

The United States Attorney's Office

## District of Massachusetts

### Press Releases

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TWO PLEAD GUILTY TO BOOKMAKING,  
MONEY LAUNDERING AND TAX VIOLATIONS

BOSTON, MA - A North Reading man and a Methuen man have pled guilty to charges of bookmaking, money laundering and tax conspiracy.

United States Attorney Michael J. Sullivan; Essex County District Attorney Jonathan W. Blodgett, Douglas Bricker, Special Agent in Charge, IRS-Criminal Investigation, and Colonel Mark Delaney, Superintendent of the Massachusetts State Police, announced that RICHARD W. SETTIPANE II, age 41, of North Reading, Massachusetts, and JOHN DEMARKIS, age 46, of Methuen, Massachusetts, pled guilty yesterday to all counts of an Information charging them with Conspiracy, Conducting an Illegal Bookmaking Business, Transmitting Wagering Information, Money Laundering and Tax Evasion.

In a hearing before United States District Judge Edward F. Harrington, the prosecutor explained that SETTIPANE and DEMARKIS operated a bookmaking business in Woburn, North Reading and Methuen, Massachusetts. The operation included a bookmaking office, where odds were given and bets were taken, as well as over ten "agents" who were responsible for collecting losses and delivering winnings to the customers of the business. In 2004 and 2005, SETTIPANE and DEMARKIS laundered profits from their illegal bookmaking business by using their bookmaking income to purchase and operate a limousine business. SETTIPANE also evaded excise taxes on the wagers handled by the business, while DEMARKIS evaded income taxes on his bookmaking income.

SETTIPANE and DEMARKIS pled guilty pursuant to plea agreements in which they have agreed to forfeiture their limousine business and other assets valued at \$320,000, which they obtained with their illegal earnings.

The case was investigated by Special Agents of the Internal Revenue Service, Criminal Investigations and the Massachusetts State Police. It is being prosecuted by Assistant U.S. Attorney Paul G. Levenson of Sullivan's Public Corruption Unit and John McAdams, of the U.S. Department of Justice Tax Division, in coordination with John T. Dawley, First Assistant District Attorney for Essex County.

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