

Internal Revenue Service
Criminal Investigation



Memorandum of Interview

On Re: GERARD C. MARCHELLETTA Location: Telephone
(516) 746-1800

Investigation #: 580230198
Date: August 9, 2006
Time: 10:00 a.m.
Participant(s): Kenneth McDonough, Controller
Patricia Bergstrom, Special Agent

On the above date and time, I telephoned Mr. Kenneth McDonough, the Controller of Nastasi & Associates Inc. I advised Mr. McDonough that the purpose of the telephone call was to obtain additional information pertaining to payments by Nastasi to Circle Industries/JERRY MARCHELLETTA SR. relative to a consulting agreement. I advised that a grand jury subpoena previously issued to Nastasi requested documents relative to the consulting agreement for the period 2000 through 2002, however, documents were needed for the extended period through 2004. McDonough responded that he would cooperate without a new grand jury subpoena, but requested that the request be in writing. In addition, McDonough provided the following statement:

- The consulting agreement between Nastasi and Circle Industries/JERRY MARCHELLETTA SR. was paid in full at the amount of \$1.3 million. He believed the last payment was made in 2004.

The interview ended after McDonough promised to locate and provide the original checks paid to MARCHELLETTA during 2003 and 2004, per the consulting agreement.

I prepared this memorandum on August 9, 2006, after refreshing my memory from notes made during and immediately after the interview with McDonough.

Patricia A. Bergstrom