

EXHIBIT 3

INTERNAL AFFAIRS DIVISION
Confidential Investigation Section

28 JUNE 2005

TO: Commanding Officer
Internal Affairs Division
Confidential Investigation Section

FROM: Police Agent Calvin HOLLIDAY, Star 10865
Internal Affairs Division
Confidential Investigations Section

SUBJECT: Case Information

REFERENCE: Complaint Register Number 300778
Confidential Number 259476

ACCUSED: Sergeant Ronald WATTS, Star 2640

It is alleged Sergeant Ronald WATTS is taking drugs and money from high ranking drug dealers and allowing them to remain in business. It is also alleged that Sergeant WATTS takes drugs and then tells that person they owe him the total street value of the seized drugs or they will go to jail for possession.

The undersigned, in May 2005, met with Assistant States Attorney David NAVARRO (773 869 2897), private attorney Matthew MAHONEY, his client, gang member and drug dealer, Ben BAKER (IR # 901905), his wife, and Sergeants Ray BRODERDORF and Kenneth BIGG at 2650 South California. BAKER spoke of WATTS wanting BAKER to pay WATTS to stay in business and of BAKER'S resisting to do so. BAKER alleged his present case in court was placed on him by Sergeant WATTS. BAKER pledged his co-operation in our investigation and to work as a CI. BAKER stated he would immediately contact the undersigned if he had any contact with Sergeant WATTS. BAKER also spoke of Sergeant WATTS having shot at [REDACTED] for not paying him protection money. BAKER spoke of others selling drugs in the Ida B Wells Housing Projects and that these individuals paid Sergeant WATTS in order to continue to deal drugs. BAKER'S allegations against Sergeant WATTS are essentially the same as those told by two other known drug dealers at the Ida B Wells Housing Projects, [REDACTED] and Wilbert MOORE. These three men had no knowledge the other was talking to a Law Enforcement Agents.

To date, the undersigned has heard nothing from Ben BAKER or his attorney. Another method of investigation, possibly an integrity check, will be sought.

Previously, the undersigned had interviewed drug dealer [REDACTED]. [REDACTED] was brought in by HIDTA and made available to other Chicago Police Department sections. He was working off a case. He spoke of having been shot at by Sergeant WATTS for not paying protection money while [REDACTED] was selling drugs. He

Complaint Register # 300778

Confidential # 259476

Attachment # _____

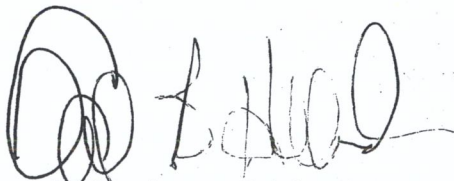
! PZ

spoke of other drug dealers in the Ida B Wells Housing Projects who are selling drugs and paying WATTS to remain in business. [REDACTED] was never able to assist the undersigned as he was being worked by the Narcotic and Gang Investigation Section.

On 07 April 2005, Wilbert MOORE, a.k.a. Big Shorty, was interviewed by HIDTA and NAGIS personnel. The undersigned also had a conversation with MOORE. In his statement to HIDTA and NAGIS personnel and in his statement to the undersigned, MOORE told of Sergeant WATTS taking money from the drug dealers in the Ida B Wells Housing Projects to allow them to remain in business. He also told of Sergeant WATTS having shot at [REDACTED] for not paying him. MOORE told of other drug dealers who had a financial relationships with Sergeant WATTS and Officer Alvin JONES, Star 19462. MOORE said both took money from drug dealers. He mentioned Officer Kallatt MOHAMMED, Star 14122 but did not accused him of taking money. MOORE was unable to assist the undersigned. He was identified by an officer who worked for Sergeant WATTS on his tactical team, who was detailed to NAGIS. This officer told Sergeant WATTS of MOORE's co-operation. MOORE said that when he was in Ida B Wells, Sergeant WATTS would see him and not speak. MOORE stated if he were with other persons, Sergeant WATTS would make the others get out of the car and go through them, but MOORE had to remain in the vehicle. MOORE would not be searched.

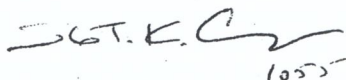
It should be noted, that Sergeant WATTS, Officer Alvin JONES, and Officer Kallatt MOHAMMED were previously assigned to Public Housing South, which has since been deactivated. Sergeant WATTS, Officers JONES and MOHAMMED, all went to the 2nd District. The agent spoke with Commander Walter GREEN of the 2nd District. He told the agent that due to Sergeant WATTS having come from the Public Housing Section, he was under the impression it would be prudent to assign Sergeant WATTS to work with a tactical unit as he was knowledgeable of the area. Commander GREEN said there was no negative information received when he contacted the Internal Affairs Division as to the history of Sergeant WATTS.

The investigation continues...



Police Agent Calvin HOLLIDAY
Internal Affairs Division
Confidential Investigations Section

APPROVED:



Acting Commanding Officer
Confidential Investigation Section

JB

2 of 2

Complaint Register # 300778

Confidential # 259476

Attachment # _____