

# **Question**

The Plaintiff alleges that he suffered concrete financial harm, including the loss of his home and business premises, legal expenses, and other damages, as a direct result of Defendants' actions. Under 18 U.S.C. § 1964(c), a plaintiff must demonstrate that the RICO violation was the proximate cause of their injury to business or property. The detailed allegations of financial harm and property loss directly linked to the Defendants' racketeering activities satisfy the proximate cause requirement for a RICO claim.

# **Answer (U.S. Federal)**

## **Short response**

The plaintiff's allegations of concrete financial harm, including loss of home, business premises, legal expenses, and other damages directly linked to defendants' racketeering activities, satisfy the proximate cause requirement under [18 U.S.C. § 1964](#)(c) for a RICO claim. To succeed, the plaintiff must demonstrate that their injuries to business or property were both factually and proximately caused by the defendants' RICO violations, showing a direct relationship between the alleged violations and the resulting harm.

## **Summary**

To establish standing under the Racketeer Influenced and Corrupt Organizations Act (RICO), specifically under [18 U.S.C. § 1964](#)(c), a plaintiff must demonstrate concrete injury to business or property that was proximately caused by the defendant's RICO violation. The plaintiff's allegations of concrete financial harm, including the loss of home and business premises, legal expenses, and other damages directly resulting from the defendants' racketeering activities, appear to satisfy the proximate causation requirement for a valid RICO claim. This is because the alleged damages represent specific, concrete financial losses to property and business interests that are directly attributable to the defendants' alleged pattern of racketeering activity.

The courts have consistently held that proximate cause in the RICO context requires a direct relationship between the alleged violation and the plaintiff's injuries, rather than an attenuated chain of causation with multiple intervening factors. The Supreme Court and various circuit courts have established that when evaluating proximate causation in RICO claims, the central question is whether the alleged violation led directly to the plaintiff's injuries. In this case, the plaintiff's detailed allegations of specific financial harms directly linked to the defendants' actions suggest a sufficiently direct causal connection that would likely satisfy the proximate cause requirement under relevant precedents, assuming the plaintiff can substantiate these allegations with evidence.

## **Relevant Legislation**

The civil remedy provision of the Racketeer Influenced and Corrupt Organizations Act (RICO) is codified at [18 U.S.C. § 1964\(c\)](#). According to the 2025 version of this statute:

"Any person injured in his business or property by reason of a violation of section 1962 of this chapter may sue therefor in any appropriate United States district court and shall recover threefold the damages he sustains and the cost of the suit, including a reasonable attorney's fee..." [18 U.S.C. § 1964\(c\)](#) (2025)

This provision creates a private right of action for individuals who have suffered injury to business or property "by reason of" a RICO violation. The statute authorizes treble damages, as well as recovery of costs and reasonable attorney's fees.

The key language in this provision is "by reason of," which courts have interpreted as requiring both factual ("but for") causation and legal ("proximate") causation between the RICO violation and the plaintiff's injury. The interpretation of this causation requirement forms the core of the analysis regarding whether the plaintiff's allegations satisfy the proximate cause requirement for a RICO claim.

## **Relevant Case Law**

### **Supreme Court Precedents on RICO Proximate Cause**

The U.S. Supreme Court has addressed the proximate cause requirement in RICO claims in several key decisions. In [Holmes v. Securities Investor Protection Corporation, 503 U.S. 258 \(1992\)](#), the Court established that the "by reason of" language in § 1964(c) requires a plaintiff to demonstrate proximate causation. The Court stated that "a RICO plaintiff 'only has standing if, and can only recover to the extent that, he has been injured in his business or property by [reason of] the conduct constituting the violation.'" It should be noted that Holmes was stated as vacated by [State v. Swafford, 654 S.E.2d 297, 375 S.C. 637 \(S.C. App. 2007\)](#). However, this negative treatment came from a state appellate court and does not affect Holmes' status as binding precedent for federal RICO claims.

The Supreme Court further developed the proximate cause standard in [Anza v. Ideal Steel Supply Corp., 547 U.S. 451 \(2006\)](#). In this case, the Court emphasized that "the language of the civil RICO provision, which broadly permits recovery by '[a]ny person injured in his business or property by reason of a violation' of the Act's substantive restrictions, § 1964(c) (2000 ed.), plainly covers the lawsuit brought by respondent." More importantly, the Court established a clear test for evaluating proximate causation in RICO claims: "When a court evaluates a RICO claim for proximate causation, the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries."

In [Bridge v. Phoenix Bond & Indem. Co., 553 U.S. 639 \(2008\)](#), the Supreme Court reiterated that § 1964(c) "requires the plaintiff to establish proximate cause in order to show injury 'by reason of' a RICO violation." The Court emphasized that this requires a direct relationship between the defendant's conduct and the plaintiff's injury.

## Circuit Court Decisions on RICO Proximate Cause

Multiple circuit courts have applied and elaborated on the Supreme Court's proximate cause standard in RICO cases. In [D'Addario v. D'Addario, 901 F.3d 80 \(2nd Cir. 2018\)](#), the Second Circuit explained that to establish a claim under § 1964(c), a plaintiff must prove: "(1) that Defendants violated section 1962 and (2) that she suffered an injury to her 'business or property,' but also (3) that her injury was caused 'by reason of' the RICO violation—a standard that we have equated to the familiar 'proximate cause' standard." The court importantly recognized that legal expenses incurred in combating RICO violations can constitute recoverable damages, stating, "We have long recognized that a plaintiff may recover legal fees, including expenses incurred in one or more attempts to combat a defendant's RICO violations through the legal system, as damages in a civil RICO action."

The Third Circuit, in [Gratz v. Ruggiero, No. 19-2853 \(3rd Cir. Aug 05, 2020\)](#), emphasized that "a plaintiff must show that the defendant's 'RICO violation was not only a 'but for' cause of his injury, but also that it was the proximate cause.'" The court elaborated that "the proximate cause requirement means that the plaintiff's injury must be the 'direct' result of an act of racketeering, rather than an attenuated harm following a 'long chain of intervening causes.'"

In [Williams v. Mohawk Industries, Inc., 465 F.3d 1277 \(11th Cir. 2006\)](#), the Eleventh Circuit stated that the "'by reason of' requirement implicates two concepts: (1) a sufficiently direct injury so that a plaintiff has standing to sue; and (2) proximate cause." The court emphasized that "the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries." It should be noted that Williams was stated as abrogated by [Allen v. First Unum Life Ins. Co., Case No: 2:18-cv-69-FtM-99MRM \(M.D. Fla. Aug 08, 2018\)](#), a district court case. However, the abrogation likely relates to specific aspects of the decision rather than its articulation of the proximate cause standard, which remains consistent with Supreme Court precedent.

The Second Circuit, in [Commercial Cleaning Serv. v. Colin Serv. Sys., 271 F. 3d 374 \(2nd Cir. 2000\)](#), stated that "RICO's use of the clause 'by reason of' has been held to limit standing to those plaintiffs who allege that the asserted RICO violation was the legal, or proximate, cause of their injury, as well as a logical, or 'but for,' cause." The court concluded that an adequate RICO complaint must state "a direct proximate relationship between its injury and [defendant's] pattern of racketeering activity."

## **District Court Applications of the Proximate Cause Standard**

District courts have applied these principles in evaluating the sufficiency of RICO claims. In [In re Chrysler-Dodge-Jeep Ecodiesel Mktg., 295 F.Supp.3d 927 \(N.D. Cal. 2018\)](#), the court explained that to successfully plead a RICO injury, plaintiffs must satisfy two requirements: "(1) a harm to a specific business or property interest" and "(2) that their injury has resulted in 'concrete financial loss.'" The court also reiterated that "the 'by reason of' language in [18 U.S.C. § 1964\(c\)](#) requires a civil RICO plaintiff 'to show that a RICO predicate offense not only was a but for cause of his injury, but was the proximate cause as well.'"

In [Planned Parenthood Fed'n of Am., Inc. v. Ctr. for Med. Progress, 214 F.Supp.3d 808 \(N.D. Cal. 2016\)](#), the court emphasized that for a RICO claim, "the conduct must be the proximate cause of harm to the victim." The court explained that "a plaintiff must also allege that they have been injured in their 'property or business' by reason of the alleged racketeering activities."

The Eastern District of New York, in [McRae v. Norton, 11-CV-2707 \(KAM\) \(SMG\) \(E.D. N.Y. Aug 11, 2011\)](#), provided a detailed explanation of the causation requirement, stating that it is "satisfied if the defendant's injurious conduct is both the factual and the proximate cause of the injury alleged." The court outlined a two-part test: "First, the plaintiff's injury must have been 'proximately caused by a pattern of racketeering activity violating [18 U.S.C. §] 1962 or by individual RICO predicate acts.'" Second, "the plaintiff must have suffered a direct injury that was foreseeable."

In [Napleton's Arlington Heights Motors, Inc. v. FCA U.S. LLC, No. 16 C 403 \(N.D. Ill. Jul 10, 2018\)](#), the court emphasized that "a plaintiff only has standing if, and can only recover to the extent that, he has been injured in his business or property by [reason of] the conduct constituting the violation." The court reiterated that a plaintiff "must show that the defendant's violation was both a proximate and but for cause of her injury," and that "the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries."

In [Blue Cross & Blue Shield of N.J. v. Philip Morris, 36 F.Supp.2d 560 \(E.D. N.Y. 1999\)](#), the court noted that "proximate cause is thus required [for RICO]." It is important to note that this case was disapproved by *Int'l Brotherhood of Teamsters v. Morris Incorp.*, 196 F.3d 818 (7th Cir. 1999). However, the disapproval likely pertains to specific aspects of the decision rather than the basic requirement of proximate causation, which is firmly established by Supreme Court precedent.

In [BCCI Holdings, Societe Anonyme v. Pharaon, 43 F.Supp.2d 359 \(S.D. N.Y. 1999\)](#), the court noted that "the Supreme Court has interpreted RICO's 'by reason of' language to limit standing to plaintiffs whose injuries were both factually and proximately caused by the alleged RICO violation." However, the court also observed that "liability under statutes such as RICO does not 'depend on whether there is proximate causation as that term is used at

common law," suggesting a potentially broader interpretation of proximate cause in the RICO context.

## Recent Case Law

In [TNT Amusements, Inc. v. Torch Elecs., 4:23CV330 JAR \(E.D. Mo. Feb 26, 2024\)](#), one of the most recent cases addressing this issue, the court restated the established principle that "[a] civil RICO plaintiff must show injury 'by reason of a RICO violation, that is, injury 'both factually and proximately caused' by the violation.'" This recent decision confirms the continuing applicability of the proximate cause standard as articulated in Holmes and subsequent cases.

## Secondary Sources

Several secondary sources provide additional insight into the proximate cause requirement for RICO claims. [Civil Rico: A Tool of Advocacy](#) (2024) explains that "to recover damages under civil RICO requires proof of concrete financial loss and not merely injury to a valuable intangible property interest." It emphasizes that "a plaintiff must be directly injured by reason of the defendant's racketeering activities" and that "proximate cause, as an aspect of RICO's 'by reason of' standard, requires a RICO plaintiff to show that the defendant's racketeering offenses led directly to the plaintiff's injuries."

[Defending RICO Claims In The Business Context Part II: RICO Claims Must Allege Injury To Business Or Property](#) (2022) explains that "for RICO claims, in addition to pleading a sufficiently specific injury, including allegations that the plaintiff has suffered known damages (as opposed to mere speculative or unprovable damages), the plaintiff must allege that he suffered an injury to his business or property that bears some causal relationship to the alleged act or acts that violated RICO." The source notes that "courts have determined that a plaintiff's alleged injuries were sufficient in cases involving lost profits, excessive interest charges, property damage and interference with business, such as decreased business profits or increased costs of doing business."

Chapter 3. Standing emphasizes that "a civil RICO plaintiff must have suffered concrete financial loss. Speculative, amorphous, attenuated, or intangible loss will not do." It also explains that "proximate cause is satisfied if the RICO pattern is a substantial factor in causing the plaintiff's injury, provided that the injury is reasonably foreseeable and a natural and direct consequence of those acts."

[PAYORS, PLAYERS, AND PROXIMATE CAUSE](#). (2022) explains that "to satisfy statutory standing in the civil RICO context, a plaintiff must show (1) injury to 'business or property' and (2) that the injury was 'by reason of a RICO violation.'" It notes that "there is no room in the statutory language for an additional, amorphous racketeering injury' requirement" beyond showing injury to business or property.

[Racketeer influenced and corrupt organizations.](#) (2011) explains that "compensable injury necessarily is the harm caused by [the] predicate acts of a RICO violation." This supports the proposition that financial harm and property loss resulting from racketeering activities can satisfy the proximate cause requirement.

## **Analysis of the Plaintiff's RICO Claim**

### **Injury to Business or Property**

The first requirement for a civil RICO claim under [18 U.S.C. § 1964\(c\)](#) is that the plaintiff must have suffered an injury to "business or property." As stated in [In re Chrysler-Dodge-Jeep Ecodiesel Mktg.](#), [295 F.Supp.3d 927 \(N.D. Cal. 2018\)](#), this requires "a harm to a specific business or property interest" and that the injury has resulted in "concrete financial loss."

The plaintiff in this case alleges "concrete financial harm, including the loss of his home and business premises, legal expenses, and other damages." These allegations appear to satisfy the requirement for injury to business or property. The loss of a home constitutes injury to property, while the loss of business premises and other business-related damages constitute injury to business interests.

As [Defending RICO Claims In The Business Context Part II: RICO Claims Must Allege Injury To Business Or Property](#) (2022) explains, "courts have determined that a plaintiff's alleged injuries were sufficient in cases involving lost profits, excessive interest charges, property damage and interference with business, such as decreased business profits or increased costs of doing business." The plaintiff's alleged losses fall within these categories of recognized business and property injuries.

Furthermore, [D'Addario v. D'Addario, 901 F.3d 80 \(2nd Cir. 2018\)](#) specifically recognized that "legal expenses incurred in pursuing... grievances against [defendants]" can constitute recoverable damages in a RICO action. The plaintiff's allegation of "legal expenses" as part of the damages therefore constitutes a recognized form of injury under RICO.

### **Proximate Causation**

The second and more complex requirement is that the plaintiff must demonstrate that the defendants' RICO violation was the proximate cause of the alleged injuries. The Supreme Court in [Anza v. Ideal Steel Supply Corp., 547 U.S. 451 \(2006\)](#) established that "when a court evaluates a RICO claim for proximate causation, the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries."

The plaintiff alleges that the injuries suffered were "a direct result of Defendants' actions" and that the "detailed allegations of financial harm and property loss [are] directly linked to the Defendants' racketeering activities." This language tracks the proximate cause standard established by the Supreme Court, suggesting that the plaintiff is alleging a direct causal

relationship between the defendants' RICO violations and the injuries suffered.

As stated in [McRae v. Norton, 11-CV-2707 \(KAM\)\(SMG\) \(E.D. N.Y. Aug 11, 2011\)](#), the causation requirement is "satisfied if the 'defendant's injurious conduct is both the factual and the proximate cause of the injury alleged.'" The court outlined a two-part test: "First, the plaintiff's injury must have been 'proximately caused by a pattern of racketeering activity violating [18 U.S.C. §] 1962 or by individual RICO predicate acts.'" Second, "the plaintiff must have suffered a direct injury that was foreseeable."

The plaintiff's allegation that the injuries were "a direct result of Defendants' actions" suggests factual causation, while the claim that the financial harm and property loss are "directly linked to the Defendants' racketeering activities" suggests proximate causation.

As Chapter 3. Standing explains, "proximate cause is satisfied if the RICO pattern is a substantial factor in causing the plaintiff's injury, provided that the injury is reasonably foreseeable and a natural and direct consequence of those acts." The alleged loss of home, business premises, and legal expenses would likely be foreseeable consequences of the defendants' alleged racketeering activities if those activities were directly targeted at the plaintiff's business and property interests.

## Sufficiency of the Allegations

The key question is whether the plaintiff's "detailed allegations of financial harm and property loss directly linked to the Defendants' racketeering activities" are sufficient to satisfy the proximate cause requirement. Based on the case law, several factors suggest that they may be:

1. The alleged injuries (loss of home, business premises, legal expenses) are concrete financial losses, not speculative or intangible harms. As stated in [Civil Rico: A Tool of Advocacy](#) (2024), "to recover damages under civil RICO requires proof of concrete financial loss and not merely injury to a valuable intangible property interest."
2. The plaintiff alleges a direct link between the defendants' racketeering activities and the injuries suffered, rather than an attenuated chain of causation. As explained in [Gratz v. Ruggiero, No. 19-2853 \(3rd Cir. Aug 05, 2020\)](#), "the proximate cause requirement means that the plaintiff's injury must be the 'direct' result of an act of racketeering, rather than an attenuated harm following a 'long chain of intervening causes.'"
3. The alleged injuries are to specific business and property interests protected by RICO, not general economic harms. As stated in [In re Chrysler-Dodge-Jeep Ecodiesel Mktg., 295 F.Supp.3d 927 \(N.D. Cal. 2018\)](#), a RICO plaintiff must plausibly allege "a harm to a specific business or property interest."
4. The legal expenses allegedly incurred are specifically recognized as recoverable damages. As stated in [D'Addario v. D'Addario, 901 F.3d 80 \(2nd Cir. 2018\)](#), "a plaintiff may recover legal fees, including expenses

incurred in one or more attempts to combat a defendant's RICO violations through the legal system, as damages in a civil RICO action."

However, the sufficiency of the allegations would ultimately depend on the specific factual details provided by the plaintiff, which are not fully articulated in the question. As stated in [TNT Amusements, Inc. v. Torch Elecs., 4:23CV330 JAR \(E.D. Mo. Feb 26, 2024\)](#), "[a] civil RICO plaintiff must show injury 'by reason of a RICO violation, that is, injury 'both factually and proximately caused' by the violation." This would require more than conclusory allegations of a direct link; it would require specific factual allegations establishing how the defendants' RICO violations directly caused each of the alleged injuries.

## Possible Challenges and Limitations

Despite the plaintiff's allegations of a direct link between the defendants' racketeering activities and the injuries suffered, several challenges and limitations may affect the sufficiency of the RICO claim:

1. **Intervening causes:** If there are significant intervening causes between the defendants' racketeering activities and the plaintiff's injuries, this could break the chain of proximate causation. As noted in [Gratz v. Ruggiero, No. 19-2853 \(3rd Cir. Aug 05, 2020\)](#), the injury must not be "an attenuated harm following a 'long chain of intervening causes.'"
2. **Directness of the injury:** Courts carefully scrutinize whether the plaintiff was the direct victim of the alleged racketeering activities. As stated in [McRae v. Norton, 11-CV-2707 \(KAM\)\(SMG\) \(E.D. N.Y. Aug 11, 2011\)](#), "a plaintiff does not have standing if he suffered an injury that was indirectly caused by the racketeering activity or RICO predicate acts, even if the injury was proximately caused by non-RICO violations committed by the defendants."
3. **Specificity of allegations:** Conclusory allegations of a direct link between racketeering activities and injuries may not be sufficient. As noted in [Defending RICO Claims In The Business Context Part II: RICO Claims Must Allege Injury To Business Or Property](#) (2022), the plaintiff must plead "a sufficiently specific injury, including allegations that the plaintiff has suffered known damages."
4. **Nature of the racketeering activities:** The specific predicate acts constituting the pattern of racketeering activity would need to be clearly identified and linked to the plaintiff's injuries. As [Racketeer influenced and corrupt organizations.](#) (2011) explains, "compensable injury necessarily is the harm caused by [the] predicate acts of a RICO violation."

# Conclusion

Based on the authorities reviewed, the plaintiff's allegations of concrete financial harm, including the loss of home, business premises, legal expenses, and other damages directly resulting from the defendants' racketeering activities, appear to satisfy the proximate cause requirement for a RICO claim under [18 U.S.C. § 1964\(c\)](#).

The Supreme Court has established that the central question in evaluating proximate causation for RICO claims is "whether the alleged violation led directly to the plaintiff's injuries" ([Anza v. Ideal Steel Supply Corp., 547 U.S. 451 \(2006\)](#)). The plaintiff's allegation that the financial harm and property loss are "directly linked to the Defendants' racketeering activities" tracks this standard.

The types of injuries alleged—loss of home, business premises, and legal expenses—are concrete financial losses to specific business and property interests that are protected by RICO. As [D'Addario v. D'Addario, 901 F.3d 80 \(2nd Cir. 2018\)](#) established, even legal expenses incurred in combating RICO violations can constitute recoverable damages.

However, the ultimate sufficiency of the plaintiff's allegations would depend on the specific factual details provided, which must establish not only that the injuries occurred and were substantial, but also that they were directly caused by the defendants' RICO violations rather than by intervening causes or other factors. As stated in [TNT Amusements, Inc. v. Torch Elecs., 4:23CV330 JAR \(E.D. Mo. Feb 26, 2024\)](#), a civil RICO plaintiff must show injury "both factually and proximately caused" by the RICO violation.

In summary, while the plaintiff's allegations as described appear to satisfy the proximate cause requirement for a RICO claim, the strength of the claim would ultimately depend on the specific factual details provided and the ability to demonstrate a direct causal link between the defendants' racketeering activities and each of the alleged injuries.

## Legal Authorities

[Commercial Cleaning Serv. v. Colin Serv. Sys., 271 F.3d 374 \(2nd Cir. 2000\)](#)

### U.S. Court of Appeals — Second Circuit

#### Extract

RICO grants standing to pursue a civil damages remedy to '[a]ny person injured in his business or property by reason of a violation of [18 U.S.C. § 1962].'<sup>18 U.S.C. § 1964(c).</sup> In order to bring suit under § 1964(c), a plaintiff must plead (1) the defendant's violation of § 1962, (2) an injury to the plaintiff's business or property, and (3) causation of the injury by the defendant's violation. ... RICO's use of the clause 'by reason of' has been held to limit standing to those plaintiffs who allege that the asserted RICO violation was the legal, or proximate, cause of their injury, as well as a

logical, or 'but for,' cause. ... We conclude that Commercial's complaint, when evaluated in light of these considerations, adequately states a direct proximate relationship between its injury and Colin's pattern of racketeering activity.

## **Summary**

The court in this case affirmed the necessity for a plaintiff to demonstrate that the RICO violation was the proximate cause of their injury. The court emphasized the need for a direct relationship between the injury and the defendant's racketeering activities. This supports the proposition that detailed allegations of financial harm and property loss directly linked to the defendants' actions can satisfy the proximate cause requirement for a RICO claim.

[Williams v. Mohawk Industries, Inc., 465 F.3d 1277 \(11th Cir. 2006\)](#)

## **U.S. Court of Appeals — Eleventh Circuit**

### **Extract**

In civil cases, however, RICO plaintiffs must also satisfy the requirements of 18 U.S.C. § 1964(c). Section 1964(c) states that '[a]ny person injured in his business or property by reason of' RICO's substantive provisions has the right to 'recover threefold the damages he sustains....' 18 U.S.C. § 1964(c). Thus, under § 1964(c), civil RICO claimants, such as the plaintiffs here, must show (1) the requisite injury to 'business or property,' and (2) that such injury was 'by reason of' the substantive RICO violation. ... The 'by reason of' requirement implicates two concepts: (1) a sufficiently direct injury so that a plaintiff has standing to sue; and (2) proximate cause. ... More importantly, in *Anza*, the United States Supreme Court instructed that '[w]hen a court evaluates a RICO claim for proximate causation, the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries.'

## **Summary**

For a civil RICO claim under 18 U.S.C. § 1964(c), a plaintiff must demonstrate an injury to business or property and that the injury was directly caused by the RICO violation. The passage emphasizes the need for a direct relationship between the alleged RICO violation and the plaintiff's injuries, which aligns with the proposition that the plaintiff's financial harm and property loss must be directly linked to the defendants' racketeering activities to satisfy the proximate cause requirement.

[D'Addario v. D'Addario, 901 F.3d 80 \(2nd Cir. 2018\)](#)

## **U.S. Court of Appeals — Second Circuit**

## **Extract**

Virginia's claim under RICO for legal expenses incurred in pursuing her grievances against David and other defendants is ripe; (3) she has plausibly alleged that her legal expense injuries were proximately caused by Defendants' RICO violations... We have long recognized that a plaintiff may recover legal fees, including expenses incurred in one or more attempts to combat a defendant's RICO violations through the legal system, as damages in a civil RICO action... Section 1964(c) of title 18 authorizes a private cause of action for '[a]ny person injured in his business or property by reason of a violation of section 1962....' To make out a claim under this section, Virginia must prove not only (1) that Defendants violated section 1962 and (2) that she suffered an injury to her 'business or property,' but also (3) that her injury was caused 'by reason of' the RICO violation—a standard that we have equated to the familiar 'proximate cause' standard.

## **Summary**

Requirements for a RICO claim under 18 U.S.C. § 1964(c), specifically the need to demonstrate that the RICO violation was the proximate cause of the injury to business or property. It highlights that legal expenses incurred in combating RICO violations can be considered damages in a civil RICO action. This supports the proposition that detailed allegations of financial harm and property loss linked to racketeering activities can satisfy the proximate cause requirement for a RICO claim.

[Blue Cross & Blue Shield of N.J. v. Philip Morris, 36 F.Supp.2d 560 \(E.D. N.Y. 1999\)](#)

## **U.S. District Court — Eastern District of New York**

### **Extract**

Civil remedies for RICO violations are provided by section 1964 of title 18. ... RICO grants standing to those injured in their 'business or property' as a result of racketeering. ... The Supreme Court held that SIPC had no standing to bring a RICO action against the stock manipulators because its injuries were not 'proximately caused' by the racketeering. ... Proximate cause is thus required [for RICO].

### **Summary**

Requirements for a RICO claim under 18 U.S.C. § 1964(c), specifically the need for a plaintiff to demonstrate injury to business or property and the requirement of proximate cause. The case highlights that proximate cause is a necessary element for standing in a RICO claim, aligning with the proposition that the plaintiff must show the RICO violation was the proximate cause of their injury.

[Sedima, S.P.R.L. v. Imrex Co., Inc., 741 F.2d 482 \(2nd Cir. 1984\)](#)

**U.S. Court of Appeals — Second Circuit**

**Extract**

Similarly, claims alleging the kinds of business fraud which often affect competition should go forward under RICO even if in the particular case no harm to competition results, as, for example, when all competitors are being extorted from equally. For example, in Hellenic Lines, Ltd. v. O'Hearn, 523 F.Supp. 244 (S.D.N.Y.1981), a company was forced to pay kickbacks to an illegal enterprise for required services. A RICO claim was allowed even though defendant claimed that the inflated price was still reasonable so that no injury to competition had occurred. It was enough that the plaintiff's alleged injury was the kind of injury which Congress identified as threatening competition.

**Summary**

Standing requirements for a RICO claim, emphasizing that a plaintiff's injury need not result in harm to competition to be actionable under RICO. It highlights that injuries from business fraud, such as extortion, can support a RICO claim if they are the type of injury Congress intended to address. This aligns with the proposition that the plaintiff's financial harm and property loss, directly linked to the defendants' racketeering activities, satisfy the proximate cause requirement for a RICO claim.

[Planned Parenthood Fed'n of Am., Inc. v. Ctr. for Med. Progress, 214 F.Supp. 3d 808 \(N.D. Cal. 2016\)](#)

**U.S. District Court — Northern District of California**

**Extract**

The elements of a RICO claim are: (i) the conduct of (ii) an enterprise that affects interstate commerce (iii) through a pattern (iv) of racketeering activity or collection of unlawful debt. 18 U.S.C. § 1962(c); Eclectic Props. E., LLC v. Marcus & Millichap Co., 751 F.3d 990, 997 (9th Cir. 2014). In addition, the conduct must be the proximate cause of harm to the victim. Under § 1964(c), plaintiffs must also allege that they have been injured in their 'property or business' by reason of the alleged racketeering activities... Finally, defendants argue that the FAC fails to allege facts showing that the RICO predicate acts, as opposed to other actions and the actions of others who may have been influenced by the Human Capital Project videos and press, proximately caused plaintiffs' injuries. See Anza v. Ideal Steel Supply Corp., 547 U.S. 451, 458, 126 S.Ct. 1991, 164 L.Ed.2d 720 (2006) ('The proper referent of the proximate-cause analysis is' is predicate acts alleged). 'When a court evaluates a RICO claim for proximate causation, the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries.' Id. at 461, 126 S.Ct. 1991.

## **Summary**

For a RICO claim under 18 U.S.C. § 1964(c), a plaintiff must demonstrate that the defendant's conduct was the proximate cause of harm to the plaintiff's business or property. The passage emphasizes the necessity of showing a direct link between the alleged racketeering activities and the plaintiff's injuries, which aligns with the proposition that detailed allegations of financial harm and property loss directly linked to the defendants' actions satisfy the proximate cause requirement.

[Bridge v. Phoenix Bond & Indem. Co., 128 S.Ct. 2131, 170 L.Ed.2d 1012, 553 U.S. 639, 8 Cal. Daily Op. Serv. 6929, 21 Fla. L. Weekly Fed. S 295, 76 USLW 4381, 2008 Daily Journal D.A.R. 8339 \(2008\)](#)

## **U.S. Supreme Court**

### **Extract**

RICO's private right of action is contained in 18 U.S.C. § 1964(c), which provides in relevant part that '[a]ny person injured in his business or property by reason of a violation of section 1962 of this chapter may sue therefor in any appropriate United States district court and shall recover threefold the damages he sustains and the cost of the suit, including a reasonable attorney's fee.' ... Because Congress modeled § 1964(c) on other provisions that had been interpreted to 'requir[e] a showing that the defendant's violation not only was a 'but for' cause of his injury, but was the proximate cause as well,' we concluded that § 1964(c) likewise requires the plaintiff to establish proximate cause in order to show injury 'by reason of' a RICO violation.

## **Summary**

The passage from the Supreme Court decision clarifies that under 18 U.S.C. § 1964(c), a plaintiff must demonstrate that the RICO violation was the proximate cause of their injury to business or property. This aligns with the proposition that the plaintiff's detailed allegations of financial harm and property loss, directly linked to the defendants' racketeering activities, satisfy the proximate cause requirement for a RICO claim.

[Anza v. Ideal Steel Supply Corp., 126 S.Ct. 1991, 164 L.Ed.2d 720, 547 U.S. 451 \(2006\)](#)

## **U.S. Supreme Court**

### **Extract**

The language of the civil RICO provision, which broadly permits recovery by '[a]ny person injured in his business or property by reason of a violation' of

the Act's substantive restrictions, § 1964(c) (2000 ed.), plainly covers the lawsuit brought by respondent. Respondent alleges that it was injured in its business, and that this injury was the direct result of petitioners' violation of § 1962(c).

## **Summary**

The passage from the Supreme Court decision highlights that the civil RICO provision allows recovery for any person injured in their business or property due to a violation of the Act's restrictions. It emphasizes that the injury must be a direct result of the violation, aligning with the requirement for proximate cause. This supports the proposition that detailed allegations of financial harm and property loss directly linked to the Defendants' racketeering activities can satisfy the proximate cause requirement for a RICO claim.

[Holmes v. Securities Investor Protection Corporation, 503 U.S. 258, 112 S.Ct. 1311, 117 L.Ed.2d 532 \(1992\)](#)

## **U.S. Supreme Court**

### **Extract**

RICO authorizes '[a]ny person injured in his business or property by reason of a violation of section 1962' to sue for treble damages in federal court. 18 U.S.C. § 1964(c). ... Of course, a RICO plaintiff 'only has standing if, and can only recover to the extent that, he has been injured in his business or property by [reason of] the conduct constituting the violation.' ... Today, the Court sensibly holds that the statutory words 'by reason of' operate, as they do in the antitrust laws, to confine RICO's civil remedies to those whom the defendant has truly injured in some meaningful sense.

## **Summary**

The U.S. Supreme Court has clarified that for a RICO claim under 18 U.S.C. § 1964(c), a plaintiff must demonstrate that they have been injured in their business or property by reason of the defendant's violation of section 1962. The requirement of proximate cause is emphasized, meaning the plaintiff must show a direct link between the defendant's racketeering activities and the plaintiff's injury. This supports the proposition that detailed allegations of financial harm and property loss directly linked to the defendants' actions can satisfy the proximate cause requirement for a RICO claim.

[In re Chrysler-Dodge-Jeep Ecodiesel Mktg., 295 F.Supp.3d 927 \(N.D. Cal. 2018\)](#)

## **U.S. District Court — Northern District of California**

## **Extract**

To successfully plead a RICO injury, Plaintiffs must satisfy two requirements. First, they must plausibly allege 'a harm to a specific business or property interest.' *Diaz v. Gates*, 420 F.3d 897, 900 (9th Cir. 2005) (en banc). This is 'a categorical inquiry typically determined by reference to state law.' *Id.* Second, they must plausibly allege that their injury has resulted in 'concrete financial loss.' *Canyon Cty. v. Syngenta Seeds, Inc.*, 519 F.3d 969, 975 (9th Cir. 2008) (quoting *Oscar v. Univ. Students Co-op. Ass'n*, 965 F.2d 783, 785 (9th Cir. 1992) (en banc)), abrogated on other grounds by *Diaz*, 420 F.3d 897. ... The Supreme Court has held that the 'by reason of' language in 18 U.S.C. § 1964(c) requires a civil RICO plaintiff 'to show that a RICO predicate offense not only was a but for cause of his injury, but was the proximate cause as well.' *Hemi Grp., LLC v. City of N.Y.*, 559 U.S. 1, 9, 130 S.Ct. 983, 175 L.Ed.2d 943 (2010) (internal quotation marks omitted). In analyzing proximate cause under RICO, the 'central question' is 'whether the alleged violation led directly to the plaintiff's injuries.' *Anza v. Ideal Steel Supply Corp.*, 547 U.S. 451, 461, 126 S.Ct. 1991, 164 L.Ed.2d 720 (2006).

## **Summary**

Legal framework for establishing these elements, which directly supports the proposition that the plaintiff's detailed allegations of financial harm and property loss linked to the defendants' racketeering activities satisfy the proximate cause requirement for a RICO claim.

[Gratz v. Ruggiero, No. 19-2853 \(3rd Cir. Aug 05, 2020\)](#)

## **U.S. Court of Appeals — Third Circuit**

### **Extract**

Furthermore, a plaintiff must show that the defendant's 'RICO violation was not only a 'but for' cause of his injury, but also that it was the proximate cause.' The proximate cause requirement means that the plaintiff's injury must be the 'direct' result of an act of racketeering, rather than an attenuated harm following a 'long chain of intervening causes.'

### **Summary**

For a RICO claim, the plaintiff must demonstrate that the injury was directly caused by the defendant's racketeering activity. The passage emphasizes the need for a direct causal link between the RICO violation and the plaintiff's injury, which aligns with the proposition that the plaintiff's financial harm and property loss were directly linked to the defendants' racketeering activities.

[TNT Amusements, Inc. v. Torch Elecs., 4:23CV330 JAR \(E.D. Mo. Feb 26, 2024\)](#)

## **U.S. District Court — Eastern District of Missouri**

### **Extract**

Section 1964(c) of the RICO Act provides that '[a]ny person injured in his business or property by reason of a violation of section 1962' may sue for threefold the damages sustained. In *Holmes v. Securities Investor Protection Corp.*, 503 U.S. 258 (1992), the Supreme Court 'construed the 'by reason of language to incorporate the traditional requirements of proximate ... causation.' *Bieter Co. v. Blomquist*, 987 F.2d 1319, 1325 (8th Cir.), cert. denied, 510 U.S. 823 (1993). Thus, '[a] civil RICO plaintiff must show injury 'by reason of a RICO violation, that is, injury 'both factually and proximately caused' by the violation.'

### **Summary**

The passage explains that under 18 U.S.C. § 1964(c), a plaintiff must demonstrate that their injury was both factually and proximately caused by a RICO violation. This aligns with the proposition that the plaintiff must show concrete financial harm directly linked to the defendants' racketeering activities to satisfy the proximate cause requirement for a RICO claim. The passage supports the notion that detailed allegations of financial harm and property loss, if directly linked to the defendants' actions, can meet the proximate cause requirement.

[Bcci Holdings, Societe Anonyme v. Pharaon, 43 F.Supp.2d 359 \(S.D. N.Y. 1999\)](#)

## **U.S. District Court — Southern District of New York**

### **Extract**

The Supreme Court has interpreted RICO's 'by reason of' language to limit standing to plaintiffs whose injuries were both factually and proximately caused by the alleged RICO violation. See *Holmes v. Securities Investor Protection Corp.*, 503 U.S. 258, 265-70, 112 S.Ct. 1311, 1317, 117 L.Ed.2d 532 (1992). As the Second Circuit has recently made clear, however, liability under statutes such as RICO does not 'depend on whether there is proximate causation as that term is used at common law.' *Abrahams v. Young & Rubicam Inc.*, 79 F.3d 234, 237 (2d Cir.1996).

### **Summary**

A plaintiff must show that their injuries were both factually and proximately caused by the RICO violation. However, the Second Circuit notes that the concept of proximate causation under RICO does not strictly adhere to

common law definitions, suggesting a broader interpretation that may support the plaintiff's claim of direct financial harm due to the defendants' actions.

[Napleton's Arlington Heights Motors, Inc. v. FCA U.S. LLC, No. 16 C 403 \(N.D. Ill. Jul 10, 2018\)](#)

### **U.S. District Court — Northern District of Illinois**

#### **Extract**

A RICO plaintiff 'only has standing if, and can only recover to the extent that, he has been injured in his business or property by [reason of] the conduct constituting the violation.' Holmes v. Sec. Inv'r Prot. Corp., 503 U.S. 258, 279 (1992) (quoting Sedima, 473 U.S. at 496). In meeting that requirement, a plaintiff must show that the defendant's violation was both a proximate and but for cause of her injury. See Anza v. Ideal Steel Supply Corp., 547 U.S. 451, 457 (2006). 'When a court evaluates a RICO claim for proximate causation, the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries.' Id.

#### **Summary**

Requirements for a RICO claim under 18 U.S.C. § 1964(c), specifically the need for a plaintiff to demonstrate that the defendant's actions were both the proximate and but-for cause of the plaintiff's injury. This directly supports the proposition that the plaintiff must show a direct link between the alleged racketeering activities and the financial harm suffered. The passage also references key Supreme Court cases that establish these principles, indicating their broad applicability.

[McRae v. Norton, 11-CV-2707 \(KAM\)\(SMG\) \(E.D. N.Y. Aug 11, 2011\)](#)

### **U.S. District Court — Eastern District of New York**

#### **Extract**

To demonstrate standing to bring a RICO claim, a plaintiff must plead, at a minimum, '(1) the defendant's violation of [§ ] 1962, (2) an injury to the plaintiff's business or property, and (3) causation of the injury by the defendant's violation.' Lerner v. Fleet Bank, N.A., 318 F.3d 113, 120 (2d Cir. 2003) (internal quotation marks and citations omitted). The causation requirement is satisfied if the 'defendant's injurious conduct is both the factual and the proximate cause of the injury alleged.' Id. To prove proximate cause, plaintiff must satisfy a two-part test. First, the plaintiff's injury must have been 'proximately caused 'by a pattern of racketeering activity violating [18 U.S.C. §] 1962 or by individual RICO predicate acts.' Id. at 122-23 (quoting Hecht v. Commerce Clearing House, Inc., 897 F.2d 21, 23

(2d Cir. 1990)). In other words, a plaintiff does not have standing if he suffered an injury that was indirectly caused by the racketeering activity or RICO predicate acts, even if the injury was proximately caused by non-RICO violations committed by the defendants. Id. Second, the plaintiff must have suffered a direct injury that was foreseeable.

## **Summary**

Requirements for standing in a RICO claim, emphasizing the need for a direct and foreseeable injury caused by the racketeering activity. This directly supports the proposition that the plaintiff's detailed allegations of financial harm and property loss, if directly linked to the defendants' racketeering activities, would satisfy the proximate cause requirement for a RICO claim.

### [18 U.S.C. § 1964](#) [18 U.S.C. § 1964 Civil Remedies](#)

## **Extract**

Any person injured in his business or property by reason of a violation of section 1962 of this chapter may sue therefor in any appropriate United States district court and shall recover threefold the damages he sustains and the cost of the suit, including a reasonable attorney's fee...

## **Summary**

The passage from 18 U.S.C. § 1964(c) explicitly states that any person injured in their business or property due to a violation of section 1962 (which outlines prohibited racketeering activities) can sue in a U.S. district court. It also specifies that the injured party can recover threefold the damages sustained, along with the cost of the suit, including reasonable attorney's fees. This directly supports the proposition that a plaintiff must demonstrate that the RICO violation was the proximate cause of their injury to business or property, as it provides the legal basis for such claims and the potential remedies available.

### [PAYORS, PLAYERS, AND PROXIMATE CAUSE.](#)

**Notre Dame Law Review - University of Notre Dame Law School -  
Crusey, Elisabeth F. - 2022-05-01**

## **Extract**

To satisfy statutory standing in the civil RICO context, a plaintiff must show (1) injury to 'business or property' and (2) that the injury was 'by reason of a RICO violation.' (42) Courts adhere to the idea that Congress modeled this language closely after the Clayton Act, a statute that creates private rights of action for citizens to allege antitrust violations. (43)... activities injure the

plaintiff in his business or property, the plaintiff has a claim under [section] 1964(c). There is no room in the statutory language for an additional, amorphous racketeering injury<sup>1</sup> requirement.

## **Summary**

Requirements for statutory standing in civil RICO cases, specifically the need to demonstrate an injury to "business or property" and that this injury was "by reason of a RICO violation." This aligns with the proposition that the plaintiff must show that the RICO violation was the proximate cause of their injury. The passage also emphasizes that there is no additional requirement beyond showing injury to business or property, which supports the proposition that detailed allegations of financial harm and property loss linked to racketeering activities can satisfy the proximate cause requirement.

### [Chapter 3. Standing](#)

**Civil RICO: A Definitive Guide. Fifth Edition - American Bar Association - Gregory P. Joseph**

#### **Extract**

A civil RICO plaintiff must have suffered concrete financial loss. Speculative, amorphous, attenuated, or intangible loss will not do. ... Proximate cause is satisfied if the RICO pattern is a substantial factor in causing the plaintiff's injury, provided that the injury is reasonably foreseeable and a natural and direct consequence of those acts.

## **Summary**

The passage emphasizes the necessity for a civil RICO plaintiff to demonstrate a concrete financial loss, which aligns with the proposition that the plaintiff alleges specific financial harms. Additionally, the passage clarifies that proximate cause is satisfied when the RICO violation is a substantial factor in causing the injury, which supports the proposition's claim that the detailed allegations of financial harm are directly linked to the Defendants' racketeering activities.

### [Racketeer influenced and corrupt organizations.](#)

**American Criminal Law Review - Georgetown University Law Center - Argust, Corey P. - 2010-03-22**

#### **Extract**

Moreover, a plaintiff must prove that the defendant's violation of [section] 1962 was the proximate cause of the plaintiff's injury to have standing for a

civil RICO action. (318) In creating this proximate cause requirement, the Supreme Court reasoned that Congress modeled [section] 1964(c) on the civil action provisions in the Clayton Act, (319) which federal courts have long held to require a showing of proximate causation. (320)... In Anza, the Court noted that when a court evaluates a RICO claim for proximate causation, the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries.

## **Summary**

For a plaintiff to have standing in a civil RICO action, they must demonstrate that the defendant's violation of RICO was the proximate cause of their injury. The passage explains that this requirement is modeled after the Clayton Act and is a well-established principle in federal courts. The passage also highlights that the central question in evaluating proximate causation is whether the alleged violation directly led to the plaintiff's injuries.

### [Racketeer influenced and corrupt organizations.](#)

**American Criminal Law Review - Georgetown University Law Center - Mecone, James Morrison - 2006-03-22**

## **Extract**

Moreover, a plaintiff must prove that the defendant's violation of [section] 1962 was the proximate cause of the plaintiff's injury to have standing for a civil RICO action. (311) In creating this proximate cause requirement, the Court reasoned that Congress modeled [section] 1964(c) on the civil action provisions in the Clayton Act, (312) which federal courts have long held to require a showing of proximate causation. (313)

## **Summary**

The passage explains that for a plaintiff to have standing in a civil RICO action, they must demonstrate that the defendant's violation of section 1962 was the proximate cause of their injury. This aligns with the proposition that the plaintiff must show a direct link between the alleged racketeering activities and their financial harm. The reference to the Clayton Act further supports the necessity of proving proximate causation, which is a central requirement in such cases.

### [Racketeer influenced and corrupt organizations.](#)

**American Criminal Law Review - Georgetown University Law Center - Bagley, Ross - 2007-03-22**

## **Extract**

Moreover, a plaintiff must prove that the defendant's violation of [section] 1962 was the proximate cause of the plaintiff's injury to have standing for a civil RICO action. ... Second, the Court established that plaintiff has a claim under [section] 1964(c) if defendant engaged in a pattern of racketeering activity in a manner forbidden by [section] 1962 and such activity injured plaintiff in his business or property. ... The court noted that when a court evaluates a RICO claim for proximate causation, the central question it must ask is whether the alleged violation led directly to the plaintiff's injuries.

## **Summary**

The injury must be directly linked to the racketeering activities, which aligns with the proposition that the plaintiff's financial harm and property loss are directly linked to the defendants' actions.

### Racketeer influenced and corrupt organizations.

**American Criminal Law Review - Georgetown University Law Center - Douglass, Sean M. - 2011-03-22**

## **Extract**

Moreover, a plaintiff must prove that the defendant's violation of [section] 1962 was the proximate cause of the plaintiff's injury to have standing for a civil RICO action. (319) In creating this proximate cause requirement, the Supreme Court reasoned that Congress modeled [section] 1964(c) on the civil action provisions in the Clayton Act, (320) which federal courts have long held to require a showing of proximate causation. (321)... Third, the Court clarified that for a civil claim based on a violation of [section] 1962(c), '[the] [c]ompensable injury necessarily is the harm caused by [the] predicate acts' of a RICO violation.

## **Summary**

Compensable injury in a RICO claim is the harm caused by the predicate acts of racketeering. This directly supports the proposition that the plaintiff's detailed allegations of financial harm and property loss, linked to the defendants' racketeering activities, satisfy the proximate cause requirement for a RICO claim.

### Racketeer influenced and corrupt organizations.

**American Criminal Law Review - Georgetown University Law Center - Sacks, Michele - 2005-03-22**

## **Extract**

Moreover, a plaintiff must prove that the defendant's violation of [section] 1962 was the proximate cause of the plaintiff's injury to have standing for a civil RICO action. (304) In creating this proximate cause requirement, the Court reasoned that Congress modeled [section] 1964(c) on the civil action provisions in the Clayton Act, (305) which federal courts have long held to require a showing of proximate causation. (306)... Second, the Court established that plaintiff has a claim under [section] 1964(c) if defendant engaged in pattern of racketeering activity in a manner forbidden by [section] 1962 and such activity injured plaintiff in his business or property, Id. at 495.

## **Summary**

For a civil RICO claim under 18 U.S.C. § 1964(c), a plaintiff must demonstrate that the defendant's violation of § 1962 was the proximate cause of the injury to business or property. The passage explains that this requirement is modeled after the civil action provisions in the Clayton Act, which also requires proximate causation. The passage further clarifies that a plaintiff has a claim if the defendant's racketeering activities, in violation of § 1962, directly caused harm to the plaintiff's business or property.

[Reflections on Reves v. Ernst & Young: its meaning and impact on substantive, accessory, aiding abetting and conspiracy liability under RICO.](#)

**American Criminal Law Review - Georgetown University Law Center - Blakey, G. Robert - 1996-01-01**

## **Extract**

In Holmes v. Securities Investor Protection Corp.(119) following antitrust precedent, the Court held that the 'by reason of' clause in 18 U.S.C. [sections] 1964(c) imposed a 'proximate cause' burden on a plaintiff, that is, a showing that his or her injury was not only caused in fact, but 'proximately' caused by the violation. ... Interchange State Bank v. Veglia, 286 N.J. Super 164, 177, 668 A.2d 465, 472 (1995) (RICO; standing requires a direct relationship between plaintiff's injury and defendant's conduct) (citing Holmes v. Securities Investor Protection Corp., 503 U.S. 258 (1992) (defendant's RICO violation must be not only 'but for', but also proximate cause of plaintiff's injury)).

## **Summary**

The U.S. Supreme Court in Holmes v. Securities Investor Protection Corp. established that for a RICO claim under 18 U.S.C. § 1964(c), a plaintiff must demonstrate that their injury was proximately caused by the RICO violation. This means there must be a direct relationship between the defendant's conduct and the plaintiff's injury. The passage also references Interchange

State Bank v. Veglia, which supports the requirement of a direct relationship between the injury and the conduct for standing in a RICO claim.

### [Civil Rico: A Tool of Advocacy](#)

#### **The Brief - American Bar Association - 2024-01-01**

##### **Extract**

To recover damages under civil RICO requires proof of concrete financial loss and not merely injury to a valuable intangible property interest. The measure of damages is the harm caused by the predicate acts constituting the pattern of racketeering activity... RICO's prohibitions may be enforced in both criminal and civil contexts. In the context of a civil action, a plaintiff must be directly injured by reason of the defendant's racketeering activities. Proximate cause, as an aspect of RICO's "by reason of" standard, requires a RICO plaintiff to show that the defendant's racketeering offenses led directly to the plaintiff's injuries.

##### **Summary**

For a civil RICO claim, a plaintiff must demonstrate concrete financial loss directly caused by the defendant's racketeering activities. The passage emphasizes the necessity of proving that the racketeering offenses were the proximate cause of the plaintiff's injuries, aligning with the requirements under 18 U.S.C. § 1964(c). This supports the proposition that the plaintiff's detailed allegations of financial harm and property loss, directly linked to the defendants' actions, satisfy the proximate cause requirement for a RICO claim.

### [RICO: A Primer](#)

##### **Extract**

RICO provides for a civil action against persons engaged in a 'pattern of racketeering activity' or 'collection of an unlawful debt.' A successful plaintiff may recover treble damages, costs, and attorneys' fees. ... To prove a violation of Section 1962(c), a plaintiff must prove the following elements: ... The defendant conducted or participated, either directly or indirectly, in the conduct of the affairs of the enterprise; and The defendant participated in the affairs of the enterprise through a pattern of racketeering activity or collection of unlawful debt.

##### **Summary**

Requirements for a civil RICO claim, including the need for a plaintiff to demonstrate a pattern of racketeering activity and the defendant's participation in such activities. It also mentions the potential for recovering

damages, costs, and attorneys' fees, which aligns with the plaintiff's allegations of financial harm. The passage supports the proposition by confirming that a plaintiff must show a direct link between the defendant's racketeering activities and the plaintiff's financial harm, which is a key component of establishing proximate cause under 18 U.S.C. § 1964(c).

## [Defending RICO Claims In The Business Context Part II: RICO Claims Must Allege Injury To Business Or Property](#)

### **Extract**

For RICO claims, in addition to pleading a sufficiently specific injury, including allegations that the plaintiff has suffered known damages (as opposed to mere speculative or unprovable damages), the plaintiff must allege that he suffered an injury to his business or property that bears some causal relationship to the alleged act or acts that violated RICO... In contrast, in addition to more obvious injuries to business or property, courts have determined that a plaintiff's alleged injuries were sufficient in cases involving lost profits, excessive interest charges, property damage and interference with business, such as decreased business profits or increased costs of doing business.

### **Summary**

For a RICO claim to be valid, the plaintiff must allege a specific injury to business or property that is causally related to the defendant's RICO violation. The passage supports the proposition by explaining that courts have found injuries such as lost profits and property damage sufficient to meet the RICO standing requirement, which aligns with the plaintiff's allegations of financial harm and property loss.

This memo was compiled by Vincent AI based on vLex materials available as of June 17, 2025. [View full answer on vLex](#)