Js only: Gervais-The Deal; The Squeal Aff filed under IRS 8/30/72 HW 9/9/72

These air-pollution situations seem to make us tired and sleepy. Lil has been sleeping through a broadcast of one of her favorite operas. I have used the time to read the Floyd Moore affidavit the IRS finally sent me.("The Internal Revenue Servive has not released any information to the press concerning" it and "However, the United States Attorney has released the affidavit and a copy is enclosed". By the Commissioner himself, no less.)

It is 25 legal pages, not a good copy (that two copies at least preceeded in this xeroxing is visible) but if you want it I'll have a copy made when I'm near a good xerox or will do it on ~~legal~~ letter-sized paper and paste up.

I don't think I have ever seen anything like as must remote hearsay in any legal proceeding. I'm surprised at the silence on this score alone when affidavits were available from all hearsay sources.

Nor anything as self-serving.

Nor, above all, anything as confirmatory of my original theory of what Gervais was up it. It actually confirms him! I suspect that were I to take the time and check out the dates, they also would have additional significance avoided in the affidavit language.

Some things are hidden. The name of the ultimate employer and of the oil company(Gulf), the real reason they backed out, the names of some of the people (like the guy in Kleindienst's office) and others.

Worst of all, Gervais was in tax touble and they allowed him to amend his returns to get around that. Even he didn't spill that much! I think they must have done it as a precaution, fearing he would. His amended 1966 return wasn't filed until 2/71 and others later, just within the statutory limitation for amending, according to my expert-in-residence/sleepiness.

The internal contradictions are incredible. And they disclosed bugging and taping not previously disclosed. Which gives the defense specific requests to make and a general allegation I don't think any court can refuse in a request for all not disclosed. There are two conversations with Jim and his wife, for example, not previously referred to. Suspicion: they say other than the gov't wants said.

I have marked up the margins but not made notes and won't now, not knowing if I'll ever want them. I think I'll pickit all up, perhaps more, on another reading if it is necessary.

But in even the gov't version, this is vintage Gervais. They merely made it easier for him, giving him legitimate excuses so he'd not have to make them up, as no doubt he wuld.

The gall of the man can be appreciated by one who knows him only anf in context. For example, instead of a letter he once sent a tape and they are crazy enough to quote too much: "Somebody should know and I think it would be well to point out where that Mr. Wall testified/under oath in federal court in New Orleans that the Internal Revenue Service and the United States Government had investigated me thoroughly, completely, totally and came up with nothing. Absolutely nothing. And so indicated to me...before I considered aiding the government." Or, what the hell ya gonna do? He is absolutely right. That is the one transcript I do have. They can't touch him on any of his criminal past! And he quite brazenly told them he'd sit in the Fountainebleau coffee shop and make twice as much as their $22,000 doing absolutely nothing. Or, dare you to try something when I do.

I do believe he has actually pulled ~~mock~~ one of the more impossible capers of all time. I did believe this is what he was up to and I did believe he was capable of trying it as an only alternative, a last resort, but I didn't believe the official stupidity would approximate what it is. Power corrupts, etc.

I've now got another hunch, and it is a wild one. He first met the local IRS intelligence chief in the Fountainebleau coffee shop. I'll not be surprised is he has to he'll have a transcript of what then took place. If he wasn't wired for sound he had some other means of doing it, I'm sure, and it will include more than the gov't admits about forgiving sin of the past....They really trusted him. Porclaiming they didn't tell him what they were up to, they admit they told him about when they were going to ruin the pinball business in La. and Miss. How else could they but by the raids they pulled? I think they may have thrown this in to get him in trouble with those who owned that $8,000,000 of machines lost. However, in covering themselves against charges of telling him too much and making him more credible on this, they also claimed not to have let him known, she he can say he didn't known. But PG figured that out easily.

Department of the Treasury

Internal Revenue Service
Washington, DC 20224

Date: AUG 30 1972 | In reply refer to: C

Mr. Harold Weisberg
Coq d'Or Press
Route 8
Frederick, Maryland 21701

Dear Mr. Weisberg:

This is in response to your letter of July 28, 1972, requesting a copy of the affidavit of Floyd D. Moore and appealing the denial of your request for documents supporting this affidavit.

The Internal Revenue Service has not released any information to the press concerning the affidavit of Floyd D. Moore which was filed in the case of United States v. Jim Garrison, et al. However, the United States Attorney has released the affidavit and a copy is enclosed.

I have carefully considered your appeal and determine that the Assistant Commissioner (Compliance) properly denied your request for documents supporting the affidavit of Floyd D. Moore. I therefore deny your appeal.

Sincerely,

Johnnie M. Walters

Commissioner

Enclosure

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Sincerely,

(signed) Johnnie M. Walters

Commissioner

Enclosure

A F F I D A V I T

I, Floyd David Moore, Chief of the Intelligence Division, Internal Revenue Service, New Orleans District, being duly sworn, do swear, depose and state that to the best of my knowledge, information, and belief:

(1) On May 29, 1969, I met Pershing Gervais for the first time, at his request, at the Fontainebleau Motor Hotel Coffee Shop in New Orleans, Louisiana, in the company of Internal Revenue Service Group Supervisor Naurbon Perry. Gervais told me that he had personal knowledge of payoffs to certain Louisiana public officials. He indicated his willingness to furnish the Internal Revenue Service information about payoffs under certain conditions: that his identity would not be disclosed outside the Internal Revenue Service without his permission; that his testimony would not be required against his will; and that information he voluntarily furnished the Internal Revenue Service would not be used against him in a criminal case.

Gervais said he was making his offer voluntarily and that he was not seeking immunity in the continuing Internal Revenue Service investigation of his federal income tax returns for 1965, 1966, and 1967. He told me that he was confident that we could not develop a prosecution tax case against him. He said his offer of cooperation was good only after we had reached the same conclusion. He told me to "take your best shot at me and then we will work together". Gervais told me that his son was missing in Viet Nam and that he could not stand the thought of losing his son to protect the corrupt system which he knew to exist in New Orleans.

I told Gervais that I would have to check with a limited number of officials in the Internal Revenue Service and in the Department of Justice. I told him I could not enter into an agreement with him if there was a possibility I could not keep it or if the agreement would compromise the activities of another government agency. Gervais gave me permission to make the minimum disclosures of his identity necessary for me to check with my superiors and with the Department of Justice.

(2) I next met with Gervais on June 24, 1969, in my office at 600 South Street in New Orleans in the presence of Group Supervisor Perry. I told Gervais that my superiors in the Internal Revenue Service and responsible officials in the Department of Justice had agreed to honor any agreement I made with him concerning his cooperation with the Internal Revenue Service in developing cases against corrupt public officials. We reached the following agreement: that Gervais would disclose to me, or to my representative, details of payoffs to public officials about which he had personal knowledge, and would make complete disclosures about all the payoff situations he recalled; that Gervais' disclosures would not be used against him in any prosecution, except that if he had engaged in criminal actions which were already known to the government his disclosures of these actions to me would not preclude his prosecution, and any criminal act on his part which he did not disclose to me and which was subsequently discovered by a government agency would be used against him in prosecutive action; that neither I nor the Internal Revenue Service would be a party to criminal violations, hence Gervais would not participate in payoffs to public officials in the future, except when such activities were in legitimate cooperation with the Internal Revenue Service for the purpose of obtaining evidence; that Gervais would not be required to testify as a witness without his permission; and that Gervais' identity would not be disclosed further without his specific consent. Following this June 24, 1969, meeting, I assigned Special Agent Arlie G. Puckett to deal with Pershing Gervais within the terms of our agreement.

(3) Between June 24, 1969, and July 27, 1970, Pershing Gervais met with Special Agent Puckett at frequent but irregular intervals, at which times Gervais furnished Puckett with extensive information regarding criminal activities in the New Orleans area. During the earlier portion of this per[illegible] Gervais, Puckett, and I discussed the conditions under which Gervais [illegible] testify as a government witness in the several criminal cases his information suggested. Gervais told me he would not allow his cooperation with us to become public knowledge unless he could

leave New Orleans with his family before his family was exposed to any publicity. He recalled that his cooperation with the Internal Revenue Service which disclosed corruption in the New Orleans Police Department during the 1950's resulted in wide-spread publicity in which he was accused of being a "stool pigeon" and a traitor to his friends. Gervais said his elder son was old enough to read the newspaper and that as a result his relationship with his son suffered. According to Gervais, his son lost respect for his father and never regained it completely. He said he would not go through a similar ordeal with his younger son.

Gervais indicated to me he would consider disclosure of his cooperation with us if he could be relocated to an area where his family would not be exposed to publicity and under conditions in which he could support his family at the level to which they were accustomed. Gervais did not name a specific amount of income he would require, but I concluded from our conversations and from his tax returns that $16,000 annual income was a minimum figure. I told Gervais that I would contact my superiors in the Internal Revenue Service and explore the possibility of relocating him and his family. Gervais made no commitment to me about relocating and I made no commitment to him beyond exploring possibilities.

I contacted my superior at the Regional level and outlined generally a portion of the information Gervais had furnished to Special Agent Puckett and asked him to explore possibilities of relocating Gervais and his family and of obtaining employment for Gervais at about $16,000 per year. After about three weeks my superior told me that such arrangements were not possible. I relayed this information to Gervais and we agreed to continue receiving information from him under the terms of our original agreement.

(4) On July 17, 1969, I met with Pershing Gervais at my offic in the company of Group Supervisor Maurbon Perry and Special Agent Arlie G. Puckett. Gervais had asked for the meeting because he was concerned that full disclosure about some payoff situations would be detrimental to himself. He said that he felt that it would be in the best interest

of everyone involved if he told everything about criminal activities of which he was aware, including payoffs and bribes in which he was involved personally. I told Gervais that should he make such voluntary disclosures he would have to pay the civil taxes he owed as the result of income he had omitted from his tax returns in prior years. I told Gervais that I would check to see if he could be given some relief in the way of time payments after he filed amended returns reporting his omitted income. I agreed that if Gervais felt he was providing information which would, if used, identify him as the informant, Special Agent Puckett would keep this information in a special file. I also explained to Gervais that my commitment to him would be upheld by my successor should I be transferred from New Orleans. I repeated my commitment to Gervais that we would not use him as a witness without his permission, provided he cooperated with us fully. I also reassured him that we would not disclose his identity without his permission. Gervais filed an amended 1966 return with Special Agent Arlie G. Puckett on February 2, 1970. Gervais filed amended 1967 and 1968 returns on or about May 8, 1970.

(5) On July 27, 1970, in the presence of Special Agent Puckett, I introduced Gervais to John Wall, Attorney in Charge of the New Orleans Organized Crime Strike Force which had become operational on June 1, 1970. At this time Gervais was told by me and by Wall that the conditions upon which Wall would receive information from Gervais would be the same as those upon which the Internal Revenue Service had received information from him -- there would be no disclosure of Gervais' identity without his authority; he would not be called as a government witness against his will so long as he cooperated fully and truthfully; there would be no prosecution of him for informatio he provided unless the information was already known to a government agency or the information came from a source independent of himself; that the only way the government would continue to receive knowledge of current violations of law in which he was involved was in the process of getting evidence for prosecutions. Gervais was asked by Wall if he would agree to have his name revealed to Wall's immediate supervisor in Washington, Thomas Kennelly, Deputy Chief, Organized Crime and Racketeering Section of the Criminal Division. Gervais expressed a reluctance until and if it ever

became absolutely necessary to do so in order for Kennelly to know all the facts to make a decision in a particular case. Wall agreed to this and said that he would not reveal Gervais' name even to Kennelly without Gervais' consent. It was further agreed by Gervais that Wall could be made privy henceforth to any information heretofore given to Internal Revenue Service, and that he be allowed to see the reports of interview made by Special Agent Puckett during the previous year. It was at this time that I specifically asked Gervais that if he, Gervais, had all those reports in his physical possession at this time, would he furnish them to Wall? Gervais said that he would, and it was only after this meeting and this conversation with Gervais that Wall became aware of the information in and first examined Internal Revenue Service reports regarding information furnished by Gervais to Special Agent Puckett over the previous year. At the conclusion of this July 27, 1970 meeting it was agreed that all contacts between Wall and Gervais would be made through or in the presence of Special Agent Puckett.

(6) On July 31, 1970, Gervais told Special Agent Puckett to tell John Wall that he could disclose Gervais' identity to Wall's superior, Tom Kennelly.

(7) On Tuesday, August 4, 1970, John Wall met with Pershing Gervais and Special Agent Puckett. Gervais agreed that Wall could reveal his identity orally only to William Lynch, Chief of the Organized Crime Section of the Justice Department, and to Tom Kennelly, Deputy Chief, both of whom were stationed in Washington; that his specific identity should not be reduced to written form by any of the three of them; and that none of them should reveal his identity to anyone else without his express permission. Wall agreed, and all memos written by Wall regarding information from Gervais described the source as "New Orleans # 14". Wall also told Gervais at that time that Gervais should be keenly aware that Wall wanted to hear the truth and nothing but the objective truth; and that he (Wall) wanted it clearly understood that under no circumstances should Gervais' information to him ever be shaded to conform to what Gervais might think Wall wanted to hear or what Wall might think the truth is. Gervais insisted that he, too, was interested in furnishing the objective truth no matter what that might be, and said that at no time would he shade the facts in any way.

(8) On August 31, 1970, Wall met with Gervais and Special Agent Puckett. Wall told Gervais that on a recent trip to Washington he had orally revealed Gervais' identity to Lynch and Kennelly, his superiors; that Lynch mentioned that should the matter come up he would like to be able to orally identify Gervais to Will Wilson, Chief of the Criminal Division, as well as to Henry Petersen, Wilson's deputy. At this time, on August 31, 1970, Gervais told Wall that he would leave it to Wall's discretion as to whom he should reveal his (Gervais') identity, but to remember that if he were "burned" he would be through in New Orleans. Wall told Gervais that Lynch and Kennelly were interested in his information but wary of him, and that they asked Wall to question Gervais on some matters about which they had knowledge in order to test his reliability, which questioning took place.

At this same August 31, 1970, meeting Gervais personally outlined to Wall for the first time various illegal aspects of the pinball business in Louisiana, including the information that the pinball bribery scheme had been in effect with him as an active participant since 1962. (He had notified Special Agent Puckett of these matters on July 18, 1969).

(9) On September 2, 1970, Wall met Gervais in the presence of Special Agent Puckett and the three discussed at length Gervais' attitude toward taking the witness stand as a government witness in a criminal case. Gervais' view at that time was that he didn't have the "guts" to take the witness stand and physically point the finger in the courtroom to these persons with whom he had been dealing for so long; that he would be ostracized by all those elements of the New Orleans community with which he now associates, and that he would no longer be able to provide for his family here. Gervais said at this September 2, 1970, meeting that as much as he would like to testify for the government, "after all the fanfare and excitement, after all the flags waving and the bugles blowing, after all that is over, I have to go home alone!" Gervais said at this time and on other occasions that he was tired now and not man enough anymore to again go through the experience he went through when he testified in the New Orleans police corruption scandals of the 1960's.

(10) On Saturday, November 7, 1970, Wall met with Gervais and Special Agent Puckett. The three discussed conditions under which Gervais might or might not testify as to certain past, present, and continuing crimes and the conditions under which he might or might not be able to transmit and record conversations of present and continuing crimes. Gervais stated to Wall that up until the passage of the Organized Crime Control Act of 1970, which became law on October 15, 1970, he was confident that he was not in violation of federal law regarding a certain bribery situation in which he was the middle-man; he stated, however, that after having seen a copy of the Organized Crime Control Act of 1970 he was aware that he was in all likelihood now involved in federal violations; that he wanted some guidance whether to continue in these activities or to immediately get out of them; he told Wall that he was next scheduled to receive pinball bribe money as the middle-man sometime in December. Wall suggested to him that in conjunction with the possibilities of his transmitting and recording certain conversations with respect to these illegal transactions, judgment should be for the time being deferred as to whether or not to act as go-between for the forthcoming bribes, and that they would again discuss the matter before Gervais was next scheduled to act as go-between for payment of pinball bribe money in early December.

(11) At a November 13, 1970, meeting between Wall, Special Agent Puckett, and Gervais, the latter again expressed concern lest he run afoul of the Organized Crime Control Act of 1970. Gervais said that with regard to the pinball payoffs to certain officials, which payoffs were then being discussed and renegotiated due to a change in the city administration, he thought he would be able to stay out of the actual transfers of money and still supply us with the information, but that he might have to be involved in actual transfers of money in order not to arouse suspicion, since it was hardly his style to back off from participating directly in such money transactions. Wall told Gervais it was preferable that he not be an actual participant in transfers of money, but that if it were unavoidable, for him to go ahead and participate in transfers of money. Wall further told him that within the next month the federal government would be taking such action as to cripple the pinball gambling industry in

Louisiana and Mississippi, and that subsequent to the federal action it was not likely that the pinball industry would continue paying off to the local officials since the local officials might well be powerless to protect them. (Gervais was not told specifically what the nature of the contemplated action was -- the execution on November 24 and 25, 1970, of 1,350 search warrants by the Federal Bureau of Investigation throughout the States of Louisiana and Mississippi and the seizure and forfeiture of more than 3,000 Bally "bingo" gambling type pinball machines and 1,000 slot machines, valued in excess of 8 million dollars, for violations of the Gambling Devices Act of 1962). In view of those forthcoming developments, Wall suggested to Gervais that he play along with events as they unfolded in the pinball industry in order to keep the Government abreast of developments, even to the extent of participating in the transfer of bribe money, but that he should participate only in the event of absolute necessity in order not to arouse suspicion of himself.

Wall further suggested that because of the imminence of the federal action, it was important that we obtain whatever evidence possible against these conspirators in the short time remaining before massive federal action would be taken to cripple this illegal gambling industry. Wall further told Gervais that all of the latter's stories about pinball bribery payoffs were very interesting, but that on Gervais' word alone there was no possibility of a prosecution for violations of law; that in order to prosecute these cases, the most accurate, the most reliable evidence would be consensual eavesdropping through Gervais while Internal Revenue Agents simultaneously monitored and tape-recorded the conversations of the persons plotting and carrying out their criminal activities. Gervais expressed to both Wall and Puckett that the tremendous psychological strain that would be involved in being a witness for the Government in these matters made him, as far as his thinking went at that time, most reluctant to testify. Wall emphasized that tapes of incriminating conversations might be used to the Government's advantage in other ways than to obtain his testimony at a trial; that they might be used in order to convince certain of the conspirators that their best interests would lie in cooperation with the Government; that in any event no one could foretell the future, and

it might well later be unfortunate indeed not to have taken advantage of the opportunity of having made tapes of the actual voices of the conspirators planning and executing their illegal activity. Wall further told Gervais that he understood the latter's concern, not only for the psychological pressure involved in testifying but also Gervais' concern for the future safety and well being of his family should it ever be revealed that Gervais had been cooperating with the Government in these matters.

Wall told Gervais that the opportunity for obtaining on tapes these incriminating conversations of the conspirators was coming to an end; that if and when the tapes ever were used by the Government, Gervais would first be consulted, in order that he be assured that our plan would not surface his identity and cooperation, without his prior consent. Gervais agreed at this November 13, 1971, meeting to the consensual eavesdropping on his conversations by Government agents.

In several discussions of the conditions under which Gervais might also be a Government witness, Gervais suggested that if he were able to become some kind of Government agent he might testify; that he simply could not take the stand and testify for the Government and suffer the brand of "stool pigeon" that he and his family, particularly his young son, would have to suffer. He explained his anguish over the trauma his older son, then missing in Viet Nam, had gone through when he (Gervais) testified in the New Orleans police scandals of the 1950's. He further stated that as an employed Government agent he would have identity and would not be subject to the same contempt which would focus on him otherwise. Gervais said that while possibly helping the Government from an evidentiary and trial tactics standpoint if he were an "employee" rather than just an informant, he could also use some money now. Gervais said he wanted to help himself if possible, as well as help the Government, and asked wouldn't it look better for trial purposes if he had status as an "employee" regarding the information he was now supplying the Government? Wall was adament that the opposite was the case and refused to consider paying Gervais for his cooperation as such, though Gervais, Wall, and Puckett had on several occasions discussed (just as had Moore, Puckett, and

Where in the affidavit refers to him self as "Thomas"?

Gervais before the latter ever met Wall) the necessity, in the event of relocation of Gervais and his family, of locating a job for him.

(12) As outlined in the affidavit filed with this Court with arrest and search warrants on June 30, 1971, and as again testified to in this Court on July 9, 1971, by John Wall after he and United States Attorney Gerald J. Gallinghouse were charged criminally by District Attorney Jim Garrison: on November 16, 1970, Special Agents of the Intelligence Division, Internal Revenue Service, began monitoring and recording conversations between Gervais and various other persons. In most instances Internal Revenue Service Agents were in an adjoining room to Gervais' at the Fontainebleau Motore Hotel in New Orleans, with connecting doors. Internal Revenue Service Agents attempted to surveil and photograph parties coming to the hotel to discuss illegal activity with Gervais and in some instances surveilled parties directly intc Gervais' room. Internal Revenue Service agents would be with Gervais before the parties appeared, would then, through the connecting doorway, go into the adjoining room, whereupon they would simultaneously eavesdrop on the conversations that were taking place while tape-recording them and taking notes. As Chief of the Intelligence Division of the Internal Revenue Service in the New Orleans District and as supervisor of this joint Internal Revenue Service-Strike Force investigation, I personally monitored all or parts of the following conversations as they took place and were tape-recorded:

Date	Subjects Monitored	Others Present Besides Floyd D. Moore
2/25/71	Gervais, Jim Garrison, & Mrs. Jim Garrison	Arlie G. Puckett Joel J. Lanoux Ellington G. Burleson Edmond J. Martin James O. Gann Irving J. Johnson John Wall
3/1/71	Gervais & Mrs. Jim Garrison	Arlie G. Puckett Joel J. Lanoux James O. Gann John Wall
3/5/71	Gervais & Frederick A. Soule, Sr.	Arlie G. Puckett Joel J. Lanoux [illegible] Irving J. Johnson
3/9/71	Gervais, Jim Garrison, & Mrs. Jim Garrison	Arlie G. Puckett James O. Gann Joel J. Lanoux Edmond J. Martin Irving J. Johnson Ellington Burleson James DePrato John Wall

Date	Subjects Monitored	Others Present Besides Floyd D. Moore
3/13/71	Gervais & Louis M. Boasberg	Arlie G. Puckett Joel J. Lanoux Edmond J. Martin Irving J. Johnson John Wall
3/27/71	Gervais & John Elms, Jr.	Joel J. Lanoux Arlie G. Puckett Edmond J. Martin Irving J. Johnson
3/31/71	Gervais & Frederick A. Soule, Sr.	Arlie G. Puckett Joel J. Lanoux
3/31/71	Gervais & John Elms, Jr..	Arlie G. Puckett Joel J. Lanoux
4/6/71	Gervais & John Elms, Jr.	Arlie G. Puckett Edmond J. Martin Irving J. Johnson
4/28/71	Gervais & Frederick A. Soule, Sr.	Joel J. Lanoux Irving J. Johnson Arlie G. Puckett
5/4/71	Gervais & Frederick A. Soule Sr.	Arlie G. Puckett Joel J. Lanoux Edmond J. Martin Irving J. Johnson
5/28/71	Gervais & Santo DiFatta	Arlie G. Puckett John H. Upshaw Edmond J. Martin Joel J. Lanoux Irving J. Johnson
5/28/71	Gervais & Jim Garrison	Arlie G. Puckett Joel J. Lanoux John H. Upshaw Edmond J. Martin Irving J. Johnson
6/29/71	Gervais & Harby S. Marks, Jr.	Joel J. Lanoux Edmond J. Martin Arlie G. Puckett Puzziano Maltempi
6/29/71	Gervais, Jim Garrison, & Mrs. Jim Garrison	Edmond J. Martin Joel J. Lanoux Arthur J. Derbes Arlie G. Puckett Irving J. Johnson

During the time that Internal Revenue Service Intelligence agents monitored and recorded Gervais' conversations with others, whenever bribe money passed through Gervais' hands it was retained and kept as evidence and was replaced with funds whose serial numbers were recorded. Gervais was allowed to retain no part of any of the bribe money.

(13) On January 4, 1971, Gervais met with Wall and Puckett, at which time Gervais expressed his concern that, in the event there could not be worked out any way in which to use the consensual tape recordings that were now being made with his cooperation, the tapes should be destroyed so as to lessen the chance of his being "burned" as having cooperated with the Government. Wall reminded Gervais that these tapes were being made with his consent and with the promise that they would not be used in any way that would compromise Gervais' identity without Gervais being consulted and agreeable to any use to which they might be put. Gervais was told by Wall that if it were apparent that all possible practical uses of the tapes to the Department of Justice had been exhausted and Gervais wanted them destroyed because of his concern that his cooperation with the Government become known, Wall would comply with his request.

From January through April of 1971, discussions between Gervais, Wall, Puckett, and myself continued regarding conditions under which Gervais might give consent to the Government "surfacing" him and using the tape recordings that were being made, including the possibility of relocating him and his entire family in another country in a job which would allow his family to retain the standard of living to which they were accustomed and which would offer him an opportunity for a new future in a line of work in which he could be useful. We discussed different possibilities, including plant security and undercover investigative work. During this period, preeminent in our discussions was a long-pending case before the United States Supreme Court, United States v. White, 401 U.S. 745, finally decided April 5, 1971. It was explained to Gervais that the White decision might decide our ability to use the tape recordings from the consensual eavesdropping in conjunction with the testimony of the monitoring agents without having to call Gervais as a Government witness.

It was expressed to Gervais that White could be decided in one of several ways; that if it were decided favorably to the Government and in conformance with what Wall considered to be the present state of the law, Gervais might not be required to testify as a witness at all, in view of the nature of the Government's evidence; that in any event, if he were outside the country he would not be subject to subpoena. Also discussed with Gervais on several occasions during this period was a provision of the Organized Crime Control Act of 1970 at Title 18 of the United States Code, Section 3503, entitled "Depositions to preserve testimony". After some discussion of the provision, Gervais agreed to submit to a pre-trial deposition, but not inside the State of Louisiana. Wall explained that if his concern was being in Louisiana, a Louisiana federal court subpoena served on him personally would reach into any State. Wall also explained that if the deposition were held in another State and Garrison filed charges on him and had him extradited in conjunction with a district attorney in another State, he should be aware that there was little the Federal Government could do about it. Once made aware of the above, Gervais said that he would submit to a deposition in a foreign country only, and the possibility of a ship at sea or of Mexico as a convenient place was discussed.

(14). On April 15, 1971, Gervais was introduced for the first time to Gerald Shur, Attorney in Charge, Intelligence and Special Services Unit of the Criminal Division of the Department of Justice, at the Hilton Inn Motor Hotel in Kenner, Louisiana. Gervais and Shur were introduced in the presence of Wall, Puckett, and myself. Shur discussed relocation and job possibilities with Gervais, including possible relocation in one of several foreign countries as well as possible problems as to language, climate, types of employment, salary, and relocation expenses.

Gervais had been told by Wall on a number of occasions in my presence and in Special Agent Puckett's presence, both before meeting Shur and after meeting Shur, that the Government, once it obtained a job for him, could not guarantee indefinite employment; that he could quit any time and that the employer could fire him any time it was dissatisfied with his performance; but that as long as Gervais made a sincere effort to give

satisfactory performance on his job, the Government would continue to make efforts to seek other employment for him for an indefinite period should the initial job or jobs not work out for any reason. Gervais expressed concern that he should get a real job, one in which there would be an opportunity to prove his ability as a plant security man or an investigator, undercover or otherwise. He seemed confident that he could be successful and was enthusiastic about a new life for himself and for his family.

(15) Following the April 15, 1971, meeting with Gervais, Shur contacted representatives of a foreign government whose country was Gervais' first relocation preference. While these efforts were being made and prior to May 13, 1971, Shur contacted a representative of the United States Chamber of Commerce (which organization has for some time cooperated with the Department of Justice in matters of crime prevention and control and which organization has previously assisted in the witness relocation program) and indicated the need for assistance in relocation of a witness, giving Gervais' background but not his identity, nor his location. The Chamber of Commerce representative contacted administrators of private businesses, one of whom told the Chamber representative to contact a named vice-president of a large American oil company, who, after discussion with the Chamber of Commerce representative regarding the problem of placing witnesses, agreed to a meeting with a Justice Department representative. Pursuant to the foregoing, Gerald Shur met with an executive of the oil company on May 14, 1971, in Pittsburgh, Pennsylvania, to outline the relocation problem, following which conversation the executive said that the oil company would consider the matter. Subsequently, Shur was put in touch with another representative of the oil company, by the executive whom he had met in Pittsburgh. On May 25, 1971, Shur met with two representatives of the oil company in a hotel in New Orleans. Shur discussed the relocation problems with the oil company representatives at that time, including the fact that it was Pershing Gervais who had been assisting the government in investigations of criminal matters and that District Attorney Jim Garrison and some New Orleans police officers were among the prospective defendants. After this disclosure to the representatives of the oil company and on the same day, Pershing Gervais was interviewed by the two oil company representatives in Shur's presence. Gervais told the representatives about his background as a policeman and investigator. At that point the possibilities

of a job with the oil company in several different countries were discussed, but the primary focus of the conversation was on a job location in Canada at a salary of $22,000 a year. Toward the conclusion of the meeting, the oil company representatives told Shur that they liked Gervais and that he might be of use in the security work of the organization. At this May 24, 1971 meeting it was clearly established at the interview that neither the oil company nor Gervais was bound in any way to a long-time contract of employment; that if the oil company were dissatisfied with Gervais' performance it could terminate the employment at any time. Subsequently, the oil company made a firm offer of employment to Gervais through Shur, at a salary of $22,000 a year, the job location being in Vancouver, Canada.

(16) At a meeting with his superiors in Washington on May 20, 1971, Wall briefed them on the background to the instant investigation, including the consensual eavesdrops and tape recordings on condition that no use of these recordings or disclosure of Gervais' identity be made without the latter's prior consent; that if he were to consent to the use of evidence obtained with his help it must be on condition that the Government assist him and his family in relocating and in obtaining new identities; that such location(s) and identities not be revealed to anyone without Gervais' consent; that he would not be called by the Government to testify in the case without his consent; and that since there was no likelihood of obtaining legally sufficient evidence of the instant crimes without agreeing to the above, the Government so agreed.

Also discussed was the nature of the evidence so far obtained in the case, as well as the surrounding facts and circumstances, and the applicable law. It was concluded that the testimony of the monitoring agents in this case, together with the tape recordings and surveillances made by them, are independent evidence of the crimes committed without the legal necessity of producing Gervais as a Government witness, and that the Government was warranted in proceeding against the proposed defendants while living up to its commitments to Gervais.

Gervais was advised by Wall of the above meeting, and again told, as he had previously been told in the discussions of the White case and other relevant legal cases, that while the Government would not call him as a witness, the defendants or the court itself could call Gervais to the stand if a subpoena were served on him within the United States.

(17) Based on the above described commitment by the oil company, Gervais agreed that his identity could be surfaced as having cooperated with the Government and that the tape recordings could be used. Plans were begun for the preparation of arrest and search warrants, to be executed after Gervais had received and passed on the next payment of the pinball bribe money which was due in early July. Arrests of ten defendants were made and seizures were made of marked money at the home of Jim Garrison and on the persons of two New Orleans policemen on the morning of June 30, 1971, shortly after Gervais had left New Orleans in the protective custody of United States Marshals. Gervais was to travel with his family under an assumed name to insure his anonymity and security until sometime in August, 1971, at which time he would report for his job in Vancouver, Canada, as Paul Mason.

(18) On July 1, 1971, in Houston, Texas, Shur met again with representatives of the oil company, informed them that the anticipated arrests and searches had been made and that Gervais had left New Orleans in protective custody of United States Marshals. The employment of Gervais at $22,000 a year in Vancouver, Canada was again confirmed by the oil company and a tentative appointment was made for Shur, Gervais, and the oil company employer representative to meet in Canada in the latter part of the summer. On or about September 2, 1971, one of the oil company representatives who had met with Gervais and Shur in New Orleans, and again with Shur in Houston, called Shur and asked Shur to contact the oil company's general counsel -- that there were some problems. Shur called the general counsel for the oil company and the latter explained his concern that the hiring of Gervais could be a politically damaging situation to both the oil company and the Department of Justice; that the oil company has a lot of matters before the Department and that it might appear that the oil company were currying favor with the Department of Justice. The oil company's general counsel also said that the company has daily activities before agencies in Louisiana, and that the company takes leases every day; that the company does more oil business in Louisiana than any other State in the Union, and that if the company's involvement in the matter became known it could seriously affect their business, an eventuality the company

Late learning all this!

did not want to risk. Having made a firm commitment to Gervais of a job with a salary of $22,000 a year; Gervais having uprooted his family; Gervais' cooperation with the Government having been surfaced by the execution of arrest and search warrants on June 30, 1971 and Gervais and his family having arrived in Canada and prepared to begin employment and a new life there in September of 1971, the oil company reneged on its firm commitment of employment to Gervais.

(19) Shur subsequently told Gervais, who had arrived in Vancouver, Canada, that the oil company had backed out of its job commitment; that the Department was committed to attempt to find him another job, but that there could be no certainty of its ability to find a job in Vancouver. Shur suggested that Gervais not buy a house the latter was interested in, since the job commitment by the oil company was not being kept. Gervais said he would not move his family another mile; that he liked Vancouver and that he was staying there and buying a house he had looked at and liked, even if he didn't have a job; that his being there was the Department's responsibility and that the Department must find him a job in Vancouver since he flatly refused to move anywhere else.

The Department of Justice acknowledged that it did have a responsibility to Gervais and agreed to pay him subsistence while it attempted to locate a comparable job and salary to the one the oil company had reneged upon, but that it could not guarantee success in locating such a job in Vancouver.

(20) After his arrival in Canada, Gervais expressed to me by telephone and in strong terms his dissatisfaction with the efforts and performance of the United States Marshals' Service regarding arrangements for travel accommodations, security for his family, the care and boarding of his wife's show dogs pending Gervais' arrival at Vancouver (including the death of one adult and two puppies believed born dead at a kennel), and poor mail service to him. During subsequent telephone conversations his expressions of dissatisfaction increased, as did his complaints about the job that fell through when the oil company reneged on its commitment, living conditions in Canada, the cost of real estate, delays in getting his children's medical and school records in order, and delays in getting his furniture delivered from New Orleans to Vancouver, all of which culminated in Gervais' abrupt return to New Orleans on Labor Day weekend in

September, 1971, at which time he and I discussed his dissatisfactions mentioned above. We also discussed at that time my grave concern for the physical safety of him and his family as long as he remained in New Orleans.

(21) On Saturday, September 4, 1971, at approximately 1:00 p.m., Catherine Kimrey, Intelligence Operations Specialist, Intelligence and Special Services Unit, Organized Crime and Racketeering Section, Criminal Division, Department of Justice, received at her home in Arlington, Virginia, the first of four telephone calls that day from Pershing Gervais, when he said that his furniture had not yet been delivered from New Orleans and that he wanted immediate delivery. A second call was received from Gervais shortly after the first call, at which time Gervais said that he was furious, as he had now ascertained that his furniture would not be delivered until at least the following Monday, two days away. Gervais further stated that he would not be available all the next week to receive the furniture and that would mean that the driver and the van would have to wait all week and the Justice Department would have to pay the extra expenses. Gervais further told Miss Kimrey that in view of these developments the Department of Justice was going to have to pay additional expenses from the first of the month; that he had two house mortgages to pay, insurance on two houses, plus a hotel bill, and that the Department would have to pay it all; that he was going to be difficult from now on, even though he had not been difficult up to that point. Gervais said that he was "going to start living well" and the Government will have to pick up the bills or else start all over with him. Miss Kimrey said she would attempt to contact appropriate Justice Department officials to get in touch with Gervais, who replied that it was Labor Day weekend and there was no way he could reach anyone or anyone could reach him. A third call was received by Miss Kimrey from Gervais at approximately 2:00 p.m., Saturday. Gervais told her that he was leaving for New Orleans at 9:25 Sunday morning; that he was going to leave his car in Seattle and was going to the Hilton Inn in New Orleans and he didn't care whom he infuriated. A fourth call was received by Miss Kimrey late Saturday night from Seattle, in which Gervais repeated that he was going to New Orleans.

(22) On September 7, 1971, Wall and I caught a plane for Washington, D.C., where the two of us spent the next two days discussing Gervais' complaints with Wall's superiors at the Department of Justice, while Gervais remained in New Orleans with his family. Wall's superiors expressed grave concern over what they perceived to be an impetuous and unwarranted return of Gervais and family to New Orleans, resulting in a serious breach of all the elaborate precautions taken to insure the physical safety as well as the new identity and location of Gervais and his family. In this regard, Wall's superiors were adamant that they would pay no part of the round trip expenses from Vancouver to New Orleans and back, approximately $800, and that if Gervais at any time again returned to the United States without the permission of the Government all agreements and promises on the part of the Government would be cancelled. In Washington, the Department of Justice agreed to settle Gervais' claims on the following basis: dead dogs - $1,700; loss on sale of automobile - $300; adjustment on per diem for motel expenses while waiting for furniture to arrive in Vancouver - $110; two months payment allowance on his mortage on his New Orleans house - $400. The Department of Justice also agreed to guarantee employment for two years at $22,000 with the Government making subsistence payments for any difference in actual wages. Wall and Moore met with Gervais at the Hilton Motor Inn upon their return from Washington in the early morning hours of September 9, 1971. Gervais agreed to return to Canada on the terms set forth above, but expressed bitterness at the Department's refusal to pay his travel expenses for his unauthorized trip to New Orleans, and told Wall and me at that time that he was no longer willing to submit to a pre-trial deposition. At this meeting, also at Gervais' insistence, it was agreed that all future communication between Gervais and the Marshals' Service would cease and that the Internal Revenue Service, through me, Floyd D. Moore, would be the conduit of any problem. Gervais insisted upon the terms of the agreement being evidenced by a writing, to which Wall agreed, resulting in Wall's letter to Pershing Gervais dated September 28, 1971. (See attachment # 1).

(23) On September 7, 1971, Gerald Shur received an envelope addressed to him with a September 2, 1971, Canadian postmark, containing a tape recording from Pershing Gervais, summarizing his complaints about

those responsible for servicing him and his family. An excerpt of Gervais recorded statement to Shur reads as follows:

> "I guess I should repeat again here that if Mr. /The United States Marshal responsible for servicing Gervais/ feelings are hurt, if he gets to hear what I have to say here I meant to hurt his feelings. I would like to tell him personally what I really think. It is at least equal to how he has made me feel in the impression he has given me of what he thinks. He has caused me to be convicned I made great error committing myself in the manner that I did. He has caused me to have my faith in the - in the - government, to say the least, challenged - waiting. He has caused me to have a lot of negative ideas from your side of the fence, Gerry; positive ideas from my side of the fence if you understand what - what I'm trying to say. This whole thing has been one horrible experience. Somebody should know and I think it should be well to point out here that Mr. Wall testified very recently under oath in federal court in New Orleans, Louisiana that the Internal Revenue Service and the United States Government had investigated me thoroughly, completely, totally and came up with nothing. Absolute nothing. And so indicated to me that they came up with nothing before I ever agreed or considered - not agreed - but before I considered aiding the government. The point is that I am not an individual who is buying my own liberty by whatever by assisting the government."

(24) On or about September 19, 1971, Shur and Gervais met in Toronto with executives of General Motors of Canada, where they discussed Gervais' background and abilities. Gervais was hired by General Motors of Canada at $18,000 a year, underwent three weeks training near Toronto, Canada, but only began work in Vancouver on February 1, 1972, due in large part to a delay in the completion of administrative details. In view of the $4,000 discrepancy between the broken commitment of the oil company and his $18,000 salary with General Motors and Gervais' having uprooted his family based on a firm $22,000 a year commitment by the oil company, the Department of Justice agreed to supplement Gervais' salary for a two-year period so that it would be equal to that which had been promised by the oil company.

(25) On April 11, 1972, Deputy United States Marshal Hugh McDonald, assigned to the office of Gerald Shur, Attorney in Charge, Intelligence & Special Services Unit, Organized Crime and Racketeering Section, Criminal Division, Department of Justice, received a telephone call in Mr. Shur's office from Pershing Gervais, who was making inquiry about his supplemental subsistence check for $186.67, which had been airmailed on April 7, 1971, to Paul Mason, 1127 Skana Drive, Delta, British

Columbia, Canada. Deputy Marshal McDonald said that he had no authority in this matter; that he had simply followed instructions in mailing the check; that any questions he had should be referred to Mr. Shur, who was then in Miami, Florida on business. Gervais told Marshal McDonald that he owed a lot of bills and they were piling up; that he was having a money problem; that he had never said this before, but that he knew people who would be "delighted to pick up these bills". Gervais further said that although the Justice Department is big and powerful, he (Gervais) was not afraid of them and would not tolerate anymore the treatment he was receiving. Gervais said he was getting tired of it; that he was in the hole financially; and that "somebody will bail me out".

(26) On April 14, 1972, Gerald Shur talked by telephone with Pershing Gervais, who reiterated his previous complaints about poor treatment of him and threatened that he was quitting his job and returning to New Orleans because he had not been treated right by the Department of Justice.

Gervais stated that he was not bound by the letter he had requested and received from John Wall, dated September 28, 1971, as he had not signed it (referred to in paragraph (22) and attached hereto).

Gervais charged that John Wall had gotten him into the picture step by step by painting a rosy picture. He asked what would be in this for him a year from now. He complained that the $22,000 salary he would received in the next year would be insufficient for him to live on. He maintained that he had lost money on the dogs that had been killed or died while being boarded in a kennel, on his furniture, on living in a motel, in storage of his wife's fur coats, and on damages to his house in Metairie, Louisiana, and on plants and rose bushes which had been stolen.

Gervais further charged that the Department of Justice, for punitive reasons, made him pay for his unauthorized trip back to New Orleans in September. He repeated that he was unable to make a $5,000 mortgage payment and that certain monies which he had formerly been receiving from New Orleans had now stopped. He stated that he could move back to New Orleans, and there he could sit in the Fontainebleau Motor Hotel and make twice the money for doing nothing.

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Organized Crime and Racketeering Field Office
525 St. Louis Street
New Orleans, Louisiana 70130

September 28, 1971

Mr. Pershing Gervais
c/o Mr. Floyd D. Moore
Chief, Intelligence Division
Internal Revenue Service
New Orleans District
New Orleans, Louisiana 70130

Dear Mr. Gervais:

This is to confirm the agreement between you and the Department of Justice which you will recall discussing on the night of September 8, 1971, and early morning hours of September 9, 1971, together with me and with Floyd D. Moore, Chief of Intelligence Division for the New Orleans District of the Internal Revenue Service.

You agreed that during the period September 1, 1971, to August 30, 1972, you will accept employment commensurate with your ability at the salary offered and the Department of Justice agreed to supplement such income up to $22,000 per year.

You further agreed to accept employment commensurate with your ability from September 1, 1972, to August 30, 1973, wherever such employment is located at a salary of $22,000 per annum and the Department of Justice agreed to secure employment for you at that salary for at least one year, and to pay the cost of moving for you and your family by regular commercial movers at the location of such employment.

It was further determined on September 8, 1971, that subsistence is paid on condition that you not remain in the United States without the prior approval of the Criminal Division, and that all future payments will be cancelled and the Department of Justice will be relieved of any responsibilities if this condition regarding re-entry is breached.

In addition to the foregoing, the Department of Justice agrees, at any date you choose subsequent to August 30, 1973, to pay the cost of transportation and moving of household goods for you and your family by regular commercial movers from wherever you are then located, to New Orleans, Louisiana.

Sincerely,

John Hall,

At this point Mr. Gervais stated that he and the Government were severed and that he was going back to New Orleans. Mr. Gervais then stated that "we will be at war" and that he has notes on everything that has been said. He charged that Mr. Shur's boss's attitude was quite negative towards him and that he didn't care what John Wall had to say. He stated that he didn't want anything done for him because of pressure and that he was being treated like a hoodlum by the Government.

Gervais stated that he would tell his employer who he really was and get himself fired from his job (his employer knew from the outset that Paul Mason was really Pershing Gervais).

He told Shur that the moment they hung up he didn't want anything more from the Government and he would not accept any more calls. Gervais charged that the Department of Justice was infiltrated with thieves and he stated that after collecting his thoughts he would notify the news media and that the Department should have repercussions before the following Monday.

Gervais pointed out to Shur that it would be hard to get anyone to cooperate with the Department when he finished "hollering". He stated that he could back his charges up, that he had a long memory and he had records and had made notes. He stated that Justice would find a way to put him in jail, and that he was through, he was "absolutely through".

Gervais repeated to Shur that he had notes on everything he had said and that he would like to have his tapes back (referring to the tape received by Gerald Shur on September 7, 1971, described in paragraph 23). Shur advised Gervais that he would confer with his superiors about sending his tape to Gervais and if he were authorized to do so he would mail it to Mr. Gervais.

(27) Almost from the time of his return to Canada following the September 9, 1971, meeting with Wall and me, Gervais has expressed to me in numerous telephone conversations his dissatisfaction with his life in Canada, including the fact that unanticipated circumstances had arisen and he felt that on the basis of "fairness" his situation should be reconsidered and renegotiated by the Department of Justice. On or about April 24, 1972, John Wall told me that he had arranged for a meeting between

Edward Joyce, Deputy Chief of the Organized Crime and Racketeering Section, myself, and Gervais to take place in Vancouver, Canada, so that we could sit down and listen to Gervais' complaints to see if they had merit and to see if there was any way in which the Department of Justice might alleviate his problems. When I talked to Gervais by telephone to confirm the meeting, Gervais said that he had changed his mind; that he did not want the meeting at the time scheduled; that he needed more time to collect his thoughts; that he would let me know when and if he decide to call such a meeting again; and that he did not desire my presence at any meeting that might take place with Joyce or any other representative of the Justice Department, because he felt the Department was imposing on our cordial relationship.

(28) Late in the evening, on or about May 3, 1972, Gervais called me and also called Wall. He also called Special Agent Puckett at about this time. Gervais said he was coming back to New Orleans and he was "coming out swinging"; that he was going to institute a civil suit against the Department of Justice, and that he was going to claim that Shur and others had lied to him and his wife and daughter and that he was going to scream for a polygraph; that although the Department of Justice would say that the results of lie detector tests are inadmissible in evidence, he would scream "polygraph" so loud and so long that the public would believe his story. At that time Wall asked him if there was anything he could do -- whether Gervais wanted to re-set the meeting with Wall's superior, Joyce, so that he could discuss his problems with the Department and hopefully resolve them satisfactorily. Gervais refused this offer, stating that he was not interested. I also asked him if there was anything he wanted me to attempt to do to resolve any problem and he said no.

(29) Gervais called me at about 10:30 p.m. on or about May 11, 1972, and said he was in New Orleans. He said he was coming back and he was going to do whatever he had to do to survive, including the filing of a civil suit against the Department. He may also have mentioned his plans regarding polygraph at this time. He questioned Gerry Shur's integrity and he indicated that in talking to Wall he could begin to hear Wall changing. He said that he didn't have any idea that he could win in a

battle with the Department but he was going to "let some blood". My response was that I didn't agree with him about Wall and Shur's integrity -- I felt that, based on conversations I had had with Wall and overheard between Wall and Shur, they had every intention of living up to their agreement, including making every effort to find him a job beyond the period of the agreement that had been reduced to writing by Wall (see attachment #1) at Gervais' insistence. I told Gervais that because of our relationship in the past I hated to see him do what he said he was going to do, and I thought he would be hurt, but I expressed the opinion that a man has to do whatever he feels he has to do. I reminded Gervais that we would all wind up on the witness stand and that the bulk of the testimony would come from Internal Revenue Service agents active in the investigation, and that regardless of whom it helped or hurt we would tell the truth to the best of our ability.

(30) On May 31, 1972, Gervais telephoned Special Agent Puckett in Atlanta, Georgia, and said that he intends to "scream polygraph, polygraph, polygraph" in his battle with the Department of Justice. Gervais also talked to me by telephone yesterday, on May 31, 1972, and told me he intends to rest up, then hold a press conference in New Orleans.

FLOYD DAVID MOORE, Chief
Intelligence Division
Internal Revenue Service
New Orleans District

Subscribed and sworn to before me this
1st day of June, 1972.

NOTARY PUBLIC