

had never previously placed bets, Rose and Chevashore explained the mechanics and language of betting to him.211/ Chevashore informed him that there were special "key words" that he should use when placing a bet over the phone in the event the phone was being tapped.212/ Specifically, Chevashore explained that Janszen should never use the word "bet" or ever refer to Pete Rose when placing a bet for him.213/ Instead, Janszen was

(Footnote continued from previous page.)
testimony; and because Janszen volunteered to undergo another examination, we employed one of the foremost polygraphers in the United States to conduct an examination of Janszen. Janszen submitted to polygraph examinations on two consecutive days and was asked the following questions:

1. In '87, did Pete Rose use you as a middleman to place major league baseball bets?
2. In '87, did you place major league baseball bets for Pete Rose with Ron Peters?
3. In '87, did Pete Rose place bets with you as the middleman on the Cincinnati Reds to win?
4. Besides on the 1987 All-Star game, was Pete Rose wagering \$2,000 per game with you?

On both days, Paul Janszen passed the examination and showed no deception.

211/ Janszen Dep. at 36.

212/ Janszen Dep. at 37.

213/ Janszen Dep. at 37.

directed to say "my friend," and Chevashore would accordingly know that this friend was in fact Pete Rose.^{214/} With this understanding, the Rose-Chevashore connection was cemented, using Janszen as Rose's runner. According to Chevashore, Rose specifically instructed him that Janszen would handle all of his gambling business:

CHEVASHORE: You mean when he was in Florida - when you were there in Florida?

JANSZEN: Right, remember how it would be?

CHEVASHORE: I understand. I had to go over to see him in the dugout and he used to say, well didn't you see Paulie, he's supposed to take care of everything, remember that.^{215/}

Rose, Janszen and Chevashore had an understanding that the size of the bets Janszen was placing for Rose would always be for \$2,000, "no matter what the game was, no matter when the game was being played."^{216/} Janszen explained that he did not

^{214/} Janszen Dep. at 38.

^{215/} Janszen-Chevashore Conversation at 5.

^{216/} Janszen Dep. at 37. Steve Chevashore was contacted twice during this investigation. At the initial interview, on March 9, 1989, Chevashore verified that he was first introduced to Pete Rose by "Mario, the Cuban" at the racetrack in Tampa. Although Chevashore admitted cashing Pete Rose's betting stubs at the racetrack for him, Chevashore denied handling any other betting action for either Pete Rose or Paul Janszen. Chevashore was not comfortable during the interview, and concluded by telling the investigators: "You know, the guy owes money, he should pay it. That's all I can tell you. I'm sorry, I just can't say anything. I can only tell you, I hope you solve the problem without anyone getting hurt. I hope that everybody gets taken care of. I hope it goes like that." Steve Chevashore Interview, March 9, 1989, at 3. See Exhibit 43.

(Footnote continued on next page.)

have the financial capability to place these bets himself.^{217/}
Rose denied that Paul Janszen ever placed bets for him on
baseball, football or basketball games, or did anything other
than possibly place a bet for him at the racetrack.^{218/}

As the Janszen-Chevashore relationship continued,
Janszen learned the identity of the bookmaker whom Chevashore
used to place Rose's bets. Janszen never knew his last name,
but his nickname was Val, and he was located in Staten Island,
New York.^{219/}

In April 1987, Rose asked Janszen to continue placing
the bets with Steve Chevashore in Florida. At this time, Rose

(Footnote continued from previous page.)

On April 24, 1989, Chevashore was contacted again. He
immediately informed the investigator that he could not speak
to him because he had broken his arm "throwing a baseball."
Chevashore further explained that he had not played baseball
for 20 years prior to this injury and he offered no explanation
as to why he suddenly went back to the game. Memorandum from
Kevin Hallinan to John Dowd, April 25, 1989. See Exhibit 44.

^{217/} Janszen Dep. at 37.

^{218/} Rose Dep. at 84.

^{219/} Janszen Dep. at 38.

was betting on baseball, basketball and hockey.220/ Rose's betting activity is corroborated not only by the other evidence previously described, but also by documentary evidence such as betting sheets showing bets on baseball games in Rose's own handwriting;221/ Janszen's betting notebook;222/ and the numerous telephone calls to Chevashore from Janszen's home and Rose's home.223/ In mid-April 1987, Chevashore directed Janszen to place Rose's bets directly with Val in New York:224/

JANSZEN: This maybe started, we started our betting on 4/7/87, direct betting with Val began maybe on 4/17/87....

JANSZEN: I'm sorry 4/17/87. Our time period right now is April, May and June 1987. There is basketball and then of course there is baseball on there.225/

Janszen's betting notebook for this time period contains the

220/ Janszen Dep. at 44.

221/ See Exhibit 16.

222/ Janszen's betting notebook reflects betting on baseball from April 8 to May 12, 1987. See Exhibit 12.

223/ Janszen Dep. at 44. This documentary evidence is discussed more fully in a later section. See Sections IV-V; see also Exhibit 45.

224/ Janszen Dep. at 45.

225/ Janszen Interview, February 24-25, 1989, at 27.

word "Val," and telephone records during this time period began to show calls to Val in New York.^{226/} Thereafter, Janszen, and occasionally his girlfriend, Danita Marcum, contacted Val directly to place the bets:

DOWD: Did you bet on the Cincinnati Reds baseball team at the request of Pete Rose?

MARCUM: Yes.

DOWD: While he was Manager of the Cincinnati Reds baseball team?

MARCUM: Yes.

DOWD: And you placed those bets with Ron Peters?

MARCUM: Yes. Not as many times as Val. Just a couple of times with Ron Peters.^{227/}

One incident which occurred during this period illustrates that Janszen indeed did not have the financial capability to place large bets for himself. The incident occurred when Marcum, at Janszen's request, called Val to place bets on the games of May 14, 1987. Janszen asked Marcum to put "three" on the Cincinnati-Montreal game for him, in addition to the bets being placed for Rose. Marcum got confused and bet "three dimes" (\$3,000). When the error was discovered, Marcum called Val, the bookmaker, directly to try to change the bet.

^{226/} See Section V; see also Exhibit 45.

^{227/} Marcum Dep. at 19.

In a taped conversation between Paul Janszen and Steve Chevashore on December 27, 1988, Chevashore confirmed the incident, and that Rose was betting on the Cincinnati-Montreal game:

CHEVASHORE: OK. I want you to verify this.

JANSZEN: That, you...I...Stevie...

CHEVASHORE: I just want to tell you the story because I don't know what happened that day. Danita called up and she bet 3 dimes. She said you and Pete wanted to bet 3 dimes on Cincinnati, they were playing Montreal.

JANSZEN: Right.

CHEVASHORE: Listen to the story. So, she calls back Val and she says, Val you got to cancel the bet I made a terrible mistake.

JANSZEN: Yeah

CHEVASHORE: She says they don't want that thing. So Val says, Look Danita, if there's no score, I'll do you the favor. I'll cancel the bet.

JANSZEN: Right.

CHEVASHORE: Am I right?

JANSZEN: Right.

CHEVASHORE: So, Val calls up, they're leading 6 nothing, so what's Val going to do. He can't cancel, he's only a clerk, right.

JANSZEN: Uh um.

CHEVASHORE: He says, I'm sorry I can't do nothing about it. [PAUSE ON THE TAPE] ...Send me the 13970, I'll send you back the 3,000 that you have to eat at the bank.

JANSZEN: Now, what happened was that night I had asked Danita for me, I was leaving here OK, and Pete

- you know, what happened was Pete would call here about every night about like a quarter to seven

CHEVASHORE: Yeah

JANSZEN: And leave the..you know, the numbers of the teams he wanted and when I was leaving here I told her I wanted 3 on Cincinnati myself. Well, when she started you know putting in Pete's and everything else, she got confused and put 3 dimes for me and instead of 3 dimes it should have been 3 nickels

CHEVASHORE: Right.228/

As it turned out, the Reds came from behind to beat the Expos 10-9, so Janszen did not lose the \$3,000.

Janszen continued to place bets on baseball and other sports with Val on behalf of Rose until the middle of May 1987 when Val refused to take any more bets from Pete Rose because of Rose's unpaid debts.229/ Janszen testified that he then made arrangements at the request of Rose to place bets with Ron Peters.230/

Throughout the time Rose was placing bets with Val, the New York bookmaker, through Chevashore and Janszen, he was constantly delinquent on his gambling debts, which were due for

228/ Janszen-Chevashore Conversation at 22-24.

229/ Janszen Dep. at 58-60.

230/ Janszen Dep. at 60.

payment on Mondays.^{231/} The conversation below between Janszen and Chevashore establishes the Rose-Chevashore-Val connection and Rose's failure to pay his debts on time:

JANSZEN: OK. Well, I did and I explained to him [Rose] that you guys wanted business taken care of every Monday.

CHEVASHORE: Right, right.

JANSZEN: OK. Well, every Monday came around and every Monday he had another excuse for me.

CHEVASHORE: Right.

JANSZEN: Now, in Florida I was betting like up to 250, 3 up to 500. OK. He was doing two dimes.

CHEVASHORE: Right, and you used to add on to it.^{232/}

* * * * *

JANSZEN: OK, now let me explain what happened.

CHEVASHORE: Yeah.

JANSZEN: When, remember when every Monday, like three Mondays came and went, and there was no more money sent?

CHEVASHORE: Right.

JANSZEN: And Val kept saying, man, and you kept saying, you got to get things taken care of. Well, I kept going to the son of a bitch saying, straighten it up, not only pay the balance, but pay me my fuck'n money.

^{231/} Janszen Dep. at 38, 58-59.

^{232/} Janszen-Chevashore Conversation at 6.

CHEVASHORE: OK.

JANSZEN: And he kept coming up with excuses,
Stevie, I heard every excuse.

CHEVASHORE: Paul, he used to tell me, Stevie, he's
in, he flew to St. Louis, he's got a
\$25,000 check that is not cleared yet,
remember you used to give me...233/

* * * * *

CHEVASHORE: I know yourself. You got yourself, you
used to keep telling me stories, don't
worry, he'll take care of them. You
used to say to me, Jeez, could he carry
it over for like three weeks or a
month, but they couldn't do it, those
people.234/

* * * * *

JANSZEN: Can I ask you something Steve. I just
want to ask you something. Do you
believe what I'm saying to you?

CHEVASHORE: Well, you know something Paulie. I'll
tell you why I believe you. Because
you know what they said to me. The
guys in the office, the bosses, they
said, this guy probably did this before
with other people.

JANSZEN: Yep.

CHEVASHORE: OK?

JANSZEN: Yeah.

CHEVASHORE: They said, something is not right here.

JANSZEN: Yeah.

233/ Janszen-Chevashore Conversation at 10-11.

234/ Janszen-Chevashore Conversation at 25.

CHEVASHORE: Because you know what they said, if you were the culprit and wrong, he is supposed to take care of it because we did everything under his merit.

JANSZEN: Yep.

CHEVASHORE: If you were doing something wrong, which you're telling me you didn't..

JANSZEN: Yeah.

CHEVASHORE: ...he's still supposed to take care of this because, you know, we did everything under him. We figure, well we'll never get in trouble anything that's called up by you, he's got to stand by.

JANSZEN: Yeah.

CHEVASHORE: Do you understand?

JANSZEN: Yeah.

CHEVASHORE: Am I right?

JANSZEN: That's absolutely right. 235/

* * * * *

CHEVASHORE: You might have gotten your balls twisted if I kept calling you to say Paul you got to send this thing because they've got to pay other people and you said Steve you're right. Danita told me all the time, Stevie, you're right. My boyfriend is trying to do the best he can you know. She says, it's his fault because you know, he didn't leave checks, he has \$25,000 worth of checks that weren't any good. Hey, let me tell you something. When you gave me

235/ Janszen-Chevashore Conversation at 36-38.

that check for \$7500. You remember the first time, and it was no good?

JANSZEN: And who did that check come from?

CHEVASHORE: It was his.

JANSZEN: That's right.

CHEVASHORE: And you know something. He exposed himself doing that. Because you know what they did. When they first got the check when they were gonna cash it they went to the bank and it was no good and the people were looking and I think they made a photostatic copy of that too.

JANSZEN: Oh really.

CHEVASHORE: Yeah, I think they did.236/

* * * * *

Chevashore's statement to Janszen about Rose giving a check for \$7,500 which was "no good" finds support in the records of Rose's personal account at the First National Bank of Cincinnati. While the bank records do not show a \$7,500 check actually "bouncing," they do reveal that two checks totalling \$7,500 were paid by the bank on March 31, 1987, which caused the account to be overdrawn. While the checks were not returned by the bank, Rose's account was charged a \$10 "NSF"

236/ Janszen-Chevashore Conversation at 39-40.

fee for each item.237/ The \$7,500 represents two checks written to cash by Pete Rose and cashed at Tampa Bay Downs: one dated March 26, 1987 for \$5,000; and the other dated March 29, 1987 for \$2,500.238/ Rose acknowledged these were his checks.239/

Rose explained that when something like this happens, the bank would call his accountant, Bob Chaiken, who would immediately put money into the account.240/

In the taped conversation between Janszen and Chevashore, Chevashore discussed a mid-May 1987 conversation with Rose in which Rose acknowledged betting, but claimed he stopped during the Reds trip to New York on May 4-6, 1987:

237/ Pete Rose Account Statement at First National Bank of Cincinnati, April 13, 1987. See Exhibit 46.

238/ Pete Rose Personal Checks #444, dated March 26, 1987, and #445, dated March 29, 1987. See Exhibit 47.

239/ Rose Dep. at 172-174.

240/ Rose Dep. at 177-178. On March 31, 1987 and April 3, 1987, two additional checks, each written to cash for \$6,000 and causing the account to be overdrawn, were paid by Rose's bank which charged a \$10 "NSF" fee for each item. Both of these checks were cashed at a dog track in Florida. Pete Rose Personal Checks #446, dated March 31, 1987, and #447, dated April 3, 1987. See Exhibit 48.

Finally, Rose wrote a check to cash for \$7,500 on April 6, 1987, which was cashed in New York. Pete Rose Personal Check #449, dated April 6, 1987. See Exhibit 48. Rose thought this check may have been for Mike Bertolini in New York. Rose Dep. at 180.

CHEVASHORE: I can't understand that. I mean, I have to believe you Paulie, but you know, the only thing is, when I spoke to Pete when you were there and he said, I says, Pete you know we keep falling behind this and that and you know they won't take any more action I don't know what the figure was

JANSZEN: Yeah.

CHEVASHORE: Maybe it was 15 or 16. He said Stevie I stopped betting when we were in New York on the last trip. He said I'm not betting any - I haven't bet in over ten days. I said so whose betting this? So, we thought it was you making

JANSZEN: No, no

CHEVASHORE: ...betting everything under him.

JANSZEN: No, no.

CHEVASHORE: And, that's what he said to me. He said I'm not betting anymore. 241/

Chevashore, however, acknowledged that Janszen could not have been betting on his own, for several reasons:

CHEVASHORE: He [Rose] said this [post May 6, 1987 betting] was yours personally, [but] he never said that you were betting and using his name, you know.

JANSZEN: Stevie, do you really think that I would have been betting \$2,000 every game.

CHEVASHORE: No, you couldn't afford that.

241/ Janszen-Chevashore Conversation at 13-14.

JANSZEN: Thank you. I mean I just hope.

CHEVASHORE: Paulie, I don't know you, but to me I don't think [it was] you. You know why?

JANSZEN: Ok.

CHEVASHORE: Because it makes sense that when you used to call me up I would say when you called those guys in New York, you used to say you know, give me 2 dimes [\$2,000] for Pete and add 3 [\$300] for me. I remember, I mean that's the truth, you know. I understand that.242/

Chevashore went on to express his frustration at Rose's failure to pay his debts:

CHEVASHORE: What's he crazy, what's the matter with him, he's got money, he's not broke. But, I mean Jeez, he cost me money, he caused me nothing but problems, then I had problems with you, and I you know, and he told me, he told me on the phone and his wife got mad at me and she says Carol please don't, Carol says to me Stevie, please don't call up and bother my husband. I'm not responsible for what he does you know and I just don't want you to call him. I says Carol, I won't call you anymore because I called her twice and that was it. He told me, he says, I don't do, he says, I haven't done anything since I left New York with you, with you and Paulie. He says, I have, you know, I stopped betting because with those people because I wasn't lucky, he said to me you know, whatever was done you did and you know, he didn't say that you were

242/ Janszen-Chevashore Conversation at 15-16.

betting under a false pretense, under
ghost bets.243/

Rose's claim to Chevashore that Rose stopped betting after the Reds trip to New York in early May 1987 is not corroborated by any evidence developed in this investigation. Indeed, in the very conversation in which Chevashore talked about Rose's claim that he stopped betting while in New York, Chevashore also confirmed the betting placed by Danita Marcum with Val on May 14, 1987 (subsequent to the New York trip), when Marcum placed bets for Rose, and a mistakenly large bet for Janszen, on the Reds-Expos game.244/

From April 7, 1987 until May 13, 1987, Rose lost \$67,900 as a result of his bets with Val.245/ Rose, however, only gave Janszen a small amount of money to cover these losses. Janszen and Marcum testified that Janszen took cash from his safety deposit box and sent it via Federal Express to

243/ Janszen-Chevashore Conversation at 15.

Janszen's telephone records from May 4-6, 1987, when the Reds were in New York, confirm that there was indeed betting at that time. During that trip, Janszen placed five calls to Val and three calls to Chevashore from various New York locations, principally the Grand Hyatt Hotel where the Cincinnati Reds stayed. See Section V; see also Exhibits 45, 77.

244/ Janszen-Chevashore Conversation at 22-23.

245/ See Exhibit 12.

Val to keep the action going for Rose.^{246/} Janszen also borrowed money to pay off Rose's gambling debts with Val.^{247/} Janszen was always concerned that Val would expose Rose and his gambling on baseball if the debts were not paid.^{248/} Janszen estimated that he paid Val approximately \$30,000 of his own money on Rose's behalf, believing Rose would pay him back.^{249/} According to Janszen, Rose told him that:

Paul, don't worry, I'll get you some stew, don't worry, you know, I'll have some in a couple of months, things are tight right now, you know, tell the bookie, hey don't worry about it.^{250/}

The last bet placed with Val through Janszen was on May 13, 1987. Val was "furious" about Rose's unpaid debt as he had only received "bits and pieces of money" owed him. From the outset, Val had made numerous telephone calls to Janszen in attempts to collect what he was owed, as payments from Rose were neither timely nor complete.^{251/} Val finally told

^{246/} Janszen Dep. at 58; Marcum Dep. at 22.

^{247/} Janszen Interview, February 24-25, 1989, at 40.

^{248/} Janszen Interview, February 24-25, 1989, at 41.

^{249/} Janszen Interview, February 24-25, 1989, at 41.

^{250/} Janszen Interview, February 24-25, 1989, at 42.

^{251/} Janszen Dep. at 59-60; Janszen Interview, February 24-25, 1989, at 43.

Janszen that he would not take any more action until Rose had settled up on his debt.^{252/}

Rose called Janszen the very same night that Janszen received the ultimatum from Val.^{253/} Rose wanted to give Janszen some teams on which to place bets.^{254/} Janszen informed Rose that Val would not take the action, but Rose insisted that Janszen call Val.^{255/} Val, in fact, did refuse to take the action, which would have had Rose winning six out of seven games.^{256/} The next day, Rose called Janszen thinking he had won, but Janszen told him Val had refused to take the action.^{257/} Rose became furious, and told Janszen that he would have been "up" had Val taken the action.^{258/}

After this incident, Janszen continued to receive calls each day from Val and Chevashore about paying Rose's debt.^{259/} Janszen recalled an occasion at Rose's home when

^{252/} Janszen Dep. at 59-60.

^{253/} Janszen Interview, February 24-25, 1989, at 43.

^{254/} Janszen Interview, February 24-25, 1989, at 43.

^{255/} Janszen Interview, February 24-25, 1989, at 43.

^{256/} Janszen Interview, February 24-25, 1989, at 43.

^{257/} Janszen Interview, February 24-25, 1989, at 43-44.

^{258/} Janszen Interview, February 24-25, 1989, at 44.

^{259/} Janszen Interview, February 24-25, 1989, at 44.

Rose received a call from Chevashore demanding payment.260/
Rose told Chevashore that Janszen was betting for himself in
Rose's name and to seek payment from Janszen.261/ Rose then
turned to Janszen and told him not to worry, Chevashore was
afraid of him.262/

Thereafter, Janszen's mother received a threat on
Janszen's life, which is confirmed in the taped conversation
between Janszen and Chevashore.

CHEVASHORE: But I was very upset and I was, and I
said Jeez, I better call Paulie's
mother up and let her hear my voice so
she knows that that wasn't me who
called her that day because you told me
she was crying, this and that, you know.

JANSZEN: Yeah, I went over there that night and
she was like in tears and

CHEVASHORE: I understand.

JANSZEN: She said somebody called, she said

CHEVASHORE: Yeah

JANSZEN: I think it's the same guy that was
calling Stevie and he threatened to
kill you.263/

When questioned about the Janszen-Chevashore-Val

260/ Janszen Interview, February 24-25, 1989, at 44-45.

261/ Janszen Interview, February 24-25, 1989, at 44-45.

262/ Janszen Interview, February 24-25, 1989, at 45.

263/ Janszen-Chevashore Conversation at 2.

connection, Rose denied that he ever placed bets of any kind with Chevashore and Val.264/ Rose testified that he knew Chevashore only as "Stevie," the nephew of a friend of his by the name of Howard Bernstein.265/ He testified that his only dealings with "Stevie" were to sit with him at his uncle's table at Tampa Bay Downs racetrack.266/ Rose denied knowing anyone by the name of Val.267/ Additionally, Rose denied ever placing any bets with Paul Janszen at any time.268/

When confronted with the fact that telephone records show numerous telephone calls from his home and his hotel rooms in Chicago and Pittsburgh, to Val in New York, Chevashore in Tampa, Florida, and Ron Peters in Franklin, Ohio, Rose denied making any of the calls.269/ Rose added that while they were in Chicago, the hotel was filled and Paul Janszen stayed in the "suite part" of his room.270/ Rose stated that, if there were telephone calls to Ron Peters, "I'll guarantee you that Paul

264/ Rose Dep. at 52, 170.

265/ Rose Dep. at 52.

266/ Rose Dep. at 52.

267/ Rose Dep. at 170-171, 260.

268/ Rose Dep. at 84, 263-264.

269/ Rose Dep. at 253-266.

270/ Rose Dep. at 261.

Janszen was in the room."271/ Rose said that Janszen was probably in Rose's home more frequently than Rose was.272/

271/ Rose Dep. at 268.

272/ Rose Dep. at 257.

D. The Rose-Janszen-Peters Betting --
May, June And July 1987

Since Val refused to take any more action, Rose asked Paul Janszen to contact Ron Peters to place his bets.^{273/} Peters informed Janszen that he was willing to take Rose's action, but that Rose still owed him \$34,000 from Rose's 1986 betting.^{274/} Janszen relayed Peters' message to Rose. Rose explained to Janszen that during Spring training in 1987, he had authorized his attorney, Reuven Katz, to issue a check from his account in the amount of \$34,000 to Tommy Gioiosa to pay off the debt to Peters. (The check was dated March 12, 1987.)^{275/} Accordingly, Janszen told Peters that if he had not been paid, it was only because Gioiosa had not given the \$34,000 from Rose's check to him.^{276/} Therefore, to demonstrate Rose's good faith in paying his debt to Peters from the 1986 betting, Janszen obtained a copy of the \$34,000 check in May 1987 from Pete Rose and gave it to Peters.^{277/}

^{273/} Janszen Dep. at 59-60.

^{274/} Janszen Dep. at 61; Peters Dep. at 23.

^{275/} Janszen Dep. at 60-61.

^{276/} Janszen Dep. at 61-62.

^{277/} Janszen Dep. at 62; see also Pete Rose Personal Check #380, dated March 12, 1987. See Exhibit 49.

Rose was specifically asked how Janszen and Peters came into possession of the \$34,000 check in May 1987 and he gave the following answers:

DOWD: [T]his check. Did you keep it at home?

ROSE: No.

DOWD: Okay. Can you tell me how Paul Janszen got a copy of that check in May 1987?

ROSE: I couldn't tell you.

DOWD: Could you tell me how Ron Peters got a copy of that check in May 1987?

ROSE: I couldn't tell you.

DOWD: Did you give it to them?

ROSE: No, I didn't give them no check.

DOWD: Did Peters have access to Bob Chaiken and your checks?

ROSE: Not to my knowledge.

DOWD: Did you ever authorize Janszen to go down to Chaiken's office and get a copy of this check?

ROSE: No.

DOWD: Did you ever tell Peters he could have a copy of that check?

ROSE: Tell who?

DOWD: Peters. He could go down to Chaiken's office and get a copy of that check.

ROSE: No. 278/

278/ Rose Dep. at 228.

Peters and Janszen both independently recalled the transaction, the amount of the check issued by Chaiken and Katz, and recognized the check when it was shown to them.^{279/} The back of the \$34,000 check reflects that the check was cashed at the bank by Gioiosa.^{280/} Peters denied receiving any of the money from Gioiosa.^{281/}

Rose offered a different version of the \$34,000 check transaction. He testified that the check was given to Gioiosa to pay Rose's gambling debts including bets placed on the 1987 Super Bowl and the NCAA basketball tournament.^{282/} He testified that the \$34,000 debt had accumulated over a month and a half and did not cover any betting in 1986.^{283/} He testified that Gioiosa paid the "bookie" after the "bookie" had threatened "to burn [Rose's] house down and break my kid's legs if I didn't pay him."^{284/} Gioiosa conveyed the threat to Rose.^{285/} Rose testified that he was in Florida in Spring

^{279/} Peters Dep. at 24; Janszen Dep. at 60-61.

^{280/} See Exhibit 49.

^{281/} Peters Dep. at 21, 24.

^{282/} Rose Dep. at 72-76.

^{283/} Rose Dep. at 72-74; 232-233.

^{284/} Rose Dep. at 74.

^{285/} Rose Dep. at 74, 221.

training at the time of the threat, so he directed his attorney (Reuven Katz) and accountant (Robert Chaiken) to issue the check payable to Gioiosa. Rose testified that he did not tell Katz or Chaiken about the purpose of the check, or notify the police or the FBI about the threat.^{286/} Rose explained that he did not call the authorities about the threats because he did not take them seriously:

See, what you have to realize, John [Dowd], and you probably don't, I know you don't. But the majority of bookmakers are crybabies. You know, they could have the biggest weekend in the world and they're always complaining about they lose. In reality, they've got the world by the ass. Because no bookmakers lose.^{287/}

Notwithstanding this vivid insight into the personality of bookmakers, Rose denied ever betting or dealing with a bookmaker.^{288/}

Rose's testimony that the \$34,000 check of March 12, 1987 was to cover gambling losses on the 1987 Super Bowl and the 1987 NCAA basketball tournament appears to be in conflict with his other testimony that the most he ever bet was \$2,000

^{286/} Rose Dep. at 221-223.

^{287/} Rose Dep. at 75.

^{288/} Rose Dep. at 60-61.

on the Super Bowl^{289/} and with the fact that the 1987 NCAA tournament did not begin until March 12, 1987, the date of the \$34,000 check.^{290/}

After seeing a copy of the \$34,000 check, Peters was satisfied that Rose had attempted to pay off the debt. Thus, on May 17, 1987, Rose began betting with Peters again.^{291/} Peters testified that during the period from May to July 4, 1987, Janszen was betting \$2,000 to \$5,000 for Rose per game on baseball, including the Reds.^{292/} Peters testified that he would not have accepted bets if they were Janszen's, and not Rose's, due to Janszen's lack of financial ability.^{293/} As Peters testified:

DOWD: And, again, were you satisfied that those bets were for Rose?

PETERS: Yes.

DOWD: Would you have taken those size bets from Janszen?

PETERS: No.

^{289/} Rose Dep. at 72.

^{290/} "Wide-Open NCAAs Begin. Upsets are to be Expected as Regional Playoffs Unfold," The Washington Post, March 12, 1987, at D1.

^{291/} Peters Dep. at 25; Section V-A(3); see also Exhibit 45.

^{292/} Peters Dep. at 24-25.

^{293/} Peters Dep. at 24-25.

DOWD: Because he didn't have the wherewithal?

PETERS: Right.^{294/}

On a few occasions, Peters explained that he also accepted bets from Danita Marcum, Janszen's girlfriend, on behalf of Rose.^{295/}

Peters told Morgan that Gioiosa was no longer betting for Pete Rose, but rather Paul Janszen was now doing the betting for Pete Rose in 1987.^{296/} Morgan believed that he heard Janszen's voice on the telephone approximately five times when Janszen called to place a bet with Peters. Peters handled most of the calls that came in during that time.^{297/}

As stated previously, Peters stated that Rose was his only betting customer for baseball.^{298/} Peters also testified that Rose won \$27,000 in the first week of betting in May 1987 and approximately \$40,000 for the month of June 1987.^{299/}

^{294/} Transcript of Ron Peters Interview, March 23, 1989, at 22. See Exhibit 50.

^{295/} Peters Dep. at 26-27.

^{296/} Morgan Dep. at 9-10.

^{297/} Morgan Interview at 2.

^{298/} Memorandum of Peters Conversation with John Dowd, April 5, 1989.

^{299/} Peters Dep. at 25-27.

Janszen and Marcum testified they placed bets on baseball games, including games of the Cincinnati Reds, for Pete Rose with Ron Peters from mid-May 1987 to the All-Star Game on July 14, 1987.300/

JANSZEN: From maybe the third or fourth week in May, all through June, up until the All-Star break, Pete Rose bet through me with Ron Peters in Franklin, Ohio. I have phone numbers, tape recordings with Ron Peters.

DOWD: He bet on?

JANSZEN: Baseball, only baseball.

DOWD: Including the Reds?

JANSZEN: Yes, sir, every game.301/

Janszen testified that Rose initially won close to \$25,000 during the first week of betting with Peters which Janszen collected and gave to Rose.302/ During the second week, Rose lost most of the money he had won the first week. Janszen described how Rose took cash out of his kitchen cabinet, counted out the money he lost, and gave it to him.

300/ Janszen Dep. at 68-71; Marcum Dep. at 16-17.

301/ Janszen Interview, February 24-25, 1989, at 54-55.

302/ Janszen Dep. at 69-70. Peters testified that Rose won \$27,000 in the first week of betting in May 1987. Peters Dep. at 26.

Janszen then took the money to Peters.303/ Janszen testified that during June and July 1987, Pete Rose won approximately \$40,000 from Peters betting on baseball, including the Reds:304/

JANSZEN: Pete started betting with Ron Peters. Pete won his first two weeks. I went up there and collected \$25,000, \$2,000 was mine and \$23,000 was Pete's. I handed Pete the money...305/

* * * * *

JANSZEN: Week three he loses back almost all of it. I take the money from Pete's house, from Pete's hand, take it up to Franklin, Ohio and that's week three. Weeks four, five, six, seven and maybe eight, Pete won every week, or if he didn't win, he might have broke even.... At the end of that time, he was up 40 some thousand dollars.306/

Peters, however, refused to pay the \$40,000 to Rose because Rose owed him \$34,000 from losses in 1986.307/

303/ Janszen Dep. at 70.

304/ Janszen Dep. at 69-70.

305/ Janszen Interview, February 24-25, 1989, at 55.

306/ Janszen Interview, February 24-25, 1989, at 111-112. Peters also testified that Rose won approximately \$40,000 for the month of June 1987. Peters Dep. at 27.

307/ Peters Dep. at 27.

Janszen's and Marcum's testimony is further supported by the testimony of Jim Procter and Dave Bernstein. Procter is a body builder and acquaintance of Janszen with no criminal record. Procter recalled sitting in Janszen's car one evening in the spring of 1987 when Janszen had a series of phone calls with Pete Rose.^{308/} Procter recalled the conversation as follows:

DOWD: Was this a speaker phone that you could hear that?

PROCTER: If it wasn't a speaker phone, he had the volume up awfully high.

DOWD: All right.

PROCTER: Because I heard it. I mean I heard the dial tone and everything. So I would assume it was a speaker phone.

DOWD: Okay.

PROCTER: He called the clubhouse; he asked, "Is Pete there."

DOWD: Clubhouse of --

PROCTER: I would imagine down at the Stadium or something. I have no idea. And they said, "One moment, please." Came back, "He's busy." That was it; end of conversation.

And I won't swear to if I had heard the phone ring, but I heard another transaction between the two within like a minute's time, a minute to two minute's time.

^{308/} James E. Procter Deposition, April 12, 1989, at 9-10.
See Exhibit 51.

DOWD: So he could have redialed also?

PROCTER: Right. Right. And --

DOWD: You're just not sure whether he received a call --

PROCTER: No. That's what I'm saying.

DOWD: -- or he redialed. Okay.

PROCTER: But I had heard Pete's voice because I heard him --

DOWD: Pete Rose's voice?

PROCTER: Right.

-- make a statement -- do you want me to give you the statement?

DOWD: Yes, please.

PROCTER: Okay. Because he said, "Hey, Paul, you son-of-a-bitch." And I just thought, you know, you're on pretty good terms if somebody like that calls you something like that.

And he goes, "What's up?" And they started talking and he goes, "Are you ready?" And he said, yes.

DOWD: Who said, "Are you ready?"

PROCTER: Paul.

DOWD: Okay.

PROCTER: And he would read the teams off. I would hear, "Give me a dime on this; give me a dime on that." And I knew it was baseball, okay? For one because of the time of the year. And, two, at the time I knew what the teams were.

And they went on with that. And when that was all through -- I kind of turned my head because it was like, I don't want him to sit

here and think I'm nosing, you know, in ~~en-~~
this. 309/

After Janszen finished his conversation with Rose, Procter said to Janszen, "You've got to be kidding me ... Pete Rose is betting on baseball." Janszen answered, "Yes ... Can you believe that?" Procter then shook his head, and asked Janszen, "Has he ever bet the Reds?" Janszen responded, "He never bet against them."310/

Dave Bernstein is a friend of Janszen who used to purchase steel drums for Mikessen Chemical and used to work out with Janszen at Gold's Gym.311/ He has no criminal record. In early 1987, Bernstein was transferred to Chicago and had to commute back and forth to Cincinnati until he closed on his new residence in late May 1987.312/ He would return to Cincinnati on Friday night every week and meet Janszen at Janszen's apartment.313/ Bernstein testified that, "Every Friday night, without fail, Pete [Rose] would call and Paul would take down

309/ Procter Dep. at 10-12.

310/ Procter Dep. at 12.

311/ David Bernstein Deposition, April 19, 1989, at 3-4. See Exhibit 52.

312/ Bernstein Dep. at 17-18.

313/ Bernstein Dep. at 18.

whatever he wanted to bet that night and then call Ron Peters with the bets."314/ Bernstein witnessed and overheard the exchange between Rose and Janszen.315/ Bernstein also answered several calls from Rose and then passed the phone to Janszen.316/ Bernstein recognized Rose's voice when he answered the phone because he had met Rose several times through Janszen.317/ Janszen also would confirm that it was Rose on the telephone after the conversation had ended.318/

Bernstein testified that on these Friday nights Rose called in bets on "baseball and basketball."319/ He recalled hearing bets on teams such as the "Yankees, Cardinals, Pirates, Giants, Dodgers."320/ Although Bernstein did not recall the Cincinnati Reds being mentioned during these particular betting conversations, he specifically recalled Janszen telling him

314/ Bernstein Dep. at 18.

315/ Bernstein Dep. at 18-21.

316/ Bernstein Dep. at 18-19.

317/ Bernstein Dep. at 19.

318/ Bernstein Dep. at 19.

319/ Bernstein Dep. at 21.

320/ Bernstein Dep. at 21.

during that time period that Rose bet on the Cincinnati Reds.^{321/}

Bernstein also went to several Reds games with Janszen where he witnessed Janszen give Rose hand signals indicating how Rose stood on his bets.^{322/} Bernstein explained that Janszen, from their seats behind home plate, would indicate with his fingers and a thumbs up or down sign how many games Rose was winning and how many he was losing.^{323/} Rose would come out of the dugout and look over at them when he wanted an update on the scores.^{324/} Janszen kept abreast of the scores by calling a sports hot line from a pay phone at the stadium.^{325/} During the same time period that Bernstein observed the hand signals between Rose and Janszen, i.e., April-May 1987, the stadium scoreboard which reported scores of other baseball games was out of order. According to Jon Braude, the Cincinnati Reds Director of Information, the

^{321/} Bernstein Dep. at 21-22.

^{322/} Bernstein Dep. at 27-28.

^{323/} Bernstein Dep. at 27-28.

^{324/} Bernstein Dep. at 27-28.

^{325/} Bernstein Dep. at 28. The various telephone records of both Janszen and Rose reveal extensive phone calls to the sports information number, 976-1313, at various area codes, including the 900 toll number. See Section V; see also Exhibit 45.

scoreboard was out of order for 18 games during the period April 17 to May 28, 1987.^{326/} When confronted with this allegation, Pete Rose said it was preposterous because "the scoreboard has never not worked."^{327/}

Rose testified that Paul Janszen never placed bets for him on any sports activity, nor was he aware that Janszen ever bet at all.^{328/} This testimony is contradicted by Donald Stenger. Stenger recalled having dinner with Pete and Carol Rose, Janszen, Danita Marcum and Stenger's girlfriend at a Chinese restaurant in Philadelphia when the Reds were in town to play the Phillies in 1987.^{329/} While at the restaurant, Janszen pulled out a sheet of paper with betting information on it and went to make a phone call. Stenger said there was no discussion about betting, or what was on the sheet. Stenger believes that the four or five games listed on the sheet were basketball games. He concluded this based on his personal opinion that Rose would never bet on baseball.^{330/}

^{326/} Cincinnati Reds News Releases, March 23, 1987, and May 22, 1987. See Exhibit 57.

^{327/} "Report on Rose Signals Clarified by Magazine," The New York Times, March 30, 1989. See Exhibit 58.

^{328/} Rose Dep. at 84, 263-264.

^{329/} Stenger Interview at 7-8.

^{330/} Stenger Interview at 8.

Janszen also recalled the incident, but adds that Rose asked him "how are we doing?" on the bets for that day. Janszen then got up from the table to call the sports information line.^{331/} Rose corroborated being in the restaurant. He testified that every time he goes to Philadelphia he eats "at the Chinese place downtown."^{332/} Rose could not recall if Stenger ever ate with him at that restaurant.^{333/}

E. The Rose-Janszen Debt Dispute

As previously noted, Pete Rose owed Paul Janszen money because Janszen used his personal funds to pay off some of Rose's gambling debts.^{334/} Janszen estimated that when Rose's betting with Peters stopped in July 1987, Rose owed Janszen approximately \$44,000.^{335/} Rose told Janszen he could get this money by collecting it from Peters.^{336/} Janszen stated that:

^{331/} Memorandum of Janszen Interview, May 6, 1989. See Exhibit 82.

^{332/} Rose Dep. at 139.

^{333/} Rose Dep. at 139.

^{334/} Janszen Dep. at 58-59.

^{335/} Janszen Interview, February 24-25, 1989, at 112.

^{336/} Janszen Interview, February 24-25, 1989, at 57.

Pete's attitude is well, Paul, I owe you all this money, and ... the bookie in Franklin owes me all this money. So, guess what, Paul, just get the money, get your money from the bookie. He is saying ... I won forty, I lost forty, as far as I am concerned I am even. And that's how that worked. I said Pete you don't go into Shillitos Department Store, take something out and tell them, hey, go get the money from my brother, he owes me money. That is not how it works.337/

Subsequently, Peters recognized Rose's debt to Janszen, but only paid Janszen approximately \$6,000 -- the difference between Rose's \$34,000 debt and his \$40,000 winnings.338/

In March 1988, Janszen attempted to get Rose to pay him the money still owed to him.339/ He and Marcum had a meeting with Reuven Katz, Rose's attorney.340/ Janszen told Katz that he was in trouble and he needed money to hire a defense lawyer.341/ Janszen said that Katz recommended several lawyers to Janszen.342/ Janszen told Katz he needed

337/ Janszen Interview, February 24-25, 1989, at 57-58.

338/ Peters Dep. at 27-28.

339/ Janszen Dep. at 71, 73.

340/ Janszen Dep. at 74.

341/ Janszen Dep. at 74.

342/ Janszen Dep. at 74. Janszen contacted the lawyers Katz suggested but did not retain any of them. Janszen Dep. at 74.

some of the money he loaned Rose. Janszen told Katz about the gambling he had done for Rose, including betting on the Reds.^{343/} According to Janszen, Katz did not question Janszen's account.^{344/} Janszen said that Katz merely put his head down, made a gesture with his hands and said, "That's it; it's over."^{345/} Janszen said that Katz did not accuse Janszen of lying about this matter.^{346/}

Janszen's meeting with Katz took place about a week after Janszen was first contacted by the Federal Bureau of Investigation.^{347/} The FBI was not aware that Janszen was going to meet with Katz.^{348/} In the meeting with Katz, Janszen volunteered that he would "protect" Rose with the federal authorities.^{349/} Janszen testified that Katz replied, "I [Janszen] had to do what I felt I had to do."^{350/}

^{343/} Janszen Dep. at 75-76.

^{344/} Janszen Dep. at 76.

^{345/} Janszen Dep. at 76.

^{346/} Janszen Dep. at 76.

^{347/} Janszen Dep. at 77.

^{348/} Janszen Dep. at 77.

^{349/} Janszen Dep. at 76-77.

^{350/} Janszen Dep. at 76-77. Late in 1988 Janszen began to cooperate with the government in its continuing drug and tax evasion investigation. As part of this cooperation, Janszen agreed to wear a hidden microphone in a meeting with Ron Peters. This transaction lead to Peters' being charged with conspiracy to distribute cocaine. Needless to say, since that time, Peters has not considered Janszen a friend. Paul Janszen Interview, February 26, 1989, at 2.

Janszen said that Katz told him he would talk to Rose about the matter while in Florida.^{351/} According to Janszen, Katz later instructed Janszen to go to an accountant's office where there would be a check waiting for him.^{352/} Janszen did so and picked up a \$10,000 check drawn on Rose's account, payable to Paul Janszen, dated March 18, 1988.^{353/} The check bears the notation "For loan."^{354/} Janszen testified that Katz said, "We can just make it look like it's a loan."^{355/} However, according to Janszen, Katz never asked Janszen to sign a promissory note for the \$10,000, and Janszen never considered it to be a loan.^{356/}

We inquired of counsel for Rose whether Mr. Katz would be available to be interviewed. Counsel for Rose responded that Katz was available to answer questions on a non-privileged

^{351/} Janszen Dep. at 78.

^{352/} Janszen Dep. at 78.

^{353/} Janszen Dep. at 78-79; see also Pete Rose Personal Check #296, dated March 18, 1988. See Exhibit 59.

^{354/} See Exhibit 59.

^{355/} Janszen Dep. at 78-79.

^{356/} Janszen Dep. at 79.

basis. Because of the difficulty in distinguishing between privileged and non-privileged information, we decided, out of prudence and respect for the attorney-client privilege between Rose and Katz, to pursue the information from non-privileged sources. If you should decide to send this report to Rose and his counsel, Katz may wish to take the opportunity to respond to the statements of Janszen.

Rose testified that the \$10,000 check was issued to Janszen because "Paul asked me to loan him some money because he needed a lawyer."^{357/} When asked whether Janszen called him to discuss the request, Rose stated that Janszen called Reuven Katz, not Rose.^{358/} Rose testified Katz called him and told him Janszen wanted \$20,000. Rose told Katz he would loan Janszen half that amount because he did not know if Janszen had enough money to pay back \$20,000.^{359/} Katz told Rose that Janszen needed the money for a lawyer. When Rose asked Katz why Janszen needed a lawyer, Katz told Rose, "I don't know."^{360/} When Rose was asked whether Katz told him that Janszen had claimed Rose owed him money, Rose testified, "I

^{357/} Rose Dep. at 287.

^{358/} Rose Dep. at 287-288.

^{359/} Rose Dep. at 288.

^{360/} Rose Dep. at 288.

don't remember that."361/ Rose did not ask Janszen to sign a promissory note for the \$10,000 because he thought Janszen was a friend.362/ Rose also said that the check was as good as a note because it contained the notation "loan."363/

On January 20, 1989, Paul Janszen wrote a letter to Reuven Katz which referred to their meeting the previous year about the money Rose owed Janszen.364/ In the letter, Janszen states that he has the feeling that Katz and Rose are taking a "non-committal stance" regarding the money owed Janszen because they thought it would "discourage" him and he would "dry up and blow away."365/ Janszen went on to write:

A personal loan was made to Pete Rose by myself in June 1987. His promise to start paying me back came and went each month with a new excuse why he couldn't come up with any. He kept falling back on the same promise that if he didn't pay me by December 1987, he would use money from the sale of his 4192 Mizuno bat he broke Ty Cobb's record with to settle up with me. It never happened. Then when his wife started building their new house in Florida, the

361/ Rose Dep. at 291.

362/ Rose Dep. at 291.

363/ Rose Dep. at 292.

364/ Janszen voluntarily provided a copy of this letter to the investigators. Letter to Reuven Katz from Paul Janszen, January 20, 1989. See Exhibit 60.

365/ Letter to Reuven Katz from Paul Janszen, January 20, 1989, at 1. See Exhibit 60.

idea of paying me back seemed to vanish from his mind. Only after I contacted you in March 1988 did I receive partial payment by check.

* * * * *

For years I heard the stories that Mr. Rose didn't like paying his debts and had left several people hanging out to dry. Well they certainly were true.

* * * * *

Well Reuven, so much for my personal feelings about the man. My intentions are that if I can't settle this quietly and quickly out of court, then let's jump into the ring and take it to court. What we have here is a situation that calls for the truth, the stuff that our court system is based on. I know Mr. Rose can't back up his stories with proof. I can!

* * * * *

It's time for him to take some responsibility for his actions and if need be get some professional help along the way before he has nothing left.^{366/}

When shown Janszen's letter during his deposition, Rose's first comment about it was, "We felt that to be kind of amusing, the stuff he said in there."^{367/} Rose's attorney, Robert Pitcairn, then interjected that he did not find anything

^{366/} Letter to Reuven Katz from Paul Janszen, January 20, 1989, at 1-2.

^{367/} Rose Dep. at 293.

in Janszen's letter amusing.^{368/} When asked what he found amusing in the letter, Rose responded that he found amusing such things as Janszen's statements in the letter that he, Janszen, "spent hundreds of hours working" in Rose's house; that Janszen had built a play area; and that Rose had borrowed money from Janszen.^{369/}

The response to Janszen's letter was written by Katz's partner, Robert Pitcairn, to Janszen's attorney, Merlyn Shiverdecker.^{370/} Pitcairn requested specifics about "the alleged loan, the purpose of the loan, and the amount [Janszen] believes is owed." Pitcairn promised Shiverdecker that if provided the "particulars of the transaction" he would "analyze it" and respond "promptly."^{371/}

Janszen's attorney Shiverdecker replied to Robert Pitcairn by letter on March 2, 1989, requesting Pete Rose to pay Janszen the balance due him of \$33,850 "which Paul paid to others on Pete's behalf and at Pete's direction in May and June

^{368/} Rose Dep. at 294.

^{369/} Rose Dep. at 294-295.

^{370/} Letter to Merlyn Shiverdecker from Robert Pitcairn, January 25, 1989. See Exhibit 61.

^{371/} Letter to Merlyn Shiverdecker from Robert Pitcairn, January 25, 1989.

of 1987."^{372/} Shiverdecker added that "[t]he details of these expenditures are obviously as well known to Pete as they are to Paul." Shiverdecker asked to be advised of Rose's position at Pitcairn's earliest convenience.^{373/} Janszen does not believe that Pitcairn ever responded to this letter.^{374/}

Rose testified that the assertion that Janszen paid \$33,000 on Rose's behalf, for which Rose is responsible, is "ridiculous" and Janszen was "dreaming."^{375/} Rose went on to recite various debts which he claimed Janszen owed to him: \$10,000 for the March 1988 check which Rose claimed was a loan to Janszen; \$5,000 for a check which he says Janszen gave him at the end of 1988 for autographing baseballs and bats, which check Rose said bounced; and \$25,000 for signing other baseballs and pictures.^{376/}

Janszen stated that in 1988 it became clear that Rose would not pay him anything other than the March 1988 check for \$10,000. Therefore, Janszen tried to minimize his losses by getting Rose to autograph as many baseball bats, balls, and

^{372/} Letter to Robert Pitcairn from Merlyn Shiverdecker, March 2, 1989. See Exhibit 62.

^{373/} Letter to Robert Pitcairn from Merlyn Shiverdecker, March 2, 1989.

^{374/} Janszen Dep. at 80.

^{375/} Rose Dep. at 298.

^{376/} Rose Dep. at 298, 282-286.

other items as possible which Janszen planned to sell through his memorabilia business. Janszen has never received a demand to repay the \$10,000 he received in March 1988, which Rose testified was a loan.^{377/}

Rose's testimony that he does not owe Janszen any money is contradicted by Mike Bertolini in his telephone conversation with Paul Janszen of April 4, 1988. In the conversation Bertolini acknowledges Rose's debt and asks whether Rose has paid any of it:

JANSZEN: Did you ever get settled up with Pete?

BERTOLINI: About what?

JANSZEN: The money?

BERTOLINI: Fuck'n, we're working it out and shit, I don't know, the fuck. Did you ever?

JANSZEN: He still owes me about 12 grand.

^{377/} Janszen Dep. at 80. Rose testified that Danita Marcum, not Janszen, took the bats over to his house to be autographed. Rose said that "Paul Janszen has never looked me in the eye and said I owe him anything." Rose also said that Marcum once "barged" into his house to get bats signed and his wife told her to get out. Rose Dep. at 306-307. Rose said Janszen "went crazy" and made threatening statements to Charlotte Jacobs (Carol Rose's friend) about Rose's family. Rose Dep. at 307.

Janszen has acknowledged that when his girlfriend, Danita Marcum, was thrown out of Rose's house, he became enraged. Janszen has stated several times that he feels Pete Rose used him. Janszen made no attempt to hide the fact that this incident involving his girlfriend caused him to lose his temper.

BERTOLINI: So, he paid you about 38?

JANSZEN: Huh?

BERTOLINI: How much, did he pay you anything yet?

JANSZEN: No, well that's all that, what he did was he signed a bunch of autographs for me

BERTOLINI: I hear you

JANSZEN: And, you know, plus he wrote some checks that I had cashed that I had sent up to the guy.

BERTOLINI: Yeah.

JANSZEN: So he's into me for about anywhere from, I don't know, once you figure out all the autograph stuff, he probably owes me about, anywhere from like 10-12,000.

BERTOLINI: Yeah, I hear you.^{378/}

Rose testified that with regard to the entire investigation, "The whole thing started with Paul Janszen."^{379/} Rose said that Janszen "sort of resented the fact that I didn't want to hang around with him any more after I found out he was in drugs."^{380/} Rose said that, "People have a tendency to say things they really don't -- that really

^{378/} Janszen-Bertolini Conversation at 7-8.

^{379/} Rose Dep. at 302-303.

^{380/} Rose Dep. at 303.

aren't true when their ass is on the chopping block."381/
Rose said that Janszen is trying to "blackmail" him and ruin
his name in Cincinnati.382/

Rose said we should talk to Charles Sotto and
Charlotte Jacobs, who can provide more information about
Janszen in this regard.383/ Sotto was interviewed and stated
he had no knowledge of sports betting by Pete Rose. Regarding
Janszen, Sotto told us that Janszen had told him of his visit
to Reuven Katz; that Janszen needed money to pay an attorney;
and that Janszen had cooperated with the FBI.384/ Jacobs was
interviewed and she confirmed that Janszen called her and was
very upset about Danita Marcum being kicked out of Rose's
house. Jacobs had no knowledge of Pete Rose's betting
activities.385/

381/ Rose Dep. at 309.

382/ Rose Dep. at 302-304.

383/ Rose Dep. at 302.

384/ Charles Sotto Interview, May 5, 1989. See Exhibit 80.

385/ Charlotte Jacobs Interview, April 24, 1989, at 1-3. See
Exhibit 63. In the interview, Jacobs corroborated an incident
also related to us by Janszen which occurred when Rose and
Janszen went to a baseball card show in Cleveland in February
1988. The incident involved Carol Rose's and Danita Marcum's
suspicions about a third woman traveling with Janszen and
Rose. As a result of this incident, Carol Rose would not allow
Janszen, or Marcum, to come into the Rose home. Jacobs
Interview at 1-2.

Rose summed up his opinion regarding people who have said he bet on baseball with the following comment:

Those guys could have a quintet in the last three months. Because they're all singing. They're all singing a lot. They have to sing or they'll be in Sing Sing.^{386/}

Rose added that "I'm guilty of one thing in this whole mess, and that's I was a horse shit selector of friends."^{387/}

On March 21, 1989, Mark Stowe, the Assistant Clubhouse Manager of the Reds, told the investigators that he is acquainted with Paul Janszen and Danita Marcum and last saw them when they had lunch together during the summer of 1988.^{388/} Stowe stated that during the lunch, Janszen said that Rose owed him money and that Rose bet on baseball.^{389/} Stowe also stated that in the spring of 1989, when Pete Rose returned from his meeting at the Commissioner's office, Rose told Stowe that Janszen was saying Rose owed him money, when it was Janszen's "bookie" who owed money to Janszen. Rose told Stowe that he was betting through Janszen, and when Rose won,

^{386/} Rose Dep. at 309.

^{387/} Rose Dep. at 307.

^{388/} Mark Stowe Interview, March 21, 1989. See Exhibit 64.

^{389/} Stowe Interview at 1.

the "bookie" would not pay Janszen.^{390/} Rose told Stowe that if it were Rose's "bookie" it would be different, but since it was not his "bookie," he does not owe Janszen anything.^{391/} Rose also said that Janszen was claiming that Rose bet on baseball, but that he, Rose, did not.^{392/}

Rose's admission to the Reds Assistant Clubhouse Manager in March 1989 that he was indeed placing bets with Paul Janszen contradicts Rose's repeated assertions in his deposition that he never bet with Janszen and was not aware of any betting by Janszen.

^{390/} Stowe Interview at 1.

^{391/} Stowe Interview at 1.

^{392/} Stowe Interview at 1. On April 27, 1989, Stowe was again contacted and was read the memorandum prepared regarding his March 21, 1989 interview. Stowe stated that to the best of his memory it was correct. The next day, April 28, 1989, Stowe contacted investigator Joseph Daly, and told Daly that the statement in the memorandum regarding what Rose said about betting with Janszen "sorta" sounds like what he heard Rose say. Memorandum of Telephone Conversation with Mark Stowe, April 28, 1989. See Exhibit 65.

F. Other Subjects Covered In Pete Rose's Deposition

Throughout the preceding narrative, we have included excerpts from Pete Rose's deposition, which was taken on April 20-21, 1989. In addition to the subjects already covered in the narrative, Rose was asked during the deposition about the following additional subjects.

1. Rose's Relationship with Joseph Cambra

Joseph Cambra, from Somerset, Massachusetts, was charged with being a bookmaker in 1984, and subsequently pleaded guilty to gambling charges in 1986.^{393/} Pete Rose acknowledged meeting Cambra during Spring training in West Palm Beach, Florida, in February 1984, while Rose was a player with the Montreal Expos.^{394/} Rose stated that he did not know Cambra was a bookmaker, or that he had been convicted of bookmaking, until about two weeks prior to his deposition on April 20, 1989.^{395/} Rose denied ever betting with Cambra or going to the racetrack with him.^{396/} Rose testified that the only financial transaction he had with Cambra involved a real

^{393/} Joseph Cambra Interview, April 27, 1989, at 1. See Exhibit 66.

^{394/} Rose Dep. at 7-8.

^{395/} Rose Dep. at 8-9.

^{396/} Rose Dep. at 18.

estate deal in which Cambra told Rose he could double his money. As part of the deal, Rose gave Cambra \$19,800, but the deal fell through and Cambra returned the money in cash.^{397/} Rose believed the money was returned to him in Montreal, during 1984, several months after he had given it to Cambra.^{398/}

Cambra stated that he has had a real estate license in Massachusetts and that Rose gave him two checks totalling \$19,300 for a real estate deal in which Rose was going to participate.^{399/} Cambra provided copies of the checks. Both are dated July 5, 1984. One is for \$10,300, payable to Joe Cambra, and drawn on Rose's personal account at First National Bank of Cincinnati. The second is a cashier's check drawn on the Royal Bank of Canada, payable to Joe Cambra, for \$9,000.^{400/} Cambra stated that the real estate deal could have been very lucrative, but it "fell through" and the money was returned to Rose.^{401/} Cambra would not provide any details about the proposed real estate deal. Cambra's attorney stated that for personal reasons on Cambra's part, as well as

^{397/} Rose Dep. at 9-10, 18-19.

^{398/} Rose Dep. at 18-19.

^{399/} Cambra Interview at 3.

^{400/} See Exhibits attached to Cambra Interview.

^{401/} Cambra Interview at 3.

possible criminal prosecution, no details surrounding the real estate transaction could be provided.^{402/} Cambra could also not explain how he returned the money to Rose. Cambra denied that the police had seized a check issued to him from Pete Rose in a gambling raid on Cambra's home on November 13, 1984.^{403/} Cambra also denied that Rose ever bet on baseball with him, but stated that he could not answer whether Rose ever bet on other sports with him.^{404/}

Rose described Cambra as a "dear friend" and "a down-to-earth guy."^{405/} Cambra asked Rose for a Reds World Series ring. Rose wrote a letter to John Scarpellini of the Balfour Ring Company requesting that World Series ring be made for Cambra.^{406/} Rose denied that this was a gift for Cambra and stated that Cambra paid \$3,150 for the ring.^{407/}

^{402/} Cambra Interview at 3.

^{403/} Cambra Interview at 3.

^{404/} Cambra Interview at 4.

^{405/} Rose Dep. at 11.

^{406/} Letter to the Balfour Ring Company from Pete Rose, March 24, 1989. See Exhibit 67.

^{407/} Rose Dep. at 15. Rose stated that he traded his original 1975 World Series ring to Barry Halper, a memorabilia collector and part owner of the New York Yankees, for a "big huge bust" of Ty Cobb. Rose added that there were only two of its [the bust's] kind in the world. Rose Dep. at 15-16.

In April 1989, Rose put his three World Series rings on display at a local Cincinnati bank which he said "was just one way of clearing up all the bullshit ... about my ring is gone for a gambling debt." Rose Dep. at 277-278. However, Rose confirmed that Barry Halper owns the authentic 1975 ring, and the ring put on display was a new ring Rose had made. Rose (Footnote continued on next page.)

Cambra stated that he asked Rose if he could have a copy of Rose's 1975 World Series ring. Cambra confirms that Rose wrote a letter to Balfour requesting that a copy of the ring be made.^{408/} Cambra stated that he requested that a diamond be put in the ring, and that he paid Balfour \$3,141 for it.^{409/}

John Scarpellini, Vice President of Balfour (whom Rose stated he knew very well^{410/}), stated that a Balfour employee, who was also Joe Cambra's nephew, wanted Scarpellini to contact Rose in reference to the loss of Rose's 1975 World Series ring.^{411/} Scarpellini eventually spoke to Rose, who requested that a replacement 1975 ring be made. Scarpellini recalled

(Footnote continued from previous page.)
Dep. at 276-277. Rose denied that the original ring had been used to pay off a gambling debt. Rose Dep. at 278.

^{408/} Cambra Interview at 2.

^{409/} Cambra Interview at 2.

^{410/} Rose Dep. at 14.

^{411/} Letter to Ed Durso from John Scarpellini, April 17, 1989, at 1. See Exhibit 68.

later receiving a letter from Rose requesting that the ring be made for Cambra.412/

Rose stated that he has seen Cambra five to six days a year from 1984 to 1989, during Spring training. When Cambra comes to Florida, Rose asks the Reds traveling secretary to get Cambra a room.413/ Cambra has visited Rose's new home in Florida.414/ When asked whether Cambra was ever in the Reds' clubhouse, Rose responded, "Well, it's all according to what your definition of the clubhouse is."415/ Rose stated that Cambra has been in his office, but not in the part of the clubhouse where the players are.416/

2. Rose's Role in the January 1987
"Pik-Six" at Turfway Racetrack

On April 6, 1989, Tommy Gioiosa was indicted on five felony counts alleging violations of the drug and tax laws.417/ Counts four and five relate to the Pik-Six at

412/ Letter to Ed Durso from John G. Scarpellini, April 17, 1989, at 1.

413/ Rose Dep. at 20-22.

414/ Rose Dep. at 21.

415/ Rose Dep. at 22.

416/ Rose Dep. at 22-23.

417/ See Exhibit 7.

Turfway Racetrack on January 16, 1987.^{418/} Those counts allege that Gioiosa falsely represented to the IRS that he was the sole winner of the \$47,646 Pik-Six ticket at Turfway on that day, when in actuality someone else was the true holder of the winning ticket.^{419/}

According to Paul Janszen, Pete Rose owned 75% of the winning ticket, and Janszen and Gioiosa split the remaining 25%.^{420/} The ticket cost approximately \$2,000.^{421/} Rose paid approximately \$1,500, and Gioiosa and Janszen paid approximately \$250 each for their respective shares.^{422/} Janszen stated that Gioiosa cashed and signed for the winning ticket so that Rose could avoid having to report his winnings.^{423/}

When asked whether he was a winner on the January 16, 1987 Pik-Six ticket, Rose said that he was not.^{424/} Rose also said

^{418/} See Exhibit 7.

^{419/} See Exhibit 7.

^{420/} Paul Janszen Interview, March 8, 1989, at 2. See Exhibit 69.

^{421/} Janszen Interview, March 8, 1989, at 2.

^{422/} Janszen Interview, March 8, 1989, at 2.

^{423/} Janszen Interview, March 8, 1989, at 2.

^{424/} Rose Dep. at 187.

Gioiosa never cashed a Pik-Six winning ticket for him.425/
Rose further testified that he did not recall ever being at
Turfway Racetrack on January 16, 1987.426/

After this testimony, Rose was shown two \$10,000
checks drawn on his account, payable to cash, signed by him,
dated January 16, 1987 and cashed the same day at Turfway.427/
Upon examining these checks, Rose acknowledged that they
established that he was at Turfway on January 16, 1987, the
date of the Pik-Six.428/ However, he further testified that
the checks were "good" and "great" because they established
that he did not win the January 16, 1987 Pik-Six.429/ Rose
explained that if he had won the Pik-Six, he would not have
cashed the two \$10,000 checks because he would not have needed
the funds.430/ Rose, after further questioning, agreed that
the Pik-Six winnings could not have been collected until after
the eighth race because the Pik-Six requires the bettor to pick
the winners for the third through the eighth races.431/

425/ Rose Dep. at 135.

426/ Rose Dep. at 187.

427/ Rose Dep. at 188.

428/ Rose Dep. at 188.

429/ Rose Dep. at 188.

430/ Rose Dep. at 188-192.

431/ Rose Dep. at 194-195.

3. Rose's Role in Winning the January 1989
"Pik-Six" at Turfway Racetrack

On January 25, 1989, Rose and Jerry Carroll, the Owner and Chairman of Turfway Racetrack, had a winning Pik-Six ticket which paid \$265,669.20.^{432/} Rose paid \$1,340 for his half of the ticket.^{433/} Neither Rose nor Carroll, however, signed for the ticket.^{434/} Instead, Arnie Metz, a former groundskeeper for the Cincinnati Reds and runner for Rose, signed for the ticket.^{435/} Rose testified that Metz was "in for 15%."^{436/}

Although Metz signed for the ticket, he did not cash it for two days, when Rose or Carroll told him to do so.^{437/} Metz delivered \$109,000 to Rose, of which Rose gave Metz

^{432/} Rose Dep. at 34-38.

^{433/} Rose Dep. at 36.

^{434/} Rose Dep. at 38.

^{435/} Rose Dep. at 24-26, 38.

^{436/} Rose Dep. at 36.

^{437/} Rose Dep. at 43. Transcript of Arnold Metz Interview, April 19, 1989, at 61-64. See Exhibit 70.

approximately \$8,000.^{438/} Rose put the remaining money in a satchel and took it to Spring training in Florida.^{439/}

Although Rose admitted winning the 1989 Pik-Six during his deposition, prior to this deposition he had denied that he was a Pik-Six winner to the press.^{440/} Rose also had told Commissioner Giamatti, former Commissioner Ueberroth and others, at a meeting at the Commissioner's office in New York on February 20, 1989, that he was not a winner on the January 25, 1989 Pik-Six. When asked about his denial to the Commissioner and the others at the February 20, 1989 meeting, Rose responded that he did not recall making such a statement.^{441/} He further stated that the only mention of the Pik-Six at the meeting that he recalled was a statement by Mr. Ueberroth or Commissioner Giamatti to Rose that "we don't care about Pik-Six's."^{442/}

^{438/} Rose Dep. at 44.

^{439/} Rose Dep. at 43-44. Rose said he used the \$109,000 to buy his wife a \$23,000 ring; a golf cart for \$3,600; and a tennis court for \$24,000. Rose Dep. at 206. Rose stated that he still has \$25,000, and that the remainder was spent in Florida. Rose Dep. at 206.

^{440/} Rose Dep. at 200-204.

^{441/} Rose Dep. at 50.

^{442/} Rose Dep. at 50.

IV. DOCUMENTARY EVIDENCE

A. Pete Rose's Betting Sheets

We obtained from Paul Janszen copies of three pages of handwritten records which Janszen took from Rose's home.^{443/} Danita Marcum testified that she recognized the handwriting on these sheets as Pete Rose's because she recalled being at Rose's home and watching him writing everything down "in his book."^{444/} Janszen also testified that Rose used to record his bets on a notepad.^{445/}

The first of these three pages contains the date "April 9, 1987" at the top, followed by the team pairings for four Major League Baseball games and four NBA basketball games. The lower half of the page contains individual team names and team pairings, with the letter "L" or "W." This part of the page includes three baseball pairings including "Cin at Mont W," "Philly at Atl. L" and "LA at Houst L."

The second sheet has baseball and basketball teams listed for April 10, 1987 and April 11, 1987. Each team has a "W" or "L" next to it. Some of the basketball teams have what appear to be point spreads, e.g., "Utah -5 L." Cincinnati is

^{443/} See Exhibit 16. Rose denied that he ever kept records of his gambling activities. Rose Dep. at 82.

^{444/} Marcum Dep. at 16.

^{445/} Janszen Dep. at 43.

listed on both April 10 and April 11, 1987 along with a "W."
The Reds beat San Diego on both of these dates.^{446/}

The third sheet is undated and contains names of teams and pairings for college and professional football games, e.g., "W Miami vs. Okl -3." Next to three of the college teams is the notation "5 dimes."

On March 16, 1989, Pete Rose gave handwriting exemplars to Richard E. Casey, a retired FBI agent and experienced handwriting analysis expert. Mr. Casey was also provided with contemporaneous writings of Pete Rose for 1987. Mr. Casey compared Rose's handwriting exemplars and contemporaneous writings with the three handwritten sheets described above. His conclusions are:

1. It is my opinion that Pete Rose, whose exemplar handwriting, handprinting and numerical entries appear on [the samples provided Mr. Casey], is the writer of the handprinted and numerical entries on [the April 9 sheet and the undated sheet].

^{446/} 1988 Cincinnati Reds Media Guide at 72 (listing 1987 game results). See Exhibit 21.

2. It is also my opinion that Pete Rose is the writer of the handprinted and numerical entries on the [April 10 and 11 sheet], with the exception of the three fractional entries, 8-1/2, 9-1/2 and 9-1/2, appearing in the lower right hand margin of [the document].447/

Paul Janszen and Danita Marcum provided handwriting exemplars to James R. Dibowski of Cincinnati, Ohio, a retired postal inspector and experienced handwriting analysis expert.448/ Mr. Dibowski concluded that the three above-described sheets were not in the handwriting of either Marcum or Janszen.449/

447/ Report of Richard E. Casey, April 11, 1989, at 5. See Exhibit 71. Mr. Casey could not "identify or eliminate" Pete Rose as the writer of the fractional entries, but "some similarities were noted which suggest the possibility that Rose is also the writer of those entries." Casey Report at 5.

448/ Mr. Dibowski spent twenty-seven years as an Examiner of Questioned Documents in the Postal Inspection Service Crime Laboratory in Cincinnati, Ohio, serving as director of the Crime Laboratory for 14 years. Since his retirement in 1976, Mr. Dibowski has assisted both state and federal prosecutors in the prosecution of criminal cases.

449/ Report of James Dibowski, March 16, 1989, at 1. See Exhibit 72.