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August 30, 2020

By ECF

The Honorable Nicholas G. Garaufis
United States District Judge
United States Courthouse
225 Cadman Plaza East
Brooklyn, New York 11201

Re: United States v. Christopher Chierchio, et al.
20 Cr. 306 (NGG)

Dear Judge Garaufis:

I write as counsel for defendant Christopher Chierchio (“defendant” or “Chierchio”) to request, pursuant to Local Rule 50.3.2(d), that this case be reassigned to Judge Cogan because it is “presumptively related” to United States v. Gregory Altieri, 20 Cr. 249 (BMC).

Under the Local Rules,

There shall be a presumption that one case is “related” to another when the facts of each arise out of the same charged criminal scheme(s), transaction(s), or event(s), even if different defendants are involved in each case.

Local Rule 50.3.2(b)(1). A review of the indictments in the Chierchio and the Altieri cases, as well as the detention memorandum (“Det. Memo.”) in Chierchio (ECF No. 9), makes it abundantly clear that the facts in both case arose out of the same charged schemes, transactions and events.

Counts Eighteen, Nineteen, Twenty and Twenty-One of the Chierchio indictment (ECF No. 1) charge extortionate extensions of credit and related crimes involving “John Doe 1”. “John Doe 1” is, in fact, Gregory Altieri.

The detention memorandum in the Chierchio case makes the following allegations:

GERALD J. MCMAHON

The Honorable Nicholas G. Garaufis
United States District Judge
August 30, 2020
Page Two

Second, Russo and Smookler are also charged with committing and conspiring to commit extortionate of credit and extortionate collection of credit ... because that person could not timely repay a usurious they had extended him. **Although this individual had also lost some of Kurland's clients' money**, Russo and Smookler told him to pay back their loan first. (...)

Det. Memo. at 2 (emphasis added). That “person” and “individual” was Gregory Altieri. The detention memorandum continued:

Following Kurland's advice, on March 6, 2019, Lottery Victim 3 invested \$20 million in JBMML... Notably, as recounted above, JBMML is one of the entities into which the Lottery Victims wired money and which suffered significant losses as a result of Altieri's Ponzi scheme; it is also the entity from which the co-conspirators drew for Kurland's kickbacks and various personal expenses.

Det. Memo. at 13, 19. Finally, the Chierchio detention memo adds:

Separate from the charges related to the Lottery Victims, Smookler and Russo have also been indicted for extortionate extension and collection of credit ..., which they also carried out earlier this year.¹⁹ In recorded conversations, Smookler and Russo threatened Altieri after extending him a “street loan” of approximately \$250,000 under usurious terms. This loan was separate from the investments the co-conspirators made in Altieri's Ponzi scheme with the Lottery Victims' money. As Smookler explained in one call to Altieri, the repayment of the “\$100 million you owe (i.e., the millions of dollars of the Lottery Victims' money ...) could be delayed and put on a “shelf” but the “couple of hundred grand that you borrowed, you have to pay that back.”

¹⁹ There are recorded calls that indicate Kurland was aware that Russo and Smookler tried to forcefully collect their debt from Altieri. (...) Kurland warned Smookler that the FBI has probably “seen every text you have ever sent to [Altieri]”, which Smookler stated was ok because all he was trying to do was collect **our** money.”

Det. Memo. at 22 (emphasis added).

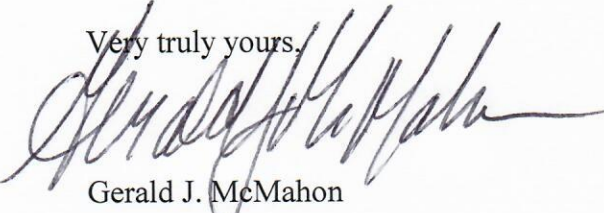
The connections between the financial schemes engaged in by Gregory Altieri and the

GERALD J. MCMAHON

The Honorable Nicholas G. Garaufis
United States District Judge
August 30, 2020
Page Three

activities of the defendants as charged in the Chierchio indictment are so numerous and intertwined as to render the Altieri and Chierchio indictments “related” within the meaning of Local Rule 50.3.2. Accordingly, the indictment in this case should be reassigned to Judge Cogan.

Very truly yours,



Gerald J. McMahon

GJM:dlg
cc: All Counsel
(By ECF)