

INTERVIEW REPORT
[REDACTED]OFFICE OF INDEPENDENT COUNSELName: Thomas Demery [REDACTED]
[REDACTED]Interview on 6/17/93, [REDACTED]
[REDACTED]

Demery provided the following information:

Demery's first encounter with Joe Queenan was in approximately March 1987 during a social event which was attended by a lot of people. They did not begin to form a friendship, either business or social, until February 1988 when they both attended a Bar Mitzvah in Denver, Colorado. Queenan approached Demery and began a conversation regarding Food for Africa. Queenan indicated that he wanted to host a Food for Africa function in Denver, Colorado. Demery advised Queenan to contact Peter Pretorius in regard to Food for Africa.

Demery attended the Food for Africa function in Denver, Colorado hosted by Queenan in April 1988. Demery was in Denver, Colorado for a ground breaking in Fort Collins, Colorado and attended the Food for Africa dinner following the ground breaking. Demery had no recollection of any discussion between himself and Queenan in regard to Mod Rehab at this Food for Africa function. The only time Demery can recall talking with Queenan in regard to this Food for Africa function was regarding scheduling of the date of the dinner. Queenan indicated that if Demery could not attend on a certain date, he would reschedule it to a time more convenient for Demery. It was possible that Demery helped coordinate the arrival and travel plans of Peter Pretorius.

On the evening of, but before the Food for Africa dinner in Denver, Colorado, Demery met with Queenan and Ronnie Mahon in a hotel room. Either Mahon or Queenan indicated that they had very good results in raising money for Food for Africa. Either Mahon or Queenan handed Demery an envelope containing checks for Food for Africa. Demery refused to accept the checks and advised them to give the checks to Pretorius. After Demery's refusal to accept the

checks, Mahon stated that he wanted Demery to look at one of the checks. Mahon produced a check for \$30,000 signed by Queenan. Demery felt uncomfortable with this display as he did not believe it was appropriate since he was not involved in this particular fundraiser for Food for Africa.

Christine Oliver, Demery's Executive Assistant, indicated that Silvio DeBartolomeis, a member of the Winn Group, Denver, Colorado, was trying to get and expecting a lot of Mod Rehab units. Demery had no knowledge of whether or not Oliver expressed her views to DeBartolomeis in regard to this matter.

Demery was displayed a copy of his telephone log for June 22, 1988 which indicated that Queenan had placed a call from Fargo, North Dakota to Demery in Washington, D.C. The telephone message also indicated that the message from Queenan was urgent. Demery had no recollection of the telephone message or any subsequent calls to Queenan in regard to this message.

Demery had no recollection of discussions he had with Queenan in regard to Mod Rehab projects. However, he did recall discussions regarding the project based assistance program. He was aware that Queenan was interested in this program and contacted Demery for information.

Demery had no recollection or knowledge of either Queenan or Mahon offering him cash in any way or form.

Beginning in the summer of 1989 and continuing to the present, Demery and Queenan have become close friends. They have continued to discuss the ongoing investigations regarding the Mod Rehab program. Their discussions concerning investigations being conducted on them personally, have been general in nature. The last time Demery spoke to Queenan was June 16, 1993. Their main topic of discussion regarded Demery's decision to plead guilty pursuant to the Office of Independent Counsel's investigation on him.

Demery's and Queenan's conversations during the past several years have been primarily for moral support. They have had discussions over the telephone approximately every couple of weeks.

Queenan sent Demery a basket of fruit containing a stuffed dinosaur on Demery's 40th birthday. This gift was the only gift Demery could recall that Queenan had given to him.

In 1989, Demery, doing business as Housing Ventures, worked as a consultant for Brennan-Indio, a 223 file co-insurer. At this time Queenan was looking for a co-insurer to finance one of his projects. Queenan asked for Demery's assistance in finding a suitable co-insurer. Demery introduced Queenan to Brennan-Indio

and was paid \$25,000 for finding a co-insurer. Although Queenan was skilled in co-insurance finance and did not technically need Demery's assistance, there was increasing difficulty in finding co-insurance due to investigations being conducted on the larger co-insurance companies. At this time there was only a small group of small co-insurers that had enough experience to handle co-insurance financing. Due to these factors Queenan needed help in finding a co-insurer who could be confident with Queenan and his applications.

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