States Code, Sections 1343 and 2.

Racketeering Act Six
(Wire Fraud - Lowe's Credit Card Application Scheme)

48. From on or about February 18, 2007, through in or about May 2007, in the District of New Jersey and elsewhere, the defendants ANDREW MEROLA, also known as "Andrew Knapik," together with India Fugate, who is not named as a defendant in this Racketeering Act, and others known and unknown to the Grand Jury, knowingly and willfully devised, caused to be devised, and intended to devise a scheme and artifice to defraud, and to obtain money and property of Lowe's Home Improvement, by means of false and fraudulent pretenses, representations, and promises.

Object of the Scheme and Artifice

49. The primary object of the scheme and artifice was to fraudulently obtain Lowe's customers' personal identification information in order to obtain temporary Lowe's customers' credit cards and thereafter purchase merchandise without the knowledge and permission of the true Lowe's credit card applicants.

The Manner and Means of the Scheme to Defraud

50. It was part of the scheme and artifice to defraud that defendant ANDREW MEROLA recruited India Fugate to seek employment at either a Home Depot or Lowe's home improvement store where she would be in a position to access customer personal identification information.

51. It was further part of the scheme and artifice to defraud that on or about February 18, 2007, India Fugate applied for employment at Lowe's as a Customer Service Associate and was hired on or about March 19, 2007. As part of Fugate's employment responsibilities, she worked at the check-out register and processed applications for Lowe's credit cards. Lowe's customers who applied for a credit card were required to complete an application for credit, which Fugate would review and input the information into a computer. The information would be transmitted electronically over telephone lines to GE Consumer Finance Database located in Alpharetta, Georgia, where the application would either be accepted or declined. If the customer's credit application was approved, a temporary Lowe's credit card would be issued to the customer.

52. It was further part of the scheme and artifice to defraud that India Fugate would surreptitiously record the Lowe's customer's personal identification in order to access the customer's account at a future time and print an additional temporary card without the knowledge of the customer. This additional temporary card would again be issued as a result of electronic transmissions to the GE Consumer Finance Database in Georgia.

53. It was further part of the scheme and artifice to defraud that India Fugate provided this personal customer

information to defendant MEROLA, who in turn used the information himself and/or gave it to others, to obtain a temporary Lowe's customer credit card and thereafter purchase merchandise without the knowledge and permission of the true credit applicants or Lowe's.

54. On or about May 20, 2007, for the purpose of executing and attempting to execute such scheme and artifice to defraud, the defendant ANDREW MEROLA, also known as "Andrew Knapik," along with India Fugate, who is not named as a defendant in this Racketeering Act, and M.D., whose identity is known to the Grand Jury, knowingly and willfully transmitted and caused to be transmitted by means of wire communication in interstate commerce from New Jersey to Georgia, writings, signs, signals, and sounds, that is, a series of letters and numbers consisting of customer identification information for Lowe's customer S.K., whose identity is known to the Grand Jury, contrary to Title 18, United States Code, Sections 1343 and 2.

Racketeering Act Seven
(Demand/Receipt of Unlawful Labor Payments - Barone Construction)

55. Paragraphs 19-26 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

56. From on or about January 17, 2007 through in or around March 2007, in the District of New Jersey and elsewhere, defendants ANDREW MEROLA, also known as "Andrew Knapik," along with defendants Martin Taccetta, Paul Lanza, Jonathan Lanza, and

Local 825 Organizer and employee John Cataldo, who are not named as defendants in this Racketeering Act, knowingly and willfully requested, demanded, received, and accepted, and agreed to receive and accept, and caused to be requested, demanded, received, and accepted for Local 825 employee John Cataldo, the payment, loan, and delivery of money and things of value, namely, United States currency, in an amount in excess of \$1,000, from an employer, and from individuals acting in the interest of the employer, namely, Barone Construction, whose employees were employed in an industry affecting commerce, namely, the construction industry, and whose employees such labor organization, to wit: Local 825, represented, sought to represent, and would have admitted to membership, contrary to Title 29, United States Code, Sections 186(a)(2), (b)(1), and (d)(2) and Title 18, United States Code, Section 2.

Racketeering Act Eight
(Extortion Conspiracy/Extortion - Lunch Truck Vendors)

The defendants named below committed the following acts, either of which alone constitutes the commission of Racketeering Act 8:

(a) **Extortion Conspiracy**

57. From in or about January 2006 through in or about February 2007, in the District of New Jersey and elsewhere, the defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALSE, along with Joseph Manzella, who is not named as a

defendant in this Racketeering Act, did knowingly and willfully conspire with each other and with others to obstruct, delay and affect interstate commerce and the movement of an article and commodity in commerce by extortion, in that the defendants and others agreed to obtain property, to wit: cash and check payments from lunch truck vendors, in connection with permitting the lunch truck vendors to park their lunch trucks at various desirable construction work sites, with the consent of the lunch truck vendors, such consent being induced by the wrongful use of fear, including the fear of economic harm, contrary to Title 18, United States Code, Section 1951.

(b) **Attempted Extortion of A.V.**

58. From at least as early as December 2006 through in or about February 2007, in the District of New Jersey and elsewhere, the defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALESE, along with Joseph Manzella, who is not named as a defendant in this Racketeering Act, did knowingly and willfully attempt to obstruct, delay and affect interstate commerce and the movement of an article and commodity in commerce by extortion, in that the defendants and others attempted to obtain property, to wit: cash and check payments from A.V., whose identity is known to the Grand Jury, in connection with permitting A.V. to park his lunch truck at desirable construction work sites, with the consent of A.V., such consent being induced by the wrongful use

of fear, including the fear of economic harm, contrary to Title 18, United States Code, Sections 1951 and 2.

Racketeering Act Nine
**(Demand/Receipt of Unlawful Labor Payments -
Par Wrecking Corporation)**

59. Paragraphs 14-18, and Paragraphs 22-23 are re-alleged and incorporated as though set forth in full herein.

60. From in or around the Fall of 2006 through in or around December 2006, in the District of New Jersey and elsewhere, defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALESE, a Job Steward of Local 1153 and a representative of employees at the Prudential Building parking garage demolition project, along with Joseph Manzella, an officer and employee of Local 1153, who is not named as a defendant in this Racketeering Act, knowingly and willfully requested, demanded, received, and accepted for Joseph Manzella and defendant RALPH CICALESE, the payment, loan, and delivery of money and things of value, namely, United States currency, in an amount in excess of \$1,000, from an employer, and from individuals acting in the interest of the employer, namely, Par Wrecking Corporation, whose employees were employed in an industry affecting commerce, namely, the construction industry, and whose employees such labor organization, to wit: Local 1153, represented, sought to represent, and would have admitted to membership, contrary to Title 29, United States Code, Sections 186(a)(1) and(2), (b)(1), and (d)(2), and Title 18, United States Code, Section 2.

Racketeering Act Ten
(Embezzlement of Union Assets/Local 1153 Membership Cards/Books)

61. Paragraphs 14-18, and Paragraphs 22-23 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

62. From in or around January 2006, through in or around February 2007, in the District of New Jersey and elsewhere, defendants ANDREW MEROLA, also known as "Andrew Knapik" and RALPH CICALSE, along with Local 1153 Business Manager Michael Urgola and Local 1153 Business Agent Joseph Manzella, being officers and persons employed by Local 1153 and not named as defendants in this Racketeering Act, did embezzle, steal and unlawfully and willfully abstract and convert to their own use the moneys, funds, securities, property, and other assets of Local 1153, to wit: application documents and membership cards pertaining to individuals proposed for membership in Local 1153 and the LIUNA, contrary to Title 29, United States Code, Section 501(c) and Title 18, United States Code, Section 2.

Racketeering Act Eleven
(Honest Services Wire Fraud - Bypass Shaping Lists)

63. Paragraphs 14-18, and Paragraphs 22-23 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

64. From in or about January 2006 through in or about April 2007, in the District of New Jersey, and elsewhere, the defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALSE,

along with Local 1153 Business Manager Michael Urgola and Local 1153 Business Agent Joseph Manzella, being officers and employees of Local 1153 and not named as defendants in this Racketeering Act, knowingly and willfully devised, caused to devise, and intended to devise a scheme and artifice to defraud (1) Local 1153 members of their property, that is, money paid as wages and employee benefits that such Local 1153 union members would have obtained but for the defendant's scheme and artifice to defraud and (2) the intangible right of Local 1153 and its members to the honest services which defendant RALPH CICALESE and Local 1153 officers and employees Michael Urgola and Joseph Manzella owed to Local 1153 and its members pursuant to Section 501(a) of the LMRDA, the Laborers International Union of North America ("LIUNA") Uniform Constitutions, the LIUNA Ethical Practices Code, and the LIUNA Job Referral Rules.

65. It was part of the scheme and artifice to defraud that Michael Urgola and Joseph Manzella used their positions as Business Manager and Business Agent of Local 1153, respectively, to provide defendant ANDREW MEROLA and his friends and criminal associates with jobs that they would otherwise not be able to obtain, because these friends and criminal associates of defendant MEROLA (a) were not entitled to journeymen membership in Local 1153 and LIUNA and (b) were not entitled to work referrals ahead of other employees and Local 1153 members awaiting their turn on Local 1153's out-of-work list in accordance with union hiring rules.

66. For the purpose of executing the scheme and artifice, the defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALSESE, along with Michael Urgola and Joseph Manzella, knowingly and willfully transmitted and caused to be transmitted by means of wire communication in interstate commerce, writings, signs, signals, and sounds, to wit: telephone calls. The telephone calls, which were initiated or received on T-Mobile cellular telephones in New Jersey, were routed through mobile switching centers in either New York or Pennsylvania. The telephone calls were made on the dates listed below, with individuals whose identities are known to the Grand Jury, in an effort to improperly obtain employment for defendant MEROLA's friends and criminal associates:

<u>DATE OF WIRE</u>	<u>DESCRIPTION OF TELEPHONE CALL</u>
2/19/07	Incoming call to CICALSESE from H.C. at 7:31 p.m. to CICALSESE's T-Mobile cellular telephone
2/26/07	Outgoing call from MEROLA and CICALSESE to S.D. at 3:53 p.m. from CICALSESE'S T-Mobile cellular telephone
4/02/07	Incoming call to CICALSESE from F.M. and MEROLA at 10:26 a.m. to CICALSESE's T-Mobile cellular telephone
4/02/07	Incoming call to CICALSESE from MEROLA to CICALSESE at 10:57 a.m. to CICALSESE's T-Mobile cellular telephone
4/06/07	Incoming call to CICALSESE from F.M. at 9:58 a.m. to CICALSESE's T-Mobile cellular telephone
4/06/07	Outgoing call from CICALSESE to A.W. at 8:04 p.m. from CICALSESE's T-Mobile

cellular telephone

4/09/07

Incoming call to CICALSESE from F.M.
at 2:31 p.m. to CICALSESE's T-Mobile
cellular telephone,

contrary to Title 18, United States Code, Sections 1343, 1346 and
2.

Racketeering Act Twelve
(Wire Fraud - No Show/Low Show Jobs - Kiska Construction)

67. Paragraphs 21, 27 and 28 of Count 1 of this Indictment
are re-alleged and incorporated as though set forth in full
herein.

68. From in or about March 2006, through in or about
May 2007, in the District of New Jersey, and elsewhere, the
defendants ANDREW MEROLA, also known as "Andrew Knapik," and
CHARLES MUCCIGROSSO, also known as "Buddy Musk," along with John
Cataldo, Local 825 Organizer, and Joseph Schepisi, foreman for
Kiska Construction, who were not named as defendants in this
Racketeering Act, knowingly and willfully devised and intended to
devise a scheme and artifice to defraud Kiska Construction and to
obtain money and property by means of false and fraudulent
pretenses, representations and promises.

Object of the Scheme and Artifice

69. The object of the scheme and artifice was for defendants
ANDREW MEROLA, also known as "Andrew Knapik," and CHARLES
MUCCIGROSSO, also known as "Buddy Musk," to fraudulently obtain a
salary payment for weeks that they did not work at their jobs as

full-time operating engineers for Kiska Construction on the Goethals' Bridge Project.

The Manner and Means of the Scheme to Defraud

70. It was part of the scheme and artifice to defraud that defendants ANDREW MEROLA, also known as "Andrew Knapik," and CHARLES MUCCIGROSSO, also known as "Buddy Musk," would alternate work weeks whereby one of them would work one week and the other would work the next week, although both were hired to work as, and were paid as, full-time employees of Kiska Construction at the Goethals' Bridge Project.

71. It was further part of the scheme and artifice to defraud that defendants ANDREW MEROLA, also known as "Andrew Knapik," and CHARLES MUCCIGROSSO, also known as "Buddy Musk," had John Cataldo warn them if and when Cataldo learned that someone from Local 825 would be stopping by the Goethal's Bridge Project so that they could be on the job site when it was inspected.

72. It was further part of the scheme and artifice to defraud that defendants ANDREW MEROLA, also known as "Andrew Knapik," and CHARLES MUCCIGROSSO, also known as "Buddy Musk," had Joseph Schepisi arrange for MEROLA and MUCCIGROSSO to be paid for working at the Goethal's Bridge Project on dates and times that MEROLA and MUCCIGROSSO were not in fact working at the Goethal's Bridge Project.

73. It was further part of the scheme and artifice to defraud that defendants ANDREW MEROLA, also known as "Andrew Knapik," and CHARLES MUCCIGROSSO, also known as "Buddy Musk,"

along with Joseph Schepisi, together with others, would and did submit and cause to be submitted false information to Kiska Construction regarding hours worked by defendants MEROLA and MUCCIGROSSO, claiming that they had worked certain hours when, in fact, they had worked less hours, thereby over-reporting to Kiska Construction the wages owed to defendants MEROLA and MUCCIGROSSO.

74. On or about the dates listed below, for the purpose of executing this scheme and artifice to defraud, defendants ANDREW MEROLA, also known as "Andrew Knapik," and CHARLES MUCCIGROSSO, also known as "Buddy Musk," along with Joseph Schepisi, did knowingly and willfully transmit and cause to be transmitted by means of wire communication, namely by computer, in interstate commerce from New York to New Jersey, writings, signals, and sounds, that is, the hours and dates of employment of defendants ANDREW MEROLA and CHARLES MUCCIGROSSO:

<u>DATE OF WIRE</u>	<u>WIRE COMMUNICATION</u>
3/20/06	Payroll for week ending 3/19/06
4/17/06	Payroll for week ending 4/16/06
5/22/06	Payroll for week ending 5/21/06
6/19/06	Payroll for week ending 6/18/06
7/24/06	Payroll for week ending 7/23/06
8/21/06	Payroll for week ending 8/20/06
9/18/06	Payroll for week ending 9/17/06
10/23/06	Payroll for week ending 10/22/06

11/20/06 Payroll for week ending 11/19/06

2/05/07 Payroll for week ending 2/04/07

contrary to Title 18, United States Code, Sections 1343 and 2.

Racketeering Act Thirteen
(New Jersey Criminal Code Bribery)

75. On or about April 24, 2007, in the District of New Jersey, and elsewhere, the defendant KYLE RAGUSA, knowingly and willfully offered, conferred, and agreed to confer, upon a public servant, that is, an employee of the State of New Jersey, Division of Motor Vehicles, whose identity is known to the Grand Jury, a pecuniary benefit in the amount of \$100, as consideration for that public servant's decision, opinion, recommendation, and exercise of discretion, regarding defendant KYLE RAGUSA's New Jersey driver's license examination roadside test, contrary to N.J.S.A. 2C:27-2.

COLLECTION OF UNLAWFUL DEBTS

76. It was further part of the racketeering conspiracy that each defendant named below agreed to the collection of an unlawful debt in the conduct of the affairs of the enterprise, that is a debt that was (a) incurred and contracted in gambling activity which was in violation of the laws of the United States and New Jersey, and which was incurred in connection with the business of gambling in violation of the laws of the United States and New Jersey; and (b) that was unenforceable under the laws of New Jersey, 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 and anything of value at rates that were usurious, in that they were greater than permitted under the laws of New Jersey, and where the usurious rates were at least twice the enforceable rate.

77. In particular, in conducting the affairs of the enterprise, the defendants named herein, and others, agreed to the collection of the unlawful debts listed below:

<u>Unlawful Debt. No</u>	<u>Date</u>	<u>Defendant</u>	<u>From</u>	<u>Type</u>
1	1/07- 2/07	A. MEROLA R. CICALSESE J. TIZIO	Vincent Derogatis	gambling
2	12/05- 5/07	A. MEROLA R. CICALSESE	Gennaro Forte	usurious loan
3	9/03- 5/07	A. MEROLA R. CICALSESE	Justin Cerrato	gambling
4	1/07- 5/07	A. MEROLA R. CICALSESE	Christopher Doscher	gambling
5	2/07- 5/07	A. MEROLA	Kyle Ragusa	gambling
6	9/03- 5/07	A. MEROLA R. CICALSESE	Charles Russo	gambling
7	11/06- 5/07	A. MEROLA R. CICALSESE	Eric Maione	gambling
8	3/07- 5/07	A. MEROLA R. CICALSESE	Carmine Maione	gambling
9	2/07- 5/07	A. MEROLA R. CICALSESE	Anthony Marra	gambling
10	9/06- 5/07	A. MEROLA	Edward Deak	gambling

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

COUNT 2
(Racketeering - Pattern of Racketeering Activity)

78. Paragraphs 1 through 30 and 34 through 75 of Count 1 are re-alleged and incorporated as though set forth in full herein.

79. From in or about February 2002 through in or about March 2008, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
CHARLES MUCCIGROSSO,
also known as "Buddy Musk,"
KYLE RAGUSA,
and
JOHN TIZIO

being persons employed by and associated with the racketeering enterprise herein, that is, the Gambino Crime Family, which enterprise was engaged in, and the activities of which affected interstate commerce, did unlawfully and knowingly conduct and participate, directly and indirectly, in the conduct of the affairs of the enterprise through a pattern of racketeering activity, as defined by Title 18, United States Code, Sections 1961(1) and 1961(5) and as set forth in Racketeering Acts One through Thirteen of Count 1 of this Indictment.

In violation of Title 18, United States Code, Sections 1962(c) and 2.

COUNT 3

(Racketeering - Collection of Unlawful Debt)

80. Paragraphs 1 through 30, 76 and 77 of Count 1 are re-alleged and incorporated as though set forth in full herein.

81. From in or about February 2002 through in or about March 2008, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
and
JOHN TIZIO

being persons employed by and associated with the racketeering enterprise herein, that is, the Gambino Crime Family, which enterprise was engaged in, and the activities of which affected interstate commerce, did unlawfully and knowingly conduct and participate, directly and indirectly, in the conduct of the affairs of the enterprise through the collection of an unlawful debt, as defined by Title 18, United States Code, Section 1961(6), and as set forth in unlawful debts numbered 1 and 2 in Paragraph 77 of Count 1 of this Indictment.

In violation of Title 18, United States Code, Sections 1962(c) and 2.

COUNT 4
(Illegal Gambling Business)

82. From in or about February 2002 through in or about May 2007, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
KYLE RAGUSA,
GENNARO FORTE,
JUSTIN CERRATO,
CHARLES RUSSO,
VINCENT DEROGATIS,
ERIC MAIONE,
CARMINE MAIONE,
CHRISTOPHER DOSCHER,
ANTHONY MARRA,
and
EDWARD DEAK

together with others, did knowingly and willfully conduct, finance, manage, supervise, direct and own all and part of an illegal gambling business which (i) was a violation of Chapter 37 of Title 2C of New Jersey Statutes Annotated (N.J.S.A. §§ 2C:37-2 and 2C:37-3), (ii) involved five or more persons who conducted, financed, managed, supervised, directed, and owned all and part of such business, and (iii) was in substantially continuous operation for a period in excess of thirty days and had a gross revenue of more than \$2,000 in any single day.

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

COUNT 5

**(Conspiracy to Collect an Extension of Credit
by Extortionate Means - John Doe #1)**

83. On or about March 19, 2007, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
MARTIN TACCETTA,
and
KYLE RAGUSA

did knowingly and willfully conspire with each other and others, known and unknown to the Grand Jury, to participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect from John Doe #1, an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish John Doe #1 for the non-repayment thereof.

In violation of Title 18, United States Code, Section 894.

COUNT 6
**(Conspiracy to Collect an Extension of Credit
by Extortionate Means - Vincent Derogatis)**

84. From on or about January 2, 2007 through on or about February 1, 2007, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
and
JOHN TIZIO

did knowingly and willfully conspire with each other and others, known and unknown to the Grand Jury, to participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect from Vincent Derogatis an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish Vincent Derogatis for the non-repayment thereof.

In violation of Title 18, United States Code, Section 894.

COUNT 7
(Collection of an Extension of Credit
by Extortionate Means - Vincent Derogatis)

85. From on or about January 2, 2007 through on or about February 1, 2007, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
and
JOHN TIZIO

together with others, did knowingly and willfully participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect and attempt to collect from Vincent Derogatis an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish Vincent Derogatis for the non-repayment thereof.

In violation of Title 18, United States Code, Sections 894 and 2.

COUNT 8
**(Conspiracy to Collect an Extension of Credit
by Extortionate Means - Gennaro Forte)**

86. From in or about November 2006 through in or about May 2007, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
and
RALPH CICALESE

did knowingly and willfully conspire with each other and others, known and unknown to the Grand Jury, to participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect from Gennaro Forte, an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish Gennaro Forte for the non-repayment thereof.

In violation of Title 18, United States Code, Section 894.

COUNT 9
(Collection of an Extension of Credit
by Extortionate Means - Gennaro Forte)

87. From in or about November 2006 through in or about May 2007, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
and
RALPH CICALESE

together with others, did knowingly and willfully participate in the use of extortionate means, as defined in Title 18, United States Code, Section 891(7), to collect and attempt to collect from Gennaro Forte an extension of credit, as defined in Title 18, United States Code, Section 891, and to punish Gennaro Forte for the non-repayment thereof.

In violation of Title 18, United States Code, Sections 894 and 2.

COUNT 10

(Conspiracy to Commit Wire Fraud - Bar Code Label Scheme)

88. The allegations contained in Paragraphs 41 through 46 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

89. From in or about March 2006 through in or about May 2007, in the District of New Jersey, and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALI, SE,
CHARLES MUCCIGROSSO,
also known as "Buddy Musk,"
KYLE RAGUSA,
JOHN TIZIO,
INDIA FUGATE,
and
VINCENT FICHERA

did knowingly and willfully conspire with each other and others, known and unknown to the Grand Jury, to devise, cause to devise, and intend to devise a scheme and artifice to defraud, and to obtain money and property from stores, including Lowe's Home Improvement, by means of false and fraudulent pretenses, representations, and promises, as set forth in paragraphs 41 through 46 of Count 1.

90. For the purpose of executing and attempting to execute such scheme and artifice to defraud, defendants ANDREW MEROLA, also known as "Andrew Knapik," RALPH CICALI, SE, CHARLES MUCCIGROSSO, also known as "Buddy Musk," KYLE RAGUSA, JOHN TIZIO,

INDIA FUGATE, and VINCENT FICHERA, knowingly and willfully transmitted and caused to be transmitted by means of wire communication in interstate commerce, writings, signs, signals, and sounds, that is, a series of numbers derived from the UPC that determines the price for any item of merchandise, to and from New Jersey and Lowe's host database in North Carolina, contrary to Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Section 1349.

COUNT 11
(Conspiracy to Commit Wire Fraud - Credit Card Scheme)

91. The allegations contained in Paragraphs 48 through 53 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

92. From on or about February 18, 2007 through in or about May 2007, in the District of New Jersey, and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
and
INDIA FUGATE

did knowingly and willfully conspire with each other and others, known and unknown to the Grand Jury, to devise, cause to devise, and intend to devise a scheme and artifice to defraud, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, as set forth above in paragraphs 48 through 53 of Count 1.

93. For the purpose of executing and attempting to execute such scheme and artifice to defraud, defendants ANDREW MEROLA, also known as "Andrew Knapik," and INDIA FUGATE, knowingly and willfully transmitted and caused to be transmitted by means of wire communication in interstate commerce, writings, signs, signals, and sounds, that is, a series of letters and numbers consisting of customer identification information, contrary to Title 18, United States Code, Section 1343,

In violation of Title 18, United States Code, Section 1349.

COUNT 12

(Conspiracy to Demand and Receive Unlawful Labor Payments)

94. Paragraphs 19 through 26 of Count 1 of this Indictment are re-alleged and incorporated as set forth in full herein.

BMW of Morristown Construction Project

95. Beginning as early as November 2006, Barone Construction received a contract to perform demolition/construction work at the construction project at the BMW of Morristown car dealership, located on Ridgedale Avenue in Morristown, New Jersey (hereinafter "BMW Project"). Barone Construction was subject to a CBA with Local 825 and therefore was required to use and employ Local 825 members at the BMW Project to operate heavy equipment, such as bulldozers, front end loaders, excavators, rollers, crushers, and backhoes, among other types of heavy construction equipment.

The Conspiracy

96. From on or about January 17, 2007 through in or around March 2007, in the District of New Jersey and elsewhere, defendants

ANDREW MEROLA,
also known as "Andrew Knapik,
MARTIN TACCETTA,
JONATHAN LANZA,
PAUL LANZA,
and
JOHN CATALDO

being a Local 825 Organizer and employee, did knowingly and willfully conspire and agree with each other and others to

request, demand, receive, and accept for defendant JOHN CATALDO, the payment, loan, and delivery of money and things of value, namely, United States currency, in an amount in excess of \$1,000, from an employer, and from individuals acting in the interest of that employer, namely, Barone Construction, whose employees were employed in an industry affecting commerce, namely, the construction industry, and whose employees such labor organization, to wit: Local 825, represented, sought to represent, and would have admitted to membership, contrary to Title 29, United States Code, Sections 186(a)(2), (b)(1), and (d)(2).

Object of the Conspiracy

97. It was an object of the conspiracy that defendants JONATHAN LANZA and PAUL LANZA would pay defendants JOHN CATALDO, ANDREW MEROLA and MARTIN TACCETTA approximately \$20,000 in bribes to permit defendants JONATHAN LANZA and PAUL LANZA to circumvent and ignore the requirements of the CBA that Barone Construction was subject to with Local 825 by hiring non-union labor, thereby, permitting Barone Construction to save substantial amounts by not paying union salaries and benefits.

Manner and Means of the Conspiracy

98. It was part of the conspiracy that defendant ANDREW MEROLA informed defendant JONATHAN LANZA, who represented Barone Construction, that he had to pay defendant JOHN CATALDO \$20,000 in order for defendant JOHN CATALDO to ignore and not enforce the

provisions of the CBA, namely, the hiring of Local 825 operating engineer members to work at the BMW Project.

99. It was further part of the conspiracy that by not enforcing the provisions of the CBA, defendants JONATHAN LANZA and PAUL LANZA would avoid the obligation of paying union regulated salaries and benefits.

Overt Acts

100. In furtherance of the conspiracy and in order to effect the object thereof, defendants ANDREW MEROLA, MARTIN TACCETTA, JOHN CATALDO, JONATHAN LANZA and PAUL LANZA committed and caused to be committed the following overt acts, among others, in the District of New Jersey and elsewhere:

a. On or about January 17, 2007, defendant JOHN CATALDO went to the BMW Project and spoke with defendant JONATHAN LANZA about why there were no union members on the BMW Project.

b. On or about January 17, 2007, defendants JONATHAN LANZA and PAUL LANZA traveled to the Quick Check on Main Street in Madison, New Jersey in order to meet defendant ANDREW MEROLA.

c. On or about January 18, 2007, defendant MARTIN TACCETTA had a conversation with defendant ANDREW MEROLA in MEROLA's vehicle during which they discussed Barone Construction's union problems and the need for defendant JONATHAN LANZA to pay defendant JOHN CATALDO.

d. On or about January 22, 2007, defendant JONATHAN LANZA called defendant ANDREW MEROLA and advised MEROLA that he had spoken with defendant JOHN CATALDO and they worked everything out.

All in violation of Title 18, United States Code, Section 371.

COUNT 13
(Demanding and Receiving Unlawful Labor Payments)

101. Paragraphs 19 through 26 of Count 1, and Paragraphs 95, 98 and 99 of Count 12, are re-alleged and incorporated as set forth in full herein.

102. From on or about January 17, 2007 through in or around March 2007, in the District of New Jersey and elsewhere, defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
MARTIN TACCETTA,
PAUL LANZA,
JONATHAN LANZA
and
JOHN CATALDO

being a Local 825 Organizer and employee, knowingly and willfully requested, demanded, received, and accepted, and agreed to receive and accept, and caused to be requested, demanded, received, and accepted for defendant JOHN CATALDO, the payment, loan, and delivery of money and things of value, namely, United States currency, in an amount in excess of \$1,000, from an employer, and from individuals acting in the interest of that employer, namely, Barone Construction, whose employees were employed in an industry affecting commerce, namely, the construction industry, and whose employees such labor organization, to wit: Local 825 represented, sought to represent, and would have admitted to membership.

In violation of Title 29, United States Code, Sections 186(a)(2), (b)(1), and (d)(2) and Title 18, United States Code, Section 2.

COUNT 14

(Conspiracy to Embezzle from Local 825 Benefit Funds)

103. Paragraphs 19 through 26 of Count 1 of this Indictment and Paragraph 95 of Count 12 are re-alleged and incorporated as though set forth in full herein.

104. From in or around November 2006, through in or around November 2007, in the District of New Jersey and elsewhere, defendants

JONATHAN LANZA
and
PAUL LANZA

did knowingly and willfully conspire and agree with each other and others to embezzle, steal and unlawfully convert to their own use and the use of others, moneys, funds, premiums, credits, property and other assets of the Local 825 Benefit Funds, and of a fund connected with such employee benefit plans, totaling in excess of \$43,418.00, contrary to Title 18, United States Code, Section 664.

Manner and Means

105. It was part of the conspiracy that between November 2006 and November 2007, Barone Construction would employ multiple non-union workers at a construction project at the BMW of Morristown Dealership and not contribute to the Local 825 Benefit Funds as required by the collective bargaining agreement.

106. It was further part of the conspiracy that Barone Construction would camouflage the payment of wages to its non-union workers by directing some of those non-union workers to

submit false invoices for services rendered as independent contractors.

107. It was further part of the conspiracy that Barone Construction would fail to report to the Local 825 Benefit Funds the names, number of hours worked, and the amount of contributions owed on behalf of each employee entitled to have contributions made on his or her behalf to the Benefit Funds in accordance with Barone Construction's labor contract with Local 825.

Overt Acts

108. In furtherance of the conspiracy and in order to effect the object thereof, defendants JONATHAN LANZA and PAUL LANZA committed and caused to be committed the following overt acts, among others, in the District of New Jersey and elsewhere:

a. On or about January 25, 2007, PAUL LANZA and JONATHAN LANZA caused a check in the amount of \$1,090.46 to be written to A.H. for working as a non-union operating engineer.

b. On or about February 2, 2007, in payment for V.T.'s work as a non-union operating engineer, PAUL LANZA and JONATHAN LANZA caused a check in the amount of \$3,985 to be written from Barone Construction to V.T.'s landscaping company in payment for alleged "truck rental" services.

c. On or about March 1, 2007, PAUL LANZA and JONATHAN LANZA caused a check in the amount of \$783.74 to be written from

Barone Construction to E.B. for working as a non-union operating engineer.

In violation of Title 18, United States Code, Section 371.

COUNTS 15 - 19
(Embezzlement from Local 825 Benefit Funds)

109. Paragraphs 19 through 26 of Count 1, Paragraph 95 of Count 12, and Paragraphs 105 through 107 of Count 14 of this Indictment are re-alleged and incorporated as though set forth in full herein.

110. In or about the dates set forth below, in Morris County, in the District of New Jersey and elsewhere, the defendants

JONATHAN LANZA
and
PAUL LANZA

knowingly and willfully embezzled, stole and unlawfully converted to their own use and the use of others, moneys, funds, premiums, credits, property, and other assets of the Local 825 Benefit Funds, and of a fund connected with such employee benefit plans, that is, employer contributions due and owing from Barone Construction to the Local 825 Benefit Funds with respect to the following non-union employees working at the BMW of Morristown Dealership:

<u>Count</u>	<u>Dates</u>	<u>Non-Union Employee</u>	<u>Amt. Embezzled</u>
15	12/06-2/07	V.T.	\$ 5,508.00
16	02/07-11/07	E.B.	\$20,519.00
17	01/07-02/07	A.H.	\$ 4,318.00
18	12/06	S.P. Sr.	\$ 2,720.00
19	11/06-05/07	S.P. Jr.	\$10,353.00

In violation of Title 18, United States Code, Sections 664
and 2.

COUNT 20

(Hobbs Act Extortion Conspiracy - Lunch Truck Vendors)

111. From at least as early as January 2006 through in or about February 2007, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
and
JOSEPH MANZELLA

did knowingly and willfully conspire with each other and with others to obstruct, delay and affect interstate commerce and the movement of an article and commodity in commerce by extortion, in that the defendants and others agreed to obtain property, to wit: cash and check payments from Lunch Truck Vendors, in connection with permitting the Lunch Truck Vendors to park their lunch trucks at various desirable construction work sites, with the consent of the Lunch Truck Vendors, such consent being induced by the wrongful use of fear, including the fear of economic harm.

In violation of Title 18, United States Code, Section 1951.

COUNT 21
(Hobbs Act Extortion Attempt - A.V.)

112. From at least as early as December 2006 through in or about February 2007, in the District of New Jersey and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
and
JOSEPH MANZELLA

did knowingly and willfully attempt to obstruct, delay and affect interstate commerce and the movement of an article and commodity in commerce by extortion, in that the defendants and others attempted to obtain property, to wit: cash and check payments from A.V., whose identity is known to the Grand Jury, in connection with permitting A.V. to park his lunch truck at desirable construction work sites, with the consent of A.V., such consent being induced by the wrongful use of fear, including the fear of economic harm.

In violation of Title 18, United States Code, Sections 1951 and 2.

COUNT 22
**(Conspiracy to Demand and Receive Unlawful Labor Payments -
Par Wrecking Corporation)**

113. Paragraphs 14 through 18, 22 and 23 of Count 1 are re-alleged and incorporated as though set forth in full herein.

114. From in or around the Fall of 2006 through in or around December 2006, in the District of New Jersey and elsewhere, defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
and
JOSEPH MANZELLA

did knowingly and willfully conspire and agree with each other and others to request, demand, receive, and accept for defendants RALPH CICALESE and JOSEPH MANZELLA, the payment, loan, and delivery of money and things of value, namely, United States currency, in an amount in excess of \$1,000, from an employer, and from individuals acting in the interest of that employer, namely, Par Wrecking Corporation, whose employees were employed in an industry affecting commerce, namely, the construction industry, and whose employees such labor organization, to wit: Local 1153, represented, sought to represent, and would have admitted to membership, contrary to Title 29, United States Code, Sections 186(a)(1) and (2), (b)(1), and (d)(2).

Object of the Conspiracy

115. It was an object of the conspiracy that defendants ANDREW MEROLA, RALPH CICALSE, a Job Steward and employee at the Prudential Building parking garage demolition project, and JOSEPH MANZELLA, a Business Agent and employee of Local 1153, would demand and receive bribe payments, in an amount in excess of \$35,000, to permit Par Wrecking to circumvent and ignore the requirements of the CBA to which Par Wrecking was subject to with Local 1153 by not hiring the required number of Local 1153 union members, thereby avoiding the payment of union salaries and benefits.

Overt Acts

116. In furtherance of the conspiracy and in order to effect the object thereof, defendants ANDREW MEROLA, also known as "Andrew Knapik," RALPH CICALSE, and JOSEPH MANZELLA committed and caused to be committed the following overt acts, among others, in the District of New Jersey and elsewhere:

a. On or about November 6, 2006, defendants ANDREW MEROLA, RALPH CICALSE, and JOSEPH MANZELLA caused a payroll check to be written by Par Wrecking to an individual named "Ryszard Nalepa," for \$5,000, which check was then cashed and the money given to defendant CICALSE.

b. On or about November 6, 2006, defendants ANDREW MEROLA, RALPH CICALSE, and JOSEPH MANZELLA caused a payroll check to be

written by Par Wrecking to an individual named "Ryszard Nalepa," for \$5,000, which check was then cashed and the money given to defendant CICALSESE.

c. On or about November 9, 2006, defendants ANDREW MEROLA, RALPH CICALSESE, and JOSEPH MANZELLA caused a payroll check to be written by Par Wrecking to an individual named "Ryszard Nalepa," for \$5,100, which check was then cashed and the money given to defendant CICALSESE.

d. On or about November 17, 2006, defendants ANDREW MEROLA, RALPH CICALSESE, and JOSEPH MANZELLA caused a payroll check to be written by Par Wrecking to an individual named "Ryszard Nalepa," for \$5,100, which check was then cashed and the money given to defendant CICALSESE.

e. On or about November 24, 2006, defendants ANDREW MEROLA, RALPH CICALSESE, and JOSEPH MANZELLA caused a payroll check to be written by Par Wrecking to an individual named "Ryszard Nalepa," for \$5,100, which check was then cashed and the money given to defendant CICALSESE.

f. On or about December 1, 2006, defendants ANDREW MEROLA, RALPH CICALSESE, and JOSEPH MANZELLA caused a payroll check to be written by Par Wrecking to an individual named "Ryszard Nalepa," for \$5,100, which check was then cashed and the money given to defendant CICALSESE.

g. On or about December 15, 2006, defendants ANDREW MEROLA, RALPH CICALESE, and JOSEPH MANZELLA caused a payroll check to be written by Par Wrecking to an individual named "Ryszard Nalepa," for \$6,125 which check was then cashed and the money given to defendant CICALESE.

In violation of Title 18, United States Code, Section 371.

COUNT 23
**(Demanding and Receiving Unlawful Labor Payments -
Par Wrecking Corporation)**

117. Paragraphs 14 through 18, 22 and 23 of Count 1, and Paragraph 115 of Count 22 are re-alleged and incorporated as though set forth in full herein.

118. From in or around the Fall of 2006 through in or around December 2006, in the District of New Jersey and elsewhere, defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
and
JOSEPH MANZELLA

knowingly and willfully requested, demanded, received, and accepted for defendants RALPH CICALESE and JOSEPH MANZELLA, the payment, loan, and delivery of money and things of value, namely, United States currency, in an amount in excess of \$1,000 from employers, and from individuals acting in the interest of an employer, namely, Par Wrecking Corporation, whose employees were employed in an industry affecting commerce, namely, the construction industry, and whose employees such labor organization, to wit: Local 1153, represented, sought to represent, and would have admitted to membership.

In violation of Title 29, United States Code, Sections 186(a)(2), (b)(1), and (d)(2), and Title 18, United States Code, Section 2.

COUNT 24
**(Conspiracy to Embezzle Union Assets -
LIUNA Membership Cards/Books)**

119. Paragraphs 14 through 18, 22 and 23 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

120. From in or around January 2006 through in or around February 2007, in the District of New Jersey and elsewhere, defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
MICHAEL URGOLA,
and
JOSEPH MANZELLA

knowingly and willfully conspired and agreed with each other and others to embezzle, steal and unlawfully and willfully abstract and convert to their own use the moneys, funds, securities, property, and other assets of Local 1153, to wit: application documents and membership cards pertaining to individuals proposed for membership in Local 1153 and the LIUNA, contrary to Title 29, United States Code, Section 501(c).

Object of the Conspiracy

121. It was an object of the conspiracy that defendants MICHAEL URGOLA, Business Manager of Local 1153, and JOSEPH MANZELLA, Recording Secretary and Business Agent of Local 1153, would use their positions as officers and persons employed by Local 1153 to provide friends and associates of defendants ANDREW

MEROLA and RALPH CICALSE with union books as LIUNA journeyworker members when they did not have the required training and experience to receive this benefit.

Overt Acts

122. In furtherance of the conspiracy and in order to effect the object thereof, defendants ANDREW MEROLA, RALPH CICALSE, MICHAEL URGOLA, and JOSEPH MANZELLA committed and caused to be committed, among others, the following overt acts in the District of New Jersey and elsewhere:

a. In or around January 2006, defendant RALPH CICALSE took M.D. to meet defendant MICHAEL URGOLA at the union hall at which time they discussed defendant URGOLA getting M.D. a union book.

b. On or about February 21, 2007, defendant ANDREW MEROLA had a telephone conversation with Kyle Ragusa during which they discussed Ragusa going to see defendant MICHAEL URGOLA about a union book.

c. On or about April 2, 2007, defendant JOSEPH MANZELLA had a telephone conversation with Kyle Ragusa about picking up his union book.

In violation of Title 18, United States Code, Section 371.

COUNTS 25-26

(Embezzlement of Union Assets - Local 1153 Membership Cards/Books)

123. Paragraphs 14 through 18, 22 and 23 of Count 1 and Paragraph 121 of Count 24 of this Indictment are re-alleged and incorporated as though set forth in full herein.

124. On or about the dates set forth below, in the District of New Jersey and elsewhere, the defendants named below, together with others, knowingly and willfully embezzled, stole and unlawfully and willfully abstracted and converted to their own use the moneys, funds, securities, property, and other assets of Local 1153, to wit: the application documents and membership cards pertaining to the following individuals proposed for membership in Local 1153:

<u>Count</u>	<u>Individual</u>	<u>Approx. Date</u>	<u>Defendant(s)</u>
25	M.D.	04/06	MICHAEL URGOLA ANDREW MEROLA RALPH CICALEASE
26	K.R.	02/07	MICHAEL URGOLA JOSEPH MANZELLA ANDREW MEROLA RALPH CICALEASE

In violation of Title 29, United States Code, Section 501(c) and Title 18, United States Code, Section 2.

COUNT 27
(Conspiracy to Commit Wire Fraud -
Theft of Honest Services - Out of Work List)

125. Paragraphs 14 through 18, 22 through 23, and 65 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

126. From in or about January 2006 through in or about November 2007, in the District of New Jersey, and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
RALPH CICALESE,
MICHAEL URGOLA,
and
JOSEPH MANZELLA

did knowingly and willfully conspire with each other and others, to devise, cause to devise, and intend to devise a scheme and artifice to defraud (1) Local 1153 of its property, that is, application documents pertaining to individuals proposed for membership in LIUNA and membership cards issued to persons not entitled to journeyworker membership in the LIUNA; (2) Local 1153 members of their property, that is, money paid as wages and employee benefits that such Local 1153 union members would have obtained but for the defendant's scheme and artifice to defraud; and (3) the intangible right of Local 1153 and its members to the honest services which defendant RALPH CICALESE and Local 1153 officers and employees MICHAEL URGOLA and JOSEPH MANZELLA owed to Local 1153 and its members pursuant to Section 501(a) of the

LMRDA, the LIUNA Uniform Constitutions, the LIUNA Ethical Practices Code, and the LIUNA Job Referral Rules.

127. For the purpose of executing and attempting to execute such scheme and artifice to defraud, defendants ANDREW MEROLA, also known as "Andrew Knapik," RALPH CICALESE, MICHAEL URGOLA, and JOSEPH MANZELLA, knowingly and willfully transmitted and caused to be transmitted by means of wire communication in interstate commerce, writings, signs, signals, and sounds, that is, telephone calls, in an effort to improperly obtain employment for friends and associates of defendants MEROLA and CICALESE, contrary to Title 18, United States Code, Sections 1343 and 1346.

In violation of Title 18, United States Code, Section 1349.

COUNT 28
**(Conspiracy to Commit Wire Fraud -
No Show/Low Show Jobs - Kiska Construction)**

128. Paragraphs 21, 27, 28 and 69 through 73 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

129. From in or about March 2006 through in or about May 2007, in the District of New Jersey, and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
CHARLES MUCCIGROSSO,
also known as "Buddy Musk,"
JOHN CATALDO,
and
JOSEPH SCHEPISI

did knowingly and willfully conspire and agree with each other, and others, known and unknown to the grand jury, to devise and intend to devise a scheme and artifice to defraud Kiska Construction and to obtain money by means of false and fraudulent pretenses, representations and promises, as set forth in paragraphs 69 through 73 of Count 1 of this Indictment.

130. For the purpose of executing the scheme and artifice, defendants ANDREW MEROLA, also known as "Andrew Knapik," CHARLES MUCCIGROSSO, also known as "Buddy Musk," JOHN CATALDO, and JOSEPH SCHEPISI, did knowingly and willfully transmit and cause to be transmitted by means of wire communication, namely by computer, in interstate commerce from New York to New Jersey, writings,

signals, and sounds, that is, the hours and dates of employment of defendants ANDREW MEROLA and CHARLES MUCCIGROSSO, contrary to Title 18, United States Code, Section 1343.

In violation of Title 18, United States Code, Section 1349.

COUNT 29
(Wire Fraud)
(No Show/Low Show Jobs - Kiska Construction)

131. Paragraphs 21, 27, 28 and 69 through 73 of Count 1 of this Indictment are re-alleged and incorporated as though set forth in full herein.

132. From in or about March 2006 through in or about May 2007, in the District of New Jersey, and elsewhere, the defendants

ANDREW MEROLA,
also known as "Andrew Knapik,"
CHARLES MUCCIGROSSO,
also known as "Buddy Musk,"
JOHN CATALDO,
and
JOSEPH SCHEPISI

knowingly and willfully devised and intended to devise a scheme and artifice to defraud Kiska Construction and to obtain money by means of false and fraudulent pretenses, representations and promises, as set forth above in paragraphs 69 through 73 of Count 1 of this Indictment.

133. On or about November 20, 2006, for the purpose of executing the scheme and artifice and attempting to do so, defendants ANDREW MEROLA, also known as "Andrew Knapik," CHARLES MUCCIGROSSO, also known as "Buddy Musk," JOHN CATALDO, and JOSEPH SCHEPISI, did knowingly and willfully transmit and cause to be transmitted by means of wire communication, namely by computer, in interstate commerce from New York to New Jersey, writings,

signals, and sounds, that is, the hours and dates of employment of defendants ANDREW MEROLA and CHARLES MUCCIGROSSO.

In violation of Title 18, United States Code, Sections 1343 and 2.

COUNT 30
(False and Fraudulent Statements)

134. On or about May 21, 2007, in the District of New Jersey, and elsewhere, in a matter within the joint jurisdiction of the Federal Bureau of Investigation within the Department of Justice, and the Office of Inspector General - Department of Labor, both being agencies of the United States, the defendant

JONATHAN LANZA

knowingly and willfully made and caused to be made a false, fictitious, and fraudulent material statement and representation, to wit: that Barone Construction did not have a collective bargaining agreement with Local 825, such video statement having been made during the course of an investigation into unlawful labor payments and embezzlement from the Local 825 Benefit Funds.

In violation of Title 18, United States Code, Section 1001(a)(2).

FIRST FORFEITURE ALLEGATION

135. The allegations contained in Counts 1, 2, and 3 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. Pursuant to Rule 32.2, Fed. R. Crim. P., notice is hereby given to the defendants listed in Paragraph 136 below 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 that defendant's conviction under Counts 1, 2, and 3 of this Indictment.

136. As a result of the offenses set forth in Counts 1, 2, and 3, the defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALESE

i. 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);

ii. have an interest in, security of, claim against and property and contractual right, affording them a source of influence over the enterprise said defendants have established, operated, controlled, conducted and participated in the conduct of, in violation of Title 18, United States Code, Section 1962, which interests are subject to forfeiture pursuant to Title 18, United States Code, Section 1963(a)(2); and

iii. have property constituting and derived from proceeds obtained, directly, and indirectly, from the aforesaid racketeering activity, in violation of Title 18, United States Code, Section 1962, which property is subject to forfeiture to the United States pursuant to Title 18, United States Code, Section 1963(a)(3).

137. 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), includes, but is not limited to, the following assets:

(a) A sum of money equal to at least \$750,000, said amount being the total of the interests acquired and the gross proceeds obtained through the violations of Title 18, United States Code, Section 1962;

(b) All that lot and parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments, and easements, located at 14 Fay Drive, East Hanover, New Jersey, also known as Lot 47 in Block 38.05 on the Township of East Hanover Tax Map, and being the subject of a deed dated October 31, 2002 to Maria Knapik, wife of defendant ANDREW MEROLA, also known as "Andrew Knapik," which deed was recorded with the Morris County Clerk on or about November 20, 2002;

(c) All that lot and parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments, and easements, located at 710 Phoebe Street, Dover Township, New

Jersey, also known as Lot 11 in Block 724.22 on the Township of Toms River Tax Map, and being the subject of a deed dated October 18, 2005 to "Andrew C. Merola, f/k/a Andrew Knapik," which deed was recorded with the Ocean County Clerk on or about October 31, 2005, and being the subject of a deed dated August 29, 2007 from Andrew C. Merola to Andrew C. Merola and Maria Merola, husband and wife, which deed was recorded with the Ocean County Clerk on or about September 14, 2007.

138. Pursuant to Title 18, United States Code, Section 1963(m), the defendants shall forfeit substitute property up to the value of the property described in the previous paragraphs if that property, as a result of any act or omission by the named defendant:

- (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; and
- (e) has been commingled with other property which can not be divided without difficulty.

139. The above-named defendants are jointly and severably liable for the forfeiture allegations above.

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

SECOND FORFEITURE ALLEGATION

140. The allegations contained in Count 4 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, Sections 981(a)(1)(C) and Title 28, United States Code, Section 2461(c). Pursuant to Rule 32.2, Fed. R. Crim. P., notice is hereby given to each defendant listed in Paragraph 141 below that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Section 1955, in the event of that defendant's conviction under Count 4 of this Indictment.

141. From their engagement in the violation alleged in Count 4 of this Indictment, punishable by imprisonment for more than one year, the defendants ANDREW MEROLA, also known as "Andrew Knapik," and RALPH CICALESE shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c) any property, including money, used in violation of the provisions of this section, including but not limited to the following:

(a) A sum of money equal to \$480,000 in United States currency, representing the amount of proceeds obtained as a result of the offense, for which the defendants are jointly and severally liable.

(b) All that lot and parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments, and easements, located at 14 Fay Drive, East Hanover, New Jersey, also known as Lot 47 in Block 38.05 on the Township of East Hanover Tax Map, and being the subject of a deed dated October 31, 2002 to Maria Knapik, wife of defendant ANDREW MEROLA, also known as "Andrew Knapik," which deed was recorded with the Morris County Clerk on or about November 20, 2002.

142. If any of the property described as being subject to forfeiture in Paragraph 141 of the Forfeiture Allegations above, as a result of any act of omission by the named defendant:

- (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 commingled with other property which can not be divided without difficulty;

the United States of America shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

A TRUE BILL

FOREPERSON

CHRISTOPHER J. CHRISTIE
United States Attorney