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TELEPHONIC WITNESS STATEMENT

DATE: [Not Provided]

TIME: [Not Provided]

INTERVIEW OF: Representative Edith Ajello

INTERVIEW BY: Detective Corporal Kenneth Buonaiuto
Rhode Island State Police Financial Crimes Unit

LOCATION: Rhode Island State Police Headquarters
311 Danielson Pike
North Scituate, Rhode Island 02857

SUBJECT: 38 Studios Investigation

1. Q. Corporal Buonaiuto, Rhode Island State Police.

A. Hi.

2. Q. Hi. Do you have a few moments?

A. I do.

3. Q. Excellent. It shouldn't take long. First name is Edith, is that correct?

A. Yes.

4. Q. Okay. Ms. Ajello, you're presently a, a member of the House of Representatives, is that correct?

A. Yes, correct.

5. Q. And how long have you held office?

A. I was first elected in 1992, sworn in in '93 in January.

6. Q. Okay. So 1993 through present.

A. Mm hmm.

7. Q. And if we can go back maybe four or five years, what – what committees have you been assigned to?

A. **Judiciary Committee in the last four or five years.**

8. Q. Mm hmm. Okay, so you've been steady on that one since – since about '09 or so?

A. **Yes.**

9. Q. Okay. And specifically in 2010, a bill called the Jobs Creation Guaranty Program came

...

A. **Mm hmm.**

10. Q. -- came to the floor of the House for – for a final vote, it was actually specifically May 25th, I believe it was, are you familiar with that piece of legislation that came through?

A. **Well, I'm familiar with all the discussion about it, yes.**

11. Q. Okay.

A. I --

12. Q. Well do you remember it being there during the vote?

A. **Yes, I do. I was there for the vote. I believe I voted for it.**

13. Q. Okay. And I – I don't think it did go through the Judiciary, but did it have any reason to go through the Committee prior?

A. **It – it would logically have gone through Finance Committee.**

14. Q. Okay. Very good.

A. **Not Judiciary.**

15. Q. Okay. And – and I know – I know it's kind of difficult to separate what you've – what you've heard through the media or – or the, you know, the constant reminders through the media of how things kind of moved along. But if you can kind of recollect back to that day when it came to the

House floor, what – what was your recollection of the purpose of that bill, and what – what thing do you remember being maybe debated or, or just spoken about regarding that bill?

A. All I remember was that the amount of money originally in the Governor's budget and the Governor – and the budget that we'd been talking about from House Finance or had been discussed, increased by 75 million. And was argued for as this can bring that many more jobs in and it's a good idea.

16. Q. Okay. All right. So and it's my understanding, and correct me if I'm wrong, and I think you just spoke about it, is that initially it was a \$50 million budget for this ...

A. Right.

17. Q. -- particular bill ...

A. Uh huh.

18. Q. -- but, but it was part of the entire budget for the State, correct, and then it was pulled out?

A. I believe so.

19. Q. Okay. All right. Do you – Was there any talk about any specific businesses or industries in particular?

A. None – None that I noticed at the time.

20. Q. Okay. All right. Were there – were there any questions on your behalf regarding the bill at the time that you remember?

A. It – It seemed like a radical increase. But I thought that it was a good idea – idea to invest money in good businesses that would locate here and bring jobs.

21. Q. Okay. And was it Representative Steven Costantino that was doing the presentation that - do you recall that?

A. **That's my recollection, yes.**

22. Q. Okay. Anybody else in particular that had a, you know, a, a pretty large voice in it that you remember?

A. **No.**

23. Q. Okay. And do you know who 38 Studios is?

A. **I do now.**

24. Q. All right. At the time did you know who they were?

A. **Um, I believe that I am learning about it over the course of weeks after the passage of that bill, and um, I believe that I was one who was with then candidate Chafee in opposing it.**

25. Q. Okay. And ...

A. **But, ...**

26. Q. Yup.

A. **... it's too late, heh.**

27. Q. Heh, heh, too late, right? Okay.

A. **Yup.**

28. Q. And was it your feeling that ...? Well, tell me, why - why did you post it?

A. **Because it didn't sound like a good bet. They didn't have a product up and running, it was a new game in development. I know - I play on the computer Sodoku, and that's all.**

29. Q. Yup.

A. **I'm 70-years-old, so I don't - I don't know about this other than a little**

[Indiscernible] of business any more than I have read a bit. But it was concerning to me that

there are lots of businesses out there developing games, some with a track record. This one had no track record.

30. Q. Mm hmm.

A. It is also a risky business in which lots of games are developed and not successful.

31. Q. All right. Okay.

A. So ... that the time until today I think it was a bad bet.

32. Q. Do you know body at 38 Studios or *the* 38 Studios?

A. I work in an oriental rug business,

33. Q. Mm hmm.

A. We sell and repair and clean oriental rugs. I remember once in the fall, whether it was that fall or the following fall before it failed, someone coming in for a rug service is my rec-- recollection, whether cleaning or repair, or it could have been buying a rug, who had relocated to Rhode Island to work for 38 Studios. But that's ...

34. Q. Mm hmm.

A. I have no idea who the person -- what the person's name was now, but that's my only contact.

35. Q. Okay. Do you know who Michael Corso is?

A. I do now.

36. Q. Okay. But prior, you had no idea who he was?

A. I -- No, I may have met him some time at the State House. I understand that he did some good work on historic redevelopment ...

37. Q. Mm hmm.

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A. -- but --

38. Q. But otherwise, you don't know. Okay.

A. No.

39. Q. Okay. Is there anything I haven't asked you that you think it's important to let me know?

A. I have nothing to add.

40. Q. Okay. Do you still have my telephone number?

A. I do.

41. Q. Okay, good. If for some reason, come – something comes to mind that you say afterwards, oh gee, I should have mentioned that, feel – please feel free to give me a call. Or even any information regarding anything whatsoever. It doesn't have – it doesn't need to be something to do with 38 Studios, it can be something totally, you know off – off that track, so my door is open to you any time you -- you feel the need to give me a call with some information that you may have, feel free to do so.

A. Okay.

42. Q. Okay. I thank you again for your time.

A. Thank you.

43. Q. Okay. Have a good day.

A. Bye.

STATEMENT TAKEN BY:

WITNESSED BY:
