



9-2015

## July to September 2015

Follow this and additional works at: <http://digitalcommons.osgoode.yorku.ca/summaries>

---

### Recommended Citation

"July to September 2015" (2015). *All Summaries*. 6.  
<http://digitalcommons.osgoode.yorku.ca/summaries/6>

This Article is brought to you for free and open access by the Quarterly Summaries of Recent Events: Organized Crime in Canada at Osgoode Digital Commons. It has been accepted for inclusion in All Summaries by an authorized administrator of Osgoode Digital Commons.

# July to September 2015

## Organized Crime in Canada: A Quarterly Summary

### Organized Crime Activities

- Drug Trafficking
  - Cocaine
  - Fentanyl
  - Poly Drug trafficking
  - Drugs and Weapons
- Money Laundering

### Organized Crime Genres

- Italian Organized Crime
- Outlaw Motorcycle Gangs

## Organized Crime Activities

### Drug Trafficking

#### Poly Drug Trafficking

In October, the RCMP in Nova Scotia announced it have seized a tractor-trailer carrying various amounts of illegal drugs. The Mounties say as part of an ongoing investigation the 18-wheeler was pulled over during a traffic stop just outside of Brooklyn, about 60 kilometres west of Halifax. When they searched the truck they found 272 kilograms of marijuana, 19,800 LSD tablets, approximately two kilograms of magic mushrooms, 47 methamphetamine pills and a small amount of cocaine. The drugs were packed in plastic and then placed in large wooden crates on the flat bed of the truck with a tarp thrown over them. The driver of the transport truck was arrested and charged with four counts of trafficking and one count of possession of a controlled substance.

Sources: [CTV News, Oct. 6, 2015, RCMP seize 18-wheeler full of pot, LSD, magic mushrooms](#); [Global News, Oct. 6, 2015, RCMP seize 18-wheeler filled with pot, LSD, magic mushrooms](#)

#### Cocaine

During the summer, the Canada Border Services Agency made two significant cocaine seizures from commercial tractor-trailer trucks at the Ambassador Bridge border crossing between Detroit and Windsor.

The first was on July 27, when it seized 52 kilos after the driver was referred to a secondary examination by CBSA officers. While searching the truck, 52 bricks of suspected cocaine hidden inside three duffel bags and a tote located in the storage areas of the truck were discovered. The 26-year-old driver from Scarborough was arrested.

The second seizure occurred on September 16, when CBSA officers found approximately 24 kilos of cocaine inside a commercial truck after the 45-year-old driver was referred for a secondary examination. It was during this inspection that CBSA officers discovered 20 bricks of cocaine. The driver, who is from Guelph, Ontario, was charged with possession for the purposes of trafficking and importation of a controlled substance.

**Source:** [Government of Canada News Release, August 31, 2015, Seizure of 52 kg of suspected cocaine leads to arrest at the Ambassador Bridge](#); [Oakland Press, Sept. 24, 2015, 24 kilos of cocaine seized at Ambassador Bridge](#)

## **Fentanyl**

At the end of August, Montreal police raided a vacant store in that city as part of a wide-ranging investigation into an “active organization” that is alleged to have been manufacturing large quantities of fentanyl. The early morning raid followed the arrest of a 41-year-old man from Laval and seizure of chemicals at an industrial warehouse in Dorval.

“It’s a big operation,” said Constable Manuel Couture of the alleged underground fentanyl lab. “It’s considered an active organization.”

Not long thereafter, in early September, the RCMP announced it had raided and shut down what they called a “high-volume” fentanyl lab located in a home in Burnaby, B.C. Police seized a pill press capable of producing 18,000 tablets an hour among other equipment, said Staff Sgt. Duncan Pound. The RCMP’s Clandestine Laboratory Enforcement and Response Team also seized commercial pill coating and sorting machines, a cocaine press, \$35,000 in cash, and a supply of fentanyl pills. Police said the drug lab was shut down before it became fully operational.

“This portion of the lab is mixing the fentanyl with binding agents and creating the tablets, as opposed to a lab that is producing fentanyl chemically,” Staff Sgt. Pound was quoted as saying.

Cpl Derek Westwick, who is with the RCMP’s Clandestine Laboratory Enforcement and Response Team told reporters, “I’ve been to a number of labs. This is as sophisticated as they come.”

The investigation into the drug lab started when the CBSA intercepted a pill press in November of 2014 at the Vancouver International Airport’s air cargo facilities.

Pound acknowledged that the bust would have limited impact on the current spread of fentanyl since the lab was not become fully operational.

A 26-year-old man was charged in June with production and possession of drugs for the purpose of trafficking. Police say the man was making pills that looked like the prescription painkiller Oxycontin, but instead was splicing fentanyl into the product. Masquerading fentanyl as Oxycontin is a common practice among illegal synthetic drug manufacturers in Canada. Oxycontin, which has been widely abused in recent years, has been made harder to obtain through a variety of measures, according to Dr. Dan Werb of the International Centre for Drug Policy. In addition, modifications have been made to the legal production of Oxycontin that prevents it from being crushed for snorting or smoking.

As a result, illicit drug manufacturers are turning to the cheaper fentanyl to put into their products, even though the opioid is much more potent than Oxycontin. That means pills are often produced with much more opioids than intended, which increases the likelihood of an overdose.

At least 655 people in Canada have died from overdoses in which fentanyl was the cause or a contributing factor from 2009 to 2014, according to statistics by the Canadian Centre for Substance Abuse. The centre has warned that those statistics are likely an underestimate. The Globe and Mail reported that fentanyl was suspected in at least 16 overdoses in Vancouver on a single day in August of this year. All of them had injected heroin that police suspect was laced with fentanyl. Between May and August, the Montreal Public Health Department has reported at least five fentanyl overdoses, of which three were fatal. In each case, the drug was injected intravenously. At the end of September, Calgary police proclaimed that the city is experiencing a public health crisis after two people died over the past two weeks and 14 others ended up in hospital as a result of using fentanyl. They also provided statistics indicating that from January to June of 2015, 45 people in Calgary died from fentanyl use. There were 145 deaths in Calgary in 2014 related to fentanyl.

Fentanyl is likely being imported into Canada from other countries, and then mixed in with other substances. According to CBC News, fentanyl “appears to be flowing along a well-worn drug trafficking route — killing some of its users in the same way tainted ecstasy did before. Authorities theorize the potent painkiller is being imported from Asia to the West Coast, then moved to the black market in B.C. and Alberta by organized crime groups ... It’s a pattern reminiscent of early 2012, when investigators were probing the source of batches of ecstasy mixed with an unknown, lethal additive as deaths stacked up.”

Professor Robert Gordon, a criminologist at SFU, told the CBC that much of the fentanyl supply in B.C. originates from China and possibly Turkey as a cheap raw powder that gangs in Canada press into pills.

In September, the Brampton Guardian newspaper reported that a Brampton man was charged with importing powdered fentanyl into Canada from China. The RCMP was tipped off by U.S. authorities on August 25 about a parcel containing 513 grams of the drug being smuggled into Canada.

Cpl. Luc Chicoine, the RCMP’s national drug program co-ordinator, said China-based pharmaceutical-grade producers of the synthetic drug could be the fountainhead for organized crime groups. He added that the drug is being smuggled into Canada in numerous ways, from

inside shaving kits on passenger planes, to couriers, to large quantities in commercial marine containers.

B.C. appears to be the epicentre for production of fentanyl-laced pills; police in that province have found approximately 20 production facilities pressing imported powder into tablets.

Multiple criminal gangs are involved in the importation of fentanyl and its production into pills in Canada and they're cashing in on low production overheads, said Sgt. Lindsey Houghton, with B.C.'s Combined Forces Special Enforcement Unit.

"Fentanyl is not being made here, it's being made elsewhere ... then coming to here and then it gets into the hands of the people who mix it in their bathtub and put in some blue dye or green dye and get a pill press and make it into fake Oxy," he said.

Pills can sell upwards of \$50 to \$100 on the street in some communities, he added. "You can make a lot more money mixing fentanyl in with (other substances) then trying to sell heroin or coke."

In July of this year, police in Lethbridge, Alberta arrested three men who were in possession of 500 fentanyl pills, with an estimated street value of \$26,000.

In October, Winnipeg police told the media they made their first major arrest related to the sale of fentanyl, after two people were arrested and roughly 160 grams of the drug was seized. Officers seized 81 grams of fentanyl powder and six fentanyl pills, which weighed about 80 grams. Police also seized \$17,455 in Canadian currency.

**Sources:** [Montreal Gazette, Aug. 30, 2015, Police raid Montreal North store in major fentanyl drug operation](#); [Montreal Gazette, Sept. 4, 2015, Man accused of producing fentanyl in Dorval faces new charges](#); [CBC News, Sept. 3, 2015, RCMP display equipment seized in raid on Burnaby fentanyl lab](#); [CTV News, Sept. 4, 2015, Fentanyl, weapons found in drug lab bust](#); [Globe and Mail, Sept. 3 2015, RCMP announce charges in fentanyl bust in Burnaby](#); [CBC News, Aug. 8, 2015, Fentanyl brought to B.C. by organized crime, experts say](#); [Brampton Guardian, Sept. 8, 2015, Brampton man charged with importing illegal drug into Canada](#); [CBC News, Oct. 7, 2015, Winnipeg police make 1st major fentanyl-trafficking arrest](#); [Vernon InfoNews.Ca, Aug. 12, 2015, Fentanyl death count surges in Canada](#); [CTV News, Sept. 30, 2015, Calgary police warn of fentanyl public health crisis](#); [Alberta Law Enforcement Response Teams News Release, July 14, 2015, Fentanyl supply seized outside of Lethbridge](#)

## **Drugs and Weapons**

In early October, the Ontario Provincial Police laid 48 charges against 13 people as a result of an investigation into a smuggling operation that brought both drugs and weapons into Canada. At a news conference, OPP officials told the media that illegal drugs, primarily cocaine, were being smuggled into Canada from Trinidad and Tobago, St. Lucia and Guyana, and then distributed in the Toronto area as well as in Newfoundland and Labrador. The group was also responsible for smuggling prohibited guns into Canada from Florida.

The OPP announced that as a result of the 18-month investigation, code-named Project Monto, it had seized 123 kilograms of cocaine (worth an estimated \$12.2 million), 22 firearms, \$146,000 in Canadian currency, four vehicles, and money-counting machines.

Twelve of those arrested and charged were from the Greater Toronto Area, while the thirteenth suspect, who is from Guyana, was still at large. All of the 13 were charged with drug trafficking offences while two were also charged with weapons trafficking offences.

Project Monto involved members from the OPP, police forces in the GTA, the RCMP, Canada Border Services Agency officers, and U.S. Homeland Security.

**Sources:** [Canadian Press, October 8, 2015, 13 accused of bringing drugs, guns into Canada](#); [CBC News, October 8, 2015, \\$12.2M in cocaine seized in Canada-wide police investigation](#)

&&&

Police in Calgary were also shutting down a criminal operation that trafficked in drugs and weapons. Three people were arrested after officers with the Calgary Police Service seized more than 200 weapons from what they called a suspected “fence house” located in the northeast part of the city. Among the weapons seized as part of a raid on October 1 were four modified shotguns (two loaded), more than 20 replica firearms, four compound bows and one crossbow, 194 “edged” weapons (ranging from sharpened swords to throwing knives). Approximately \$50,000 in stolen tools was also found by police, in addition to marijuana and cocaine.

Police say the arms were part of a bartering system in which stolen property was traded for cocaine and marijuana. According to the Calgary Herald, “the size of the operation was so vast that investigators needed nine pallets and a five-tonne cube van to transport all the bows, swords, shotguns, bags of ammunition and other assorted weaponry.”

The three arrest each face multiple stolen property, drugs and weapons-related offences.

**Sources:** [Calgary Herald, Oct. 8, 2015, More than 200 weapons seized as part of investigation sparked by northeast violence](#); [Global News, Oct. 8, 2015, Over 200 weapons seized from northeast Calgary home](#)

&&&

Officials with the Alberta Law Enforcement Response Team (ALERT) announced in late August that a large amount of drugs and an arsenal of weapons were seized in a series of raids in three Edmonton homes that took place on August 14. According to ALERT, an estimated \$100,000 worth of drugs was seized, including 26 grams of cocaine, nearly 2,000 illicit prescription pills, 30 grams of MDMA powder, 20 grams of psilocybin, and 1,357 grams of marijuana. In addition to the drugs, eight firearms were seized. This included three semi-automatic rifles – one modified and equipped with a silencer – as well as a Glock handgun that had been illegally converted to a fully automatic weapon capable of shooting 1,200 rounds per minute. Thousands of rounds of

ammunition were also seized. Police also confiscated a cocaine press, along with nearly 40 kilograms of an unknown buffing agent, as well as \$13,355 in cash. As a result of the investigation four people are each facing dozens of charges. Police believe the individuals were trafficking drugs in Northern Alberta.

**Source:** [CTV Edmonton, August 27, 2015, High-powered guns and drugs seized in series of raids](#)

## Money Laundering

At the beginning of August, Postmedia News reported on a Canada Border Services Agency document indicating that the Vancouver International Airport (YVR) is the primary port of entry for millions of dollars in cash smuggled into North America by mostly Chinese citizens.

The CBSA report provides statistics on the frequency and scope of seizures by Canadian border officials of “undeclared assets.” This term refers to cash and financial instruments over \$10,000 that is not declared by people coming into Canada to border agents (federal law stipulates that cash and financial instruments, such as cheques, over \$10,000 must be declared to CBSA agents).

Among the findings contained in the CBSA document and reported by Postmedia News:

From June 2012 to December 2014, \$56.3 million in undeclared assets were seized by CBSA agents from all travellers (\$19.4 million seized from Canadians); of this total, approximately \$10 m was seized at YVR (the majority of seized Chinese citizens).

Since 2011, YVR accounts for 30% of all undeclared asset seizures across all official ports of entry (land, sea, and airports).

YVR accounted for more than half the undeclared assets seized from Chinese citizens across all Canadian ports of entry.

CBSA seized \$17.4 million from Chinese nationals at all Canadian ports of entry; this was four times more than undeclared assets seized from U.S. citizens coming into Canada.

Undeclared assets seized from Chinese citizens at YVR are double the amount seized from Chinese nationals at all U.S airports.

The amount of undeclared assets actually detected by CBSA officials is only a fraction of the cash and financial instruments smuggled into Canada from China.

According to Postmedia News, “Experts said Vancouver appears to be targeted by Chinese citizens because Canada’s forgiving border laws allow seized cash to be returned for minimal

finances. As well, permissive property investment rules and loose reporting compliance in the real estate industry make Vancouver homes the perfect vehicle for illicit offshore investment.”

Indeed, [recent news reports](#) as well as federal probes have focused on how Vancouver’s hot real estate market has become increasingly vulnerable to money laundering.

“A lot of the illicit money coming into Canada from Chinese citizens is laundered through real estate in Vancouver,” Hayley Labbé, a senior forensic investigator with the firm MNP LLP, was quoted as saying.

Postmedia News reports that “Over the past 10 years, newly rich Chinese have increasingly sent cash abroad by a variety of legal and illegal means. According to U.S. anti-money laundering organization Global Financial Integrity, China leads the world in illicit cash outflows with a staggering \$1.25 trillion US leaving the country in the past decade ... In 2012, the last full year measured by Global Financial Integrity, China saw \$249.57 billion US in illicit money transferred abroad.”

It is believed that Vancouver’s real estate market is the ultimate destination of much of the cash and financial instruments smuggled into the country. As Postmedia News notes, “... experts believe there are major gaps in compliance for reporting of suspicious transactions in Vancouver’s real estate industry” and that some realtors “are turning a blind eye — or even in some cases participating in illegal schemes.”

The Province newspaper reported on how Vancouver’s real estate industry was the target of a money laundering audit commissioned by Canada’s financial intelligence unit Fintrac (The Financial Transactions Reporting Agency) and carried out by accounting firm Grant Thornton. According to the newspaper, the Grant Thornton study confirmed that “the purchase of Canadian real estate assets with offshore money and/or by offshore persons” was a “significant risk factor” for money laundering.

This audit was prompted because Canada’s real estate sector is at higher risk of money laundering compared to other sectors, and “that realtors may be turning a blind eye to money laundering,” according to the Province.

In addition, according to the Grant Thornton report, “there is often no quality and ethics infrastructure in place,” in the Vancouver real estate industry. There is also a “high number of cash transactions,” and “significant portions of the sector are apparently unengaged” in complying with the anti-money laundering regulations that FINTRAC administers.

However, according to the newspaper,

Some experts say an even bigger money-laundering risk in B.C. real estate is a loophole involving lawyers and trust funds. ... After fighting for years in the courts for an exemption from Fintrac’s reporting requirements, Canadian lawyers claimed a decisive victory in February when the Supreme Court of Canada ruled the federal government could not hold lawyers to the same standards as other Fintrac-regulated sectors because that would violate solicitor-client



privilege. The result is that lawyers do not have to report suspicious transactions to Fintrac, and do not face the same federal scrutiny that realtors do, all amid concerns of vast flows of illicit offshore wealth into Canadian property.

The Grant Thornton report cites the use of legal trust accounts as a specific area of concern for the real estate sector, primarily because lawyers are exempt from FINTRAC's reporting requirements.

Sources: [Postmedia News, Aug. 4, 2015 Vancouver airport acts as major entry port for millions in cash smuggled by mostly Chinese citizens](#); [The Province, Aug. 25, 2015, Canada's dirty money detection system broken all the way through](#); [The Province, August 24, 2015, Federal audit takes aim at money-laundering real estate transactions in Vancouver area](#); [Embassy News, Aug. 12, 2015, High risk of dirty money in Canadian real estate, says report ordered by financial intel agency](#); [CBC News, Aug. 25, 2015, Real estate bought with offshore cash raises money laundering concerns](#)

&&&

The real estate market is not the only commercial sector in Canada that has been singled out recently for facilitating money laundering by Chinese nationals. In October, the Globe and Mail reported, "Some Canadian banks allow wealthy Asian investors to skirt Chinese law by helping them bring in large amounts of money that is often used to buy real estate in Vancouver."

It is illegal for Chinese citizens to remove more than (US) \$50,000 annually from China without government permission. "But a review of B.C. court cases by The Globe found they have worked around this restriction by sending millions of dollars into Vancouver-area banks through multiple wire transactions of smaller amounts by family and friends."

In particular, the newspaper cites a recent B.C. court case in which the Canadian Imperial Bank of Commerce (CIBC) "regularly helped wealthy clients move large amounts of money out of China – using several transactions and multiple third parties – even though the bank is familiar with Chinese law."

"This process is often conducted using different remitters in the same Chinese city sending funds to one or more accounts in CIBC, then through a common financial adviser get the funds collected back in one account – to be paid out to a law firm," Kim Clark, a CIBC corporate-security investigator testified during one court case.

Clark's testimony was made during the course of wrongful dismissal suit by Guiyun Ogden, who was a financial adviser with CIBC's Imperial Service unit and who managed the portfolios for wealthy Chinese clients in Vancouver. According to the Globe and Mail, Ogden "helped a client move \$500,000 (U.S.) out of China by using friends and relatives to send 10 wire transfers into 10 different CIBC accounts overnight. Ms. Ogden then transferred the money into another account for her client to use as a down payment on a \$5.7-million (Canadian) Vancouver mansion."

Ms. Ogden was fired for moving some of that money through her own CIBC accounts, but the bank apparently supported the practice of multiple transactions, seemingly to circumvent the afore-mentioned Chinese laws.

The testimony from CIBC's Kim Clark suggested the practice "enabled the client to say, 'I am not bringing in \$500,000 (U.S.) from China; me and these nine other third parties are each bringing in \$50,000.'"

As the South China Morning Post argues, "That CIBC would draw a line at mingling a banker's money with their client's seems like good common sense – but it's what CIBC deemed to be on the 'acceptable' side of the line that is striking. According to both the original judgment and the appeal ruling, it was the practice of CIBC to support clients dodging China's US\$50,000 export limit."

In money laundering parlance, breaking large financial transactions into smaller ones to avoid government reporting laws is referred to as "structuring" and it is one of the most frequently used money laundering techniques since reporting requirements were first introduced in the U.S. in the 1980s.

The Globe and Mail also cites "other B.C. cases in family court that show how millionaires moved their money out of China through multiple transfers into Canadian bank accounts held by spouses and relatives here."

Vancouver lawyer Christine Duhaime was also quoted in the South China Morning Post as saying that in Canadian banking circles, the practice of structuring was "quite widespread for money moving from China to Vancouver", at least among individuals if not companies.

**Source:** [Globe and Mail, Sept. 8, 2015, Canadian banks helping clients bend rules to move money out of China](#); [South China Morning Post, Oct. 7, 2015, CIBC aids wealthy Chinese break the rules](#)

## Organized Crime Genres

### Italian Organized Crime

Four men, who police allege are the leaders of ethnic Italian criminal organizations in Ontario were named as suspects in a major conspiracy in Europe involving drug trafficking, fraud, weapons offences, fencing of stolen goods, forgery, and money-laundering.

The four men are: 50-year-old Cosimo Figliomeni, of Vaughan, 45-year-old Antonio Coluccio, formerly of Richmond Hill, 52-year-old Angelo Figliomeni of Vaughan, and 70-year-old Domenico Ruso of Brampton.

They are in addition to the more than a dozen current or former residents of Canada who were named as suspects by prosecutors in Italy as part of a national and international investigation.

Among those in Canada named by Italian authorities are: 66-year-old Carmelo Bruzzese, his son 30-year-old Carlo Bruzzese and Rocco Remo Commisso (who was convicted in 1981 of three counts of conspiracy to commit murder and in 1984 for involvement in a bombing in which one person was killed).

Other suspects named by Italian authorities, as reported by the National Post are: “Nicola Coluccio, born in 1944; Antonio Crupi, born in 1995; Francesco Commisso, born in 1956; Francesco Commisso born in 1948; and Francesco Crupi born in 1992. Also named by Italian authorities are three brothers who lived in Canada before returning to Italy: Antonio Coluccio, Giuseppe Coluccio and Salvatore Coluccio.

(In October, Carmelo Bruzzese was deported from Canada to Italy. The deportation was unrelated to this case; Bruzzese had been in custody in Canada since 2013 and had been wanted since 2010 when he was indicted as part a major Italian police investigation into the ‘Ndrangheta code-named Project Crimini. He was arrested in Canada in 2013 on immigration infractions and was subsequently deemed inadmissible to Canada because of his suspected membership in the ‘Ndrangheta. He had permanent living status in Canada since the 1960s, but was not a citizen. Italian authorities had Interpol issue an arrest warrant based on charges back in Italy related to his alleged mafia associations. According to the National Post, “In Italy, Bruzzese is named as one of the most important bosses among the ‘Ndrangheta, the proper name of the Mafia in Italy’s Calabrian region. Authorities say he is an important link between powerful clans in Italy and in Canada”).

Italian prosecutors allege that seven different ‘Ndrangheta clans are located in Ontario, which are led by Vincenzo Tavernese, Cosimo Figliomeni, Antonio Coluccio, Angelino Figliomeni, Cosimo Commisso Vincenzo (Jimmy) DeMaria, and Domenic Ruso.

In total, more than 50 people were arrested or are wanted for arrest in Italy for their alleged involvement in the conspiracy.

“This investigation is important because it involves the richest ‘Ndrangheta families that are able to work at the same level compared to the American Mafia and have control of ‘Ndrangheta organizations in Canada, especially in Toronto,” Italian prosecutor Nicola Gratteri announced.

“We are speaking about the most powerful ‘Ndrangheta families,” he told reporters in Italy. “We are dealing with the ‘Ndrangheta elite. We are really speaking about the true ‘Ndrangheta.”

Italian Prosecutors filed so-called detention orders against the accused in Rome and in Reggio Calabria, the capital of the southern Italian region where the ‘Ndrangheta is based.

There were no immediate signs that anyone in Canada was being arrested as a result of the probe, sources say.

According to a National Post article, prosecutors in Italy said their investigation focused on several key clans, all of whom have a long and strong influence in Canada: Commisso, Aquino-Coluccio and Crupi clans.”

“There are definite links to Canada,” an Italian government source was quoted as saying in the National Post article.

The National Post notes that the investigation in Europe began when police eavesdropped on conversations between two former residents of Ontario.

The conversations in Italy between a man deported from his life of luxury in Toronto in 2008, and his brother, who left Canada under pressure from authorities in 2010, sparked the drugs, guns and money probe that brought the arrest of more than 50 alleged mafiosi in Italy and warrants against a dozen men living in Canada.

The probe began after the release from an Italian prison of Giuseppe Coluccio, 49, who was deported from Canada in 2008 to face his sentence.

After his release in 2012, he worked to re-establish his family’s position in the top echelons of the Mafia, authorities in Italy say. Wiretaps allegedly captured him discussing plans with his brother, Antonio Coluccio, 46, who lived in Richmond Hill, north of Toronto, until 2010.

The Coluccio brothers came to Canada in 2005 from Marina di Gioiosa Jonica, a town on Italy’s Ionian coast.

They are sons of a respected Mafia member who was killed in a mob feud when the boys were still young. They revere their father, and Antonio had a five-foot-tall painting of the patriarch hanging inside his million-dollar home north of Toronto.

Giuseppe, the eldest of three sons, was seen in Toronto as the leader of the family and was immediately accorded power and respect. Known locally as “Joe,” he is said to have immediately been elevated to Ontario’s Camera di Controllo — the board of control for local clans of the ‘Ndrangheta (the proper name of the Mafia born in the Italian region of Calabria).

The ongoing investigation in Europe linked suspected members of two ‘Ndrangheta clans in Italy with illicit trafficking in the Dutch flower market.

According to the Dutch web site, NLTimes.nl,

Authorities in the Netherlands focused in on the Aalsmeer flower auction, where flower traders and deliverers were brought in for questioning on a multi-million euro scheme to defraud flower suppliers, possibly smuggle drugs, steal millions in chocolate, and plan the assassination of victims who came forward ... It began with affiliates of the criminal organization building up trust with florists by placing small orders that were paid without issue. Around big holiday celebrations in Italy, the ‘Ndrangheta would place huge orders with the florists, but after delivery the businesses were told that the company placing the order had gone into bankruptcy and the orders would go unpaid. Damages ranged from tens of thousands of euros on up to two million, the newspaper said. The investigation into the actual transportation of the flowers is ongoing, though authorities still are not certain if drugs were smuggled with the flowers. When one or two of those who was swindled in the scam began warning florists of the scheme, ‘Ndrangheta

members operating in Amsterdam began plotting his assassination. When police discovered the plot they were able to take down the entire enterprise.

The same groups were also accused of fencing approximately 250 tonnes of Lindt chocolate, worth more than (US) \$7.9 million, which was stolen in Italy last year.

Commenting on this case, Rome deputy prosecutor Michele Prestipino told a news conference, “This operation has shown that the ‘Ndrangheta families today have the financial and human means to colonise outside their home territory and demonstrate “great flexibility, adapting to markets that offer the most opportunity to get rich.”

**Sources:** [National Post, Sept. 29, 2015, Alleged Toronto-area Mafia leaders named as suspects in massive Italian crime probe](#); [Sun Daily News, Sept. 20, 2015, Italian police arrest 48 ‘Ndrangheta mafia suspects](#); [National Post, Sept. 30, 2015, Italy’s probe against ‘elite’ Mafia clans sparked by chats between two former residents of Canada](#); [NL Times, Sept. 29, 2015, Dozens arrested in Italian mob flower auction investigation](#); [Toronto Sun, Oct. 3, 2015, Suspected Mob boss deported to Italy](#); [National Post, Oct. 3, 2015, Suspected Mafia boss deported in renewed push from Canada and Italy against the mob](#); [Vaughan Citizen, Oct. 8, 2015, Carmelo Bruzzese deported to Italy](#)

&&&

In September, the home and vehicle one of Hamilton’s most infamous mafiosis was the target of an apparent arson attack. Firefighters arrived at the east -end home of Pasquale (Pat) Musitano to put out flames that began in his 2013 Ford Edge SUV and then spread to houses on both sides of the driveway. Police estimated the financial cost of damage resulting from the fire was approximately \$60,000. However, they did not indicate whether the fire was the result of arson.

As the Hamilton Spectator notes, Pat Mustiano along with his brother are well known to police in the city.

In 2006, Pat Musitano, now in his late 40s, was released from prison along with his younger brother Angelo following convictions for conspiracy to commit murder in the shooting death of Niagara crime boss Carmen Barillaro in 1997.

They were sentenced to 10 years in prison in 2000.

They were originally charged with first-degree murder in the 1997 contract killing of Hamilton mob boss Johnny (pops) Papalia.

A plea bargain allowed the brothers to plead guilty to the lesser offence regarding Barillaro, who was killed at his Niagara Falls home. The charges in the Papalia killing were dropped.

**Sources:** [Hamilton Spectator, Sept. 22, 2015, Hamilton mobster’s SUV found on fire in east end driveway](#); [National Post, Sept. 21, 2015, House and SUV of Hamilton Mafia figure hit by arson attack in the night](#)

# Outlaw Motorcycle Gangs

## Atlantic Canada

In August, the RCMP in New Brunswick made a public appeal for any information that may help a seven-year-old investigation into the suspected murder of Mario Bergeron, a full patch member of the Quebec Hells Angels. Bergeron disappeared in April 2008 at the age of 43. The RCMP believe he was murdered and his body buried somewhere in the Sainte-Anne-de-Madawaska region of New Brunswick, possibly with the use of heavy equipment. Police have already searched the area, without finding his remains.

Investigators are asking anyone who may have seen suspicious activity in the area during the period in question, or noticed heavy equipment being used in an area that was not under construction, to contact them, he said.

“We firmly believe Bergeron’s murder was related to organized crime and there is no threat to the general public,” New Brunswick RCMP Supt. Daniel Nowlan told a news conference in Edmundston. Nowlan indicated that police had suspects in mind but did not divulge any further information.

**Source:** [CBC News, Aug. 7, 2015, Murdered Hells Angels biker may be buried in N.B.](#)

&&&

During the summer, the Gate Keepers, a motorcycle club aligned with the Hells Angels, founded two new chapters in Nova Scotia: one in Halifax’ and one in Sydney. The new chapters are a clear indication of the Hells Angels desire to have a strong presence in the city and the province.

“It’s a push by the Hells Angels to expand,” Cpl. Mike Kerr of the combined forces intelligence unit said. “Clearly, they want to show an interest in Halifax.” Police claim the Gate Keepers are controlled by the London, Ontario chapter of the Hells Angels. That city is home to chapters of both motorcycle clubs.

The clubhouse for the new Halifax chapter is located in a densely populated area surrounded by residential neighbourhoods, businesses and a community centre.

The RCMP believe the Gate Keepers have located a chapter in Halifax to counter a move last summer by the Bacchus MC into Harrietsfield, a rural residential community in the Western region of the Halifax Regional Municipality.

Stephen Schneider, an associate professor in the Department of Sociology and Criminology at Saint Mary’s University told the CBC that the relationship between the Bacchus and the Gate Keepers is complicated. While they’re both competing to be the dominant motorcycle club in the province, the Bacchus has been aligned with the Hells Angels in the past, and there is no indication of direct conflict between the two clubs.

Cpl. Kerr also indicated that the Gate Keepers and Bacchus appear to have a “mutual tolerance” for one another. “There isn’t any information suggesting that there’s any violence towards either group.”

“The point is the Bacchus moves one of their clubs into Halifax, the Hells Angels have to do the same thing with the Gate Keepers,” Schneider said.

The back patch worn by Halifax Gate Keepers claims a home turf called “Mainland.” Kerr said police are puzzled by that geographical part of their insignia. “That remains unknown,” he said of the turf claimed by the bikers.

Schneider says he knows of no evidence indicating the Gate Keepers are involved in illegal activity in Nova Scotia. However, “there’s a plethora of evidence and cases and data that various Hells Angel’s affiliate clubs have undertaken criminal activity on behalf of the Hells Angels.”

With the two new additions in Nova Scotia, the Gate Keepers now operate seven chapters in the province.

The HA has not had a chapter in Nova Scotia since their only Halifax chapter had to close down due to a series of arrests of its members by police.

**Sources:** [CBC News, Aug. 27, 2015, Gate Keepers motorcycle club opens Halifax clubhouse on Fern Lane](#); [Chronicle Herald, Sept. 4, 2015, Hells Angels’ support club comes to Halifax, North Sydney](#)

&&&

At the end of July, the RCMP in Newfoundland and Labrador laid 12 charges against members of the Bacchus MC and its affiliate clubs as they travelled to the province for a “run.” Police were lying in wait after learning that several outlaw motorcycle clubs were planning on coming to Newfoundland from the Maritimes, Quebec and Ontario at the end of the month. RCMP officers were stationed near the Marine Atlantic terminals as well as around the province’s airports and highways in anticipation of the 200 or so bikers expected to descend upon the province.

According to the St. John’s Telegram, “A Crime Suppression Team, made up of specially trained officers from the RCMP and RNC, is working on information received from a number of sources to manage the events. These officers know exactly who’s coming to town, their criminal history and what they’re here for, and team members will be present at every event...”

As a result, approximately 50 of the bikers were stopped on the island. The RCMP and Royal Newfoundland Constabulary laid charges, and while they would not confirm what the charges were, police can stop vehicles under the Highway Traffic Act and to check for compliance with various laws.

The Bacchus MC has chapters across Canada, including one in St. John's and in Grand Falls-Windsor, a town located in the central region of the island of Newfoundland.

Among those arriving, according to the St. John's Telegram, included a group of Hell's Angels who came via the ferry.

The motorcycle clubs involved in the run are involved in organized crime, police said. According to a CBC report, "The RCMP believe the groups are coming to Newfoundland to discuss criminal activity ranging from prostitution to money laundering and the drug trade."

Source: [CBC News, July 24, 2015, Outlaw bikers to converge on Avalon peninsula, central Newfoundland, RCMP say](#); [CBC News, July 30, 2015, Bikers charged by RCMP after getting off Marine Atlantic ferry](#); [CBC News, July 31, 2015, More outlaw bikers stopped and charged](#); [The Telegram, July 31, 2015, 'They're not here to play'](#)

## Quebec

A Superior Court judge in Quebec presiding over a murder trial involving Hells Angels members granted a defence motion for a stay of proceedings, thereby ending their trial, after ruling the Crown withheld evidence from the defence for years. As the Montreal Gazette reported on October 10:

In a stunning decision delivered at the Gouin Courthouse on Friday, Superior Court Justice James Brunton ended the murder trial of five men who were alleged to have been members of the Sherbrooke chapter of the Hells Angels, between 1994 and 2002, while the biker gang was at war with its rivals across Quebec. The men — Claude Berger, 66; Yvon Tanguay, 65; François Vachon, 43; Sylvain Vachon, 48; and Michel Vallières, 48 — were all charged with conspiracy to commit murder over the eight-year period but also faced first-degree murder charges as well. As a result of Brunton's ruling, they all walked away free men on Friday ... About 10 prosecutors who were in the room looked stunned by Brunton's criticisms about how they had only disclosed key evidence to the defence a month ago.

Brunton made the decision exactly one month after the jury had begun hearing evidence. At that time, the Crown told Brunton it was in possession of new evidence concerning two previous investigations into the Hells Angels. Defence lawyers had been demanding the Crown disclose the evidence pertaining to those investigations since April 2011. In December 2011, the Crown responded to the request simply by stating "The documents requested are not in our possession."

According to the Gazette, that evidence contradicts the testimony given by a key informant for the Crown who took the stand earlier in the trial.

When the evidence was finally disclosed to the defence last month they learned that it included statements that would have allowed them to challenge the credibility of Sylvain Boulanger, a former Hells Angel who turned informant and the most important witness in Operation SharQc. The evidence involved the murder of Sylvain Reed, a man who was killed on March 12, 1997 ... Four of the five accused were charged with murdering Reed and Boulanger had given statements



to police alleging they and other members of the Sherbrooke chapter were involved in the slaying. However, the documents turned over to the defence last month revealed the police had evidence, from two other informants, describing a completely different scenario behind the murder.

Brunton was highly critical of the Crown and police for failing to disclose the evidence and conceded that the refusal to disclose the evidence in a timely manner made it impossible for a new trial to commence.

“No other remedy can make up for the abuse described in this judgment,” Justice Brunton said in his 17-page decision. “The court doesn’t hesitate to conclude that it has before it a serious abuse of process ... This abuse goes beyond negligence or even vexatious actions. It constitutes an attack on the fundamental principles of fairness that all criminal cases should benefit from.”

Brunton said that the prosecutors had adopted “a desire to win at all costs to the detriment to the fundamental principles that form the foundation of our penal justice system.”

Jean-Pascal Boucher, a spokesperson for the provincial Crown, said the prosecutor’s bureau would read Brunton’s decision carefully before deciding whether to appeal.

The murder trial stemmed from charges laid as part of Operation SharQc, a massive police project that culminated in the arrest of almost every member of the Hells Angels in Quebec in April 2009. Charges were laid against 156 people in total, including a number of the HA’s associates. Since then, more than 100 of those charged pleaded guilty to taking part in a general conspiracy to commit murder.

The most recent HA member to enter a guilty plea is Émery Martin who pleaded guilty to conspiracy to commit murder in August. Martin, who is from New Brunswick, was arrested in 2009 during the SharQc investigation. Martin was sentenced to 15 years and eight months in prison, but was released without having to spend any more time in prison because his pre-trial detention since 2009 counts as time served.

Another 31 of the accused were released in 2011 after the judge ruled there had been unreasonable delays in their cases. Brunton was also the judge who ordered this stay of proceedings.

The last two men arrested as a result of Operation SharQc who have yet to have their charges dealt with, Robert Bonomo and John Coates, will be tried in January 2017.

**Source:** [Montreal Gazette, Oct. 10, 2015, Judge orders end of SharQC Hells Angels trial over Crown’s handling of evidence](#); [CTV News, Oct. 9, 2015, Five Hells Angels members freed, trial cut short](#); [CBC News, Aug. 8, 2015, Hells Angels biker mega-trial: Émery Martin sentenced, released](#)

&&&

In July, the RCMP, the Surete du Quebec, and Montreal Police arrested five men believed to be linked to the Devil's Ghosts, which police consider an affiliate of the Hells Angels in Quebec. As part of the arrests, police seized four sets of brass knuckles, a rifle, ammunition, bulletproof vests, and about a kilogram of cocaine as well as vests with the insignia of the Devil's Ghosts gang. The investigation was launched when witnesses called police in late July to say someone had been shooting into the air from a van. All five men are expected to face weapons and drug possession charges when they appear in court.

The Montreal Gazette reported in March that the Devil's Ghosts are based in Montreal and have approximately 12 members. That month, members of the gang were arrested as part of a drug investigation that seized 70 kilos of hashish after search warrants were carried out at a commercial building in Montreal. Police alleged the building was used as the Devil's Ghosts hangout for months.

According to the Gazette, this drug investigation "was yet another sign the Hells Angels have gone back to using underling, or puppet gangs, to do their dirty work. After using a vast underling network during the 1990s, the Hells Angels suddenly stopped using puppet gangs sometime after 2001, when several members became prosecution witnesses in large-scale criminal cases. But in recent months there have been signs the underling system is back."

**Sources:** [CTV News, July 22, 2015, Police arrest five gang members linked to shooting](#); [Montreal Gazette, March 19, 2015, Hells Angels underling gang based in West Island](#)

## **Ontario**

Steve Sinclair, a member of the Gate Keepers motorcycle club in London, Ontario was shot and killed on September 9. He was murdered outside a social club frequented by members of the local chapters of the Gate Keepers and the Hells Angels.

According to the London Free Press, "Sinclair had leased space in the single-storey building to operate a club frequented by members of the Gate Keepers, a support club for the Hells Angels that has chapters in Perth, Elgin and Middlesex counties." Neighbours told the newspaper that the private club was often the scene of wild parties that sometimes turn violent.

Police responded to reports of a shooting at the plaza shortly after 5 a.m. Sinclair was in critical condition when paramedics took him to hospital. He was pronounced dead shortly thereafter.

Police quickly arrested five people for the murder of the 49-year-old. One of those arrested and charged with first degree murder was a 15-year-old boy.

Police also confirmed that they had recovered the weapon believed to have been used in the shooting.

No further details about the accused have been released and police have not commented on a possible motive. They won't say if the boy is from London, if he was known to police, if he was known to the victim, nor if gang activity was involved.

Before the arrests were made, police issued a description of the suspect: a slim black man, between 18 and 22 years old and between five-foot-eight and five-foot-eleven tall.

While scant, the descriptions of the suspected killer suggest that a local street gang may have been behind the murder. The Hells Angels chapter in London was the target of violence and arson in January 2012 as a result of what police called a turf war with rival street gangs over the city's illegal drug trade. Five businesses, some with connections to members of the HA, were set ablaze and two people, one of them a full-patch member, were shot.

Sources: [London Free Press, Sep. 8, 2015, 'There will be more violence'](#); [CFPL AM 980, September 18, 2015, 15-Year-Old Charged in Deadly East London Shooting Due Back in Court Oct.16th](#)

## **Alberta**

Two members of the Hells Angels in Alberta had their appeals quashed by the Alberta Court of Appeal in August as the judges supported the harsh sentences in relation to their involvement in a "multi-kilogram" cocaine trafficking ring in Fort McMurray.

Thirty-eight-year-old Alan Knapczyk and 39-year-old John Alcantara were both given 10-year sentences in 2012 after being found guilty of conspiring to traffic in cocaine for a criminal organization, however they were acquitted of cocaine trafficking charges. The Crown appealed the acquittal and the Appeal Court sided with the Crown, thereby finding Knapczyk and Alcantara also guilty of drug trafficking.

"(It) is an inescapable conclusion that the respondents aided and abetted the offence of trafficking through distribution," the court's decision read.

Knapczyk and Alcantara were arrested in December of 2006 as part of an RCMP investigation into Fort McMurray cocaine kingpin Jeffrey Caines. The men were paid to protect Caines' gang and deal with competing drug trafficking organizations. All three men were arrested in December 2006 as part of a lengthy RCMP-led investigation known as Project Koker.

Alcantara is currently serving a 14-year prison term on an earlier conviction for conspiring to traffic cocaine that was rendered in a separate case.

Caines is also serving a 14-year sentence after he pleaded guilty to conspiracy to traffic cocaine and possession of proceeds of crime. In that case, the court heard that Caines oversaw 27 shipments of cocaine – in which the minimum quantity of one shipment was 54 kilos – over a 41-week period and earned nearly \$500,000 in profits.

According to a Sunmedia article, “The trial involving Alcantara and Knapczyk began in late 2009 with the Crown attempting to prove that the pair conspired with Caines to traffic cocaine. The case was bogged down in legal arguments for several years. During the trial, the court heard Caines paid the two outlaw bikers \$20,000 per week to protect his operation and ensure he was the only supplier in the area and no one stole from him.”

**Sources:** [Edmonton Sun, August 17, 2015, Hells Angels members have appeals quashed in Alberta’s top court](#)

## **British Columbia**

In August, following a two-month undercover operation, the Vancouver Police Department raided and shut down Limelife Society, a medical marijuana dispensary that they suspect has links to at least one high-ranking member of the Hells Angels.

The allegations were contained in an “Information to Obtain a Search Warrant” (ITO) document, which police presented to a judge to obtain permission to search properties related to the marijuana dispensary

According to the Vancouver Sun, “Several of the people involved in the operation of the Rupert Street Limelife dispensary are connected with Brian Oldham, 48, a full-patch member of the Kelowna chapter of the Hells Angels. ... Undercover officers also identified Shane Schuhart, 31, as a Hells Angels associate who identified himself as a property representative for another Limelife Society dispensary on Granville Street.” (Limelife operates five medical marijuana dispensaries in Vancouver).

In 2012 Oldham, who is believed to be the sergeant-at-arms with the Hells Angels Kelowna chapter, was charged in connection with a major cocaine trafficking operation along with seven others, including Hells Angels Kelowna vice-president David Giles.

In the warrant, police say the Rupert Street Limelife dispensary appeared to be run by 52-year-old Ricky Jack Radu, who police say is an associate of Oldham and has convictions or charges for a variety of trafficking or assault offences.

The ITO indicates that Limelife did not have a valid license under Health Canada’s Medical Marijuana Access Program to sell pot.

Just two days earlier, the Vancouver Sun reported that another major player in Vancouver’s medical marijuana dispensaries has a long criminal record and even complained to police about harassment by the Hells Angels.

This information is contained in an ITO for a warrant to raid Weeds Glass + Gifts located in Kitsilano which is run by Donald Briere. The search warrant application, filed with the courts in April, shows that Briere had been convicted of a number of criminal offences, including possession of property obtained in a crime, drug possession; drug possession for the purpose of

trafficking, careless storage of a firearm, possessing a weapon, prohibited device or ammunition, and proceeds of crime offences.

According to the Sun, the ITO indicates that Briere filed a complainant with police alleging a Hells Angels member threatened him over his plans to open a new marijuana dispensary in East Vancouver.

“The investigation was for extortion. However, because Briere didn’t provide pertinent information to police, it was never established what the relationship was between Briere and a known member of the Hells Angels.”

When contacted by the Vancouver Sun, Briere reportedly said, “They didn’t want me to go there,” and later denied in the interview he was threatened by the Hells Angels.

The newspaper reported that “Briere has a long history on B.C.’s marijuana front. He made headlines in 1999 after RCMP busted a network of grow-ops that Crown counsel said was the largest B.C. network it had ever seen. After serving two years in prison, he started Da Kine on Commercial Drive, which was soon raided for selling pot over the counter.”

It is illegal in Canada to sell marijuana in stores. But faced with a proliferation of dispensaries claiming to sell medicinal marijuana, the City Vancouver has decided to regulate them pending the outcome of a court case to decide how marijuana is distributed to legitimate medical marijuana users.

**Sources:** [Vancouver Sun, Aug. 19, 2015, Vancouver police shut down pot dispensary linked to Hells Angels](#); [Vancouver Sun, Aug. 17, 2015, Vancouver pot seller’s criminal past, and more evidence of Hells Angels in dispensary business, alleged in court documents](#)

&&&

In its eight-year battle to seize three Hells Angels’ clubhouses in B.C., the provincial Civil Forfeiture Office has changed tactics and is now arguing that the properties should be forfeited to the Crown because they will likely be used to commit future crimes. This is a shift in tactics as they have been arguing before the courts to this point that the clubhouses should be handed over to the government because they have been used to commit crimes in the past.

In early August, B.C. Supreme Court Justice Barry Davies approved the change of tactics, and agreed to combine the government’s claims against Hells Angels clubhouses in Nanaimo, Kelowna and Vancouver’s East End into a single trial.

“It is a paradigm shift,” Phil Tawtel, executive director of the Civil Forfeiture Office said to the media. “It’s putting in a different emphasis. It’s putting what was in the background in the foreground and putting what was in the foreground into the background.”

According to the Vancouver Sun, “Since the first claim was filed against the Nanaimo chapter in 2007, Tawtel’s office has been repeatedly stymied in its attempts to bring the cases to trial.

Government lawyers had advanced claims of past crimes committed by Hells Angels members including extortion and murder, but the judge found those allegations to be lacking in sufficient detail. The province's change in strategy means all of those allegations have been thrown out in favour of the future crimes argument."

**Source:** [Vancouver Sun, August 6, 2015, Provincial government changes course on Hells Angels clubhouse battle, Aug. 6, 2015](#)