



United States Attorney  
Northern District of Georgia

---

Suite 600 Richard Russell Building Telephone (404)581-6000  
75 Spring Street, S.W. Fax (404)581-6181  
Atlanta, Georgia 30303

September 17, 2009

Robert G. Bernhoft  
The Bernhoft Law Firm, S.C.  
207 East Buffalo Street, Suite 600  
Milwaukee, Wisconsin 53202

Re: United States v. Marchelletta et al., No. 1:07-CR-107-TCB

Dear Mr. Bernhoft:

In the spirit of cooperation and resolving your concerns regarding this matter, I am providing a copy of the Special Agent's Report ("SAR") prepared in the course of the investigation of Gerard C. Marchelletta and Gerard C. Marchelletta, Sr., with only minor redactions.

As you know, Special Agent Bergstrom testified about little, if any, of the information contained in the SAR. Thus, the information we are providing significantly exceeds our Jencks obligations. And, even for the few statements that might technically qualify as Jencks, the law is clear that the Government need not disclose material in a SAR "that is merely duplicative of material already in the defendant's possession." United States v. Medel, 592 F.2d 1305, 1316 (5th Cir. 1979).

I am also enclosing an additional report prepared by Special Agent Bergstrom, Request for Grand Jury Investigation. I similarly believe the Government has no obligation to disclose this report, but I am providing you a copy nonetheless.

I am confident that after reviewing the SAR and Request for Grand Jury Investigation report, many, if not all of your concerns regarding the investigation will be allayed.

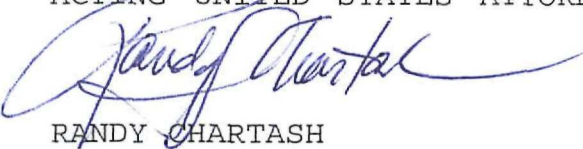
On a separate point, you have alleged that the IRS interviewed construction industry witnesses who stated that they were

"entertained" by Circle Industries at the Gold Club during the tax years in question. We remain unaware of any such interviews, and we repeat our request for disclosure of the identities of these individuals and any information they have relayed to you. However, we have recently become aware that in the weeks prior to trial in September 2007, an IRS agent spoke with an employee of the Cheetah Lounge in Atlanta, who indicated that Mr. Marchelletta, Jr., was at that point in time a visitor to that club, and that he came with clients. We understand that this employee had not worked at the Gold Club and had no personal knowledge of any activities in the tax years in question. We do not believe that this piece of information would have been relevant to the issues at trial or material to the defense, but we are disclosing it in the interest of openness. The prosecutors were not aware of this conversation prior to trial.

Should you have any questions, please feel free to call me at 404-581-6009.

Sincerely,

SALLY QUILLIAN YATES  
ACTING UNITED STATES ATTORNEY

A handwritten signature in blue ink, appearing to read "Randy Chartash", written over a faint, illegible typed name.

RANDY CHARTASH  
ASSISTANT U.S. ATTORNEY

cc: AUSA Justin Anand  
AUSA Christopher Bly  
Jerome J. Froelich  
Bruce Maloy  
William "Buddy" Parker