

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

v.

VINCENT DELGIUDICE,
also known as "UNCLE MICK"

No. 20 CR 111-1

Judge Virginia M. Kendall

PLEA AGREEMENT

1. This Plea Agreement between the United States Attorney for the Northern District of Illinois, JOHN R. LAUSCH, JR., and defendant VINCENT DELGIUDICE, also known as "Uncle Mick", and his attorney, CAROLYN GURLAND, is made pursuant to Rule 11 of the Federal Rules of Criminal Procedure and is governed in part by Rule 11(c)(1)(A), as more fully set forth below. The parties to this Agreement have agreed upon the following:

Charges in This Case

2. The indictment in this case charges defendant with conspiring to conduct an illegal gambling business, in violation of Title 18, United States Code, Section 371 (Count One), with conducting an illegal gambling business in violation of Title 18, United States Code, Section 1955, (Count Two), with money laundering conspiracy, in violation of Title 18, United States Code, Section 1956(a)(2)(A) (Count Three) and money laundering, in violation of Title 18, United States Code, Section 1956(a)(2)(A). (Counts Four through Nine). The indictment also contains forfeiture allegations.

3. Defendant has read the charges against him contained in the indictment and those charges have been fully explained to him by his attorney.

4. Defendant fully understands the nature and elements of the crimes with which he has been charged.

Charges to Which Defendant Is Pleading Guilty

5. By this Plea Agreement, defendant agrees to enter a voluntary plea of guilty to Counts One and Three of the indictment which charge defendant with conspiring to conduct an illegal gambling business, in violation of Title 18, United States Code, Section 371 (Count One) and with money laundering conspiracy, in violation of Title 18, United States Code, Section 1956(a)(2)(A) and (h) (Count Three).

Factual Basis

6. Defendant will plead guilty because he is in fact guilty of the charges contained in the indictment. In pleading guilty, defendant admits the following facts and that those facts establish his guilt beyond a reasonable doubt, constitute relevant conduct under Guideline §1B1.3, and provide a basis for the forfeiture of property described elsewhere in this plea agreement:

a. Count One

From in or around 2016 and continuing through in or around 2019, at Chicago, Lemont, Frankfort, Orland Park, and Woodridge, in the Northern District of Illinois, Eastern Division, and elsewhere, defendant VINCENT DELGIUDICE, together with others, known and unknown, did conspire to knowingly conduct, finance, manage,

supervise, direct and own all or part of an illegal gambling business, that is, a business involving sports bookmaking, which business was in substantially continuous operation for a period in excess of thirty 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 following laws of the State of Illinois: 720 Illinois Compiled Statutes, Sections 5/28-1(a)(2), (a)(5), (a)(11), and (a)(12), and 5/28-1.1(b) and (d), all in violation of Title 18, United States Code, Section 1955.

Specifically, defendant DELGIUDICE conspired and worked with a number of agents to direct, conduct, manage, supervise, own and operate an illegal bookmaking business that functioned in Chicago, Lemont, Frankfort, Orland Park, and Woodridge, and elsewhere in the Northern District of Illinois from in and around 2016 and continuing to in or around 2019. Defendant and his agents accepted wagers on the outcome of sporting events, including professional football, basketball, baseball, and hockey games, and collegiate sporting events. Defendant DELGIUDICE recruited bettors to place bets with him, and recruited, managed and organized agents to recruit, oversee and manage the bettors who placed bets through his bookmaking operation. DELGIUDICE met with agents and gamblers to settle up, *i.e.*, to collect money the agents and gamblers owed for losses and to pay out winnings to gamblers and agents. DELGIUDICE utilized more than five agents at all times relevant to assist him in conducting and supervising the illegal gambling business.

b. **Count Three**

Beginning no later than in or around March 2018 and continuing until in or around March 2019, at Orland Park and elsewhere in the Northern District of Illinois, Eastern Division, defendant DELGIUDICE conspired with Individuals 1 and 2, Company A and other individuals known and unknown to the Grand Jury to knowingly transport, transmit, and transfer, and cause to be transported, transferred and transmitted, monetary instruments and funds from a place in the United States to a place outside the United States, with the intent to promote the carrying on of specified unlawful activity, namely the operation of an illegal gambling business, in violation of Title 18, United States Code, Section 1955, all in violation of Title 18, United States Code, Section 1956(a)(2)(A).

Specifically, defendant admits that he retained the services of an offshore Company, Company A, to manage the accounting, recordkeeping and website management of his bookmaking operation. Defendant admits that he express-mailed at least twelve (12) cashier's checks and money orders totaling \$113,625 from Orland Park, Illinois to Company A in Costa Rica from in or around March 29, 2018 and in or around March 2019 to pay for the bookkeeping, accounting and website management services provided by Company A, all of which promoted the continued operation of the illegal gambling business.

Maximum Statutory Penalties

8. Defendant understands that the charges to which he is pleading guilty carry the following statutory penalties:

a. Count One carries a maximum sentence of five years imprisonment. This offense also carries a maximum fine of \$250,000, or twice the gross gain or gross loss resulting from the offense, whichever is greater. Defendant further understands that the judge also may impose a term of supervised release of not more than three years.

b. Count Three carries a maximum sentence of twenty years imprisonment, a maximum fine of \$500,000, or twice the value of the funds involved in the money transmission or transfer, whichever is greater. Defendant further understands that the judge may also impose a term of supervised release of not more than three years.

c. Therefore, the total potential penalty defendant faces under the counts to which defendant is pleading guilty is 25 years imprisonment, a fine as specified above, and a term of supervised release.

d. Pursuant to Title 18, United States Code, Section 3013, defendant will be assessed \$100 on each charge to which he has pled guilty, in addition to any other penalty imposed.

Sentencing Guidelines Calculations

9. Defendant understands that in determining a sentence, the Court is obligated to calculate the applicable Sentencing Guidelines range, and to consider

that range, possible departures under the Sentencing Guidelines, and other sentencing factors under 18 U.S.C. § 3553(a), which include: (i) the nature and circumstances of the offense and the history and characteristics of the defendant; (ii) the need for the sentence imposed to reflect the seriousness of the offense, promote respect for the law, and provide just punishment for the offense, afford adequate deterrence to criminal conduct, protect the public from further crimes of the defendant, and provide the defendant with needed educational or vocational training, medical care, or other correctional treatment in the most effective manner; (iii) the kinds of sentences available; (iv) the need to avoid unwarranted sentence disparities among defendants with similar records who have been found guilty of similar conduct; and (v) the need to provide restitution to any victim of the offense.

10. For purposes of calculating the Sentencing Guidelines, the parties agree on the following points:

a. **Applicable Guidelines.** The Sentencing Guidelines to be considered in this case are those in effect at the time of sentencing. The following statements regarding the calculation of the Sentencing Guidelines are based on the Guidelines Manual currently in effect, namely the November 2018 Guidelines Manual.

b. **Offense Level Calculations.**

i. Count One (Illegal Gambling Business Conspiracy).

a. The base offense level for Count One is 12, pursuant to Guidelines §§ 2X1.1(a) and 2E3.1(a)(2)(A).

b. Pursuant to Guideline § 3B1.1(a), the offense level is increased by 4 levels because the defendant was a leader and organizer of criminal activity that involved five or more participants or was otherwise extensive.

ii. Count Three (Money Laundering Conspiracy).

a. Pursuant to Guideline § 2S1.1(a)(1), the base offense level for Count Three is the offense level for the underlying offense from which the laundered funds were derived, or 12.

b. Pursuant to Guideline § 2S1.1(b)(2)(B), the offense level for Count Three is increased an additional 2 levels because the defendant was convicted of an offense under 18 U.S.C. § 1956.

c. Pursuant to Guideline § 2S1.1(b)(3), the offense level for Count Three is increased an additional 2 levels because the offense involved sophisticated money laundering.

iii. Grouping. Pursuant to Guidelines §§ 3D1.2 (b) and (c), the gambling offense (Count One) and the money laundering offense (Count Three) are grouped as closely related. Pursuant to Guideline § 3D1.3(a), the offense level applicable to the Group is the highest offense level for the counts comprising the Group. Therefore, the offense level is 16.

iv. It is the defendant's position that he has clearly demonstrated a recognition and affirmative acceptance of personal responsibility for his criminal conduct and that a two-level reduction is appropriate pursuant to Guideline § 3E1.1(a). The government reserves the right to take whatever position it deems appropriate at the time of sentencing with respect to whether the defendant has accepted responsibility within the meaning of Guideline §3E1.1.

v. In accord with Guideline § 3E1.1(b), defendant has timely notified the government of his intention to enter a plea of guilty, thereby permitting the government to avoid preparing for trial and permitting the Court to allocate its resources efficiently. Therefore, as provided by Guideline § 3E1.1(b), if the Court determines the offense level to be 16 or greater prior to determining that defendant is entitled to a two level reduction for acceptance of responsibility, the government will move for an additional one-level reduction in the offense level.

d. **Criminal History Category.** With regard to determining defendant's criminal history points and criminal history category, based on the facts now known to the government, defendant's criminal history points equal 0 and defendant's criminal history category is I.

e. **Anticipated Advisory Sentencing Guidelines Range.** Therefore, based on the facts now known to the government, the anticipated offense level is 16 before acceptance of responsibility which, when combined with the anticipated criminal history category of I, results in an anticipated advisory

sentencing guidelines range of 21 to 27 months' imprisonment, in addition to any supervised release and fine the Court may impose. In the event the Court determines the defendant has accepted responsibility, the anticipated offense level is 13, when combined with the anticipated criminal history category of I, results in an anticipated advisory sentencing guidelines range of 12 to 18 months' imprisonment.

f. Defendant and his attorney and the government acknowledge that the above guidelines calculations are preliminary in nature, and are non-binding predictions upon which neither party is entitled to rely. Defendant understands that further review of the facts or applicable legal principles may lead the government to conclude that different or additional guidelines provisions apply in this case. Defendant understands that the Probation Office will conduct its own investigation and that the Court ultimately determines the facts and law relevant to sentencing, and that the Court's determinations govern the final guideline calculation. Accordingly, the validity of this Agreement is not contingent upon the probation officer's or the Court's concurrence with the above calculations, and defendant shall not have a right to withdraw his plea on the basis of the Court's rejection of these calculations.

11. Both parties expressly acknowledge that this Agreement is not governed by Fed. R. Crim. P. 11(c)(1)(B), and that errors in applying or interpreting any of the sentencing guidelines may be corrected by either party prior to sentencing. The parties may correct these errors either by stipulation or by a statement to the

Probation Office or the Court, setting forth the disagreement regarding the applicable provisions of the guidelines. The validity of this Agreement will not be affected by such corrections, and defendant shall not have a right to withdraw his plea, nor the government the right to vacate this Agreement, on the basis of such corrections.

Agreements Relating to Sentencing

12. Each party is free to recommend whatever sentence it deems appropriate.

13. It is understood by the parties that the sentencing judge is neither a party to nor bound by this Agreement and may impose a sentence up to the maximum penalties as set forth above. Defendant further acknowledges that if the Court does not accept the sentencing recommendation of the parties, defendant will have no right to withdraw his guilty plea.

14. Defendant agrees to pay the special assessment of \$200 at the time of sentencing with a cashier's check or money order payable to the Clerk of the U.S. District Court.

15. Defendant agrees that the United States may enforce collection of any fine or restitution imposed in this case pursuant to Title 18, United States Code, Sections 3572, 3613, and 3664(m), notwithstanding any payment schedule set by the Court.

16. After sentence has been imposed on the counts to which the defendant pleads guilty as agreed herein, the government will move to dismiss the remaining counts of the indictment as to the defendant.

Forfeiture

17. Defendant understands that upon a conviction of an offense in violation of Title 18, United States Code Section 1955, DELGIUDICE will forfeit to the United States of America any property which is derived from proceeds which were obtained directly or indirectly from offenses committed in violation of Title 18, United States Code, Section 1955, as well as property involved in and used to facilitate the offense, as provided in Title 18, United States Code, Sections 981(a)(1)(C) and 1955(d) and Title 28, United States Code, Section 2461(c).

18. Defendant understands that the government's position is that the following property is subject to forfeiture:

- a. \$1,060,792 in cash seized from defendant's residence
- b. Gold coins valued at \$92,623
- c. Silver bars and jewelry valued at \$347,895
- d. A 2017 Lexus GX automobile, VIN JTJJM7FX3H5173769
- e. Real estate at 15708 Shire Drive, Orland Park, Illinois
- f. A personal money judgment in the amount of \$113,625

19. Defendant understands the forfeiture shall not be treated as satisfaction of any fine, cost of imprisonment, or any other penalties the court may impose upon defendant in addition to the forfeiture judgment.

20. The United States also contends that it is entitled to an \$8 million dollar forfeiture judgment against the defendant in addition to the items in paragraph 18 as the government contends that this amount constitutes the illicit earnings and gambling proceeds that the defendant acquired through the offenses to which he is pleading guilty during the period charged in the indictment.

21. Defendant contends that these assets are not subject to forfeiture and reserves the right to put the government to its burden of establishing the legality of the forfeiture it claims and to have counsel advance arguments against and challenge the forfeiture.

Acknowledgments and Waivers Regarding Plea of Guilty

Nature of Agreement

22. This Agreement is entirely voluntary and represents the entire agreement between the United States Attorney and defendant regarding defendant's criminal liability in case 20 CR 111.

23. This Agreement concerns criminal liability only. Except as expressly set forth in this Agreement, nothing herein shall constitute a limitation, waiver, or release by the United States or any of its agencies of any administrative or judicial civil claim, demand, or cause of action it may have against defendant or any other

person or entity. The obligations of this Agreement are limited to the United States Attorney's Office for the Northern District of Illinois and cannot bind any other federal, state, or local prosecuting, administrative, or regulatory authorities, except as expressly set forth in this Agreement.

24. Defendant understands that nothing in this agreement shall limit the Internal Revenue Service in its collection of any taxes, interest, or penalties from the defendant. Defendant understands that the amount of tax as calculated by the IRS may exceed the amount of tax due as calculated for the criminal case.

Waiver of Rights

25. Defendant understands that by pleading guilty he surrenders certain rights, including the following:

a. **Trial rights.** Defendant has the right to persist in a plea of not guilty to the charges against him, and if he does, he would have the right to a public and speedy trial.

i. The trial could be either a jury trial or a trial by the judge sitting without a jury. However, in order that the trial be conducted by the judge sitting without a jury, defendant, the government, and the judge all must agree that the trial be conducted by the judge without a jury.

ii. If the trial is a jury trial, the jury would be composed of twelve citizens from the district, selected at random. Defendant and his attorney would participate in choosing the jury by requesting that the Court remove

prospective jurors for cause where actual bias or other disqualification is shown, or by removing prospective jurors without cause by exercising peremptory challenges.

iii. If the trial is a jury trial, the jury would be instructed that defendant is presumed innocent, that the government has the burden of proving defendant guilty beyond a reasonable doubt, and that the jury could not convict him unless, after hearing all the evidence, it was persuaded of his guilt beyond a reasonable doubt and that it was to consider each count of the indictment separately. The jury would have to agree unanimously as to each count before it could return a verdict of guilty or not guilty as to that count.

iv. If the trial is held by the judge without a jury, the judge would find the facts and determine, after hearing all the evidence, and considering each count separately, whether or not the judge was persuaded that the government had established defendant's guilt beyond a reasonable doubt.

v. At a trial, whether by a jury or a judge, the government would be required to present its witnesses and other evidence against defendant. Defendant would be able to confront those government witnesses and his attorney would be able to cross-examine them.

vi. At a trial, defendant could present witnesses and other evidence in his own behalf. If the witnesses for defendant would not appear voluntarily, he could require their attendance through the subpoena power of the Court. A defendant is not required to present any evidence.

vii. At a trial, defendant would have a privilege against self-incrimination so that he could decline to testify, and no inference of guilt could be drawn from his refusal to testify. If defendant desired to do so, he could testify in his own behalf.

viii. With respect to forfeiture, defendant understands that if the case were tried before a jury, he would have a right to retain the jury to determine whether the government had established the requisite nexus between defendant's offense and any specific property alleged to be subject to forfeiture.

c. **Appellate rights.** Defendant further understands he is waiving all appellate issues that might have been available if he had exercised his right to trial, and may only appeal the validity of this plea of guilty and the sentence imposed. Defendant understands that any appeal must be filed within 14 calendar days of the entry of the judgment of conviction.

26. Defendant understands that by pleading guilty he is waiving all the rights set forth in the prior paragraphs, with the exception of the appellate rights specifically preserved above. Defendant's attorney has explained those rights to him, and the consequences of his waiver of those rights.

Presentence Investigation Report/Post-Sentence Supervision

27. Defendant understands that the United States Attorney's Office in its submission to the Probation Office as part of the Pre-Sentence Report and at sentencing shall fully apprise the District Court and the Probation Office of the

nature, scope, and extent of defendant's conduct regarding the charges against him, and related matters. The government will make known all matters in aggravation and mitigation relevant to sentencing.

28. Defendant agrees to truthfully and completely execute a Financial Statement (with supporting documentation) prior to sentencing, to be provided to and shared among the Court, the Probation Office, and the United States Attorney's Office regarding all details of his financial circumstances, including his recent income tax returns as specified by the probation officer. Defendant understands that providing false or incomplete information, or refusing to provide this information, may be used as a basis for denial of a reduction for acceptance of responsibility pursuant to Guideline § 3E1.1 and enhancement of his sentence for obstruction of justice under Guideline § 3C1.1, and may be prosecuted as a violation of Title 18, United States Code, Section 1001 or as a contempt of the Court.

29. For the purpose of monitoring defendant's compliance with his obligations to pay a fine during any term of supervised release or probation to which defendant is sentenced, defendant further consents to the disclosure by the IRS to the Probation Office and the United States Attorney's Office of defendant's individual income tax returns (together with extensions, correspondence, and other tax information) filed subsequent to defendant's sentencing, to and including the final year of any period of supervised release or probation to which defendant is sentenced. Defendant also agrees that a certified copy of this Agreement shall be sufficient

evidence of defendant's request to the IRS to disclose the returns and return information, as provided for in Title 26, United States Code, Section 6103(b).

Other Terms

30. Defendant agrees to cooperate with the United States Attorney's Office in collecting any unpaid fine for which defendant is liable, including providing financial statements and supporting records as requested by the United States Attorney's Office.

31. Regarding matters relating to the Internal Revenue Service, defendant agrees as follows (nothing in this paragraph, however, precludes defendant and his spouse from asserting any legal or factual defense to taxes, interest, and penalties that may be assessed by the IRS): Defendant agrees to cooperate with the Internal Revenue Service in any tax examination or audit of defendant and his spouse which directly or indirectly relates to or arises out of the course of conduct that defendant has acknowledged in this Agreement, by transmitting to the IRS original records or copies thereof, and any additional books and records that the IRS may request.

32. Defendant will not object to a motion brought by the United States Attorney's Office for the entry of an order authorizing disclosure of documents, testimony and related investigative materials, which may constitute grand jury material, preliminary to or in connection with any judicial proceeding, pursuant to Fed. R. Crim. P. 6(e)(3)(E)(i). In addition, defendant will not object to the government's solicitation of consent from third parties who provided records or other

materials to the grand jury pursuant to grand jury subpoenas, to turn those materials over to the Civil Division of the United States Attorney's Office, or an appropriate federal or state agency (including but not limited to the Internal Revenue Service), for use in civil or administrative proceedings or investigations, rather than returning them to the third parties for later summons or subpoena in connection with a civil or administrative proceeding involving, or investigation of, defendant and his spouse. Nothing in this paragraph or the preceding paragraph precludes defendant and his spouse from asserting any legal or factual defense to taxes, interest, and penalties that may be assessed by the IRS.

33. Defendant understands that, if convicted, a defendant who is not a United States citizen may be removed from the United States, denied citizenship, and denied admission to the United States in the future.

Conclusion

34. Defendant understands that this Agreement will be filed with the Court, will become a matter of public record, and may be disclosed to any person.

35. Defendant understands that his compliance with each part of this Agreement extends throughout the period of his sentence, and failure to abide by any term of the Agreement is a violation of the Agreement. Defendant further understands that in the event he violates this Agreement, the government, at its option, may move to vacate the Agreement, rendering it null and void, and thereafter prosecute defendant not subject to any of the limits set forth in this Agreement, or

may move to resentence defendant or require defendant's specific performance of this Agreement. Defendant understands and agrees that in the event that the Court permits defendant to withdraw from this Agreement, or defendant breaches any of its terms and the government elects to void the Agreement and prosecute defendant, any prosecutions that are not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against defendant in accordance with this paragraph, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement of such prosecutions.

36. Should the judge refuse to accept defendant's plea of guilty, this Agreement shall become null and void and neither party will be bound to it.

37. Defendant and his attorney acknowledge that no threats, promises, or representations have been made, nor agreements reached, other than those set forth in this Agreement, to cause defendant to plead guilty.

38. Defendant acknowledges that he has read this Agreement and carefully reviewed each provision with his attorney. Defendant further acknowledges that he understands and voluntarily accepts each and every term and condition of this Agreement.

AGREED THIS DATE: _____

Signed by Amarjeet S. Bhachu
on behalf of
JOHN R. LAUSCH, JR.
United States Attorney

VINCENT DELGIUDICE
Defendant

TERRY M. KINNEY
Assistant United States Attorney

CAROLYN GURLAND
Attorney for Defendant