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Southern District of New York*

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**U.S. CHARGES FORMER ACTING BOSS AND 12 OTHER MEMBERS,  
ASSOCIATES OF THE GENOVESE ORGANIZED CRIME FAMILY**

LEV L. DASSIN, Acting United States Attorney for the Southern District of New York, JOSEPH DEMAREST, Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), and RAYMOND W. KELLY, Police Commissioner of the City of New York ("NYPD"), announced the unsealing today of a 38-count Indictment (the "LEO Indictment") against 12 defendants, including DANIEL LEO, former Acting Boss, and various members and associates of the Genovese Organized Crime Family of La Cosa Nostra. The LEO Indictment charges the defendants with racketeering and other offenses, including violent extortions of individuals and businesses, loansharking, narcotics trafficking, and operation of illegal gambling businesses.

Also announced was the unsealing of a second Indictment (the "TASSIELLO Indictment"), charging Genovese associate THOMAS TASSIELLO, a/k/a "Tommy," with racketeering, extortion, and other charges. Shortly after TASSIELLO's arrest today, FBI agents executed a search warrant at the New Jersey residence of ANDY GERARDO, a member of the Genovese Organized Crime Family, which was used by members and associates of the Genovese Organized Crime Family in connection with their illegal activities.

ANTHONY PALUMBO, ROCCO PETROZZA, PATSY AVERSA, JOSEPH PETULLO, and ARTHUR BOLAND, and THOMAS TASSIELLO were arrested this morning at their homes by members of the Joint Organized Crime Task Force, which includes agents of the FBI and detectives of the NYPD. FELICE MASULLO, ANTHONY MASULLO, and ANGELO MASULLO are expected to surrender today in Magistrate Court. DANIEL LEO, CHARLES SALZANO, JOSEPH LEO, and VINCENT COTONA are already in federal custody on other charges.

According to the LEO Indictment, unsealed today in Manhattan federal court:

DANIEL LEO, CHARLES SALZANO, ROCCO PETROZZA, FELICE MASULLO, PATSY AVERSA, VINCENT COTONA, JOSEPH LEO, JOSEPH PETULLO, ANTHONY MASULLO, and ANGELO MASULLO participated in racketeering offenses related to the affairs of the Genovese Organized Crime Family. DANIEL LEO served as Acting Boss of the Genovese Family beginning in approximately 2005; during the time he served as Acting Boss, he supervised racketeering crimes of his own "crew" of Genovese Family members and associates, including Soldier CHARLES SALZANO and associates JOSEPH LEO and ARTHUR BOLAND. SALZANO and JOSEPH LEO are charged with various racketeering offenses, including loansharking and operation of an illegal gambling business.

Additional charges against defendants named in the Indictment include making and collecting extortionate loans to small business owners and other individuals, including owners and operators of bartending schools in New York City and New Jersey, and threatening victims with physical harm if they did not repay the loans.

In 2006, DANIEL LEO placed long-time Soldier and Acting Capo ANTHONY PALUMBO in charge of the New Jersey operations of the Genovese Family. PALUMBO and other New Jersey-based Family members and associates under his supervision, including his driver FELICE MASULLO and Soldier ROCCO PETROZZA, are charged with, among other offenses, forcibly taking over a small business in Jersey City, New Jersey to collect payment on a loanshark loan. PETROZZA and associates PATSY AVERSA, VINCENT COTONA, and JOSEPH PETULLO are charged with extortion of the owners and operators of this same business.

FELICE MASULLO -- who served as PALUMBO's driver and was proposed as a member of the Genovese Family -- is charged with his brothers, ANTHONY MASULLO and ANGELO MASULLO, with racketeering offenses including the trafficking of cocaine and

crack cocaine, loansharking, and operating an illegal sports-betting business.

The following table summarizes the charges in the LEO Indictment:

| Count | Charge  | Defendant  | Maximum Penalty   |
|-------|---|--|---|
| 1     | Racketeering  | DANIEL LEO<br>CHARLES SALZANO<br>ROCCO PETROZZA<br>FELICE MASULLO<br>PATSY AVERSA<br>VINCENT COTONA<br>JOSEPH LEO<br>JOSEPH PETULLO<br>ANTHONY MASULLO<br>ANGELO MASULLO | 20 yrs. in prison; 3 years supervised release; criminal forfeiture of proceeds; fine 2x the amount of criminal proceeds |
| 2     | Racketeering Conspiracy   | DANIEL LEO<br>CHARLES SALZANO<br>ROCCO PETROZZA<br>FELICE MASULLO<br>PATSY AVERSA<br>VINCENT COTONA<br>JOSEPH LEO<br>JOSEPH PETULLO<br>ANTHONY MASULLO<br>ANGELO MASULLO | 20 yrs. in prison; 3 years supervised release; criminal forfeiture of proceeds; fine 2x the amount of criminal proceeds |
| 3     | Racketeering Conspiracy   | ANTHONY PALUMBO<br>ROCCO PATROZZA<br>FELICE MASULLO<br>PATSY AVERSA<br>VINCENT COTONA<br>JOSEPH PETULLO  | 20 yrs. in prison; 3 years supervised release; criminal forfeiture of proceeds; fine 2x the amount of criminal proceeds |
| 4     | Extortionate Extensions of Credit (Victim-1)                                    | VINCENT COTONA   | 20 yrs. in prison; 5 yrs. supervised release; \$250,000 fine or twice the gain or loss from the offense                 |
| 5     | Conspiracy to Use Extortionate Means to Collect Extensions of Credit (Victim-1) | PATSY AVERSA<br>VINCENT COTONA   | 20 yrs. in prison; 5 yrs. supervised release; \$250,000 fine or twice the gain or loss from the offense                 |

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| 6  | Use of Extortionate Means to Collect Extensions of Credit (Victim-1)               | PATSY AVERSA<br>VINCENT COTONA  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 7  | Extortionate Extensions of Credit (Victim-2)                                       | JOSEPH PETULLO  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 8  | Conspiracy to Make Extortionate Extensions of Credit (Victims-1,2)                 | JOSEPH PETULLO<br>PATSY AVERSA  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 9  | Extortionate Extensions of Credit (Victims-1,2)                                    | JOSEPH PETULLO<br>PATSY AVERSA  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 10 | Extortionate Extensions of Credit (Victim-2)                                       | ROCCO PETROZZA  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 11 | Conspiracy to Make Extortionate Extensions of Credit (Victims-1,2)                 | ROCCO PETROZZA<br>PATSY AVERSA  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 12 | Conspiracy to Use Extortionate Means to Collect Extensions of Credit (Victims-1,2) | ROCCO PETROZZA<br>PATSY AVERSA  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 13 | Conspiracy to Commit Extortion (Victims-1,2)                                       | ANTHONY PALUMBO<br>ROCCO PETROZZA<br>FELICE MASULLO<br>PATSY AVERSA<br>VINCENT COTONA<br>JOSEPH PETULLO | 20 yrs. in prison; 3 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 14 | Extortion (Victims-1,2)  | ANTHONY PALUMBO<br>ROCCO PETROZZA<br>FELICE MASULLO<br>PATSY AVERSA<br>VINCENT COTONA<br>JOSEPH PETULLO | 20 yrs. in prison; 3 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |

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| 15 | Conspiracy to Use Extortionate Means to Collect Extensions of Credit (Victims-1,2) | ANTHONY PALUMBO<br>ROCCO PETROZZA<br>FELICE MASULLO<br>PATSY AVERSA                                     | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 16 | Use of Extortionate Means to Collect Extensions of Credit (Victims-1,2)            | ANTHONY PALUMBO<br>ROCCO PETROZZA<br>FELICE MASULLO<br>PATSY AVERSA<br>VINCENT COTONA<br>JOSEPH PETULLO | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 17 | Use of Extortionate Means to Collect Extensions of Credit (Victim-3)               | CHARLES SALZANO   | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 18 | Conspiracy to Use Extortionate Means to Collect Extensions of Credit (Victim-4)    | DANIEL LEO<br>JOSEPH LEO<br>ARTHUR BOLAND   | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 19 | Use of Extortionate Means to Collect Extensions of Credit (Victim-4)               | DANIEL LEO<br>JOSEPH LEO<br>ARTHUR BOLAND   | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 20 | Extortionate Extensions of Credit (Victim-5)                                       | JOSEPH LEO  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 21 | Use of Extortionate Means to Collect Extensions of Credit (Victim-5)               | JOSEPH LEO  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 22 | Conspiracy to Make Extortionate Extensions of Credit (Victim-6)                    | DANIEL LEO<br>JOSEPH LEO  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 23 | Extortionate Extensions of Credit (Victim-6)                                       | DANIEL LEO<br>JOSEPH LEO  | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |

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| 24 | Conspiracy to Make Extortionate Extensions of Credit (Victim-7)                 | DANIEL LEO<br>JOSEPH LEO                            | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 25 | Extortionate Extensions of Credit (Victim-7)                                    | DANIEL LEO<br>JOSEPH LEO                            | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 26 | Conspiracy to Use Extortionate Means to Collect Extensions of Credit (Victim-7) | DANIEL LEO<br>JOSEPH LEO                            | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 27 | Use of Extortionate Means to Collect Extensions of Credit (Victim-7)            | DANIEL LEO<br>JOSEPH LEO                            | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 28 | Conspiracy to Make Extortionate Extensions of Credit (Victim-8)                 | FELICE MASULLO<br>ANGELO MASULLO<br>ANTHONY MASULLO | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 29 | Extortionate Extensions of Credit (Victim-8)                                    | FELICE MASULLO<br>ANGELO MASULLO<br>ANTHONY MASULLO | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 30 | Financing Extortionate Loans (Victim-8)   | FELICE MASULLO<br>ANGELO MASULLO<br>ANTHONY MASULLO | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 31 | Conspiracy to Use Extortionate Means to Collect Extensions of Credit (Victim-8) | FELICE MASULLO<br>ANGELO MASULLO<br>ANTHONY MASULLO | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |
| 32 | Use of Extortionate Means to Collect Extensions of Credit (Victim-8)            | FELICE MASULLO<br>ANGELO MASULLO<br>ANTHONY MASULLO | 20 yrs. in prison; 5 yrs. supervised release;<br>\$250,000 fine or twice the gain or loss from the offense |

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| 33 | Narcotics Conspiracy                               | FELICE MASULLO<br>ANGELO MASULLO<br>ANTHONY MASULLO | Life in prison; life supervised release; \$4 million fine or twice the gain or loss from the offense   |
| 34 | Narcotics Conspiracy                               | FELICE MASULLO<br>ANGELO MASULLO                    | Life in prison; life supervised release; \$4 million fine or twice the gain or loss from the offense   |
| 35 | Operation of an Illegal Gambling Business          | DANIEL LEO<br>CHARLES SALZANO<br>JOSEPH LEO         | 5 yrs. In prison; 3 yrs. Supervised release; \$250,000 fine or twice the gain or loss from the offense |
| 36 | Conspiracy to Operate an Illegal Gambling Business | DANIEL LEO<br>CHARLES SALZANO<br>JOSEPH LEO         | 5 yrs. In prison; 3 yrs. Supervised release; \$250,000 fine or twice the gain or loss from the offense |
| 37 | Operation of an Illegal Gambling Business          | FELICE MASULLO<br>ANGELO MASULLO<br>ANTHONY MASULLO | 5 yrs. In prison; 3 yrs. Supervised release; \$250,000 fine or twice the gain or loss from the offense |
| 38 | Conspiracy to Operate an Illegal Gambling Business | FELICE MASULLO<br>ANGELO MASULLO<br>ANTHONY MASULLO | 5 yrs. In prison; 3 yrs. Supervised release; \$250,000 fine or twice the gain or loss from the offense |

PALUMBO, 59, resides in New York, New York.

PETROZZA, 49, resides in Pompton Lakes, New Jersey.

FELICE MASULLO, 37, resides in Brooklyn, New York.

AVERSA, 67, resides in Wood Ridge, New Jersey.

PETULLO, 30, resides in Fairfield, New Jersey.

ANTHONY MASULLO, 33, resides in Middle Village, New York.

ANGELO MASULLO, 39, resides in Maspeth, New York.

BOLAND, 62, resides in White Plains, New York.

According to the TASSIELLO Indictment, unsealed today in Manhattan federal court:

Beginning in at least 2004, through the date of the Indictment, the defendant, THOMAS TASSIELLO, a/k/a "Tommy," used his status as an associate of the Genovese Organized Crime Family to make a string of extortionate loans to Manhattan-based small business owners and to threaten them with physical violence and other harm when they failed to make prompt repayment of their loans. In one instance, TASSIELLO took ownership interest in a Manhattan bar after its owner did not keep up with weekly interest payments on a series of loans totaling approximately \$100,000.

After TASSIELLO became aware of a federal investigation into his loansharking operation, he instructed his victims to provide false and misleading information to a federal grand jury and special agents of the FBI.

TASSIELLO is also charged with the operation of an illegal gambling business which engaged in sports bookmaking and illegal lottery schemes, and the transportation across state lines of stolen property.

TASSIELLO is charged with two counts of racketeering, six counts of conspiracy to make and collect extortionate loans, one count of interstate transportation of stolen property, and one count of operating an unlawful gambling business. If convicted of all the charges contained in the Indictment, TASSIELLO, 61, of New York, New York, faces a maximum sentence of 70 years in prison.

All of the defendants who were arrested today are expected to be presented this afternoon before a United States Magistrate Judge. DANIEL LEO, CHARLES SALZANO, JOSEPH LEO, and VINCENT COTONA are expected to be arraigned on Wednesday, February 11, 2009, at noon.

Mr. DASSIN praised the work of the Joint Organized Crime Task Force in the investigation, and added that the investigation is continuing.

Assistant United States Attorneys DAVID B. MASSEY, AVI WEITZMAN, JOHN T. ZACH, and STEVE KWOK are in charge of the prosecutions.

The charges contained in the Indictments are merely



accusations, and the defendants are presumed innocent unless and until proven guilty.

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