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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

02CR1050

UNITED STATES OF AMERICA)

v.)

NICHOLAS W. CALABRESE)

No. _____
Violation: Title 18,
United States Code,
Section 1962(d)

THE UNITED STATES ATTORNEY CHARGES:

I. THE ENTERPRISE

1. At all times material to this indictment there existed a criminal organization which is referred to hereafter as the "Chicago Outfit." The Chicago Outfit was known to its members and associates as "The Outfit" and was also known to the public as the "Chicago Syndicate" and the "Chicago Mob." The Chicago Outfit was an "enterprise" as that term is used in Title 18, United States Code, Section 1961(4), that is, it constituted a group of individuals associated in fact, which enterprise was engaged in and the activities of which affected interstate commerce.

2. The Chicago Outfit existed to generate income for its members and associates through illegal activities. The illegal activities of the Chicago Outfit included, but were not limited to: (1) collecting "street tax," that is, extortion payments required as the cost of operating various businesses; (2) the operation of an illegal gambling business, which included sports bookmaking; (3) making loans to individuals at usurious rates of interest (hereafter referred to as "juice loans"), which loans constituted "extortionate extensions of credit," as that term is defined in

Title 18, United States Code, Section 891(6); (4) "collecting" through "extortionate means" juice loans constituting "extensions of credit," as those terms are defined in Title 18, United States Code, Sections 891(5), (7) and (6), respectively; (5) collecting debts incurred in the Chicago Outfit's illegal gambling business; (6) collecting debts incurred in the Chicago Outfit's juice loan business, which debts carried rates of interest at least twice the rate enforceable under Illinois law; (6) using threats, violence and intimidation to collect street tax and juice loan debts; (7) using threats, violence and intimidation to discipline Chicago Outfit members and associates; and (8) using murder of Chicago Outfit members, associates and others to advance the interests of the Chicago Outfit's illegal activities.

3. In order to carry out its activities, the Chicago Outfit maintained a structure and chain of command.

4. The role and responsibility of defendant NICHOLAS W. CALABRESE on behalf of the Chicago Outfit was that defendant NICHOLAS W. CALABRESE made and collected juice loans and also collected illegal gambling debts on behalf of the Chicago Outfit. Under direction of other individuals up the hierarchal chain, he also committed murder and acts of intimidation on behalf of the Chicago Outfit. Defendant NICHOLAS W. CALABRESE also participated in intimidating juice loan debtors who were behind in payments to the Chicago Outfit. Defendant NICHOLAS W. CALABRESE received a share of the Chicago Outfit's illegal proceeds. CALABRESE also relayed orders and messages from his Chicago Outfit superiors to

members, employees, and associates of the Chicago Outfit and others.

II. THE CONSPIRACY

5. From approximately the middle of the 1960s through January 2002, the exact dates being unknown to the Grand Jury, in the Northern District of Illinois, Eastern Division, and elsewhere within and without the Northern District of Illinois,

NICHOLAS W. CALABRESE,

defendant herein, being employed by and associated with an enterprise, that is, the Chicago Outfit, which enterprise engaged in and the activities of which affected interstate commerce, did knowingly conspire and agree, with other persons known and unknown to the Grand Jury, to conduct and to participate, directly and indirectly, in the conduct of the affairs of the Chicago Outfit through: (1) a "pattern of racketeering activity," as that term is defined in Title 18, United States Code, Sections 1961(1) and 1961(5), and as further specified in paragraph 17 of this count, and (2) the "collection of unlawful debt," as that term is defined in Title 18, United States Code, Section 1961(6), and as further specified in paragraph 18 of this count.

6. It was part of the conspiracy that defendant agreed that a conspirator would commit at least two acts of racketeering in the conduct of the affairs of the enterprise.

7. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, each agreed to conduct and to

participate in the conduct of the Chicago Outfit's affairs through the collection of unlawful debt.

8. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, each agreed to murder and did take and cause others to take steps to murder one or more individuals on behalf of the Chicago Outfit.

9. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, each agreed to and did extort cash payments, also known as "street tax", from numerous individuals.

10. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, each agreed to make and did make juice loans to numerous individuals. Those loans carried interest rates generally ranging from one percent (1%) to ten percent (10%) per week, which translate into annual rates of 52% to 520%, respectively. In making these juice loans, each conspirator agreed to rely and did rely upon each borrower's understanding at the time the loan was made that delay or failure to repay the loans could result in the use of violence or other criminal means to cause harm to the borrower. The conspirators also understood at the time each juice loan was made that delay or failure to repay the loans could result in the use of violence or other criminal means to cause harm to the particular borrower.

11. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, each agreed to collect and did collect juice loan payments from numerous juice loan debtors. Those loans carried interest rates generally ranging from one percent (1%) to ten percent (10%) per week, which translate into annual rates of 52% to 520%, respectively. The conspirators each understood at the time they collected each juice loan payment that delay or failure to repay the loan could result in the use of violence or other criminal means to cause harm to the particular debtor. The defendant and his conspirators used violence, intimidation and threats to collect the debts.

12. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, each agreed to collect and did collect debts incurred in connection with the juice loan business described in this Count, which business charged rates of interest at least twice the rate enforceable under Illinois law.

13. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, each agreed to and did knowingly conduct, finance, manage, supervise, direct, and own all or part of an illegal gambling business, which business was in substantially continuous operation for a period in excess of thirty (30) days and had a gross revenue of \$2,000 or more on one or more single days, which involved five or more persons who conducted, financed,

managed, supervised, directed, and owned all or part of the business, and which was in violation of the laws of the State of Illinois, i.e. Chapter 38, Illinois Revised Statutes, Sections 28-1, 28-1.1, 28-3 (later codified as 720 ILCS 5/28-1, 5/28-1.1, 5/28-3);

14. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, each agreed to collect and did collect debts incurred in connection with the illegal gambling business described in this count.

15. It was further part of the conspiracy that defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, upon direction of superiors in the hierarchy of the Chicago Outfit, used violence, intimidation and threats to: (1) instill discipline within the Chicago Outfit by compelling adherence to the Chicago Outfit's edicts and instructions; and (2) punish conduct by Chicago Outfit members, associates and others, which the hierarchy of the Chicago Outfit believed was adverse to the interests of the Chicago Outfit.

16. It was further part of the conspiracy that members of the Chicago Outfit misrepresented, concealed and hid, caused to be misrepresented, concealed and hidden, and attempted to misrepresent, conceal and hide the operation of the Chicago Outfit and acts done in furtherance of the enterprise.

III. PATTERN OF RACKETEERING ACTIVITY

(First Alternative Ground of Liability)

17. The pattern of racketeering activity through which the defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, agreed to conduct and to participate in the conduct of the Chicago Outfit's affairs, consisted of multiple violations of the following federal and state laws:

(a) Making and conspiring to make extortionate extensions of credit, in violation of Title 18, United States Code, Section 892;

(b) Collecting and conspiring to collect extensions of credit by extortionate means, in violation of Title 18, United States Code, Section 894;

(c) Acts and threats involving extortion in violation of state law, that is, intimidation, in violation of Chapter 38, Illinois Revised Statutes, Section 12-6 (later codified as 720 ILCS 5/12-6 of the Illinois Compiled Statutes) and conspiracy to commit intimidation, in violation of Chapter 38, Illinois Revised Statutes, Section 8-2 (later codified as 720 ILCS 5/8-2 of the Illinois Compiled Statutes);

(d) Operating an illegal gambling business in violation of Title 18, United States Code, Section 1955 and 2;

(e) Acts or threats involving murder, in violation of state law, that is, murder, in violation of Chapter 38, Illinois Revised Statutes, Section 9-1 (later codified as 720 ILCS 5/9-1 of the Illinois Compiled Statutes) and conspiracy to commit murder, in

violation of Chapter 38, Illinois Revised Statutes, Section 8-2 (later codified as 720 ILCS 5/8-2 of the Illinois Compiled Statutes).

IV. COLLECTION OF UNLAWFUL DEBT

(Second Alternative Ground of Liability)

18. The collection of unlawful debt through which the defendant NICHOLAS W. CALABRESE, together with other persons known and unknown to the Grand Jury, agreed to conduct and to participate in the affairs of the enterprise, consisted of multiple acts of collecting and attempting to collect debt incurred in connection with the Chicago Outfit's business of operating an illegal gambling business and its lending money at usurious rates, which loans were unenforceable under Illinois laws relating to usury. An unlawful debt is defined by Title 18, United States Code, Section 1961(6) as a debt (A) incurred or contracted in gambling activity which was in violation of the law of the United States or a State or which was unenforceable under federal or state law in whole or in part as to principal or interest because of the laws relating to usury, and (B) which was incurred in connection with the business of gambling, in violation of the law of the United States or a State, or the

business of lending money or anything of value at a rate usurious under state or federal law, where the usurious rate was at least twice the enforceable rate.

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


UNITED STATES ATTORNEY