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July 11, 2002

C. Andre' Martin, Special Agent in Charge
Criminal Investigation
INTERNAL REVENUE SERVICE
401 West Peachtree St. Suite 600 Stop 400-D
Atlanta, GA 30308

Re: Grand Jury Investigation
Concerning: Gerard C. Marchelletta Jr., The Circle Group

Dear Mr. Martin:

For the past few months, this office, along with United States Customs Service, has been involved in a criminal investigation of Gerard Marchelletta Jr. and others, as well as an organization known as The Circle Group. The investigation involves allegations of the violation of reporting requirements for the transportation of monetary instruments outside the United States.

Based upon the investigation to date, it is my opinion there is a good probability of criminal tax violations stemming from the filing of corporate and personal tax returns in this investigation for the years 1999 - 2001.

I believe the Internal Revenue Service's participation in this investigation will be necessary, in order to fully develop the financial aspects of the case. It is, therefore, requested the Criminal Investigation evaluate the information developed to this point to see if they agree their involvement in a grand jury investigation is warranted.

Your expeditious review of this matter is greatly appreciated.

Sincerely,

WILLIAM S. DUFFEY, JR.
UNITED STATES ATTORNEY

DANIEL P. GRIFFIN
Assistant U. S. Attorney

cc: Patricia Bergstrom