

UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

THE UNITED STATES OF AMERICA

VS.

JOSEPH A. TEDESCHI, JR., PETER V. TEDESCHI,
ROCCO A. DELUCA, ROCCO A. DELUCA, II,
GOLD TECHNOLOGIES, LLC, and TECNOLOGIA, JPR.

INDICTMENT

SEE ATTACHMENT

A true bill.

(signature)
Foreperson

Filed in open court this 6th day of August

A.D. 2003

Clerk (signature)

**US v. JOSEPH A. TEDESCHI, JR., PETER V. TEDESCHI,
ROCCO A. DELUCA, ROCCO A. DELUCA, II,
GOLD CHIP TECHNOLOGIES, LLC, and TECNOLOGIA, JPR.**

COUNT ONE: Title 18, United States Code, Section 371-Conspiracy to Conduct an Illegal Gambling Business and to Travel in Interstate Commerce in Aid of Racketeering Enterprise. Title 18, United States Code, Section 2-Aiding and Abetting.

**(JOSEPH A. TEDESCHI, JR., PETER V. TEDESCHI, ROCCO A. DELUCA, ROCCO A. DELUCA, II,
GOLD CHIP TECHNOLOGIES INC., and TECNOLOGIA, JPR)**

COUNT TWO: Title 18, United States Code, Sections 1955-Conducting an Illegal Gambling Business; Traveling in Interstate and Foreign Commerce in Aid of Racketeering Enterprise. Title 18, United States Code, Section 2-Aiding and Abetting.

**(JOSEPH A. TEDESCHI, JR., PETER V. TEDESCHI, ROCCO A. DELUCA, ROCCO A. DELUCA, II,
GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)**

COUNT THREE: Title 18, United States Code, Section 1952(a)(3)(A)-Traveling in Interstate and Foreign Commerce in Aid of Racketeering Enterprise. Title 18, United States Code, Section 2-Aiding and Abetting.

(JOSEPH A. TEDESCHI, JR., GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)

COUNT FOUR: Title 18, United States Code, Section 1952(a)(3)(A)-Traveling in Interstate and Foreign Commerce in Aid of Racketeering Enterprise. Title 18, United States Code, Section 2- Aiding and Abetting.

(JOSEPH A. TEDESCHI, JR., GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)

COUNT FIVE: Title 18, United States Code, Section 1952(a)(3)(A)- Traveling in Interstate and Foreign Commerce in Aid of Racketeering Enterprise. Title 18, United States Code, Section 2- Aiding and Abetting.

(JOSEPH A. TEDESCHI, JR., GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)

COUNTSIX: Title 18, United States Code, Section 1952(a)(3)(A)-Traveling in Interstate and Foreign Commerce in Aid of Racketeering Enterprise. Title 18, United States Code, Section 2- Aiding and Abetting.

(JOSEPH A. TEDESCHI, JR., GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)

COUNT SEVEN: Title 18, United States Code, Section 1952(a)(3)(A)-Traveling in Interstate and Foreign Commerce in Aid of Racketeering Enterprise. Title 18, United States Code, Section 2-Aiding and Abetting.

(JOSEPH A. TEDESCHI, JR., GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)

COUNT EIGHT: Title 18, United States Code, Section, 1952(a)(3)(A)-Traveling in Interstate and Foreign Commerce in Aid of Racketeering Enterprise. Title 18, United States Code, Section 2-Aiding and Abetting.

(JOSEPH A. TEDESCHI, JR., GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)

COUNT NINE THROUGH ELEVEN: Title 18, United States Code, Section 1956(a)(2)(A)- Laundering of Monetary Instruments. Title 18, United States Code, Section 2-Aiding and Abetting.

(JOSEPH A. TEDESCHI, JR., GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)

COUNT TWELVE: Title 18, United States Code, Section 1956(h)-Conspiracy to Laundering Monetary Instruments..

(JOSEPH A. TEDESCHI, JR., GOLD CHIP TECHNOLOGIES, INC., and TECNOLOGIA, JPR)

KEVIN V.RYAN (CASBN 118321)
United States Attorney

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION**

UNITED STATES OF AMERICA,
Plaintiff,

v.

**JOSEPH A. TEDESCHI, JR.,
PETER V. TEDESCHI,
ROCCO A. DELUCA,
ROCCO A. DELUCA, II
GOLD CHIP TECHNOLOGIES, LLC, and
TECNOLOGIA, JPR,**

Defendants.

Criminal No.:

VIOLATIONS: 18 U.S.C. 371 --
Conspiracy to Conduct an Illegal Gambling
Business and to Travel in Interstate and
Foreign Commerce in Aid of Racketeering
Enterprise; 18 U.S.C. 1955 -- Conducting
an Illegal Gambling Business; 18 U.S.C.
1952(a)(3)(A) Traveling in Interstate and
Foreign Commerce in Aid of
Racketeering Enterprise; 18 U.S.C.
1956(a)(2)(A) -- Laundering of Monetary
Instruments; 18 U.S.C. 1956(h) --
Conspiracy to Laundering Monetary
Instruments; 18 U.S.C. 2-- Aiding and Abetting.

SAN JOSE VENUE

INDICTMENT

The Grand Jury charges:

Background

At all times relevant to this Indictment:

1. Joseph A. Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca and Rocco A. DeLuca, II, Rhode Island residents, were partners in a national and international Internet gambling enterprise. The partners established companies in Rhode Island and the Dominican Republic to operate the Internet gambling enterprise.

2. Joseph A. Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca and Rocco A. DeLuca, II established and owned Gold Chip Technologies, Inc., located at 990 Mineral Spring Avenue, North Providence, Rhode Island. According to a corporate summary document, Gold Chip Technologies "develop[ed] and maintain[ed] online gaming software designed to give a virtual look and feel of the real casinos. This gaming software included casino games of Slots, Black Jack, Poker, Baccarat, Craps, Roulette, Acey Duecy, Spin the Wheel, and one House game, in addition to professional sports betting. Our customers are a wide variety of people who want practical and functional online games that accomplish the simulation of being in the casino without the cost of travel, lodging and food."
3. Joseph A. Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca, and Rocco A. DeLuca, II established and owned Internet Ventures, LLC, in Rhode Island for the purpose of developing and operating Internet businesses. No individual controlled more than 20% of the shares in the company.
4. Joseph A Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca and Rocco A. DeLuca, II established and owned Tecnologia JPR and incorporated the company in the Dominican Republic.
5. On behalf of Tecnologia JPR, Joseph A. Tedeschi, Jr. entered into a licensing agreement in about May 1997 with Handa Lopez, Inc., ("HLI" or "Handa Lopez") a company in Sunnyvale, California, to purchase software, hardware and computer servers for the purpose of supervising, directing promoting, establishing, conducting and operating an Internet gambling enterprise. David Brown, a software programmer, controlled HLI. The licensing agreement required HLI and Brown to provide computer software and maintenance support if computer software and hardware used to operate the national and international gambling enterprise malfunctioned.
6. Handa Lopez provided maintenance and support for the defendants' Internet gambling business, as required by a service contract, until about February 2001.
7. The Internet gambling business required three computer servers to operate- a gaming server, credit card transaction server and database server. The gaming server hosted "Las Vegas style" gambling: Slots, Black Jack, Poker, Baccarat, Craps, Roulette Acey Duecy, Spin the Wheel, one House game and sports betting. The credit card transaction server interfaced with credit card company and bank computer systems to process financial transactions between players and Gold Chip Technologies (i.e. debits or credits to a player's credit card account with corresponding debits and credits to Gold Chip Technologies' accounts). The data base server recorded account balances and player/client lists and addresses. If a player won, he could hold his winnings in an account for future playing or request payment by check. The Internet gambling system could not function unless all three servers operated in unison.
8. The defendants' gaming server was housed at Tecnologia JPR in the Dominican Republic, and the credit card and database servers were housed at businesses in Rhode Island.
9. Gold Chip Technologies served as the administrative office for the gambling enterprise operated by Joseph A. Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca, Rocco A. DeLuca, II.

10. In August 1998, Joseph A. Tedeschi, Jr. contacted Brown and HLI employees by telephone and fax to inform them that the Gold Chip Technologies and Tecnologia JPR credit card transaction server had malfunctioned and needed assistance in order to maintain the Internet gambling business on line. Handa Lopez processed Gold Chip Technologies and Tecnologia JPR gambling credit card transactions on its servers until the defendants' credit card server was repaired.

11. Gold Chip Technologies and Tecnologia JPR were businesses owned, operated and supervised by the individual defendants, who had the assistance of at least two others, which remained in substantially continuous operation for more than thirty days, which conducted operations on at least two days in each of two consecutive weeks, which had a combined gross revenues of over \$1,000.00 in any single day, and which had a total of at least one-hundred gambling transactions in any single day.

12. Between mid-1997 and 2000, the defendants' Internet gambling operation grossed in excess of 7 million dollars and paid out approximately \$900,000.

13. Joseph A. Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca and Rocco A. DeLuca, II formed other companies to license Internet gambling software to purchasers in the United States and abroad.

COUNT ONE: (18 U.S.C. § 371)

14. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

15. On or about and between January 1997 and December 2000, in the County of Santa Clara, Northern District of California, and elsewhere, the defendants

JOSEPH A. TEDESCHI, JR.,
PETER V. TEDESCHI,
ROCCO A. DELUCA,
ROCCO A. DELUCA, II.,
GOLD CHIP TECHNOLOGIES, INC., and
TECNOLOGJA, JPR,

and other persons known to the grand jury did knowingly and intentionally conspire,

(a) to manage, finance, supervise, direct and own an illegal national and international Internet gambling business which permitted the playing of slots, blackjack and roulette in violation of California Penal Code Sections 330, 330a, 330b, 330.1 and 330.4, which involved at least five or more persons who conducted, financed, managed, supervised, directed and owned all or part of such business, and which was *in* substantially continuous operation for a period of more than thirty days and had a gross revenue of \$2,000 in any single day, all in violation of Title 18, United States Code, Section 1955; and,

(b) to travel and use facilities of and in interstate and foreign commerce with the intent to promote and establish and to facilitate the promotion and establishment of an unlawful activity, namely, a business enterprise involving gambling, and thereafter, did perform the promotion and establishment of a national and international Internet gambling enterprise which permitted via the Internet the playing of Slots, Black Jack, Poker, Baccarat, Craps, Roulette, Acey Duecy, and Spin the Wheel in violation Rhode Island State Jaw, Title 1.1, Chapter 51, Sections 1 and 21 and in violation of Title 18, United States Code, Section 1952(a)(3)(A),

16. In furtherance of the conspiracy and to effect the objects thereof, in the Northern District of California, County of Santa Clara, and elsewhere, the defendants did commit and cause to be committed the following overt acts:

Overt Acts

- a. On or about January 20, 1997, Joseph A. Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca and Rocco A. DeLuca, II entered into an agreement to establish, Tecnologia, JPR for the purpose of operating an Internet business, which was later incorporated in the Dominican Republic in May 1997.
- b. On or about March 10, 1997, Joseph A. Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca and Rocco A. DeLuca, II entered into an agreement to establish Gold Chip Technologies, LLC, in part, for the purpose of developing and operating an Internet gambling business.
- c. On or about April 21, 1997, Joseph A. Tedeschi, Jr., Peter V. Tedeschi, Rocco A. DeLuca and Rocco A. DeLuca, II entered into an agreement to establish Internet Ventures, LLC, for the purpose of developing and operating an Internet business.
- d. On or about May 3, 1997, Joseph A. Tedeschi, Jr. traveled to Sunnyvale, California to meet with David Brown and others at HLI to discuss the purchase of Internet software and hardware, including computer servers, to operate a gambling enterprise.
- e. On or about May 20, 1997, on behalf of Tecnologia JPR, Joseph A. Tedeschi, Jr. entered into an Internet Software Licensing Agreement with HLI to purchase software and computer servers to operate an Internet gambling enterprise.
- f. On or about July 23, 1997, Joseph A. Tedeschi, Jr. and an employee/consultant traveled to Sunnyvale, California to meet with David Brown and HLI representatives to discuss an Internet gambling enterprise.
- g. On or about July 30, 1997, Joseph A. Tedeschi, Jr. faxed a letter and DHL Shipment Airway bills to an HLI representative in Sunnyvale, California, instructing the representative to ship computer software, hardware and equipment to the Dominican Republic.
- h. On or about March 21, 1998, Gold Chip Technologies credited \$105.00 to a credit card account belonging to Barry Goldberg of Middleton, Rhode Island.
- i. On or about April 2, 1998, Gold Chip Technologies credited \$220.00 to a credit card account belonging to Joseph Mastrobuona of Cranston, Rhode Island.

- j. On or about June 1998, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #34338 for \$60.00 to Donna Rivers of San Jose, California.
- k. On or about August 1, 1998, Joseph A. Tedeschi, Jr. and Gold Chip Technologies employees called David Brown and HLI employees in Sunnyvale, California to request assistance in repairing the Gold Chip Technologies "Cybercash" credit card transaction server or program. As requested, Brown and HLI employees acted to repair the computer problem.
- l. On or about August 2, 1998, Joseph A. Tedeschi, Jr. spoke to David Brown in Sunnyvale, California to discuss problems with the Gold Chip Technologies' "Cybercash" credit card transaction server or program. As requested, Brown and HLI employees acted to repair the computer problem.
- m. On or about August 3, 1998, Joseph A. Tedeschi, Jr. called an HLI representative in Sunnyvale, California to inform HLI about problems concerning the Gold Chip Technologies' "Cybercash" credit card transaction server or program. As requested, Brown and HLI employees acted to repair the computer problem.
- n. On or about August 11, 1998, Joseph A. Tedeschi, Jr. spoke to David Brown to discuss a computer bug found in the Gold Chip Technologies' "Cybercash" credit card transaction server or program. As requested, Brown and HLI employees acted to repair the computer problem.
- o. On or about August 15, 1998, Joseph A. Tedeschi called David Brown and HLI representatives in Sunnyvale, California to inform them that the Gold Chip Technologies' "Cybercash" credit card transaction server was down and requested assistance in repairing the server or program. As requested, Brown and HLI employees acted to repair the computer problem.
- p. On or about August 16, 1998, Joseph A. Tedeschi, Jr. spoke to an HLI employee in Sunnyvale, California and discussed a temporary "fix" with the Gold Chip Technologies' "Cybercash" credit card transaction server or program. As requested, Brown and HLI employees acted to repair the computer problem.
- q. On or about December 7, 1998, Joseph A. Tedeschi, Jr. called David Brown in California to discuss problems with computer programs related to the Gold Chip Technologies operation. As requested, Brown and HLI employees acted to repair the computer problem.
- r. On or about February 17, 1999, Joseph A. Tedeschi, Jr. spoke by telephone with David Brown and an HLI employee in Sunnyvale, California to discuss a memory loss error in a database computer for which the Gold Chip Technologies operation lost "\$2K in orders." As requested, Brown and HLI employees acted to repair the computer problem.
- s. On or about March 12, 1999, Joseph A. Tedeschi, Jr. and Tecnologia JPR caused a wire transfer payment, via a Boston, Massachusetts bank, in the amount of \$4,546.39, to be sent to HLI in Sunnyvale, California for commission and service contract fees.

- t. On or about March 19, 1999, Joseph A. Tedeschi, Jr. and Tecnologia JPR caused a wire transfer payment, via a New York bank, in the amount of \$14,975.86 to be sent to HLI in Sunnyvale, California for commission fees and services rendered.
- u. On or about April 7-9, 1999, Joseph A. Tedeschi, Jr. spoke to David Brown in California to discuss a "bug" in the Gold Chip Technologies' merchant account credit card transaction server or program.
- v. On or about April 23, 1999, Joseph A. Tedeschi, Jr. and Tecnologia JPR caused a wire transfer payment, via a New York bank, in the amount of \$21,122.23, to be sent to HLI in Sunnyvale, California for commission and service contract fees.
- w. On or about October 29, 1999, Joseph A. Tedeschi, Jr. sent an electronic mail message to David Brown in California, stating that the Gold Chips gambling operation was having problems with "database errors." As requested, Brown and HLI employees acted to repair the computer problem.
- x. On or about December 24, 1999, Joseph A. Tedeschi, Jr. sent an electronic mail message to Rocco DeLuca, II indicating that the defendants would deduct David Brown's long distance telephone charges "from the monthly tech support fee that we wire to him."
- y. On or about February and March, 2000, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #0065081 for \$150.05 to Jasjit Kharod of San Jose, California.
- z. On or about March 1, 2000, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #063999 for \$54.95 to Zeke Spier of Providence, Rhode Island.
- aa. On or about March 2-6, 2000, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #065804 for \$11.06 to Jerry Chu of San Bruno, California.
- bb. On or about March 2-6, 2000, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #065805 for \$90.00 to Susan Webb of San Jose, California.
- cc. On or about March 3, 2000, Peter Tedeschi sent an electronic mail message to Joseph A. Tedeschi, Jr. expressing his thoughts on moving the Gold Chips Technology operation to the Dominican Republic.
- dd. On or about March 27, 2000, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #065824 for \$5.00 to David Chan of San Jose, California.
- ee. On or about April 25 and May, 2000, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #066841 for \$50.00 to Geoffrey Holmes of San Jose, California.
- ff. On or about May 23, 2000, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #0066984 for \$25.00 to Geoffrey Holmes of San Jose, California.
- gg. On or about May 30, 2000, referencing "Tecnologia JPR N.V.," Gold Chip Technologies issued check #067046 for \$20.00 to Sanjiv Dhawan of Menlo Park, California.

hh. On or about June 2-6, 2000, referencing "Technologia JPR N.V.," Gold Chip Technologies issued check #067090 for \$50.75 to Richard Wieder of Redwood City, California.

ii. On or about September 14, 2000, referencing "Technologia JPR N.V.," Gold Chip Technologies issued check #069215 for \$30.00 to Hon Fai Lau of Hong Kong.

jj. On or about September 14, 2000, referencing "Technologia JPR N.V.," Gold Chip Technologies issued check #069214 for \$25.05 to Elisa Delbonis of Providence, Rhode Island.

kk. On or about October 20, 2000, referencing "Technologia JPR N.V.," Gold Chip Technologies issued check #070123 for \$52.00 to Cerise LaCock of San Francisco, California.

ll. On or about October 30, 2000, referencing "Technologia JPR N.V.," Gold Chip Technologies issued check #070182 for \$27.50 to Thomas St. Jovite of Vallejo, California.

mm. On or about November 2000, referencing "Technologia JPR N.V.," Gold Chip Technologies issued check #070299 for \$27.50 to Jason Payne of Fremont, California.

nn. On or about December 15, 2000, Joseph A. Tedeschi, Jr. sent an electronic mail message to Rocco De Luca indicating that he may have to get involved in a dispute with David Brown and HLI over licensing fees.

oo. On or about December 18, 2000, Peter Tedeschi sent an electronic mail message to Joseph A. Tedeschi, Jr. inquiring about a licensing fee dispute with David Brown and HLI.

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

COUNT TWO: (18 U.S.C. §§ 1955 and 2)

17. The allegations contained in paragraphs 1 through 13 of this indictment are hereby realleged and incorporated by reference.

18. In or about and between January 1997 and December 2000, in the County of Santa Clara, Northern District of California, and elsewhere, the defendants

JOSEPH A. TEDESCHI, JR.,
PETER V. TEDESCHI,
ROCCO A. DELUCA,
ROCCO A. DELUCA, JR,
GOLD CHIP TECHNOLOGIES, INC., and
TECNOLOGIA, JPR,

and other persons known to the grand jury did knowingly and intentionally conduct, manage, finance, supervise, direct and own an illegal national and international Internet gambling business which permitted the playing of slots, blackjack and roulette in violation of California Penal Code Sections 330, 330a, 330b, 330.1 and 330.4, which involved at least five or more persons who conducted, financed, managed, supervised, directed and owned all or part of such business, and which was in substantially continuous operation for a period of more than thirty days and had a gross revenue of \$2,000 in any single day.

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

COUNT THREE: (18 U.S.C. §§ 1952(a)(3)(A) and 2)

19. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

20. On or about August 11, 1998 in the County of Santa Clara, Northern District of California, and elsewhere, the defendants

JOSEPH A. TEDESCHI, JR.,
24 GOLD CHIP TECHNOLOGIES, JNC, and
TECNOLOGIA, JPR,

and other persons known to the grand jury did travel and use a facility in interstate and foreign commerce, with the intent to promote, manage, carry and facilitate the promotion, management and carrying on of an unlawful activity, a business enterprise involving gambling and thereafter did perform the promotion, management and carrying on of a national and international Internet gambling enterprise which permitted the playing via the Internet of Slots, Black Jack, Poker, Baccarat, Craps, Roulette, Acey Duecy, and Spin the Wheel, that is, speaking by telephone with David Brown in California to discuss a computer bug found in the Gold Chip Technologies' "Cybercash" credit card transaction server or program, in violation of Rhode Island State law Title 11, Chapter 51, Sections 1 and 2.

All in violation of Title 18, United States Code, Sections 1952(a)(3)(A) and 2.

COUNT FOUR: (18 U.S.C. §§ 1952(a)(3)(A) and 2)

21. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

22. On or about August 15, 1998 in the County of Santa Clara, Northern District of California and elsewhere, the defendants

JOSEPH A. TEDESCHI, JR.,
GOLD CHJP TECHNOLOGIES, INC., and
TECNOLOGIA, JPR

and other persons known to the grand jury, did travel and use a facility in interstate and foreign commerce with the intent to promote, manage, carry and facilitate the promotion, management and carrying on of an unlawful activity, a business enterprise involving gambling and thereafter did perform the promotion, management and carrying on of a national and international Internet gambling enterprise which permitted the playing via the Internet of Slots, Black Jack, Poker, Baccarat, Craps, Roulette, Acey Duecy, and Spin the Wheel, that is, speaking by telephone with David Brown and HLI employees in California and informing them that the Gold Chip Technologies' "Cybercash" credit card transaction server was down and requesting assistance in repairing the server or program, in violation of Rhode Island State Law, Title 11, Chapter 51, Sections 1 and 2.

All in violation of Title 18, United States Code, Sections 1952(a)(3)(A) and 2.

COUNT FIVE: (18 U.S.C. §§ 1952(a)(3)(A) and 2)

23. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

24. On or about August 16, 1998 in the County of Santa Clara, Northern District of California, and elsewhere, the defendants

JOSEPH A. TEDESCHI JR.,
GOLD CHIP TECHNOLOGIES, JNC., and
TECNOLOGIA, JPR.,

and other persons known to the grand jury, did travel and use a facility in interstate and foreign commerce with the intent to promote, manage, carry and facilitate the promotion, management and carrying on of an unlawful activity, a business enterprise involving gambling, and thereafter, did perform the promotion, management and carrying on of a national and international Internet gambling enterprise which permitted the playing via the Internet of Slots, Black Jack, Poker, Baccarat, Craps, Roulette, AceyDuecy, and Spin the Wheel, that is, speaking by telephone with David Brown and HLI employees in California and discussing with them a temporary "fix" with the Gold Chip Technologies' "Cybercash" credit card transaction server or program, in violation of Rhode Island State law, Title 11, Chapter 51, Sections 1 and 2.

All in violation of Title 18, United States Code, Sections 1952(a)(3)(A) and 2.

COUNT SIX: (18 U.S.C. §§ 1952(a)(3)(A) and 2)

25. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

26. On or about March 12, 1999, in the County of Santa Clara, Northern District of California, and elsewhere, the defendants

JOSEPH A. TEDESCHI, JR.,
GOLD CHIP TECHNOLOGIES INC., and
TECNOLOGIA, JPR.,

and other persons known to the grand jury, did use a facility in interstate and foreign commerce with the intent to promote, manage, carry and facilitate the promotion, management and carrying on of an unlawful activity, a business enterprise involving gambling, and thereafter, did perform the promotion, management and carrying on of a national and International Internet gambling enterprise which permitted the playing via the Internet of Slots, Black Jack, poker, Baccarat, Craps, Roulette, Acey Duecy, and Spin the Wheel; that is, causing the wire transfer of a payment via a Boston, Massachusetts bank in the amount of approximately \$4,546.39 to HLI in Sunnyvale, California, for commission fees and services relating to a service contract to maintain the defendants' Internet gambling operation, in violation of Rhode Island State law, Title 11, Chapter 51, Sections 1 and 2, and in violation of Title 18, United States Code, Sections 1952(a)(3)(A) 9 and 2.

COUNT SEVEN: (18 U.S.C. §§ 1952(a)(3)(A) and 2)

27. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

28. On or about March 19, 1999, in the County of Santa Clara, Northern District of California, and elsewhere, the defendants

JOSEPH A. TEDESCHI, JR.,
GOLD CHIP TECHNOLOGIES, INC., and
TECNOLOGIA, JPR,

and other persons known to the grand jury, did use a facility in interstate and foreign commerce, with the intent to promote, manage, carry and facilitate the promotion, management and carrying on of an unlawful activity, a business enterprise involving gambling, and thereafter, did perform the promotion, management and carrying on of a national and international Internet gambling enterprise which permitted the playing via the Internet of Slots, Black Jack, Poker, Baccarat, Craps, Roulette, Acey Duecy, and Spin the Wheel; that is, causing the wire transfer of a payment via a New York bank in the amount of approximately \$14,975.86 to HLI in Sunnyvale, California, for commission fees and services relating to a service contract to maintain the defendants' Internet gambling operation, in violation of Rhode Island State law, Title 11, Chapter 51, Sections 1 and 2, and in violation of Title 18, United States Code, Sections 1952(a)(3)(A) and 2.

COUNT EIGHT: (18 U.S.C. §§ 1952(a)(3)(A) and 2)

29. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

30. On or about April 23, 1999, in the County of Santa Clara, Northern District of 5 California, and elsewhere the defendants

JOSEPH A. TEDESCHI, JR.,
GOLD CHIP TECHNOLOGIES, INC., and
TECNOLOGIA, JPR,

and other persons known to the grand jury, did use a facility in interstate and foreign commerce, with the intent to promote, manage, carry and facilitate the promotion, management and carrying on of unlawful activity, a business enterprise involving gambling, and thereafter, did perform the promotion, management and carrying on of a national and international Internet gambling enterprise which permitted the playing via the Internet of Slots, Black Jack, Poker, Baccarat, Craps, Roulette, Acey Duecy, and Spin the Wheel; that is, causing a wire transfer of a payment via a New York bank in the amount of approximately \$21,122.23 to HLI in Sunnyvale, California, for commission fees and services relating to a service contract to maintain the defendants' Internet gambling operation, in violation of Rhode Island State Law, Title 11, Chapter 51, Sections 1 and 2, and in violation of Title 18, United States Code, Sections 1952(a)(3)(A) and 2.

COUNTS NINE THROUGH ELEVEN: (18 U.S.C. §§ 1956(a)(2)(A) and 2)

31. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

32. On or about the dates noted below, in the County of Santa Clara, Northern District of California, and elsewhere, the defendants

JOSEPH A. TEDESCHI, JR.,
GOLD CHIP TECHNOLOGIES, INC., and

TECNOLOGIA, JPR,

did transport, transmit and transfer and attempted to transport, transmit and transfer a monetary instrument and funds to a place in the United States from or through a place outside the United States with the intent to promote the carrying on of specified unlawful activity; that is, as described below causing the wire transfer of monies from a bank in the Netherlands Antilles to the United States in order to maintain an Internet gambling operation, in violation of 18 U.S.C. § 1955 and California Penal Code Sections 330, 330a, 330b, 330.1 and 330.4, and 18 U.S.C. §§ 1952(a)(2)(A) and 2, and Rhode Island State law, Title 11, Chapter 51, Sections 1 and 2.

Count	Approx. Date	Transaction Number	Wire Transfer Amount	Description of Acts
9	3/12/99	990312011786	\$4,546.39	To promote, maintain and carry on an Internet gambling operation, Joseph Tedeschi, Jr. caused the wire transfer of funds from a Netherlands Antilles bank to HLI and David Brown's account in Sunnyvale, California for payment of commission fees and service contract.
10	3/19/99	FTS9903198765100	\$14,975.86	To promote, maintain and carry on an Internet gambling operation, Joseph Tedeschi, Jr. caused the wire transfer of funds from a Netherlands Antilles back to HLI and David Brown's account in Sunnyvale, California for payment of commission fees and service contract.
11	4/23/99	FTS9904233938700	\$21,122.23	To promote, maintain and carry on an Internet gambling operation, Joseph. Tedeschi, Jr. caused the wire transfer of funds from a Netherlands Antilles bank to HLI and David Brown's account in Sunnyvale, California for payment of commission fees and service contract.

COUNT TWELVE: (18 U.S.C. §§ 1956(h))

33. The allegations contained in paragraphs 1 through 13 of this Indictment are hereby realleged and incorporated by reference.

34. On or about and between January 1997 and December 2000, in the County of Santa Clara, Northern District of California, and elsewhere, the defendants

JOSEPH A. TEDESCHI, JR.,
 PETER V. TEDESCHI,
 ROCCO A. DELUCA,
 ROCCO A. DELUCA, JR.,
 GOLD CHIP TECHNOLOGIES, INC., and
 TECNOLOGIA, JPR,

and other persons known to the grand jury did knowingly and intentionally conspire to transport, transmit and transfer and attempted to transport, transmit and transfer a monetary instrument and funds to a place in the United States from or through a place outside the United States with the intent to promote the carrying on of specified unlawful activity; that is, violations of 18 U.S.C. § 1955 and California Penal Code Section 330, 330a, 330b, 330.1 and 330.4, and 18 U.S.C. §§ 1952(a)(2)(A) and 2, and Rhode Island State law, Title 11, Chapter 51, Sections 1 and 2 by causing the wire

transfer of monies from a bank in the Netherlands Antilles to Sunnyvale, California in the United States in order to promote, maintain and carry on an Internet gambling operation, in violation of said federal and state statutes.

All in violation of 18, United States Code, Section 18 U.S.C. § 1956(h).

A TRUE BILL

DATED

8/16/2003

KEVIN V. RYAN

United States Attorney

(signature)

ROSS W. NADEL

Chief, San Jose Branch Office