

## **AFFIDAVIT**

I, Jason Simonian, being duly deposed and sworn, say:

### **I. INTRODUCTION**

1. I am a Special Agent with the United States Food and Drug Administration's Office of Criminal Investigation (FDA-OCI), and have been so employed since September of 1996. I am currently assigned to the Boston, Massachusetts Resident Office. My duties include supervising the FDA-OCI Task Force (TF) based in North Providence, Rhode Island. The FDA-OCI TF is comprised of law enforcement agents of the FDA-OCI, Drug Enforcement Administration (DEA), U.S. Postal Inspection Service (USPIS), Internal Revenue Service-Criminal Investigation Division (IRS-CID), Immigration and Customs Enforcement (ICE), and deputized agents from various Rhode Island police departments. As an FDA-OCI Special Agent, I primarily conduct investigations of violations of the Federal Food, Drug and Cosmetic Act. I have also been trained by the FDA-OCI in those various means and methods by which illegal drug traffickers obtain, possess, transport, divert, and distribute controlled substances (such as oxycodone and hydrocodone) and non-controlled prescription drugs (such as Amoxicillin, Reyataz, Lexiva, and Norvir). As part of my training with the FDA-OCI, I am aware of a variety of different methods which drug traffickers and associates of drug traffickers utilize to send and receive payment for illicit drugs, oftentimes in violation of federal money laundering statutes. I have also received training from the FDA-OCI in the means and methods by which drug traffickers launder their drug trafficking proceeds so as to disguise the origin of said proceeds and make it appear as if those proceeds were obtained from legitimate and lawful sources of activity. During my time with the FDA-OCI, I

have been involved in numerous investigations of pharmacies, physicians, and street drug traffickers, and have participated in investigations involving not only prescription medications but also various controlled substances. I have debriefed numerous defendants, witnesses, and other individuals involved in drug trafficking activities and have become aware of the street terminology used by drug traffickers to refer to controlled substances, proceeds of controlled substance trafficking, and the methods used by drug traffickers to conceal their activities from law enforcement.

2. I make this affidavit in support of the following:

A. An arrest warrant and criminal complaint against Louis Romanelli (DOB: 11/26/1926) of 12 Victoria Street, Providence, Rhode Island, charging him with distribution and conspiracy to distribute controlled substances, in violation of 21 U.S.C. §§ 841 (a) (1) & 846; and, conspiracy to commit health care fraud, in violation of 18 U.S.C. § 1347, and distribute misbranded drugs, in violation of 21 U.S.C. § 331(k), all in violation of 18 U.S.C. § 371.

B. An arrest warrant and criminal complaint against Carmine De Tomasis (DOB: 12/11/1934) of 213 Summit Drive, Cranston, Rhode Island, charging him with distribution and conspiracy to distribute controlled substances, in violation of 21 U.S.C. §§ 841 (a) (1) & 846; conspiracy to commit health care fraud, in violation of 18 U.S.C. § 1347, and distribute misbranded drugs, in violation of 21 U.S.C. § 331(k), all in violation of 18 U.S.C. § 371.

C. A search warrant for the residence and property known as 12 Victoria Street, Providence, Rhode Island, and curtilage (hereafter also referred to as 12 Victoria), further described as a one-story, single-family dwelling with white siding and a brick chimney.

The number "12" is clearly visible on the front door. I have reviewed Rhode Island residential property records for 12 Victoria Street, Providence, Rhode Island (Parcel ID #12900730000). The records indicate that the owners of record are Louis and Ada Romanelli. A photo of the property is attached hereto as Attachment A1.

D. A search warrant for the business known as Prime Drug Inc., hereafter also referred to as PDI, occupying the first floor and basement of 613 Cranston Street, Providence, Rhode Island. A mortgage deed filed on June 20, 2006 confirms that the building located at this address (including the second story residences) is owned by the Rhode Island General Partnership of Domenic Colarusso and Carmine De Tomasis. The property to be searched is described as the first floor and basement of a multi-story commercial building located on the corner of Cranston Street and Linwood Avenue in Providence, Rhode Island. The building is comprised of partial stone exterior and the customer entrance is located on an angle on the corner of Linwood Avenue and Cranston Street. The address, "613 Cranston Street," is clearly displayed on each door of the double door front entrance. Signs mounted on the building display "Prime Drug Prescription Center." A photo of the property is attached hereto as Attachment A2.

E. A search warrant for the property known as 11 Greenville Avenue, second floor, North Providence, Rhode Island, and curtilage (hereafter referred to as 11 Greenville), further described as the second floor apartment of a two-family residence with a detached garage. The residence has yellow vinyl siding, white trim and black shutters. The number "11" is clearly displayed to the left of the door. A check of Rhode Island Department of Motor Vehicles (RI DMV) records indicated that Monique Wilburn (DOB: 08-25-1966) lists her address as 11 Greenville Avenue, North Providence, Rhode

Island. A check with Cox Communications on April 29, 2008 indicated that Monique Wilburn is the subscriber for cable services for the second floor at this address. A photo of the property is attached hereto as Attachment A3.

F. A search warrant for the residence and property known as 41 Fletcher Street, second floor, Cranston, Rhode Island, and curtilage (hereafter referred to as 41 Fletcher), further described as the second floor of a two-family dwelling with brown exterior shingles and tan shutters. The residence has a tan colored front exterior porch. The number "41" is clearly displayed on a post in front of the dwelling. There are mail boxes attached to the dwelling to the right of the front entrance. The black mail box closest to the front entrance clearly displays the surname, "Ricciardi." A check with Cox Communications on April 16, 2008 indicated that Albert Ricciardi is the subscriber for cable services for the second floor at this address. A photo of the property is attached hereto as Attachment A4.

G. A search warrant for the residence and property known as 17 Longview Drive, Cranston, Rhode Island, and curtilage (hereafter referred to as 17 Longview), further described as a single-story ranch style dwelling with white exterior siding and red brick. A post located on the right front entrance clearly displays, "17" in black numbers. A security camera is mounted on the outside of the dwelling to the left of the front entrance. There is a two-car detached garage with a green garage door to the right of the dwelling. A check with Cox Communications on April 16, 2008 indicated that Antonio Caprio is a subscriber for cable services at this address. A photo of the property is attached hereto as Attachment A5.

H. A complaint for forfeiture in rem against the real property located at 12 Victoria Street, Providence, Rhode Island (“12 Victoria Street Property”), which is owned by Louis and Ada Romanelli, and legally described on page 169 of book 2971 of the land evidence records maintained in the City and County of Providence, State of Rhode Island as: “that certain lot or parcel of land with all buildings and improvements thereon, situated on the westerly side of Victoria Street in the City of Providence and State of Rhode Island, laid out and designated as Lot No. 3 (three) on that plat entitled, ‘Victoria Plat belonging to Alice A. Gardner By J.A. Latham, Aug. 1893’, which plat is recorded with the Land Evidence Records in said City of Providence on Plat Card 674.”

I. A complaint for forfeiture in rem against the real property located at 613 Cranston Street, Providence, Rhode Island (“630 Cranston Street Property”), which includes but is not limited to the ground floor space presently occupied by Prime Drug, Inc. and all second-story residence(s) at this address and which is owned by the Rhode Island General Partnership of Domenic Colarusso and Carmine De Tomasis. This real property is legally described on page 333 of book 8349 of the land evidence records maintained in the City and County of Providence, State of Rhode Island as: “that certain lot or parcel of land with all buildings and improvements thereon, situated at the northwesterly corner of Cranston Street and Linwood Avenue in the City of Providence, State of Rhode Island, laid out and designated as Lot No. 184 on that plat entitled, ‘The Josiah Chapin Plat as reported by the Commissioners in Equity Case No. 2243 of the Supreme Court of Rhode Island by J.A. Latham Dec. 1887’” which plat is recorded in the office of the Recorder of Deeds of the City of Providence in Plat Book 18 at Page 25 and (copy) on Plat Card 591.”

J. A complaint for forfeiture in rem, a seizure warrant, and warrant of arrest in rem for the corporate checking account number 40001760 ("PDI Account"), maintained at the Independence Bank in East Greenwich, Rhode Island in the name of "Prime Drug Inc. 613 Cranston Street, Providence, Rhode Island." According to online records maintained the Rhode Island Office of the Secretary of State, Prime Drug Inc. is a Domestic Profit Corporation. I have observed copies of records maintained by the Rhode Island Department of Human Services (RIDHS), regarding the inclusion of PDI in the Rhode Island Medical Assistance Program. The records reveal that a representative of PDI submitted a direct deposit form and voided check in January 2007, indicating the above checking account has been designated to receive Medicaid reimbursement from the State of Rhode Island. On March 26, 2008, FDA-OCI agents verified that PDI is still an active participant in the Rhode Island Medical Assistance Program and as of that date, maintained the above account as its designated account for Medicaid reimbursement.

3. For the reasons set forth in this affidavit, there is probable cause to believe that the individuals described in Paragraphs 2A and 2B above participated in a scheme to divert controlled substances, such as oxycodone (Schedule II Controlled Substance) and hydrocodone (Schedule III Controlled Substance), and illegally distribute those substances in violation of 21 U.S.C. §§ 841(a)(1) and 846. As set forth below, there is also probable cause to believe that this scheme also consisted of a conspiracy to sell high-cost prescription drugs to PDI and thereby cause the drugs to be misbranded, in violation of 21 U.S.C. § 331(k)<sup>1</sup>, and to submit fraudulent claims to insurance carriers, including

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<sup>1</sup> Pursuant to 21 U.S.C. § 331(k) it is unlawful to do or cause any act with respect to a drug, if the act is done while the drug is held for sale after shipment in interstate commerce, and results in the drug being misbranded. Dispensing a prescription drug, or causing the dispensing of a prescription drug, without

the Rhode Island Medical Assistance Program (hereafter referred to as Medicaid), in connection with those drugs, in violation of 18 U.S.C. § 1347, all in violation of 18 U.S.C. §371. Finally, for the reasons set forth in this affidavit, there is probable cause to believe that the properties and account described in Paragraphs 2C – 2J contain evidence, contraband, items illegally possessed, proceeds and fruits of the aforementioned offenses, as further described in ATTACHMENT B to this Affidavit, and are properties designed for use, intended for use, and used in furtherance of the crimes listed above.

4. This affidavit contains only that information that is sufficient to establish probable cause in support of the above-listed arrest warrants, search warrants, seizure warrant, and complaints for forfeiture in rem. It does not set forth all the information that was obtained in the course of this investigation. Unless otherwise indicated, the information contained in this affidavit is based on my own participation in this investigation, my observations, my own review of recorded conversations and video surveillance, information provided to me by other law enforcement agents involved in this investigation, information provided to be by a Confidential Informant and Undercover Agent involved in this investigation, and reports made by other law enforcement agents during the course of this investigation.

## **II BACKGROUND OF INVESTIGATION**

5. In or about May 2006, the FDA-OCI TF began an investigation into the illegal activities of Louis F. Romanelli (hereafter Romanelli). In or about February 2008, the investigation expanded to include Carmine A. De Tomasis (hereafter De Tomasis),

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a valid prescription causes the drug to be misbranded while held for sale 21 U.S.C § 353 (b) (1).

Carmine D. De Tomasis (hereafter De Tomasis Jr.) Domenic Colarusso (hereafter Colarusso), Albert Ricciardi (hereafter Ricciardi), Antonio Caprio (hereafter Caprio), Joseph Romanelli (hereafter Joe Romanelli), and others known and yet unknown.

6. According to the Rhode Island Board of Pharmacy, De Tomasis and Colarusso are registered pharmacists, own Prime Drug Inc., and operate the pharmacy known as Prime Drug Prescription Centre located at 613 Cranston Street in Providence, Rhode Island. I have been informed by Catherine Cordy of the Rhode Island Board of Pharmacy that PDI had entered into at least two Consent Orders by the Department of Health between 1999 and the present, in connection with various failures to main records and abide by the professional standards of pharmacy practice.

7. In May 2006, the FDA-OCI TF was contacted by a patrolman assigned to the North Providence Police Department. The officer advised investigators that he had received information from an anonymous source that an older male, named "Lou," was selling large quantities of prescription drugs from an apartment located at 1452 Mineral Spring Avenue, North Providence, Rhode Island. The source further reported that "Lou" traveled to the Mineral Spring apartment in a vehicle bearing Rhode Island registration XT-638.

8. I and other Task Force agents conducted intermittent surveillance of that location and observed a vehicle bearing Rhode Island registration XT-638 parked in front of 1452 Mineral Spring Avenue. A check with the RI DMV revealed that XT-638 was assigned to a 1992 silver Mercury sedan, owned by Louis F. Romanelli (DOB: 12/5/55), of 12 Victoria Street Providence, Rhode Island. Additional queries revealed that a Louis F. Romanelli (DOB: 11/26/1926) (Romanelli) also resides at 12 Victoria. A criminal



history of check of Romanelli listed the following convictions: on March 17, 1986, Romanelli pled nolo-contendere to possession of a controlled substance in aid of a policy game; on February 9, 1987 Romanelli was convicted of possession with intent to deliver a controlled substance; on March 26, 1993, Romanelli was convicted of possession with intent to deliver cocaine.

9. On August 24, 2006, FDA-OCI TF agents searched the trash located outside of the basement apartment of 1452 Mineral Spring Avenue. The trash was found to contain the following items, among others: five prescription labels for individuals other than the known occupants of the apartment; two oxycodone with acetaminophen pharmaceutical stock bottles (100 count); eight empty plastic prescription bottles without labels. I know based on my training and experience that individuals engaged in the illegal acquisition and sale of prescription drugs obtain prescription drugs using a variety of means. I have investigated cases where individuals would obtain prescription drugs utilizing their health insurance as payment and illegally sell those prescription drugs to others. I have also been involved in the investigation of cases where individuals diverted prescription drugs illegally from pharmacies by theft or arrangements with the employees of the pharmacies. I know that oxycodone with acetaminophen is a Schedule II controlled substance (commonly referred to by the brand name Percocet). I also know that the 100-count pharmaceutical stock bottle described above, would ordinarily be possessed only by a DEA registered pharmacist or distributor.

10. On September 5, 2007, FDA-OCI TF agents conducted a search of the trash located curbside at 12 Victoria. The trash was found to contain several pieces of mail

addressed to Louis Romanelli at 12 Victoria. Also recovered from the trash was a brown pharmacy stock bottle, the label of which appeared to be intentionally removed. As mentioned in paragraph 9 above, it is inherently suspicious for an individual who is not a licensed pharmacist or distributor to be in possession of a pharmaceutical stock bottle.

11. On November 14, 2007, members of the Rhode Island State Police Intelligence Unit (SPIU) executed a search warrant at 1357 Plainfield Street, following an independent investigation by the RISP. Both the FDA-OCI TF investigation and the SPIU investigation at the time discovered that Romanelli had moved his illegal drug trafficking operation to 1357 Plainfield Street, Johnston, Rhode Island sometime in 2006. I was advised that the SPIU did not search Romanelli's residence at 12 Victoria in conjunction with their investigation. As a result of the search, the SPIU seized numerous items including a quantity of oxycodone/acetaminophen pills (Schedule II Controlled Substance), hydrocodone/acetaminophen pills (Schedule III Controlled Substance), Xanax (Schedule IV Controlled Substance) and other drugs from the location. Romanelli was charged with intent to deliver controlled substances. Romanelli is currently on pre-trial release pending trial in that case.

12. In January 2008, FDA-OCI TF agents interviewed a Confidential Informant (hereafter referred to as the CI) in connection with this investigation. The CI has a criminal history dating back over twenty years. He has been arrested and convicted of various offenses including violent felony offenses for which he has been incarcerated. The CI has previously provided information to other law enforcement agencies that has led to arrests and convictions of other individuals. The CI has never been known to provide false or misleading information to agents during the course of this investigation,

and much of the CI's information has been corroborated through audio recordings, video recordings, surveillance, and other investigative activity. During the course of this investigation, the CI's meetings with Romanelli and Romanelli's associates were recorded, monitored by FDA-OCI agents, and/or surveilled by FDA-OCI agents.

13. The CI has informed FDA-OCI agents that the CI knows Romanelli to continue to traffic in pharmaceuticals and controlled substances even after Romanelli's arrest by the RISP. The CI informed FDA-OCI agents that Romanelli conducts his criminal activity out of his residence, 12 Victoria. The CI also informed FDA-OCI agents that Romanelli sells expensive pharmaceuticals to PDI in exchange for cash and controlled substances including "Vicodin," which is a brand name commonly used to refer to hydrocodone/ acetamenaphine. The CI reported that Romanelli often goes to PDI shortly after closing time (usually 7 p.m.) in order to collect payment for the pharmaceuticals he sold. The CI reported that the co-owners of PDI, Carmine De Tomasis and Domenic Colarusso, are criminally involved with Romanelli.

### **III. THE UNDERCOVER INVESTIGATION**

14. In February 2008, an FDA/OCI Special Agent, acting in an undercover capacity, hereafter referred to as the U/C, was introduced to Romanelli at 12 Victoria. I have reviewed numerous recordings of meetings between the U/C and Romanelli. Based on my conversations with the U/C and my involvement in this investigation, I am able to identify the voices on the recordings described below as the voices of the U/C and of Romanelli. During this investigation, the U/C has had numerous meetings and conversations with Romanelli concerning the purchase of controlled substances and the

sale of expensive pharmaceuticals. At all times, the U/C was under intermittent surveillance by FDA-OCI TF agents and was equipped with an audio device that either transmitted, recorded, or both.

15. Shortly after being introduced to Romanelli, the U/C had a meeting with Romanelli and the CI on or about February 28, 2008. At the meeting, the U/C told Romanelli the following: (a) The U/C could obtain prescriptions for drugs from a doctor in Florida who had a drug problem and would give the U/C anything the U/C asked for; (b) This doctor could furnish the U/C with prescriptions for any medications, except for controlled substances which are more closely tracked by state agencies. Romanelli at that time instructed the CI to provide the U/C with a list of the AIDS/HIV medications that Joseph Romanelli, Romanelli's brother, obtained. As set forth in Part IV of the Affidavit below, this investigation has obtained evidence that Joseph Romanelli was selling part of his AIDS/HIV medications to PDI. As also set forth below, Joseph Romanelli is a Medicaid beneficiary. The U/C also told Romanelli that the U/C had a Medicaid card which would enable the U/C to obtain the prescriptions at little or no cost. As set forth below, as the investigation proceeded, Romanelli also got lists of drugs from PDI which he then provided to the U/C. Based on my training and experience, I know that this type of scheme relies on the participation of individuals who can obtain medications at little or no cost to themselves, and who are therefore often the beneficiaries of public health benefit programs such as Medicaid, Medicare, and other insurance programs. In each instance, the FDA-OCI had purchased the requested prescriptions from a legitimate pharmacy, utilizing an undercover Medicaid card with which to pay for the prescriptions. In each instance, the U/C provided Romanelli with sealed pharmacy prescription pill

bottles which were stapled to the original pharmacy prescription bag displaying the name of the drug, dose, manner of administration, cost of the drug, and the amount of co-pay which was always \$0.00.

16. During the course of this investigation, the U/C sold Romanelli prescription drugs such as Combivir, Norvir, Reyataz, Lexiva, and Invirase which are used in the treatment of HIV/AIDS, which cost about \$16,107.72. Also during the course of this investigation, the U/C has purchased controlled substances from Romanelli on over ten occasions at 12 Victoria. The total cost of the controlled substances purchased was over \$4000. Approximately 250 oxycodone pills and 2030 hydrocodone units were purchased.

**A. 12 VICTORIA AND PRIME DRUGS**

17. On or about March 4, 2008, at about 2:30 p.m., the U/C went to 12 Victoria to meet with Romanelli. The U/C provided Romanelli with a quantity of the prescription drugs Combivir, Norvir, and Marinol. According to the Physician Desk Reference (PDR), Marinol is the brand name of Dronabinol, a Schedule III controlled substance that is used to treat appetite loss associated with weight loss in people who have Acquired Immunodeficiency Syndrome (AIDS). Norvir (ritonavir) is a protease inhibitor (PI) used to stop HIV replication by preventing the enzyme protease from cutting the virus into the shorter pieces that it needs to make copies of itself. Combivir is a prescription drug used in the treatment of HIV/AIDS. Combivir is made up of a combination of lamivudine and zidovudine, which are Nucleoside Reverse Transcriptase Inhibitors (NRTIs). These prescriptions were previously obtained utilizing an undercover Medicaid card. The Combivir and Norvir cost \$2,763.28.

18. At approximately 7:02 p.m. that day, surveillance observed Romanelli and another individual depart 12 Victoria in a Mercury Grand Marquis (XT 638), and followed them directly to PDI. Surveillance noted that by the time Romanelli arrived at PDI, approximately 7:12 p.m., the front door to the business was locked and the business was closed to the public. Agents also observed that the only other vehicle in the rear customer parking lot at PDI was a white Mercury sedan, bearing Rhode Island registration M 124. Rhode Island DMV records list the owner of that vehicle as Carmine De Tomasis (DOB: 12/11/1934), 213 Summit Drive, Cranston, Rhode Island. Surveillance observed Romanelli get out of his car carrying a white plastic bag, identical in appearance to the plastic bag given to him earlier that day by the U/C. Surveillance observed an individual allow Romanelli entrance into PDI through the rear doorway. At approximately 7:19 p.m., surveillance observed Romanelli exit the rear door of PDI and depart the area in his vehicle. At approximately 7:53 p.m., agents observed De Tomasis closing a metal security overhead door over the back door and depart from the area in his vehicle. I and other agents assigned to this investigation have obtained a digital image of De Tomasis (DOB: 12/11/1934) from the Rhode Island DMV and have identified him as the individual leaving PDI.

19. On or about March 5, 2008, the U/C went to 12 Victoria to meet with Romanelli. Romanelli returned the Marinol to the U/C and told U/C that his "guy" could not use that drug. Romanelli also paid the U/C \$240.00 for the Combivir and Norvir provided to Romanelli the previous day. Romanelli told the U/C that Romanelli was "going to ask his guy to give me a list of the most expensive drugs" and that he (Romanelli) would give the list to the U/C to fill. On March 6, 2008, the U/C returned to

12 Victoria. At that time, Romanelli provided the U/C with a hand-written list of the prescription drugs Norvir, Combivir, and Reyataz. Romanelli then told the U/C that his (Romanelli's) "guy" told him that those were the most expensive.

20. On March 10, 2008, at approximately 3:18 p.m., the U/C returned to 12 Victoria and provided a quantity of Norvir, Reyataz, Lexiva, and Invirase to Romanelli in a white plastic bag. According to the PDR, Reyataz (atazanavir), Lexiva (fosamprenavir), Invirase (saquinavir), and Norvir (ritonavir) are Protease Inhibitors (PI's) used to inhibit HIV replication. The Reyataz, Lexiva, and Invirase were previously purchased using an undercover Medicaid card at a cost to Medicaid of \$2,349.46. The U/C then witnessed Romanelli retrieve two prescription bottles from a kitchen cabinet and count out fifty (50) pills, which had markings consistent with<sup>2</sup> hydrocodone/ acetaminophen pills. Romanelli then put the pills in a prescription bottle and handed them to the U/C. Romanelli told the U/C that he (Romanelli) would be bringing the drugs to his "guy" at that moment and would try to have money for the U/C that evening. I know based upon my training and experience in similar investigations that the prescription drugs sold to Romanelli by the U/C are expensive for pharmacies to purchase legitimately from licensed wholesalers. Because of the high overhead costs to the pharmacy associated with purchasing these drugs legitimately, an unscrupulous pharmacy could increase its profit margin substantially by purchasing these drugs from an illicit source at a much lower cost.

21. Approximately five minutes after the U/C departed the area, Romanelli was observed leaving 12 Victoria, carrying a white plastic bag, identical in appearance to the

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<sup>2</sup> In each case that controlled substances were purchased from Romanelli, the markings on the pills were compared to a reference book such as the PDR which the DEA and FDA regularly use to identify pills. Often, Romanelli used the term "vics" or "Vicodin" to refer to generic hydrocodone acetaminophen pills, and "percs" or Percocets to refer to generic oxycodone acetaminophen pills.

one provided to him by the U/C. Romanelli, driving his grey Mercury Grand Marquis, was followed by surveillance to PDI. Agents observed Romanelli walk into the front entrance of PDI at about 3:36 p.m., carrying a white plastic bag, exit three minutes later empty handed, and depart the area. Surveillance then followed Romanelli back to 12 Victoria.

22. At approximately 7:02 p.m. on this same date (March 10, 2008), surveillance observed Romanelli leave 12 Victoria and drive to PDI, arriving approximately ten (10) minutes later. Agents observed and video recorded Romanelli exiting his vehicle, being greeted by Carmine De Tomasis Jr. (DOB: 09-05-1970), and entering the rear doorway of the pharmacy. At approximately 7:14 p.m., an unidentified male operating a minivan arrived in the parking lot of PDI. Surveillance observed someone opening the rear door for the unidentified male and letting him in PDI. At approximately 7:15 p.m., agents observed Romanelli exit the rear doorway of PDI, enter his Mercury Grand Marquis, and depart the area. Approximately one minute later the unidentified male exited the rear doorway of the pharmacy and left in his minivan. Agents then saw both De Tomasis and De Tomasis Jr. exit and close a metal overhead security door. I and other agents assigned to this investigation obtained a digital image of Carmine De Tomasis Jr. (DOB: 09/05/1970) from RI DMV and have positively identified him as one of the individuals outside PDI. Surveillance then observed both individuals depart the area in separate vehicles.

23. On March 11, 2008, the U/C returned to 12 Victoria to meet with Romanelli. Romanelli gave the U/C an additional \$600.00 as payment for the prescription drugs sold to Romanelli the previous day. Later, Romanelli provided the U/C with fifty "vics" with



the agreement that the U/C would sell the pills and pay Romanelli \$200 at a later date. The U/C turned over the pills to the FDA/OCI after departing the area. Agents have examined the pills and found them to have markings that are consistent with hydrocodone/acetaminophen pills.

24. On March 14, 2008, the U/C went to 12 Victoria to meet Romanelli. The U/C paid Romanelli \$200.00 in official government funds (OGF) as payment for the pills purchased on March 11, 2008. Romanelli asked the U/C if he could sell "Percs." The U/C replied that he could. The U/C observed Romanelli retrieve a prescription pill bottle from a kitchen cabinet and count one hundred and fifty (150) pills. Romanelli then provided the pills to the U/C. The U/C saw the name "Peter Romanelli" on the pill bottle. As stated above, I know that the term "Percs" is a slang term used by drug dealers to describe Percocet, an oxycodone/acetaminophen pill. An examination of these pills revealed markings consistent with a generic oxycodone/ acetaminophen pills. Based upon my training and experience, I know that generic versions of these mixtures are oftentimes referred to by those in the drug trafficking business by the brand name "Percocet."

25. On March 21, 2008, the U/C went to 12 Victoria and met Romanelli. The U/C provided Romanelli with \$2,000.00 OGF. The U/C told Romanelli that he had obtained the "medicine" from the list that Romanelli provided him (the U/C) on March 18, 2008, referring to a quantity of Lexiva, Reyataz, Ziager, and Norvir. These drugs, which cost \$5,580.01, were previously purchased by the FDA-OCI using an undercover Medicaid card. Romanelli instructed the U/C to place the white plastic bag containing the drugs in the trunk of Romanelli's car and the U/C complied. The U/C later observed Romanelli retrieve and count out what appeared to be one hundred and ninety-five (195)

pills from a kitchen cabinet and provide them to the U/C. After leaving 12 Victoria, the U/C turned over the pills to the FDA/OCI. A later examination of these pills revealed markings consistent with a generic version of hydrocodone/acetaminophen. During the meeting, Romanelli told U/C that he (Romanelli) was going to deliver lunch and the medicine to his "guys." Romanelli also indicated that he would have money for the U/C by 7:30 p.m.

26. That same day, surveillance followed Romanelli to PDI. Romanelli was observed and video recorded going to his trunk and retrieving a white plastic bag (identical in appearance to the one provided by the U/C earlier that day) and a box. Surveillance saw Romanelli enter PDI using the front entrance. Inside PDI, surveillance agents observed and video recorded Romanelli walk behind the counter, to a non-public area of the pharmacy, and meet with De Tomasis Jr. (DOB: 09/05/1970). Agents observed De Tomasis Jr. hand a small white paper pharmacy bag to Romanelli which Romanelli enveloped with his hand. Agents also observed a brief encounter between Romanelli and De Tomasis (DOB: 12/11/1934) prior to Romanelli exiting the pharmacy. Romanelli was not observed carrying the white plastic bag as he exited the pharmacy.

27. On March 24, 2008, the U/C returned to 12 Victoria. During this meeting Romanelli paid the U/C \$500 for the prescription drugs sold to Romanelli on March 21, 2008. During this encounter, a controlled substance transaction also took place between the U/C and Romanelli. This transaction is further described in Paragraph 38 below. During this encounter, the U/C asked Romanelli if he could just provide Romanelli with the U/C's "medical card" so the pharmacy can just charge for refills on the card. Romanelli replied that "his guy" does not want to do it that way. Romanelli also stated

that he "asked him about you giving him the prescriptions and he said no." Based on my training and experience, and my involvement in this investigation, I believe that during this conversation, the U/C informed Romanelli that the U/C was using his Medicaid card to pay for the drugs and offered to provide Romanelli with the card number or with the prescription papers. Romanelli rejected that offer and stated that his contact also did not want to handle the written prescriptions, only the drugs themselves.

28. On March 26, 2008, the U/C went to 12 Victoria to meet Romanelli. Romanelli provided the U/C with a hand written list of prescription drugs. Romanelli also provided the U/C with approximately 24 pills as payment for manual labor conducted by U/C. These pills were later determined to have the markings of hydrocodone/ acetaminophen pills.

29. On March 28, 2008, the U/C returned to 12 Victoria. The U/C provided Romanelli with a quantity of Sustiva and Kaletra, requested by Romanelli on March 26, 2008. The Sustiva and Kaletra, which cost \$1,892.32, were previously purchased by the FDA-OCI using the undercover Medicaid card. Romanelli told the U/C that he (Romanelli) was going to bring the drugs "over there" between 1:30 p.m. and 2:00 p.m. that day. The U/C paid Romanelli \$580.00 OGF for previously purchased oxycodone pills. The U/C told Romanelli that the U/C was keeping five hundred dollars (\$500.00) as payment for the prescription drugs given to Romanelli that day. At approximately 1:24 p.m., surveillance agents observed Romanelli exit 12 Victoria and place a white plastic bag identical in appearance to the bag provided by the U/C in the trunk of his car. Romanelli was followed by investigators to PDI. Upon arriving, Romanelli was observed by agents retrieving the white bag from his trunk and walking into PDI through the front

entrance. Shortly thereafter, agents observed Romanelli leave PDI and depart the area.

30. On April 8, 2008, agents searched discarded trash located outside 12 Victoria and located two prescription pill bottles. Labels on these prescription pill bottles appeared to have been intentionally removed. Written on a piece of masking tape affixed to one of the prescription pill bottles was "90 Vicodin."

31. On April 10, 2008, the U/C went to 12 Victoria. The U/C asked Romanelli for another list of prescription drugs and Romanelli told the U/C to obtain the same prescriptions he (the U/C) had in the past. The U/C also asked Romanelli for five hundred to six hundred "Vicodins." Romanelli replied that the U/C could have one hundred (100) now and obtain the rest at a later date. The U/C saw Romanelli go to his kitchen cabinet and retrieve a prescription pill bottle. A piece of masking tape was affixed to the outside of the bottle stating "100 ES Vicodin." The U/C turned over the pills to the FDA/OCI and a later examination revealed that the pills bore markings consistent with hydrocodone/acetaminophen.

32. On April 11, 2008, the U/C returned to 12 Victoria and provided Romanelli with a quantity of the prescription drugs Lexiva, Reyataz, Ziager, and Norvir in a white plastic bag. These drugs were previously purchased by the FDA-OCI with an undercover Medicaid card at a cost to Medicaid of \$3,522.65. Romanelli told the U/C that he (Romanelli) would drop off the prescription drugs that afternoon and receive payment that night. The U/C saw Romanelli go to the kitchen cabinet and removed a prescription pill bottle containing a quantity of pills and provided them to the U/C. A later examination of these pills revealed markings consistent with hydrocodone/acetaminophen. Shortly after 7:00 p.m. the same day, surveillance agents followed

Romanelli and an unidentified passenger from 12 Victoria to PDI. At PDI, agents observed and video recorded Romanelli walk into the rear door of PDI at approximately 7:12 p.m. Romanelli was carrying a white plastic bag identical in appearance to the bag provided to him by the U/C. After Romanelli entered PDI, surveillance agents observed De Tomasis Jr. (DOB: 09/05/1970) periodically looking outside the rear door. Based on my training and experience, I believe that De Tomasis Jr. was acting as a look-out while the transaction was taking place. Surveillance agents also identified the vehicles in the PDI parking lot at the time as a pickup truck, known to be utilized by and registered to De Tomasis Jr. and a white Mercury sedan known to be utilized by and registered to De Tomasis. Surveillance later observed all three men depart from PDI separately.

33. On April 17, 2008, the U/C went to 12 Victoria. At that time, Romanelli provided the U/C with 99 capsules. A later examination by the FDA-OCI determined that the capsules, marked "ETHEX 0411," were a generic version of oxycodone.

**B. 11 GREENVILLE, 12 VICTORIA, & PDI**

34. On or about April 18, 2008, agents met the CI at a predetermined location and provided the CI with an audio recording and transmitting device. Surveillance agents followed the CI to 12 Victoria and observed Romanelli enter the CI's vehicle. Agents followed Romanelli and the CI directly to 11 Greenville. Surveillance observed Romanelli exit the vehicle and walk into the residence. Romanelli appeared to be empty handed. A few minutes later, surveillance observed Romanelli re-enter the vehicle and followed him and the CI directly back to 12 Victoria. Surveillance then observed the CI and Romanelli enter 12 Victoria. According to the CI, 11 Greenville is the residence of

Romanelli's girlfriend, "Monique". A later check of RI DMV records indicated that Monique Wilburn (DOB: 08-25-1966) lists her address as 11 Greenville Avenue, North Providence, Rhode Island. A check with Cox Communications on April 29, 2008 indicated that Monique Wilburn is the subscriber for cable services at the second floor at this address. The CI reported to FDA-OCI agents that Romanelli used Monique's residence as a "stash" house for prescription drugs.

35. I later reviewed an audio recording of the conversations that took place between the CI and Romanelli on April 18, 2008, including the following:

LR: What am I going to do? I'm doing everything I can for this guy. I can't go to the drug store till tomorrow. I can't go there till tomorrow and I'll try and get them for tomorrow night. But I got to have somebody handy that I can give them to cuz I don't want to have them. I can't have them on me at all . . .

....

CI: Why don't Carmine give you a better deal? I mean they probably don't cost three dollars apiece?

LR: It doesn't matter, that's the deal I have with him.

....

LR: Pull up in front, right here, right here

CI: You're not going to be in there all day now, right . . .

LR: No, I'm going in and getting them and I'm out

--- (Four minutes elapse)---

LR: (Unintelligible). There should be one sixty (160) in here.

CI: You think there's one sixty (160)? She didn't steal any?

LR: One sixty (160).

CI: You don't think she stole any?

LR: No. She wouldn't do that.

CI: So what do we got for a grand total now, two-sixty (260)?

LR: Two-sixty (260).

--- (three minutes elapse) ---

LR: I'll go there 12:30, 1:00 and ask him if I can get 500 (unintelligible) and I'll pick them up at 6:00 when he closes, ya know, 6:00 at night, 'cuz he can't do anything in the daytime 'cuz the girls are around and everything. When he closes

at 6:00, I'll go there about quarter past six, he'll have them all ready for me.

Based upon my involvement in this investigation and a debriefing of the CI by FDA-OCI TF agents following his meeting with Romanelli that day, I believe that Romanelli was telling the CI that Romanelli intended to go to PDI, "the drug store," the following day in order to get hydrocodone pills. The CI asked Romanelli why "Carmine," referring to De Tomasis, can't give Romanelli a better deal than three dollars per hydrocodone pill. I know, based on my training and experience that the street value of one pill of hydrocodone can be between \$6 and \$8 per pill, and that Romanelli sold each pill to the U/C for an average cost of \$4 a pill. Romanelli replied to the CI that this was the deal Romanelli had with De Tomasis. I also believe, based on my conversation with the CI following this transaction, that after Romanelli departed 11 Greenville, Romanelli told the CI that he had 160 hydrocodone pills. The CI informed FDA-OCI agents that when Romanelli and the CI returned to 12 Victoria they counted out approximately 160 pills. I know based upon my training and experience that drug traffickers often store bulk illicit drugs and illicit drug proceeds at residences other than their own, such as girlfriends and other trusted confederates. They do this in order to decrease the chance of law enforcement identifying the location of drugs and to minimize their exposure should they be searched by law enforcement.

36. The following day, April 19, 2008, the U/C went to 12 Victoria at approximately 5:30 p.m. to obtain hydrocodone/acetaminophen pills from Romanelli. Romanelli told the U/C that Romanelli would go get the pills at 6:15 p.m. that night. It should be noted that April 19 was a Saturday, and that on Saturdays PDI closes to the public at 6 p.m. The U/C paid Romanelli \$1,600.00 OGF as partial payment for the pills.

Romanelli told the U/C to return to 12 Victoria at 6:30 p.m. At approximately 5:58 p.m., surveillance followed Romanelli from 12 Victoria to PDI. Romanelli was observed and video recorded entering PDI through the rear entrance. Romanelli then exited the rear of PDI holding a large brown paper bag. Surveillance observed Romanelli re-enter his vehicle and followed Romanelli directly to 12 Victoria. At approximately 6:45 p.m., Romanelli exited his vehicle carrying a large brown paper bag and was met by the U/C outside 12 Victoria. Surveillance saw both of them enter 12 Victoria. Inside, the U/C observed Romanelli place the brown paper bag into a larger brown paper bag, along with a smaller paper bag that Romanelli retrieved from a kitchen cabinet. Romanelli rolled up the larger paper bag and provided it to the U/C. Romanelli told the U/C that the bag contained five hundred (500) pills from "the pharmacy" and another two hundred and fifty (250) pills. After departing 12 Victoria, the U/C turned over the brown paper bag to the FDA-OCI TF. A later examination of these pills revealed markings consistent with hydrocodone/acetaminophen. As set forth in Paragraph 33, there is probable cause to believe that 160 of the almost 250 pills Romanelli obtained from his kitchen cabinet came from 11 Greenville the previous day.

37. On April 28, 2008, the U/C went to 12 Victoria at approximately 4:10 p.m. The U/C met with Romanelli and provided Romanelli with \$1,100.00 OGF as final payment for the hydrocodone/acetaminophen pills. Romanelli also provided the U/C with five pills bearing markings consistent with hydrocodone/acetaminophen.

#### **C. 41 FLETCHER & 12 VICTORIA**

38. In February 2008, the CI was met by FDA-OCI TF agents at a pre-determined



location, equipped with an audio transmitting and recording device, and followed to 12 Victoria. The CI was observed by agents entering 12 Victoria at approximately 1:33 p.m. At approximately 1:45 p.m., agents observed a red Ford pickup truck, bearing Rhode Island commercial registration 028243, park in proximity of the residence. According to Rhode Island DMV records, number 028243 is registered to a 2000 red Ford owned by Albert A. Ricciardi, 41 Fletcher Avenue, Cranston, Rhode Island. The CI had previously told agents that he knew one of Romanelli's associates as "Albert" and that Albert drove a red truck. Agents observed an individual, later identified through a DMV photograph as Albert Ricciardi, exit the truck and enter the residence. Agents monitoring audio transmissions heard Romanelli say, "Albert, how are you?" I later reviewed a recording of this meeting to include the following conversation between Romanelli (LR) and Ricciardi (AR):

**AR:** I got four hundred for you.

**LR:** All right, Yeh

**AR:** Because I got [name omitted] on the arm for a buck and a half, he's paying me tomorrow and I'm holding three for a kid, so I got three hundred for you.

**LR:** All right.

**AR:** So, that'll square us on that, now I got the generics (INAUDIBLE) and so I'll try to dump some of them before I go into the real forties (40's). Dump some of them, I got a ton of them left. You know what I mean?

**LR:** Put the twelve-forty in the bank for him.

[Later in the conversation the following occurred:]

**AR-** Now on the Vics, I didn't take no money 'cause I do a couple here and there. On the Xanax, I don't take no money, 'cause I do a couple here and there. The Percs, I (INAUDIBLE) Um, I got a bag of Xanax but I'll get more cause we're going to need more Xanax. . . .

39. Based on my training and experience, I believe that in this conversation, Ricciardi explained to Romanelli how Ricciardi was going to pay Romanelli for various drugs. I know based upon my training and experience that "Vics" is a slang term for

Vicodin, a brand name hydrocodone/acetaminophen pill. I also know based on my training and experience that "Percs" is a slang term for Percocet, a brand name oxycodone/acetaminophen pill, and Xanax is a brand name for Alprazolam, a Schedule IV controlled substance. I know based upon my training and experience that oxycodone is often referred to by drug dealers by its dosage. Accordingly, I believe that when Ricciardi said "forties," he was talking about a 40 mg dose of oxycodone.

40. On or about March 24, 2008, the U/C went to 12 Victoria and met with Louis Romanelli. As set forth in Paragraph 25 above, Romanelli paid the U/C five hundred dollars for the prescription drugs that were sold to Romanelli on March 21, 2008. The U/C also paid Romanelli five hundred dollars (\$500.00) OGF as partial payment for the hydrocodone/acetaminophen pills that the U/C purchased from Romanelli on March 21, 2008. Romanelli told the U/C that he (Romanelli) had another two hundred (200) pills being delivered to his house that day and wanted to give them to U/C to sell. At approximately 12:55 p.m., agents conducting surveillance observed the red pickup truck registered to Ricciardi park in the vicinity of 12 Victoria. Agents saw Romanelli greet Ricciardi outside 12 Victoria and walk inside. The U/C then observed Ricciardi hand a yellow plastic bag to Romanelli. Immediately after Ricciardi left, Romanelli gave the yellow plastic bag to the U/C. The U/C did not observe Romanelli take anything out of, or place anything inside, the plastic bag. After leaving 12 Victoria, the U/C and other agents examined the plastic bag found it to contain approximately 200 pills bearing markings consistent with hydrocodone/acetaminophen pills.

41. In early April 2008, agents of the FDA-OCI TF met the CI at a predetermined location, equipped the CI with an audio recording and transmitting device, and followed

the CI to Ricciardi's residence, 41 Fletcher Street. FDA-OCI agents observed the CI enter the residence and observed Ricciardi's red truck in the driveway. I later reviewed the recorded conversation obtained during this meeting, which includes the following:

CI: . . . When I'm there, Louie opens up the fuckin' cubi and grabs a fuckin' bottle of pills out of there...I'm saying to myself, why is he keeping his stuff at his house?

AR: Well see, he's got guys in Providence that he's ok, they ain't going to bother him . . . It's up here that he don't want to come. . . .

---

CI: I still don't think he should have his stuff there.

AR: Well, most of it he gives to me. Most of it he gives to me, but I guess Ada does some, so he keeps it for Ada too.

CI: Just don't let nobody know anything or anything that you left him, so make them think that you go get it . . .

AR: You know what I got. I got five guys down there . . . . That's what I said. I only got five, six guys come here. Louie knows this and Louie knows (inaudible).

. . .

Unknown Male: . . . Why would you come here seeing the cop that arrested you, knowing that he saw you, and come here knowing that he picked up a hundred fuckin' pills today . . .

AR: You know . . . that was a stupid fuckin' thing to say

UM: And then to say that he saw the cop

AR: He saw the cop that arrested everybody at the fuckin' corner, and you pull in my yard, they know you.

...

AR: . . . Can't fuckin' survive on this. We got to get these. I'm trying to get this other guy, 'cuz his sister gets the generics, two, three hundred at a time. Forties and Eighties, ten bucks a piece, I get them for. So I said, Lou, you get the (unintelligible) buy them and I'll sell them. He give me my cut, you take yours. . . . Now I've been waiting on these guys. The 22<sup>nd</sup> is going to come up and I'm going to have enough stuff over here to put me away for a hundred years.

42. Based on my training and experience, I believe that in this conversation, the CI and Ricciardi were discussing the fact that Romanelli was storing pills at 12 Victoria. Ricciardi explained to the CI that Romanelli felt that he was protected in Providence, so he was not afraid to store the drugs there. Ricciardi also told the CI that Romanelli gave Ricciardi most of Romanelli's pills. I believe, based on my training and experience, that

Ricciardi told the CI that Ricciardi kept the pills at Ricciardi's house and that Ricciardi only sold to five or six guys out of his house. Thereafter, I believe there was a conversation in which Ricciardi and an unidentified male discussed how one of their associates came to Ricciardi's house, which was foolish as this associate had just been arrested and he could have been seen by the police. Finally, Ricciardi appeared to talk about a deal in which he was going to purchase two or three hundred generic pills of oxycodone in forty or eighty milligram doses and store them at his house. Ricciardi appeared to be eager to dispose of this quantity of drugs because he recognized that it would expose him to significant jail time.

43. On or about April 3, 2008, members of the FDA-OCI TF searched discarded trash located in front of 41 Fletcher. Agents located several pieces of opened mail, listing Albert Ricciardi as the addressee. In the same trash bag, agents found two prescription pill bottles. The labels on these bottles appear to have been intentionally removed. The word "Oxycontin" appeared on a partial label of one of the bottles. Oxycontin is a brand name for oxycodone. Also obtained from the trash were handwritten notes with numbers that appeared to be added or subtracted. On one of those notes, I observed the notation, "3250 pills." Based on my training and experience in drug investigations, I believe that these notes are consistent with ledgers that are kept by drug traffickers in order to record transactions, currency, or inventory of pills.

**D. 17 LONGVIEW & 12 VICTORIA**

44. On March 18, 2008, the U/C went to 12 Victoria and paid Romanelli \$850.00 OGF for 150 oxycodone/acetaminophen pills purchased on March 14, 2008. Romanelli

provided the U/C with a handwritten list of the prescription drugs Norvir, Lexiva, Ziagen and Reyataz. During the conversation, Romanelli told the U/C that Romanelli would be obtaining twelve hundred (1,200) to fifteen hundred (1,500) "extra strengths" the next day. The U/C interpreted the term "extra strength" to refer to a 7.5mg dose of hydrocodone, as opposed to a 5 mg dose of hydrocodone. On the same day, the CI reported to FDA-OCI TF agents that he had a conversation with Romanelli in which Romanelli told the CI that he would be picking up pills the next day.

45. On March 19, 2008, FDA-OCI agents initiated surveillance on 12 Victoria at approximately 8:53 a.m. At approximately 10:15 a.m., surveillance observed Romanelli exit 12 Victoria and drive to Garden City Plaza in Cranston, Rhode Island, where he was observed going to a restaurant. Surveillance observed Romanelli make a brief telephone call from inside the restaurant from a mobile telephone. Shortly after the telephone call, surveillance observed Romanelli exit the restaurant and drive to 17 Longview Drive, Cranston, Rhode Island. At about 11:04 a.m., surveillance observed Romanelli exit his vehicle empty-handed and enter 17 Longview. Shortly after entering, surveillance observed Romanelli exit 17 Longview carrying a brown paper bag (similar in size to a lunch bag), and get into his car. Surveillance followed Romanelli to a store on Chalkstone Avenue in Providence where he was observed entering the store empty-handed and exiting with a newspaper. Surveillance then followed Romanelli to 12 Victoria Street, where he was observed parking the car in the driveway at about 11:29 a.m. Surveillance saw Romanelli exiting the vehicle holding only a newspaper, and walking across the street to 11 Victoria and handing the newspaper to a female. Surveillance then observed Romanelli return to his vehicle, retrieve the brown paper bag,

and enter 12 Victoria. Inquiries with the Rhode Island DMV revealed that Antonio Caprio (DOB: 05-17-1934) lists 17 Longview Drive, Cranston, Rhode Island as his residence on both his operator's license and vehicle registration. Inquiries with Cox Communication revealed that Antonio Caprio is the subscriber of cable services at 17 Longview. A criminal history inquiry revealed that Caprio was arrested and charged with first degree arson on August 21, 1984. Caprio was ultimately sentenced to a five year prison term.

46. Later the same day, at about 2:15 p.m., the U/C went to 12 Victoria and met Romanelli. The U/C observed Romanelli walk down the hall and enter the first bedroom on the left. Romanelli emerged from the bedroom carrying a brown paper bag. Romanelli told the U/C that the bag contained five hundred "Vicodins". Romanelli then told the U/C that the U/C owed Romanelli two thousand dollars (\$2,000.00) for the Vicodin. Agents later observed the brown paper bag obtained from Romanelli and found it to be consistent in size, shape, and color with the bag obtained by Romanelli from 17 Longview. An examination of the pills obtained by the U/C from Romanelli revealed markings consistent with hydrocodone/acetaminophen.

47. In mid-April, 2008, the CI met Romanelli inside a vehicle in Providence, Rhode Island. Prior to this meeting, the CI was equipped with an audio recording and transmitting device and followed to the meeting location by surveillance agents of the FDA-OCI TF. Once there, surveillance observed Romanelli enter the vehicle driven by the CI and maintained surveillance of the CI and Romanelli throughout the meeting. The following is an excerpt of the recorded conversation that transpired during the meeting:

CI: The other day I was talking to you about the pills and whatever, I said Caprio, and you started laughing

LR: No, that's not Frank.

CI: Oh. The brother. He's a crook? His brother's a crook?

LR: No, he's not. He's a straight guy, you know, he had back problems.

Based on my involvement in this investigation, I believe that the CI and Romanelli were discussing Antonio Caprio (who is the brother of Rhode Island Traffic Court Judge Frank Caprio). Romanelli stated to the CI that Antonio is a "straight guy", but that he has "back problems." Based on my training and experience in investigating prescription pill diversion, I know that a "bad back" complaint is sometimes used as a mechanism to obtain prescription opioids such as hydrocodone and oxycodone. Records obtained from the Rhode Island Department of Health indicated that from January 2007 to March 2008, Caprio obtained 100 Hydrocodone 7.5/750 on a monthly basis for a total of about 1500 pills. Given this volume of pills, I suspect, based on my training and experience, that Caprio may be diverting some if not all of his prescription medications to others. I also suspect, based on my involvement in this investigation, and debriefings with the CI, that there is probable cause to believe that Caprio also distributed controlled substances which he obtained without a prescription. I base this on the fact that the CI informed FDA-OCI agents that Romanelli has obtained pills from Caprio in the past, and on the fact that Romanelli initially represented to the U/C that Romanelli could obtain 1200 to 1500 pills.

#### **IV. HEALTH CARE FRAUD AND MONEY LAUNDERING BY PDI**

48. Medicaid is jointly funded by the State and Federal governments and managed by the Rhode Island Department of Human Services ("DHS"). Medicaid's mission is to provide health care benefits to certain low-income individuals and families as determined by Federal and State law. The Federal share of the Rhode Island Medicaid

program between 2000 and 2005 has ranged between 52.45% to 56.03%. DHS has subcontracted the responsibility of processing and reviewing Medicaid claims and payments to Electronic Data Services, Inc. (“EDS”). The State of Rhode Island has established a Surveillance and Utilization Review Subsystem program (“SURS”) to ensure proper and efficient administration of Medicaid. The Medicaid claims data is electronically maintained by Rhode Island’s Medicaid Management Information Systems (“MMIS”) division.

49. In order to submit claims to the insurance carriers, each pharmacy must have its own individual provider number. In order to obtain a provider number, the provider must sign a provider agreement with each carrier acknowledging that the provider: 1) is familiar with billing requirements; 2) promises not to submit false or fraudulent claims; 3) agrees to abide by the rules, regulations, policies and procedures governing reimbursement; and 4) will keep and allow access to records and information as required by each carrier. In Rhode Island, a pharmacy submits claims to Medicaid using a provider number. In this case, PDI submits claims to Medicaid using provider number PD02331.

50. I have reviewed the latest Medicaid enrollment form submitted by PDI, dated August 21, 2006. On that document, PDI authorized Medicaid to direct deposit funds for claims into the PDI Account maintained at Independence Bank, East Greenwich, Rhode Island<sup>3</sup>. The routing number provided by PDI was 011501718 and the account number provided was 40001760. In addition, a blank business check was provided by PDI along

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<sup>3</sup> Based on my review of the bank’s web site, which includes a description of the bank’s “nationwide” financing operations and ATM access, it appears that this bank engages in interstate commerce.



with the application. The provided check indicated the account is held in the name of Prime Drug Inc., 613 Cranston Street, Providence, RI 02907.

51. Providers submit pharmacy claims to all insurance carriers, including Medicaid, through a Point of Sale (POS) register system. The POS system software is required under the NCPDP (National Council on Prescription Drug Program). Medicaid requires that version 5.1 be utilized because of HIPPA requirements. The payment software contains established fields for inputting of information including but limited to the name of the person, social security number, date of birth, date of sale, prescribing physician, drug name, national drug code number (NDC), number of days supply, unit count, charged amount, and insurance carrier. The information is transmitted electronically at the time of sale to the insurance carrier. The insurance carrier then processes the submitted claim and either pays or denies the claim and transmits the acceptance or denial back to the pharmacy to complete the transaction.

52. The Rhode Island Medicaid program bundles all pending payments to the pharmacy for release to the bank account of the pharmacy every two weeks. The payments are made through an electronic wire transfer of funds. It should be noted that other carriers have different payment cycles, and I am informed that some carriers mail their payments to the pharmacy. The carriers also send the pharmacy a Remittance Advice payment document. This document lists each claim submitted during the payment cycle. Each claim is provided an Internal Control Number (ICN). The Remittance Advice lists the total amount of payments electronically transferred to the providers' bank account

53. As set forth in detail above, there is probable cause to believe that PDI,

specifically De Tomasis, purchased various expensive prescription drugs used in the treatment of HIV and AIDS from Romanelli. Romanelli is not a licensed or registered wholesale drug distributor or manufacturer. Furthermore, Romanelli knew that these prescriptions were not valid in that the U/C told Romanelli that the U/C had a doctor in Florida provide him with any medications the U/C wanted. At the very least, De Tomasis knew that the prescriptions were intended for use solely by the U/C. Both Romanelli and De Tomasis knew or had reason to know that the drugs purchased by the U/C were paid for by Medicaid. The further distribution of these drugs was not authorized by law, and violated 21 U.S.C. §331(k). Furthermore, it should be noted that there was no way for De Tomasis to know whether the drugs he was purchasing from Romanelli were genuine, whether they were stored at proper temperatures, and whether or not they had been tampered with in any way. As stated above, based on my training and experience, I know that certain unscrupulous pharmacies seek to increase their profit margins by billing insurance carriers for drugs that were purchased unlawfully, as opposed to licensed wholesale distributors or drug manufacturers. In this case, based on the manner in which PDI conducts its business, there is probable cause to believe that De Tomasis sold the prescription medications he purchased from Romanelli to customers of PDI and then billed various insurance carriers for reimbursements of these sales. Furthermore, as set forth below, there is probable cause to believe that De Tomasis engaged in this practice with individuals other than Romanelli.

54. In March 2008, the CI met with FDA-OCI TF agents at a predetermined location and was equipped with an audio recording and transmitting device. Agents followed the CI to 12 Victoria. After a short time elapsed, surveillance saw the CI and

Romanelli depart 12 Victoria and drive to PDI. I later reviewed the conversation that transpired on their way to PDI, to include the following excerpt:

CI: . . . Do you think it's easy with the paper, just the paper?  
LR: He's got to get them. He won't handle the paper.  
CI: How come?  
LR: I don't know. He won't handle the paper.  
CI: He's probably nervous about it. You know what I mean?  
LR: He had no problem taking pills, though. He had the eighteen hundred (1800) there. I mean the eleven hundred (1100) that he gives Joey. He had the 1100 right there. I mean, I knew it had to be eleven hundred (1100) because that's what Joey got. . .  
....  
LR: . . . I lost all my people who used to bring me the medicine to bring to the drug store. I lost all them fuckin' people. They don't know how to get in touch with me. . . .

When they arrived at PDI, surveillance observed Romanelli exit the car and walk into PDI alone. Romanelli emerged a few minutes later and departed the area with the CI. I later reviewed a portion of the recorded conversation that transpired at that time:

LR: I got the list for [name omitted]. All the expensive fuckin' medicines  
....  
...  
CI: How expensive? Real Expensive?  
LR: I guess they're all expensive, cause I told him, I said, Carmine, give me a list of the most expensive medicines and the guy will see if he can get them. . . .

Based on my involvement in this investigation, and a debriefing with the CI, I believe that Romanelli and the CI were first discussing the fact that De Tomasis (Carmine) does not take the written prescriptions but only the pills. I believe that when Romanelli said "he had 1800 there," Romanelli was referring to the money De Tomasis was going to pay Romanelli for the prescription drugs. I also believe, however, that Romanelli did not want the CI to know the real amount that Romanelli was getting paid, and therefore changed the "1800" to "1100." I also believe that when Romanelli was saying that

“1100” was what “Joey got,” Romanelli was referring to the amount of money Romanelli's brother, Joseph Romanelli, was paid by De Tomasis for his medications. As set forth below, Joseph Romanelli told the CI that he (Joe Romanelli) sold his HIV prescriptions to PDI. Further, I believe that when Romanelli stated, “I lost all my people who used to bring me the medicine,” he was acknowledging to the CI that he had been supplying PDI with prescription medications from numerous sources. Finally, I believe that after the CI and Romanelli left PDI, Romanelli acknowledged to the CI that De Tomasis (“Carmine”) gave Romanelli a list of expensive prescription drugs that De Tomasis was interested in purchasing.

55. I have been advised by the CI that the CI has had numerous discussions with Joseph Romanelli, the brother of Romanelli, and that Joe Romanelli has personally advised the CI that Joe Romanelli routinely sold a portion of his HIV medications to PDI. According to the CI, Joe Romanelli has stated that he took his doctor's prescriptions to PDI, and has been provided with cash payments instead of the drugs themselves. Obviously, this enabled PDI to submit fraudulent claims to the carrier, in this case, Medicaid, and then bill insurance carriers for the “same” drugs a second time, when they were sold to another customer. The CI reported that Joe Romanelli told the CI that De Tomasis placed the cash inside the prescription bottles that would ordinarily contain the actual drugs.

56. In April 2008, the CI met with agents of the FDA-OCI and was equipped with an audio recording and transmitting device. The CI was followed by FDA-OCI agents to a single family home located at 32 Belmont Street, Providence, RI, which the CI reported to be Joe Romanelli's residence. This was confirmed by law enforcement databases.

Agents observed the CI enter the residence and exit about 10 minutes later. Following this meeting, the CI turned over the audio recording device to FDA-OCI agents. I later reviewed a copy of that recording which includes the following excerpts:

CI: Why do you sell them to him? I wouldn't sell him anything anymore.  
JR: What am I going to do? I don't have any money (inaudible). I don't have any use for them ....  
...  
CI: Don't you get mad knowing he's making so much money? You know what I mean?  
JR: Three hundred dollars is better than nothing. You know?  
...  
CI: Three hundred dollars and what's a pill, how much is a pill worth?  
JR: Yeah, what would I do with it?  
CI: Take them. The doctor gives you them for a reason.  
JR: I, I get them for a reason, I (inaudible). I get them for security. I don't have to take pills.  
...  
CI: The whole time I've known you, you been selling to this guy and killing yourself. You know what I mean? And you don't realize it?  
...  
JR: I give him what I don't need. I'm not going to give him anything I need. Believe me, (inaudible) Marinol. I like my Marinol. I'm not going to give those out.  
...  
CI: How much did he give you for Marinol? (Inaudible)  
JR: Three-hundred.  
CI: Three-hundred for Marinol.  
JR: Yeah..... and they cost eleven fifty.  
...  
CI: Who's worse, Carmine or the other one?  
JR: Which one.  
CI: Domenic.  
JR: I don't know Domenic. I've never dealt with Domenic.

I believe, based on my review of this conversation, and further information provided to me by the CI, that Joe Romanelli admitted during this conversation that he sold portions of his HIV medications to "Carmine" De Tomasis at PDI. I have been advised by the CI

that in March 2008, Joe Romanelli sold AIDS medications to PDI, and, as a result of not taking his medications became extremely sick and bed-bound.

57. I have been provided claimant data for Joe Romanelli by Vivian Cardoza (“Cardoza”), a Registered Nurse and the lead SURS Reviewer with EDS. An analysis of the data provided by Cardoza reveals that, for the period of March 1, 2007 to the present, Medicaid has paid PDI approximately \$28,439.13 for twenty-seven (27) separate claims for prescriptions in the name of Joseph Romanelli. Most of the reimbursements were for drugs used in the treatment of HIV/AIDS and included numerous prescriptions for the drugs Norvir, Invirase and Combivir. As a result, Medicaid deposited the \$28,439.13 into the PDI Account.

58. I have been provided with the following spreadsheet by Cardoza pertaining to Medicaid claims submitted by PDI for drug prescription coverage listing Joseph Romanelli as the beneficiary:

ICN *	DATE OF SERVICE	PROVIDER R ID	Provider Last Name	DRUG NAME	UNITS	PAID AMOUNT	DATE PAID
512007081 331240	20070322	PD02331	PRIME DRUG INC	GANCICLOVIR	180	\$1,157.74	20070330
512007127 334241	20070507	PD02331	PRIME DRUG INC	GANCICLOVIR	180	\$1,157.74	20070518
512007169 334170	20070618	PD02331	PRIME DRUG INC	GANCICLOVIR	180	\$1,157.74	20070629
512007213 327186	20070801	PD02331	PRIME DRUG INC	GANCICLOVIR	180	\$1,157.74	20070817
512007249 327212	20070906	PD02331	PRIME DRUG INC	COMBIVIR	60	\$702.52	20070920
512007263 329099	20070920	PD02331	PRIME DRUG INC	GANCICLOVIR	180	\$1,218.49	20071005
512007263 331107	20070920	PD02331	PRIME DRUG INC	NORVIR	240	\$2,060.76	20071005
512007279 326161	20071006	PD02331	PRIME DRUG INC	COMBIVIR	60	\$702.52	20071019
512007293 327113	20071020	PD02331	PRIME DRUG INC	NORVIR	240	\$2,060.76	20071102
512007293 332123	20071020	PD02331	PRIME DRUG INC	GANCICLOVIR	180	\$1,218.49	20071102
512007295 339420	20071022	PD02331	PRIME DRUG INC	INVIRASE	120	\$295.56	20071102
512007311 327155	20071107	PD02331	PRIME DRUG INC	COMBIVIR	60	\$702.52	20071116

512007327 334123	20071123	PD02331	PRIME DRUG INC	NORVIR	240	\$2,060.76	20071130
512007327 340112	20071123	PD02331	PRIME DRUG INC	INVIRASE	120	\$295.56	20071130
512007355 325182	20071221	PD02331	PRIME DRUG INC	COMBIVIR	60	\$702.52	20080104
512007355 328188	20071221	PD02331	PRIME DRUG INC	NORVIR	240	\$2,060.76	20080104
512007355 331193	20071221	PD02331	PRIME DRUG INC	INVIRASE	120	\$295.56	20080104
512008022 327477	20080122	PD02331	PRIME DRUG INC	INVIRASE	120	\$295.56	20080201
512008022 329467	20080122	PD02331	PRIME DRUG INC	NORVIR	240	\$2,060.76	20080201
512008022 330486	20080122	PD02331	PRIME DRUG INC	COMBIVIR	60	\$702.52	20080201
512008054 335071	20080223	PD02331	PRIME DRUG INC	COMBIVIR	60	\$702.52	20080320
512008054 336069	20080223	PD02331	PRIME DRUG INC	NORVIR	240	\$2,060.76	20080320
512008054 336070	20080223	PD02331	PRIME DRUG INC	INVIRASE	120	\$295.56	20080320
512008088 327340	20080328	PD02331	PRIME DRUG INC	NORVIR	60	\$517.74	20080404
512008088 328358	20080328	PD02331	PRIME DRUG INC	INVIRASE	300	\$733.81	20080404
512008088 330356	20080328	PD02331	PRIME DRUG INC	GANCICLOVIR	180	\$1,218.49	20080404
512008088 340316	20080328	PD02331	PRIME DRUG INC	TRUVADA	30	\$843.67	20080404
<b>TOTAL:</b>						<b>\$28,439.13</b>	

59. Based on my training and experience and based on the information above, I believe that De Tomasis and PDI defrauded Medicaid by (1) paying Joseph Romanelli instead of dispensing medications for some of his HIV/AIDS prescriptions; (2) representing to Medicaid that PDI had filled those prescriptions; and, (3) profiting from the transactions by paying Joe Romanelli substantially less for the prescriptions than Medicaid paid PDI. Accordingly, there is probable cause to believe that De Tomasis, and thereby his company PDI, were aware that some or all of the \$28,439 deposited into PDI's Account were the proceeds of fraudulent claims submitted to Medicaid, in violation of 18 U.S.C. § 1347 (health care fraud).

60. During this investigation, I have also obtained information from McKesson Corporation, one of the nation's largest pharmaceutical distributors, that PDI purchased controlled substances from McKesson, including hydrocodone and oxycodone. As these

purchases were a business expense of PDI, there is probable cause to believe that PDI, in the regular course of conducting its business operations, used the funds it obtained from various insurance carriers, including Medicaid, to pay for PDI's business expenses such as the purchase of pharmaceuticals. As set forth above, there is probable cause to believe that De Tomasis, using his position as a registered pharmacist and owner of PDI diverted a portion of PDI's stock of controlled substances to individuals, like Romanelli, for further distribution, and not for the purpose of filling out a legitimate prescription.

Accordingly, there is probable cause to believe that financial transactions were conducted using funds from PDI's Account, or funds traceable thereto, knowing that the transactions were conducted with (1) proceeds of unlawful activity; (2) the funds in fact constituted proceeds, or were traceable to proceeds of specified unlawful activity, to wit health care fraud, in violation of 18 U.S.C. §§ 1347 & 1956(c)(7)(F); and, (3) that said transactions were intended to promote a specified unlawful activity, to wit, the distribution of controlled substances, in violation of 21 U.S.C. § 841(a)(1) and 18 U.S.C. § 1956(a)(1)(A)(i).

## **V. ITEMS TO BE SEIZED**

### ***A. PRESCRIPTION MEDICATIONS FROM PDI***

61. As set forth above, there is probable cause to believe that PDI regularly purchased misbranded medications from unauthorized sources. Based on my training and experience, I believe that there is probable cause to find that these medications were removed from the prescription pill bottles in which they were sold to the pharmacy and commingled with other medications purchased by the pharmacy from legitimate sources in order to conceal the presence of unlawfully obtained medications, and to enable their



redistribution to PDI's customers. As a result, the FDA-OCI is seeking authority to seize all "behind the counter" prescription drugs in order to fully inventory and examine these drugs for the presence of misbranded drugs and as evidence of contraband.<sup>4</sup> Furthermore, the FDA-OCI is requesting authority to seize all controlled substances kept at PDI (which controlled substances are a subset of the prescription medications described above), as there is probable cause to believe that controlled substances are illegally diverted from PDI.

62. In conjunction with the seizure of all prescription medications from PDI, I am requesting authority to seize prescription drug packaging, drug labels, and those records that PDI is required to keep under Federal law (21 C.F.R. §1304 et seq.) and State law, including but not limited to the following:

- a. Drug purchase invoices
- b. DEA-222 order forms
- c. Prescription drug distribution records
- d. Drug destruction records
- e. Drug compounding records
- f. Records of drug theft or loss
- g. Original prescriptions
- h. Original drug pick-up log signature sheets
- i. Licensing documents
- j. Prospective drug inventories
- k. Remittance Advices, cash receipts, and any other records documenting the sale and payment for prescription drugs.

#### ***B. COMPUTER SEARCH OF PDI***

63. As described above, PDI maintains at least one computer system in order to participate in the POS requirements of Medicaid and other carriers. Furthermore, as a

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<sup>4</sup> It should also be noted that the presence of misbranded medication also poses a potentially significant health risk and that the Rhode Island Board of Pharmacy is expected to suspend the PDI's license to dispense prescription medications on or about May 6, 2008

large business, there is probable cause to believe that PDI maintains records in electronic format as well as paper format, and therefore, it is essential that law enforcement seize and search any computers and computer related equipment from the premises for evidence of the aforementioned described criminal activity.

64. Insofar as items seized pursuant to this search warrant, as described in Attachment B of this Affidavit, include information that may be stored on computer storage media, including hard-drives, diskettes, CD-ROMS, portable or hand-held computer devices such as Personal Digital Assistants , USB drives (e.g., thumb drives), or any other electronically stored information, I request permission to seize such computer systems, and any hardware and software, associates with such systems, and remove them to a laboratory setting in order to conduct a search for any electronically stored information, including stored e-mails, that may contain evidence of the criminal conduct described above. I base this request on the following:

a. In order to obtain the above described information, the agents are authorized to search the computers and storage media on site, to make a "bit stream image" of the computers and/or storage media on site, or to seize such computers and remove them to a laboratory setting for a sufficient period of time to obtain access to, search for, and recover the files and stored information described above. In addition, if the information described above cannot be read and understood without the software or programs that created those files or records, the agents are authorized to seize such software and any documentation and manuals that describe the software and give instruction on its installation and use.

b. Computer hardware, software, and electronic files may be important to a

criminal investigation in two ways: (1) the objects themselves may be contraband, evidence, instrumentalities, or fruits of the crime, and/or (2) the objects may be used as storage devices that contain contraband, evidence, instrumentalities, or fruits of crime in the form of electronic data. In this case, the warrant application requests permission to search for and seize images, including those that may be stored on a computer or related hardware or media. These images constitute both evidence and instrumentalities of crime. The warrant application also requests permission to search for and seize records on a computer or on related hardware or media. This application further requests permission to seize any and all computer hardware that may contain images, records and/or correspondence, if it becomes necessary for reasons of practicality, and conduct an off-site search in a laboratory setting. I believe that, in this case, the computer hardware is a container for evidence.

c. Your affiant has consulted with Zachary Timko, a Computer Investigative Specialist with FDA-OCI. Based upon that consultation and your Affiant's knowledge, training, and experience, your Affiant knows that searching and seizing information from computers is a time consuming process. It is best accomplished in the controlled environment of a laboratory setting. It can usually be accomplished by obtaining a bit stream image of the data contained on the hard drives of the computers located on the premises and removing other media that is found to a laboratory for analysis. It sometimes requires the removal of the computers themselves along with most or all of the peripheral electronic storage devices to be searched in the laboratory. This is true because of the following:

1. The volume of evidence - Computer storage devices (i.e. hard disks,

diskettes, tapes, laser disks, and compact disks) can store the equivalent of hundreds of thousands of pages of information;

2. Technical requirements - Searching computer systems for criminal evidence is a highly technical process requiring expert skill and a properly controlled environment. The vast array of computer hardware and software available requires even computer experts to specialize in some systems and applications, so it is difficult to know before a search which expert is qualified to analyze the system and data. In any event, however, data search protocols are exacting scientific procedures designed to protect the integrity of the evidence and to recover even "hidden," erased, compressed, password-protected, or encrypted files. Since computer evidence is extremely vulnerable to inadvertent as well as intentional modification or destruction (both from external sources and from destructive code imbedded in the system as a "booby trap"), a controlled environment is essential to its complete and accurate analysis; and

3. Data Recovery - Computer files or remnants of such files can be recovered months or even years after they have been viewed or downloaded from the Internet. Even when such files have been deleted, they can be recovered later using readily available forensic tools. Files that have been viewed via the Internet are automatically downloaded into a temporary internet directory or "cache." The browser typically maintains a fixed amount of hard drive space devoted to these files, and the files are only overwritten as they are replaced with more recently viewed Internet pages. Thus, the ability to retrieve residue of an electronic file from a hard drive depends less on when the file was downloaded or viewed than on a particular user's operating system, storage capacity, and computer habits.

4. The process of completing a search and analysis of a seized computer often takes longer than 10 days and may take months to complete.

d. In light of these concerns, I request permission to seize the computer hardware and all associated peripherals, media, and support devices that are believed to contain some or all of the evidence and/or instrumentalities described in Attachment A and to conduct an off-site search of such equipment and media for the evidence described, if, upon arriving at the scene, the agents executing the search conclude that it would be impractical to make a bit stream image and/or to conduct the data search on-site. I also request permission to use whatever data analysis techniques appear necessary to locate and retrieve the evidence described in Attachment B.

**C. ITEMS TO BE SEIZED FROM ALL LOCATIONS**

65. I have executed or assisted in the execution of dozens of state and federal search warrants for prescription drugs, narcotics, and other controlled and non-controlled substances (requiring a valid prescription), and for the records, books, documents, and proceeds derived from the sale of controlled substances and non-controlled substances. During the execution of those warrants I have often seized documents in dwellings lived in and/or used by drug traffickers containing names, addresses, financial records, and telephone numbers of co-conspirators, customers, and suppliers. I have testified concerning the distribution and possession of controlled and non-controlled prescription drugs. I have received training from the FDA and other law enforcement agencies in the means and methods used by persons in the drug trafficking business to disguise the source of proceeds generated from drug trafficking.

66. I know based upon my training and experience that the records and documents described above are typically maintained for long periods of time in the dwellings or businesses used by drug traffickers. Often, this type of evidence is generated, maintained, and then forgotten about. Thus, documents that one would think a prudent person would destroy because of their incriminatory nature are still possessed months or years after the documents came into the possession of the drug dealer. Often these individuals do not even realize the incriminatory nature of the documents they keep. Rather, these records are kept because they contain valuable information that is essential to the functioning of the business.

67. Based on the information set forth in this Affidavit, there is probable cause to believe that the premises listed in Paragraph 2C-G contain unlawfully possessed controlled substances, prescription drugs, packaging, drug labels, documents, notes, digital records, and electronically stored records containing names, addresses and telephone numbers of purchasers and suppliers of controlled and non-controlled substances; paper and electronically stored financial and bank records relating to the unlawful distribution of controlled substances and prescription drugs, and the money laundering of proceeds of the unlawful activity; paper and electronic records indicating ownership, occupancy, and control of the described premises; proceeds, such as United States currency, checks, money orders, and records of wire transfers derived from controlled substance transactions, money laundering, and fraud; safety deposit box keys; surveillance cameras; and other items further described in Attachment B to this Affidavit, which is fully incorporated here.

## VI. CONCLUSION

68. For the reasons set forth above, there is probable cause to issue criminal complaints and arrest warrants against Louis Romanelli and Carmine De Tomasis for conspiracy to distribute controlled substances, misbranded drugs, and commit health care fraud, in violation of 18 U.S.C. §§ 371, 1347, and 21 U.S.C. §§ 331(k), 841 (a) (1) (A) & 846.

69. For the reasons set forth above, there is probable cause to believe that the premises described in Paragraphs 2C – G of this Affidavit , and further described in Attachments A1-A5 to this Affidavit, contain evidence, contraband, fruits of the crime, and other items criminally possessed, as set forth in Attachment B to this Affidavit, of violations of 21 U.S.C. §§ 331(k), 841 (a) (1) (A) & 846, and that the premises described in Paragraphs 2C & 2D of this Affidavit also contain evidence, contraband, fruits of the crime, and other items criminally possessed, as set forth in Attachment B to this Affidavit, of violations of 18 U.S.C. §§ 371, 1347.

70. For the reasons set forth above, there is probable cause to believe that the PDI Account number 40001760 maintained at the Independence Bank in East Greenwich, Rhode Island in the name of "Prime Drug Inc. 613 Cranston Street, Providence, Rhode Island," and further described in Paragraph 2J above, contains property that was the proceeds of health care fraud, in violation of 18 U.S.C. § 1347, and proceeds traceable to the health care fraud, in violation of 18 U.S.C. § 1956(a)(1) & (c)(7)(F). There is also probable cause to believe that the PDI account was used to promote the carrying on of specified unlawful activity, to wit, health care fraud, in violation of 18 U.S.C. § 1347, and violations of the controlled substance act, 21 U.S.C. § 841(a)(1), in violation of 18 U.S.C.


§ 1956(a)(1)(A)(i) & (c)(7)(A) & (F). Thus, the PDI Account is forfeitable to the United States pursuant to 18, U.S.C. § 981(a)(1)(A), in that it constitutes property involved in a transaction or attempted transaction in violation of 18 U.S.C. § 1956(a)(1) or constitute property traceable to such violations.

71. Based upon the foregoing, there is also probable cause to believe that the PDI Account constitutes evidence of the commission of a criminal offense, or constitutes contraband, fruits of the crime, or things otherwise criminally possessed within the meaning of Fed. R. Crim. P. 41(b), and is subject to forfeiture and seizure pursuant to 18 U.S.C. § 981(a)(1)(A) and (b)(1) and 982(a)(1) and (b)(1) and therein referenced 21 U.S.C. § 853.

72. For the reasons set forth above, there is probable cause to believe that Romanelli distributed controlled substances from 12 Victoria Street, further described in Paragraph 2C above and that De Tomasis and PDI distributed controlled substances from 613 Cranston, further described in Paragraph 2D above, all in violation of 21 U.S.C. §§ 841(a)(1) & 846. Based on the forgoing, the 12 Victoria Street and 613 Cranston Street




Properties both constitute real properties used to commit or to facilitate the commission of a violation of 21 U.S.C. § 841(a)(1) and are therefore subject to forfeiture to the United States under 21 U.S.C. § 881(a)(7) and 21 U.S.C. § 853(a)(2).

  
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JASON SIMONIAN  
Special Agent  
Food and Drug Administration  
Office of Criminal Investigation

Subscribed and sworn to before me,

this 5<sup>th</sup> day of MAY 2008 in

Providence, Rhode Island.

  
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DAVID L. MARTIN  
United States Magistrate Judge