

2847

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA : CRIMINAL NO. 99-10428 - II T  
: :  
v. : Racketeering  
: (18 U.S.C. §1962(c))  
JOHN J. CONNOLLY, JR. and : Racketeering Conspiracy  
STEPHEN FLEMMI : (18 U.S.C. §1962(d))  
: :  
: Conspiracy to Obstruct Justice  
: (18 U.S.C. §371)  
: :  
: Obstruction of Justice  
: (18 U.S.C. §§1503, 1512)  
: :  
: False Statement  
: (18 U.S.C. §1001)

SUPERSEDING INDICTMENT

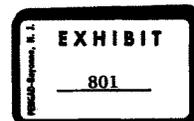
The Grand Jury charges:

COUNT ONE - Racketeering  
(John J. Connolly, Jr.)

GENERAL ALLEGATIONS

1. From November 1968 to December 1990, the defendant JOHN J. CONNOLLY JR. ("CONNOLLY") was a Special Agent of the Federal Bureau of Investigation ("FBI"). From February 1973 until his retirement in December 1990, CONNOLLY was assigned to the Boston Field Office of the FBI.

2. At all times material to this Indictment, the "Winter Hill Gang" was a clandestine



**Racketeering Act #3**

25. In or about June 1982, the exact date being unknown, in the District of Massachusetts, CONNOLLY, Bulger and Flemmi did corruptly give a thing of value, that being \$1,000 in United States currency, to a public official, that being FBI Supervisory Special Agent John Morris, to induce that public official to do and omit to do acts in violation of his official duty, specifically to divulge confidential and sensitive law enforcement information in order to protect Bulger's and Flemmi's ongoing criminal activities in violation of his official duty, in violation of Title 18, United States Code, Sections 201(b) and 2.

**Racketeering Act #4**

26. Sometime in late 1982 or 1983, the exact date being unknown, in the District of Massachusetts, CONNOLLY, Bulger, and Flemmi did corruptly give a thing of value, that being a case of fine wine containing \$1,000 in United States currency, to a public official, that being FBI Supervisory Special Agent John Morris, to induce that public official to do and omit to do acts in violation of his official duty, specifically to divulge confidential and sensitive law enforcement information in order to protect Bulger's and Flemmi's ongoing criminal activities in violation of his official duty, in violation of Title 18, United States Code, Sections 201(b) and 2.

**Racketeering Act #5**

27. Sometime in or about 1986 - 1987, the exact date being unknown, in the District of Massachusetts, CONNOLLY, Bulger and Flemmi did corruptly give a thing of value, that being \$5,000 in United States currency, to a public official, that being FBI Supervisory Special Agent John Morris, to induce that public official to do and omit to do acts in violation of his official duty, specifically to divulge confidential and sensitive law enforcement information in order to

protect Bulger's and Flemmi's ongoing criminal activities in violation of his official duty, in violation of Title 18, United States Code, Sections 201(b) and 2.

B. INTERFERENCE WITH INTERSTATE COMMERCE BY EXTORTION

Racketeering Act 6

28. CONNOLLY committed the following acts, any one of which alone constitutes

Racketeering Act 6:

Racketeering Act #6A

29. In or about December 1983, the exact date being unknown, Stephen Rakes and his wife, Julie Rakes, opened a liquor store at 295 Old Colony Avenue, South Boston, Massachusetts.

30. In or about January 1984, the exact date being unknown, Bulger, Flemmi and Kevin Weeks threatened Stephen Rakes with physical harm if he refused to convey the liquor store to them.

31. Shortly thereafter, Joseph Lundbohm, then a Boston police officer, approached CONNOLLY on behalf of the Rakes, to report the extortionate demands of Bulger and Flemmi.

32. In response to Joseph Lundbohm's report, CONNOLLY falsely told Lundbohm that unless Rakes agreed to wear a recording device in conversations with Bulger and Flemmi, the FBI was unlikely to take action on the complaint.

33. Stephen Rakes acceded to the extortionate demands of Bulger and Flemmi, and Stephen Rakes and Julie Rakes conveyed their interest in the liquor store to Kevin Weeks, who was acting on behalf of Bulger and Flemmi.

2850

7/22/98 BOSTONG A1  
7/22/98 Boston Globe A11998 WL 9144510

Page 2

The Boston Globe  
Copyright 1998

Wednesday, July 22, 1998

METRO/REGION

Cases disappear as FBI looks away  
Shelly Murphy, Globe Staff

WED

This Spotlight Team 5-part series was prepared by editor Gerard O'Neill and reporters Dick Lehr, Michell Zuckoff, and Shelley Murphy. Today's installment was written by Murphy. PART 4 WHITEY & THE FBI: PRICE OF PROTECTION

At the dawn of his deal with the FBI, James "Whitey" Bulger was an angry leg breaker at a Dedham restaurant looking to collect an unpaid loan. Leaning across a table, he gave the owner a choice: Pay, or have his ears cut off and stuffed in his mouth.

Restaurateur Francis X. Green told his story to the FBI, expecting protection and prosecution. But Bulger had an ace in the hole. He worked for the FBI.

Looking back, the 1976 incident at the Back Side Restaurant was a turning point. An extortion case, built on a credible, cooperative witness, might have stopped Bulger and his partner, Stephen "The Rifleman" Flemmi, from launching a 15-year crime spree.

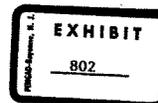
Instead, the FBI did nothing, sending a powerful message to two of the region's most ruthless organized crime figures: As long as you're with us, we won't bother you.

As a result, Bulger and Flemmi became sanctioned career criminals while spying on the underworld for the FBI. Despite solid evidence indicating Bulger and Flemmi were involved in murders, shakedowns, and drug dealing, the FBI looked the other way throughout the 1970s and 1980s.

It made no difference who the victims were, fellow wise guys or innocent people. And it didn't matter if the victims were willing to cooperate with the FBI or were scared silent. In some cases, the bureau even helped the gangsters by leaking information to them about ongoing investigations.

Recent court testimony shows the deflected cases ranged from the momentous to the mundane, but the consistent thread running through

Copr. © West 2002 No Claim to Orig. U.S. Govt. Works



7/22/98 BOSTONG A1  
7/22/98 Boston Globe A11998 WL 9144510

Page 3

most of them is the involvement of Bulger's handler, former FBI agent John Connolly of South Boston.

Some potential cases that went nowhere:

- In 1982, a wise guy turned FBI informant was gunned down after Connolly, according to testimony, told Bulger and Flemmi that the man had implicated them in a string of gangland slayings and the murder of an Oklahoma businessman.

- In 1984, a Boston police detective told Connolly that Bulger and Flemmi were trying to seize a liquor store owned by the detective's relatives with a "can't refuse" offer. But Connolly did not report the incident to superiors and, within days, Bulger sent word to the victims that he knew they had complained to the FBI and warned them to "back off."

- In the late 1980s, FBI agents John Newton and Roderick Kennedy failed to document or follow up on a realtor's claim that a gun-toting Bulger threatened to stuff him in a body bag if the realtor didn't pay him \$50,000.

- In 1988, another FBI agent, supervisor John Morris, who had pocketed \$7,000 in payoffs from Bulger, warned Bulger and Flemmi that the FBI had tapped the telephone of a Roxbury bookmaker who worked for them. While indictments resulted from the wiretap, including some Boston policemen for taking payoffs, Bulger and Flemmi went untouched.

Although there is evidence that Connolly protected Bulger and Flemmi, he was not alone. Supervisors and fellow agents often were swayed by his claim there was insufficient evidence to target the pair or that they were too valuable to the FBI.

For example, FBI agent James Blackburn testified he never pursued allegations that Bulger was shaking down a South Boston drug dealer in 1988 after Connolly told him it wasn't true. And agent James J. Lavin III testified that in 1987 he ignored evidence that city workers erected guardrails on private property outside the South Boston liquor store controlled by Bulger after Connolly reminded him that Bulger was an indispensable informant.

In the end, Bulger and Flemmi were always suspects, but never defendants; always informants, never targets.

Last April, Connolly refused to testify at federal court hearings exploring the FBI's controversial relationship with Bulger and

7/22/98 BOSTONG A1  
7/22/98 Boston Globe A11998 WL 9144510

Page 4

Flemmi, citing his Fifth Amendment right not to incriminate himself. In interviews, he has accused other agents of lying when they testified critically about his handling of Bulger and Flemmi.

"I'm not a rogue agent," Connolly said recently. "Anything I ever did, I did lawfully. I have no trouble with what I did. I did it for the FBI, all the way to D.C. , constant oversight."

But the record now shows that the deal -- protection for information -- left the bureau shortchanged, co-opted, and compromised.

In a telling aside during recent testimony, one of Connolly's closest associates in the bureau, former agent Nicholas Gianturco, talked about entertaining Bulger and Flemmi at his Peabody home. "I felt comfortable having them to the house," he said. "It was not an adversarial relationship." ALL TOGETHER IN ONE ROOM

It was an improbable convergence of characters that put two of the region's top prosecutors under the same roof in Dedham with three gangsters while the hoodlums were extorting the owner of the establishment across the room.

In late 1976, then-Norfolk County District Attorney William Delahunt had just ordered dinner at the Back Side Restaurant and was awaiting the arrival of Martin Boudreau, a law school classmate and federal prosecutor, when he looked up to see another old acquaintance approaching his table.

It was Johnny Martorano, a well-known gangster who had attended grammar school with Delahunt in Quincy. Martorano and two other men had just entered the restaurant. While his companions moved to a cocktail table near the bar, Martorano chatted with Delahunt about the different paths they had taken since their school days, joking that there was more honor in his world than among bankers and lawyers. Flemmi joined the conversation briefly.

After Delahunt went back to his meal and was joined by Boudreau, the number-two prosecutor in the Federal Organized Crime Strike Force, the restaurant owner was summoned to sit with Bulger, Flemmi, and Martorano to talk about a serious arrearage of \$175,000. According to later investigative reports, it was Bulger who delivered the pay-or-die ultimatum.

A few weeks later, Delahunt learned what really had brought his old schoolmate to Dedham. Delahunt said Edward Harrington, former chief of the New England Organized Crime Strike Force, called to tell him that Bulger and his friends had threatened Green, the restaurant

owner, over an unpaid loan. And he said Green feared Martorano had connections to Delahunt after seeing them banter that night.

After reassuring Harrington he had no ties to Martorano, Delahunt said prosecutors assigned to his office interviewed Green and later turned the case file over to the FBI. Green, who declined to be interviewed by the Globe, is quoted in investigative reports as saying Bulger and Flemmi threatened to kill him if he didn't repay a loan from a Boston credit union.

"It's our money," Bulger told Green, threatening to "positively kill him" and mutilate his face, according to an FBI report. Ears off, eyes out.

FBI agents Thomas Daly and Peter Kennedy interviewed Green on Oct. 13, 1977, and noted in their report that Flemmi told Green that nobody would get hurt if he made arrangements with the woman at the credit union who handled the loan. They wanted a \$25,000 installment immediately.

In a recent interview with the Globe, Rita Tobias of Belmont confirmed that she loaned Green money through the finance company -- but said the amount was closer to \$20,000. She insisted she doesn't know Bulger or Flemmi and hadn't gone to them for help.

The following year, Green became a star government witness, but not against Bulger or his friends. Federal prosecutors used Green's testimony in an unrelated public corruption case to win a tax-evasion and bribery conviction against a Boston official. Bulger and Flemmi went unpunished and unchallenged.

Months after turning the Green case over to the FBI, Delahunt, now a Massachusetts congressman, said he asked Jeremiah T. O'Sullivan, chief of the New England Organized Crime Strike Force, what became of the investigation and was told: "It just didn't work out." O'Sullivan's lawyer, Hugh Scott, declined comment on the incident, saying it would be inappropriate because of the ongoing federal hearings.

Harrington, now a federal judge, was working as a lawyer for a private law firm in Boston when Green reported his threatening encounter with Bulger and Flemmi in 1976. The following year, Harrington became US Attorney for Massachusetts, a job he held when his public corruption squad used Green to make a case against the Boston official.

Today, when asked about his role in the Green case and why it never led to charges against Bulger or Flemmi, Harrington said, "In

7/22/98 BOSTONG A1  
7/22/98 Boston Globe A11998 WL 9144510

Page 6

view of the fact that I am a federal judge and wish not to be involved in a proceeding before another federal judge, I decline to comment on the matter." BULGER IMPLICATED, MOBSTER KILLED

Brian Halloran was a dead man. And the FBI knew it.

Just a few days before Halloran was gunned down along the Boston waterfront, an FBI official whispered to then-US Attorney William F. Weld, "I would not want to be standing next to this guy."

In fact, the FBI's decision to deny Halloran entry into its witness protection program may have cost Halloran his life.

Halloran was awaiting trial for the murder of a drug dealer in January 1982 when he walked into the FBI's Boston office and announced he wanted to cooperate against Bulger and Flemmi because he feared they were trying to kill him.

He offered to "go all the way" against the two, but wanted immunity from prosecution and protection for himself and his family, according to the FBI report. A member of the Winter Hill gang who had frequent dealings with Bulger and Flemmi, Halloran told a tale of murder and mayhem.

For openers, he described how he dropped off South Boston bookmaker Louis Litif at Triple O's tavern on April 12, 1980, for an after-hours meeting with Bulger. Moments later, Halloran said, he watched as Bulger and an associate lugged Litif's plastic-wrapped body out the back door of the South Boston bar and dumped it into the trunk of Litif's new Lincoln. The car and the body were later found in the South End.

Then Halloran moved on to another bloody murder scene, this one in Oklahoma. He claimed he could help solve the shooting death of millionaire Roger Wheeler, the Telex Corp. chairman who was shot to death on May 27, 1981, outside an exclusive Tulsa country club.

Wheeler had bought World Jai Alai (WJA) three years earlier and suspected Somerville's Winter Hill gang of skimming profits from the company's operation in Connecticut.

Halloran claimed that his friend, John Callahan, former president of WJA, summoned him to a meeting with Bulger and Flemmi in January 1981 at Callahan's Boston waterfront apartment.

Halloran said Callahan asked him to murder Wheeler, who suspected

7/22/98 BOSTONG A1  
7/22/98 Boston Globe A11998 WL 9144510

Page 7

that employees who remained loyal to Callahan were doing the skimming. Later, Halloran said, Callahan told him he wasn't needed and the murder was carried out by Bulger, Flemmi, and John Martorano.

Despite the significance of Halloran's account, authorities in Oklahoma say the FBI in Boston never shared it with them.

Instead, FBI agent Morris said he passed along word to Connolly that Halloran was cooperating with another squad in the FBI against his two prized informants.

Morris testified that Connolly then told Bulger and Flemmi that Halloran had implicated them in Wheeler's murder, prompting Connolly to file an informant report from Bulger arguing that "there was no way that they would have been involved with Halloran in connection with anything, let alone murder."

Ultimately, the FBI, along with Strike Force Chief O'Sullivan, concluded that Halloran was unreliable and turned him away from an FBI safe house on Cape Cod.

Weeks later, on May 11, 1982, Halloran was gunned down as he left a bar on Northern Avenue in South Boston. Callahan, being sought for questioning as a potential witness in the Halloran and Wheeler slayings, was found murdered three months later in Miami.

In a recent interview, Connolly said he "absolutely never" told Bulger and Flemmi that Halloran had turned FBI informant against them before he was killed. Connolly said he filed reports before Halloran's death noting that Bulger claimed the Mafia was going to kill Halloran.

The fallout from the investigation spread within the FBI, as agents in Oklahoma City and Miami accused the Boston office of stonewalling about Wheeler and Halloran.

The distrust spilled over into the Boston office, as the agent assigned to the Wheeler case accused Connolly of "rifling" his file and leaking information to Bulger and Flemmi that would help them establish alibis. Connolly vehemently denies the charge.

At first, Connolly refused to call in Bulger and Flemmi to have them photographed so investigators in Oklahoma could show their pictures to potential witnesses. According to recent testimony by James Ring, who was then supervisor of the organized-crime squad, Connolly became "defensive" about the photo request, arguing that Bulger and Flemmi had proclaimed their innocence. Connolly relented

7/22/98 BOSTONG A1  
7/22/98 Boston Globe A11998 WL 9144510

Page 8

only after Ring threatened to drop Bulger and Flemmi as informants.

Still, the FBI didn't force Bulger and Flemmi to take polygraph examinations after they refused. In contrast, Halloran was dropped as an informant when he refused to take the lie detector test.

"For a long time we thought, it's just pure incompetence," said Wheeler's son, David, who now believes the FBI has obstructed the investigation into his father's murder. "But I never dreamed it was as extensive as it is." WHITEY AND STEVIE GO SHOPPING

It was Christmas time 1983 and Whitey Bulger and Stevie Flemmi were out shopping. They were cruising around South Boston when they saw something they wanted: a newly renovated liquor store on the site of what had until recently been an abandoned gas station.

It meant nothing to Bulger and Flemmi that Stephen and Julie Rakes didn't want to sell Stippo's Liquor Mart on Old Colony Avenue.

During a menacing visit to the Rakes's South Boston home during the first week of the new year, Bulger and Flemmi handed Stephen Rakes a bag stuffed with \$67,000 cash and announced they were buying the liquor store, according to testimony.

"We don't want to sell it," said Rakes, who was home with his two young daughters while his wife was working at the store.

Flemmi allegedly sat down at the kitchen table, pulled one of Rakes's blond-haired daughters onto his lap, and set a gun on the table in front of her. The curious toddler picked up the gun and playfully sucked on the handle, according to federal grand jury testimony revealed in court.

"It would be a shame not to see your children grow up," Bulger allegedly said.

A horrified Rakes called his wife at the store and told her to pack up all their belongings and come home.

Within days, then-Boston Police Detective Joseph Lundbohm said he went to Connolly on behalf of his niece, Julie Rakes, unaware that Bulger and Flemmi were informants and Connolly was their handler.

Connolly said he took no action to stop the hostile takeover by Bulger and Flemmi because the couple "did not want to get wired up

7/22/98 BOSTONG A1  
7/22/98 Boston Globe A11998 WL 9144510

Page 9

and they did not want to be witnesses. How do you make a case like that?"

It was a chilling lesson for the Rakeses, who discovered a few days later that Bulger knew they had complained to the FBI.

"Whiteley said to back off," Stephen Rakes told Lundbohm, who said he suspected Connolly tipped Bulger about their meeting. In a Globe interview, Connolly denied leaking the information.

Connolly said he couldn't recall whether he reported the incident to his supervisor, but federal prosecutors said a search of FBI files failed to uncover any paperwork on it. It appears Connolly made a unilateral decision to neither investigate the extortion nor pass it along to a supervisor.

The store was sold to Bulger's friend, Kevin Weeks -- at least on paper -- without a hitch and was renamed the South Boston Liquor Mart. It immediately became a new hangout for Bulger and Flemmi.

Soon, the FBI was patronizing Bulger's store. A 1990 raid of the Liquor Mart by the Drug Enforcement Administration, the Suffolk County Organized Crime Squad, and the IRS uncovered a receipt indicating the FBI bought liquor at discount prices to give away at its annual Christmas party months earlier.

The receipt indicated that the liquor was purchased by agent Dick Baker, the party organizer. And a separate piece of notebook paper indicated who the agent was: "Dick Baker (friend of John Connolly)." Connolly does not deny the FBI bought liquor at the store but says the piece of paper with his name on it was planted. NO FBI FOLLOWUP TO EXTORTION

Years after Louis Litif was allegedly murdered in Triple O's, Bulger and his friends summoned an unsuspecting businessman to a meeting in the Broadway tavern, according to court documents and recent testimony.

"Someone hired me to kill you," Bulger told South Boston realtor Raymond Slinger, after calling him to a meeting in an upstairs apartment in the late 1980s.

Bulger, accompanied by his friends Kevin Weeks and Kevin O'Neil, said he was willing to spare Slinger's life in exchange for cold cash. But, when Slinger had the audacity to arrive at a follow-up meeting with the trio packing a gun, he was beaten and kicked as an enraged Bulger ordered his friends to "go downstairs and get a body

7/22/98 BOSTONG A1  
7/22/98 Boston Globe A11998 WL 9144510

Page 10

bag."

After Bulger's demand increased to \$50,000, Slinger reported the extortion to the FBI. Agent John Newton testified that the FBI had "a great case" against Bulger because Slinger was willing to wear a wire and testify.

Still, the FBI took no action.

Days later, O'Neil told Slinger that he'd only have to pay \$25,000, but "there wasn't going to be any FBI investigation," according to testimony in the federal court hearings.

Newton's supervisor, Bruce Ellavsky, testified that the FBI dropped the case because the extortion stopped and Slinger no longer wanted to go forward.

Yet, Ellavsky couldn't explain why there were no FBI reports on the incident. There was no mystery about why Bulger and Flemmi never got caught up in an FBI investigation in the late 1980s of a Roxbury bookie who was paying them "rent" and dealing extensively with them. The pair were warned to stay away by agent John Morris because a wiretap was going into John Baharoian's office.

Morris, who had taken three bribes from Bulger, was concerned that the pair could give him up if they were caught and indicted.

But he also testified he was tired of the hold Bulger and Flemmi had on him and the relentless expansion of their criminal network. And he wanted no more blood on his hands. Leave Baharoian alone, the former organized-crime supervisor told them. "I don't want any more Hallorans."

--- INDEX REFERENCES ---

KEY WORDS: BOSTON; ORGANIZED CRIME; NAME-BULGER; SPOTLIGHT; SERIES; NAME- FLEMMI

NEWS SUBJECT: Local/Regional Section (LCR)

EDITION: CITY EDITION

Word Count: 3145

7/22/98 BOSTONG A1

2859

MEMORANDUM

TO: SYDNEY HANLON, CHIEF, NARCOTICS DIVISION  
FROM: NADINE PELLEGRINI, ASSISTANT ATTORNEY GENERAL  
RE: LIMONE CLEMENCY HEARING

Peter J. Limone (d.o.b.5/7/34) is currently serving a life sentence for the 1965 gangland slaying of Edward Deegan. Limone was originally convicted of murder in the first degree and conspiracy to commit murder along with five other members of a known "crime family."

Originally sentenced to death, that sentence was commuted to life imprisonment after the Furman v. Georgia decision. As of this time, Limone has served 17 years of his sentence. Any further reduction will mean his immediate release.

On August 28th, 1987, Limone will again petition the Advisory Board of Pardons for such commutation. At the last hearing in 1983, the Board did make that recommendation to the Governor.

U.S. Attorney William Weld met with Gov. Dukakis to set out law enforcement's position against further reduction of the sentence. (See attached copy of UPI story.)

I have also attached to this memo a copy of the decision on the appeal from Limone's conviction. It clearly sets out the violent history and the background of Limone. (NB: Footnote #5 at page 363.)



As expected, Limone's behavior as a prisoner has been good and his record does not yield any detrimental information in that respect.

Jerry O'Sullivan of N.E.O.C.T.F. indicates that while Limone's future in the criminal hierarchy is uncertain, given his ties with Anguilo, the F.B.I and State Police have informant information which is "fairly solid", according to O'Sullivan, that Limone continues his loan sharking operations from prison with the help of his brother. Limone and his family continue to receive income from this operation. O'Sullivan further indicated that there would be no problem using such information as a basis for a public statement.

Second Vote of Advisory Board  
of Pardons 1987

RECOMMENDATION

Louis Greco has maintained an exceptionally favorable institutional record throughout his nearly 22 years of incarceration. This fact, along with the petitioner's age, health, and disabled veteran's status combine collectively to make a case for favorable consideration.

The majority notes the opposition of the District Attorney for Suffolk County to any relief for this petition. We believe, however, that in balancing all of the factors presented by this petition that a grant of executive clemency is warranted at this time.

Accordingly, the majority of members of the Advisory Board recommend commutation of Louis Greco's life sentence. Commutation of sentence to 30 years to life is appropriate so as to create immediate parole eligibility after the final vote of the Governor's Council.

Respectfully submitted,

Advisory Board of Pardons

CURRAN VOTED Against  
1st time →

*John Curran*  
*Richard J. ...*  
*Michael ...*  
*Richard ...*

The following members oppose commutation of sentence:

GITTENS →

*John J. ...*  
*Paul ...*  
*...*



2862



THE COMMONWEALTH OF MASSACHUSETTS  
EXECUTIVE DEPARTMENT  
GOVERNOR'S OFFICE OF LEGAL COUNSEL  
STATE HOUSE • ROOM 271 • BOSTON 02133

MICHAEL S. DUKAKIS  
GOVERNOR  
S. STEPHEN ROSENFELD  
CHIEF LEGAL COUNSEL  
PATRICIA A. BOIES  
DEPUTY CHIEF COUNSEL  
MARY LOU SZULBORSKI  
ASSISTANT LEGAL COUNSEL  
DIANNE WILKERSON  
ASSISTANT LEGAL COUNSEL

AREA CODE (617)  
727-2065

January 13, 1987

John Cavicchi, Esq.  
P.O. Box 63  
East Boston, Ma. 02128

Dear Attorney Cavicchi:

Governor Dukakis has received your most recent letter regarding the commutation petition of Mr. Louis Greco. He has asked me to reply.

While the Governor understands your plea, he is unable to reconsider at this time. The commutation petition of your client, Louis Greco, must first be reviewed by the Advisory Board of Pardons. If the petition receives a favorable recommendation by the Board, it would then be forwarded to this office for consideration. Until such a recommendation is received by this office, a meeting would be premature.

Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Dianne Wilkerson".

Dianne Wilkerson  
Assistant Legal Counsel

DW:ss  
#2471F

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
PROVIDENCE, Sc. SUPERIOR COURT

MAURICE R. LERNER :  
:   
VS : Case Number PM833005  
:   
JOHN MORAN, Director, :  
ACI :

SUPERIOR COURT  
FILED  
GLENN C. BROWN, CLERK  
1987 JAN 15 AM 11:47

D E C I S I O N

BULMAN, J. Heard on amended application for post-conviction relief. Before the Court are hundreds of pages of testimony from two trials, State of Rhode Island v. Maurice R. Lerner, et als, indictment numbers 69-767, 768, 769 (aff'd. 112 R.I. 62) (1973), State of Rhode Island v. Luigi Manocchio, same indictments but subsequently tried, affidavits of David H. Leach, Esquire and Urbano Prignano, testimony of witnesses given before the Court December 10th, 1985 and 14 exhibits offered by the applicant on that date. By stipulation received October 21, 1986 counsel for the parties certified the record was complete and ready for



decision on the issues raised in the pleadings. The Court has spent many hours on the materials before it, considering memoranda of counsel, and researching the problems here involved independently.

Pursuant to R.I.G.L. 1956 § 10-9.1-7, as amended, the Court finds that witness John J. Kelley committed perjury in the 1970 trial of the captioned indictments before this Court:

1. In failing to disclose, when asked, the full extent of the promises made him by federal agent Rico.
2. In claiming he alone altered the murder weapons.
3. In describing the meeting outside the Gaslight Restaurant, and
4. As to the color of Vendituoli's automobile.

Counsel for both sides have cited many cases, both state and federal, and the Court has read beyond those cited. No case cited, nor found by the Court, is on all fours with this one. Interesting, but not in point, are Mesarosh v. United States, 352 U.S.1 (1956), Napue v. Illinois, 360 U.S. 264 (1959), Schneider v. Estelle, 552 F.2d 593 (5th Cir. 1977), Elkins v. United States, 364 U.S. 206 (1960), United States v. Thompson, 576 F.2d 784 (9th Cir. 1978), United States v. Agurs, 427 U.S. 97 (1976), In re Ouimette, 115 R.I. 169 (1975), State v. Bassett, 447 A.2d 371 (R.I. 1982), and several others.

The Court is satisfied that federal agent Rico was not a member of the prosecution team. It is clear that he

developed Kelley as an informant in cases within his jurisdiction. It is equally clear that Rico never informed the Rhode Island prosecutor fully of his activities as regards Kelley.

The Court finds specifically:

5. Kelley, at the time of trial, was in custody of United States marshals, and not of agents of the Federal Bureau of Investigation.

6. Rico had developed him as an informant and during the process had made certain representations, but he was not acting in behalf of the State of Rhode Island at the time, nor ever.

7. The state prosecutor was wholly without knowledge of Kelley's perjuries.

Reference is made to the Court's earlier denial of State's Motion to Dismiss this application. That decision, filed September 3, 1986 is incorporated herein and the Court finds this application was timely filed and that there was no waiver under R.I.G.L. (1985 Reenactment) § 10-9.1-8.

That Lerner was guilty of the murders of Marfeo and Melei was solidly proven. (See Court's decisions on Motions for New Trial in above indictments.) Notwithstanding Kelley's perjury as to who altered the weapons, the fact is they were altered. And the same can be said re the Gaslight Restaurant meeting; there was a meeting although not at that location. And the

color of the car is of no real consequence. Kelley's failure to disclose fully the extent of federal promises made to him constitutes some impeachment material, but the jury here knew that he had received favors from federal authorities and so had a basis upon which to consider credibility in that area. And, of course, they also knew of the immunity given him.

Since the state prosecutor was not aware of Rico's background role here, since he did not know of Kelley's perjuries, and since Rico was not a member of the state prosecution team, cases such as Smith v. State of Florida, 410 F.2d 1349, are of no help to applicant. Neither is he helped by State v. John Wyche, Jr., R.I. , No. 85-460-C.A. (December 9, 1986). Here, the prosecutor couldn't disclose what he didn't know; there was no prosecutorial misconduct.

Kelley became a witness for the state after having been promised immunity. The mere fact that he had been interviewed by federal agents, and given certain promises by them, in no way taints the prosecution here. Nor did federal authorities give the State evidence unlawfully obtained. The "silver platter doctrine" is not in this case. See Elkins v. United States, 364 U.S. 206 (1960).

It is uncontradicted that Kelley never changed his testimony about Lerner. (Testimony of witness Prignano, December 10, 1985). And proof of Lerner's guilt was overwhelming. (Decisions

on Motions for New Trial, supra). The Court finds the perjuries here complained of constitute mere harmless error.

The applicant has failed to carry his burden of proof. The Court concludes that he is not entitled to relief, that the indictments should not be dismissed, nor should a new trial be granted.

It is ordered that the application be, and it hereby is, denied and dismissed.

GRANTING COMMUTATION HEARING

PETITIONER: LIMONE, Peter J.  
OFFENSE: MURDER, 1st degree

SENTENCE: LIFE  
EFFECTIVE DATE: 11-1-67  
DATE PETITION RECEIVED: 12-23-66

GRANT  
 DENY  
 DENY WITHOUT PREJUDICE

DATE: \_\_\_\_\_

COMMENTS:

GRANT  
 DENY  
 DENY WITHOUT PREJUDICE

DATE: 5/6/87

COMMENTS:

*... was the subject of great deal of controversy. Feel more comfortable with voting.*

GRANT  
 DENY  
 DENY WITHOUT PREJUDICE

DATE: 5/28/87

COMMENTS:

*... crime was heinous... hearing to... that...*

GRANT  
 DENY  
 DENY WITHOUT PREJUDICE

DATE: 5/4/87

COMMENTS:

*... subject... meeting... 6-17-87...*

GRANT  
 DENY  
 DENY WITHOUT PREJUDICE

DATE: 11/20/87

COMMENTS:

*... subject's support... this track record...*

GRANT  
 DENY  
 DENY WITHOUT PREJUDICE

DATE: 6/17/87

COMMENTS:

*... subject's... would just hearing.*

GRANT  
 DENY



DATE: 6/9/87

COMMENTS:

*... most heinous... hearing... at...*

2869



The Commonwealth of Massachusetts 11111651  
Advisory Board of Pardons  
Leverett Saltonstall Building, Government Center  
100 Cambridge Street, Boston 02202

727-3271

2207

July 29, 1987

Honorable James Shannon  
Attorney General  
McCormack Building  
1 Ashburton Place  
Boston, MA 02108

Re: Peter J. Limone  
Dob: May 7, 1934

Dear Attorney General Shannon:

In accordance with Massachusetts General Laws, Chapter 127, Section 154, the Advisory Board of Pardons is notifying you of a commutation hearing for the above-named individual.

This hearing is scheduled for August 28, 1987 at 2:00 P.M. at One Ashburton Place, Room 1A, Boston, MA 02108.

You are invited to attend this public hearing and/or forward a written statement concerning this petition for executive clemency to the Board.

If you have any questions regarding this matter, please feel free to contact me at [redacted].

Sincerely,

*Barbara D. Johnson*

Barbara D. Johnson  
Pardons Coordinator

Advisory Board of Pardons

BDJ:es  
ATTORNEY GENERAL  
Rec'd

AUG 4 1987

Ref'd to Fitz  
Ans. \_\_\_\_\_



2870

U.S. Department of Justice

Federal Bureau of Investigation



In Reply, Please Refer to  
File No.

900 John F. Kennedy Federal Building  
Boston, Massachusetts 02203

October 19, 1987

Mr. John J. Curran, Jr.  
Chairman  
Massachusetts Parole Board  
100 Cambridge Street  
Boston, Massachusetts 02202

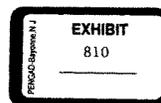
Re: Peter Joseph Limone

Dear Mr. Curran:

In response to your request of September 3, 1987, I have caused a review to be conducted of FBI Boston files concerning Peter Joseph Limone, date of birth May 7, 1934, and presently in custody of the Commonwealth of Massachusetts.

The information set forth below has been specifically checked to insure that each reference is in fact to the above individual and not to be confused with his nephew, PETER JAMES LIMONE, who is presently in federal custody as a result of guilty pleas on May 12, 1985 and May 16, 1986, in U. S. District Court, Boston, to two separate federal indictments and involving certain criminal acts committed as part of a criminal enterprise defined as the La Cosa Nostra (LCN).

Additionally, each time information furnished by an FBI informant is summarized and set forth, it can be stated, unless otherwise noted, that each informant cited is considered reliable by the office and that information furnished by that informant has in the past been corroborated by independent FBI investigation or electronic surveillance or other FBI informants or various combination of the above. Information has been characterized or summarized in order to prevent the identity of the informant from being detected.



The FBI, over the last several years, has conducted an extensive loansharking investigation of a group in Revere, Massachusetts, which investigation did include use of informants and developed witnesses. Since this group and its purported leader are presently under indictment and awaiting trial, specific names of group members are not being set forth.

One confidential FBI informant reported on August 16, 1985, that the leader of this alleged loan sharking operation paid Peter Limone a certain percentage of everything he makes once a month. The informant referred to Limone as the group leader's "godfather" stating Limone has had an association with the group leader for a number of years.

On January 22, 1986, the same informant furnished a detailed breakdown of a large loan shark payment made to the group leader by a victim. This accounting reflected \$20,000 going to Peter Limone. At least one other individual had reported the same information to the FBI.

On September 10, 1986, the informant reported that Peter Limone, while out on furlough recently, had been seen seen walking with an identified LCN member in the North End.

On September 15, 1987, this same informant identified Peter Limone as a member of the La Cosa Nostra, stating that Limone and Gennaro Angiulo were made members at the same time. Informant again reported the continuing relationship between the leader of the alleged loansharking operation and Limone, stating the leader was paying Limone every month and was "under" Limone.

On April 27, 1981, a second FBI informant, whose reliability at this time would be labeled as unknown, identified the leader of the above loansharking operation and two other individuals also presently under indictment, stating the leader of the loanshark group receives a portion of his loanshark money through Peter J. Limone. It was reported that monies are received at 1-1½ points from the Gennaro J. Angiulo operation and placed on the streets at 5 points.

Concerning the same loansharking operation, another known member of the LCN reported to an individual on January 18, 1987, that the leader of the alleged loansharking operation is "with" Peter Limone and that Limone is "with the Angiulos and that another LCN capo (named) has taken over for the Angiulos since they went away to prison.

Concerning this same loansharking group, another cooperative person has advised the FBI in 1987 that Peter Limone was given the football card business when he went into prison and a relative watched out for his interest while incarcerated and that this same relative was running the Angiulo's numbers operation in the North End. The individual advised as late as September, 1987, that the above loansharking operation is still collecting money owed, that Peter Limone had made at least one decision about an individual who did not have to make "vig" payments, and that at least some of the collected monies were going to a Limone relative.

On September 15 and September 18, 1987, a third confidential FBI informant identified Peter Limone as a made member of the LCN "with the Angiulos". This informant reported that the LCN is anxious for Limone to be released and offered some detailed speculations and rumor within the LCN as to why informant thought Limone might occupy a position of authority within the LCN when released. This informant also stated that Peter Limone plans on working at the family restaurant in the North End which will enable him to be in contact with members of the organized criminal element.

On August 3, 1983, a fourth confidential FBI informant reported that Frank Angiulo was telling people that the raids (FBI) were coming down at the end of August. Informant advised further that Gennaro Angiulo would do anything to get Peter Limone on the street and that Angiulo and his associates had spent plenty of money trying to accomplish this.

In August of 1986, a 5th confidential FBI informant reported on a contact Peter Limone had with other LCN members while on a recent furlough from prison and on November 3, 1986, reported that Gennaro Angiulo is trying to hang on to his numbers business and collect whatever loanshark money he has on the street. The informant reported that the incarcerated Angiulo calls his wife Barbara, who has call forwarding device on her phone, which allows him to contact "Big Peter" Limone at the Mattapan Pre-Release Center. According to the informant Limone was then collecting Angiulo loansharking money which was formally being done by another Angiulo who was now in prison.

This same source had previously identified Peter Limone as an LCN soldier.

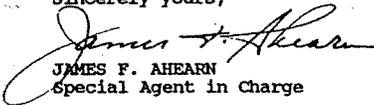
2873

FBI Boston files do contain additional information that appears relevant to your inquiry; however, this information is presently under seal and impounded by the U. S. District Court. Within the next several days and through the Organized Crime Strike Force we shall seek a court order allowing us to disclose the additional information to you in a manner that the court deems appropriate.

It is my understanding that under your administrative proceedings you are not required to disclose the above information beyond the State Advisory Board of Pardons and the Governor. It is my request that the above information be handled in this manner, and we will so represent to the court in our motion that any additional information provided will be handled in a like manner.

The FBI is furnishing this information for your decision making process and takes no position nor makes any recommendation as to the parole or the commutation of sentence in reference to Peter Limone.

Sincerely yours,

  
JAMES F. AHEARN  
Special Agent in Charge