

Agency Information

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Document Information

ORIGINATOR : FBI
FROM : DODGE, HAROLD F.
TO : DIRECTOR, FBI

TITLE :

DATE : 06/01/1970
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SUBJECTS :

JRO, ATTEMPTS TO OBTAIN MONEY, PROPERTY
SETTLEMENT, OWNERSHIP, GIFTS GALORE, INC., STATUS
OF PROSECUTION, CURRENT ACT, REL, APPEAR, FGJ, BANK
STATEMENTS, TELEPHONE ACCOUNT, SUBSCRIBERS

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FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE LOS ANGELES	OFFICE OF ORIGIN LOS ANGELES	DATE 6/1/70	INVESTIGATIVE PERIOD 12/15/69 - 5/15/70
TITLE OF CASE JOHN ROSELLI		REPORT MADE BY HAROLD F. DODGE	TYPED BY rsr
		CHARACTER OF CASE AR	

REFERENCES: Report of SA HAROLD F. DODGE dated 12/19/69, at Los Angeles.

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ADMINISTRATIVE

Attempt to Extort Money
From MOE DALITZ

During the past several months, beginning in the first part of January 1970, SD 1064-C-TE has furnished information concerning acts by ROSELLI to extort money from MOE DALITZ. The activities in this connection as reported by this informant, are being set out in full.

ACCOMPLISHMENTS CLAIMED					X None	ACQUIT- TALS	CASE HAS BEEN:	
CONVIC.	AUTO.	FUG.	FINES	SAVINGS	RECOVERIES		PENDING OVER ONE YEAR	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
							PENDING PROSECUTION OVER SIX MONTHS	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO

APPROVED *W661 Jap* SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

COPIES MADE:

- ③ - Bureau
- 1 - USA, Los Angeles (ATTN: Special Prosecutive Division)
- 1 - ALFRED N. KING, Attorney in Charge, Strike Force, Los Angeles
- 1 - Las Vegas (92-467) (Info.)
- 2 - Los Angeles (92-113)

Dissemination Record of Attached Report

Agency	CC. AAG, Criminal Division,
Request Recd.	Organized Crime and Racketeering
Date Fwd.	
How Fwd.	Section, Room 5744
By	

92-3267-1030

REC-41

18 JUN 4 1970

NINE
STAT. SECT.

66 JUN 19 1970

LA 92-113

The following information was furnished by
LA 4412-C-TE:

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LA 137-2807

At BOMPENSIERO's residence on 1/15/70, the latter told informant that it is imperative that he go to Las Vegas to see YALE COHEN. Informant stated that BOMPENSIERO's reason for seeing COHEN has nothing to do with any of BOMPENSIERO's business with SIMPONIS or informant. BOMPENSIERO told informant COHEN wanted him to see a man near Cucamonga, California, and he, BOMPENSIERO, has not been able to locate this person.

On the morning of 1/27/70, BOMPENSIERO telephonically advised informant that he has no choice but to go to Las Vegas on 1/29/70, to see COHEN. He requested informant drive him from Los Angeles to Las Vegas for that purpose.

On the night of 1/28/70, BOMPENSIERO telephonically instructed informant to pick him up at the Los Angeles International Airport, PSA Terminal, 11:00 a.m., 1/29/70, which informant did. They immediately departed via informant's automobile to Las Vegas.

On 1/30/70, informant advised that he and BOMPENSIERO arrived at Las Vegas approximately 5:30 p.m. the previous day. Informant located SIMPONIS in the card room at the Star Dust Hotel and obtained the key to SIMPONIS's room in that hotel. At BOMPENSIERO's instructions, informant tried unsuccessfully to contact "PEANUTS" DONALFO. He then contacted YALE COHEN by telephone. BOMPENSIERO requested COHEN meet him at SIMPONIS' room which the latter did within ten minutes. After usual greeting, informant excused himself and left them alone.

BOMPENSIERO subsequently told informant that a close friend of his named JOHN, had sent him to see COHEN to get COHEN to make an appointment for JOHN with one of the top owners of the Star Dust Hotel, who BOMPENSIERO identified to informant as MOE GENSER. (San Diego has advised that JOHN is actually JOHN ROSELLI and that he wants a sitdown meeting with MOE DALITZ). Informant advised BOMPENSIERO did not go into further detail but told him that the less he knew about this matter the better off he would be because it is a very sensitive and serious situation.

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LA 137-2807

At 7:30 a.m. on 1/30/70, informant telephonically furnished the above information stating he had just driven BOMPENSIERO to Los Angeles International Airport and that he would probably leave from San Diego on an 8:00 a.m. flight. He stated that BOMPENSIERO told him that even though he was very tired from their travel, he had to contact several people before getting any rest in connection with the meeting between COHEN, JOHN, and MOE.

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On 3/2/70, SD 1064-C-TE returned from Los Angeles and advised by telephone as follows:

Following instructions from Los Angeles LCN hoodlum ROSELLI, he met him at 2:00 p.m., on 3/1/70, at the Hyatt House, Beverly and Rodeo, Beverly Hills, California. A short time later, he observed DALITZ and YALE COHEN (casino manager, Stardust Hotel, Las Vegas) leave the Beverly Wilshire Hotel in a white Cadillac.

DALITZ and COHEN then met ROSELLI and informant at the Hyatt House. ROSELLI did not want to talk there and suggested they all move on to the Brown Derby Restaurant nearby.

Informant advised that ROSELLI thereafter informed DALITZ he wanted money he felt was due him for helping to arrange the sale of the Desert Inn and Stardust Hotels in Las Vegas to HOWARD HUGHES. DALITZ immediately objected to ROSELLI's statement claiming that he had anything to do with the sales. ROSELLI insisted on continuing. ROSELLI told DALITZ that it was through his efforts DALITZ was allowed to remain on in the management of the Stardust and Desert Inn after it was sold to HUGHES which allowed DALITZ and his group to continue highly profitable skimming operations on markers. ROSELLI claimed that during the pre-sale negotiations he was present with GEORGE GORDON and MORRIS KLEINMAN, and that he (ROSELLI) was supposed to get \$60,000 per month from the time of the sale until the time DALITZ and his group left the management of the hotel.

ROSELLI indicated that he received none of this money. He also indicated that his \$60,000 a month due him was not for him alone, but that he also had to distribute some of it to "his people", nodding toward the informant. ROSELLI indicated that as a result of his efforts, DALITZ was able to sell the Desert Inn and Stardust at a high price and still continue to skim money from markers owed. ROSELLI explained that he was now short of money as a result of continued legal pressure and two recent convictions in Federal Court. ROSELLI ended up by saying that DALITZ received an extra one million dollars from the sale of these hotels as a result of his efforts.

Informant advised that thereafter, DALITZ denied having any knowledge of any agreement with ROSELLI regarding

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given instructions to contact ROSELLI in California and not in Miami.

By this time, ROSELLI realized that it was useless talking to LA PORTE, and they left, dropping ROSELLI off at Beverly and La Cienega Boulevards.

Enroute back to San Diego, LA PORTE indicated that TONY ACCARDO had no use for ROSELLI, and that ROSELLI had lost his power with the Chicago LCN when former Boss SAM GIANCANA left. Chicago LCN will not pay for ROSELLI's legal expenses.

LA PORTE left for Chicago on American Airlines Flight 62, on 4/8/70.

On 4/9/70, LA 4412-C-TE advised that on the previous night, he had received a telephone call from FRANK BOMPENSIERO, who was calling from San Diego. At this time, BOMPENSIERO told informant that he has to take a guy who is a "big man from east" to court in Los Angeles on 4/12/70, and that man must catch a plane from San Diego to Chicago later in the day.

On 4/7/70, San Diego 1064-C-TE advised that he would be in Los Angeles on 4/7/70.

Subsequently, the same morning, San Diego 1064-C-TE advised that he was driving FRANK LA PORTE (LCN Capo from Chicago) to Los Angeles for a meeting with JOHN ROSELLI, and Attorney JAMES CANTILLON's office at noon.

On the morning of 4/7/70, physical surveillance of JOHN ROSELLI was instituted at ROSELLI's residence by Special Agents of the Los Angeles Office. The names of the agents conducting this surveillance can be obtained from the surveillance logs maintained in the la serial of instant file.

In general, this surveillance revealed the following:

At 11:20 a.m., ROSELLI left his address at 1333 South Beverly Glen Boulevard, West Los Angeles, California, and proceeded via Santa Monica Boulevard towards Beverly Hills in a yellow cab, Number 4323.

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SA ANDREW J. STEFANAK contacted the driver of the cab, JOHN DAVIES, who advised that at approximately 11:20 a.m., he picked up a passenger from Room 803, at 1333 Beverly Glen Boulevard, and dropped this passenger off at the corner of Wilshire Boulevard and El Camino Street in Beverly Hills.

At approximately 11:59 a.m., ROSELLI was observed walking east on Wilshire Boulevard in the 9200 block on the south side of the street. He was dressed in grey slacks and a dark blue or black sports jacket.

At approximately 12:03 p.m., ROSELLI was observed entering the Gibraltar Building at 9107 Wilshire Boulevard, Beverly Hills, California, which is the location of the office of JAMES CANTILLON.

At about 1:06 p.m., ROSELLI, FRANK BOMPENSIERO, and a short heavy set man, later identified by surveilling agents from photographs as FRANK LA PORTE, left the Gibraltar Building by the rear entrance, and walked west through an alley to Oakhurst Avenue, and slowly walked north. BOMPENSIERO walked ahead of FRANK LA PORTE and JOHN ROSELLI, who stopped and talked for several minutes. At about 1:20 p.m., the above three men entered a blue Mustang, bearing California License Number XWV 052, which was parked on the east side of Oakhurst Avenue, about half way between Wilshire Boulevard and Clifton Avenue.

This car proceeded to the vicinity of Paul's Steak House located at the corner of Burton Way and Doheny Boulevard.

At approximately 3:00 p.m., ROSELLI, BOMPENSIERO, and LA PORTE exited from the rear of Paul's Steak House and walked over to the blue Mustang, which was parked on Doheny Boulevard just north of Burton Way, where they stood and talked for a few minutes, and at 3:04 p.m., they entered the Mustang and then went north on Doheny Drive. At this time the surveillance was discontinued.

Attempts by ROSELLI to
Obtain Money through Property
Settlement of SARI POSNER

For a number of months, from time to time, information has been received from Los Angeles 4476-C-TE, that

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OZZIE CURTIS of Los Angeles, who is a cousin of Mrs. SARI POSNER, originally came to informant and stated that his cousin, Mrs. POSNER, some time ago, was divorced from her husband, and at the time of the divorce, was awarded a sum of money, which had been agreed upon in a premarital contract. However, subsequent to the marriage, Mr. POSNER, who resides in Florida, had become worth an estimated \$500,000,000, whereas when he was married, his estimated wealth was approximately \$40,000,000. Source then contacted ROSELLI for a recommendation for an attorney in Miami who could represent Mrs. POSNER to get the premarital property agreement nullified and obtain a much greater sum of money from Mr. POSNER.

ROSELLI recommended an attorney named FRANK REGANO of Miami. An agreement was then made by the informant, ROSELLI, and REGANO, that Mrs. POSNER would receive fifty percent of any additional money received in a settlement, and the remaining fifty percent would be split in half and half would go for REGANO and SANTO TRAFFICANTE, and the other remaining 25 percent would go to the informant and would be split three ways between OZZIE CURTIS, JOHN ROSELLI, and the informant. Informant advised that he would expect the settlement to be not less than \$25,000,000, and the share he would receive, to be split with ROSELLI and CURTIS, he estimated would be in the neighborhood of \$3,000,000.

On 3/27/70, source advised that he received a telephone call earlier that morning from FRANK REGANO, who advised that on the previous night, 3/26/70, the Florida Superior Court made a ruling, which in effect, permitted the premarital property settlement to be judged individually, therefore, there was a chance for him to now go into court and seek the SARI POSNER premarital agreement be nullified, and a settlement made according to the wealth of her husband, at the time of the divorce.

ROSELLI's Ownership of
Gifts Galore, Incorporated

On 5/18/70, and 4/14/70, MAURICE H. FRIEDMAN, former partner of the New Frontier Hotel, advised in general that in 1966 and 1967, JACK SHAPIRO was a point holder in the New Frontier Hotel, Las Vegas, Nevada, and in FRIEDMAN's opinion, held points in his name for ANTHONY ZERILLI and MKIE POLIZZI, Detroit hoodlums. FRIEDMAN then advised as follows:

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paying back VINNIE for her interest. FRIEDMAN says that VINNIE got a \$20,000 check from BREEN at the time he purchased her interest. While SHAPIRO was still at the Frontier, he told VINNIE DONATO to let a person named NORMAN ALLEN put a jewelry counter in her gift shop, and she was required to do this which resulted in loss of money to her because he was there a short time and ran up bills, and also had charge accounts from customers at the hotel which were not paid and that she was stuck with.

On 4/14/70, MAURICE FRIEDMAN advised SA WAYNE W. HILL and SA HAROLD F. DODGE that three or four months ago, while on a plane, he met the head of International Hosts. During the conversation, this man, whose name FRIEDMAN did not recall, told FRIEDMAN that International Hosts was interested in buying Gifts Galore, Incorporated for ten times the yearly earnings. FRIEDMAN stated that he estimated the yearly earnings to be \$25,000 to \$30,000.

FRIEDMAN subsequently called HARRIET HAMILTON, who is a member of a law and accounting firm, which represents ROSELLI, and told her about this offer, and asked her to contact her client to see if her client wanted to sell Gifts Galore, Incorporated, on the above terms.

Later, HARRIET HAMILTON advised FRIEDMAN that her client was not interested.

FRIEDMAN stated that he estimated the gross income of Gifts Galore, Incorporated, to be about \$600,000 per year.

On 3/14/70, LV 211-PC advised SA M. B. PARKER that he had seen ROSELLI in Los Angeles approximately two weeks prior to 3/14/70, and informant stated that ROSELLI was broke and had borrowed money from everyone he could.

Informant stated ROSELLI had a lease on Gifts Galore, Incorporated, shop in the Frontier Hotel, which he secured when the hotel was owned by the previous owners such as JACK SHAPIRO, et al, and was secured to MAURICE FRIEDMAN, who built the Frontier.

Informant stated that HUGHES! Nevada Operation, which owns the Frontier Hotel, has had numerous lawyers reviewing the contract to see if it can be broken, since the

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INFORMANTS

LA T-1	LA 5040-C
LA T-2	ALLAN DUNCAN Administrator Sansum Medical Clinic Santa Barbara, California
LA T-3	LA 4129-C
LA T-4	LA 4476-C-TE
LA T-5	PRI
LA T-6	
LA T-7	
LA T-6	SD 1064-C-TE

LEADSLOS ANGELES

AT LOS ANGELES, CALIFORNIA: (1) Will continue to conduct investigation regarding ROSELLI's activities.

(2) Will follow prosecution presently pending against ROSELLI.

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FEDERAL BUREAU OF INVESTIGATION
POSTPONEMENT INFORMATION SHEET (JFK MATERIALS)

10 Page(s) withheld entirely at this location in the file.
One or more of the following statements, where indicated,
explain this deletion (these deletions).

- Deletions were made pursuant to the postponement rationale indicated below with no segregable material available for disclosure. All references relate to Section 6 of the "President John F. Kennedy Assassination Records Collection Act of 1992."
- Subsection 1A (intelligence agent's identity)
- Subsection 1B (intelligence source or method)
- Subsection 1C (other matter relating to military defense, intelligence operations or the conduct of foreign relations)
- Subsection 2 (living person who provided confidential information)
- Subsection 3 (unwarranted invasion of privacy)
- Subsection 4 (cooperating individual or foreign government, currently requiring protection)
- Subsection 5 (security or protective procedure, currently or expected to be utilized)

Information pertained to a matter unrelated to the JFK Assassination investigation.

For your information: 10(a)(2)

The following number is to be used for reference regarding this page (these pages):

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