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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 05/24/2007

On May 3, 2007, SOURCE, who is in a position to testify, placed a consensually recorded telephone call to TIM BALDUCCI in the presence of SPECIAL AGENT (SA) WILLIAM P. DELANEY. At the conclusion of the recorded telephone conversation, the SOURCE released custody of the recording to SA DELANEY. SA DELANEY then attempted to play back the recording of the conversation, however, the only portion recorded was the preamble recorded by the SOURCE. None of the conversation between the SOURCE and BALDUCCI was successfully recorded.

The SOURCE then gave the following synopsis of the conversation. The SOURCE spoke with BALDUCCI who stated he still had room in his office for the SOURCE when he retired from the bench. BALDUCCI planned on bringing in former MISSISSIPPI GOVERNOR BILL ALLAIN and ED PETERS into his law firm.

BALDUCCI then discussed some new cases which had come into his office.

The SOURCE stated that a hearing in the matter of JONES, FUNDERBURG, SESSUMS, PETERSON AND LEE versus RICHARD SCRUGGS et al was scheduled for May 24, 2007 and that no summary motions were set.

BALDUCCI stated that we had a change of strategy, and wanted to go back to arbitration and wanted the SOURCE to affirm the contract which sends disputes to binding arbitration. BALDUCCI then asked to meet with the SOURCE on May 4, 2007. The SOURCE stated he would be unable to meet with BALDUCCI that day but agreed they would talk on May 4, 2007.

SA DELANEY maintained custody of the tape until custody was released to Elsur on May 10, 2007.

194A-JN-32354-7

Investigation on 05/03/2007 at Calhoun City, Mississippi

File # 194A-JN-32354; 270D-JN-32355 -A-3 Date dictated 05/24/2007

by SA William P. Delaney