

**Exhibit: Statement of Jaimie Bianco  
Before the Thompson County Grand Jury  
September 3, 2004**

Thompson County Grand Jury Exhibit Number 3

This statement is being prepared for the purpose of presentment to the Grand Jury pursuant to Local Rule 17a of the Circuit Court of Thompson County, State of Marshall. I understand that it is being made under oath and that any portion of this statement may be used against me in a court of law.

My name is Jaimie Bianco. In July, 2003, I legally changed my name from Jaimie White to Jaimie Bianco for business reasons. I have lived in Marshall City my entire life. My father's name was Henry White, but everybody called him Buck. He owned and managed Pappy's Pizza, which he inherited from my grandfather in 1964. My father died on June 26, 2003.

I attended Marshall City High School, but didn't graduate. I was expelled and never returned. They said that I had a drug problem. I kept getting caught with marijuana. The first two times my father was able to smooth it over with the local police commander. The commander arranged for what is known as a station adjustment. Both times, I promised to be a law abiding citizen, not do it again, and get some drug counseling. I was then released to my father without an arrest record. The third time, they say, I sold to an undercover police officer. Neither my father nor the commander could do anything about it as this was a County/Federal task force. My father had no connections there. Because of my age, the Feds handed me off to the State for prosecution.

Although it was technically my first arrest, I was found guilty, after a trial, and sentenced to 9 months in the Marshall Department of Corrections, Juvenile Division. I was expelled from high school. Because of their zero tolerance policy, I

wasn't allowed to return to school. After my release from the Department of Corrections, I went to an alternative school. I was expelled for truancy and arguing with a teacher who told me that I would never amount to anything if I didn't start applying myself.

My father insisted that I study for a GED and to pass the test. To make him happy, I went to the classes but I couldn't get past the math portion of the test. I gave up trying after taking the GED test three times and failing all three.

During this entire time, I was working for my father at Pappy's. My father always told me that when he died, Pappy's would be mine. He told me this almost every day, I guess, to motivate me. He kept telling me, "Get an education and learn the business world."

To be honest, I couldn't wait. I thought the place was really boring. We saw the same customers every week. They always sat in the same place, ordered the same food, and always left the same small tips. The customers always talked about my wonderful cousin Tracy. They would say stuff like, "Tracy set this record; Tracy set that record; Tracy's going to be in the Olympics; why can't you be more like your cousin Tracy?" Did you know that Tracy is the bastard child of my aunt, Rose Marie?

Tracy would come by Pappy's during school vacations to hear everybody say, "You're great." Meanwhile, I'm bussing tables, keeping the dishwashers working, delivering pizzas, and doing anything that needed to be done. Tracy would watch what I was doing and then tell me what I was doing wrong and how I could improve. I hated Tracy and I have to admit I was glad when I heard about Tracy's losing the scholarship. What a phony. Tracey – the All American convict.

I kept telling my father we needed to change the image of Pappy's. The place was too old-fashioned. The world was changing. One day all of his customers would be dead and we would have no new customers to take their place.

Every time my father would just about come over to my position, good old cousin Tracy would talk him out of it.

At this time, I was arrested four times for drugs. Someone was out to get me. It was some type of a conspiracy. I wasn't involved with drugs, but they would show up. The first two times, the police got an anonymous call that there were drugs in my car. Both times, I was stopped and the police found a small balloon of crack in a magnetic box inside of the bumper. Both of those cases were thrown out. I was arrested for delivery of crack on two other occasions. Those were also thrown out after the police couldn't produce the so-called informant. I tell you, someone was out to get me. Those drugs were not mine. They were planted.

In late 2001, I had enough. I could take the hint. I moved to Covington, Kentucky to live with my mother. She and my father had separated when I was six years old. I got a job at Cesario's, a local pizza parlor. I stayed out of trouble. I learned the pizza business even better because the Cesario family gave me responsibilities my father didn't. No drugs and no arrests. Things were going pretty well until my mother died of a drug overdose. It was terrible. My father came down for the funeral and began crying. He begged me to come back to help him run the pizza parlor. I told him that I would come back, but I still wanted to change the image of Pappy's like I wanted. He agreed. I came back to Pappy's. I came back just before Christmas of 2002.

I was arrested again, about six months before my father died. It was January 1, 2003. I was making a pizza delivery at about 3:00 a.m. When I got to the address, it appeared to be a vacant house. I was looking into the window when two police officers came over with guns drawn and accused me of coming out of a crack house. They didn't believe that I was there to make a pizza delivery and searched me. I had a little crack in my pocket. It was Tracy's. We had shared some of the crack earlier that evening. It was New Year's Eve, and I was trying to get

along with my cousin. It was the first and only time I had used drugs since my return to Marshall. He was shot at close range.

I think Tracy framed me. It's a little strange that Tracy took the bogus order and I got arrested with some crack in my pocket that Tracy "forgot" to get back from me.

My father died on June 26, 2003. He was killed. My aunt said she found my father that morning in the kitchen of the pizza parlor, with a bullet in his head. The police have not found the killer. Nothing was taken. There were no fingerprints other than family and staff. The weapon wasn't recovered. There were no signs of a break in. I don't know who did it. I have my suspicions.

Three days later, during the memorial service at the funeral home for my father, Tracy came up to me and said, as if doing me a favor, "I will take over the management of Pappy's, but don't worry. Your job is secure." I was surprised by what Tracy said, and I said that we would talk about it after the funeral. I recall we agreed to close Pappy's for one week - out of respect for my father.

On July 1, 2003, I found my father's will. It left the entire ownership of Pappy's to me. The will asked that I should take care of Aunt Rose Marie and all of my cousins, especially Tracy. I didn't like the idea. My lawyer said it was not mandatory. It was in the will and I thought I should honor my father's wishes. I offered Tracy and Rose Marie jobs at Pappy's. Aunt Rose Marie said, "No way." I said it would be a managerial position and that she wouldn't even have to show up. I would pay her \$500 a week for doing nothing. She still said, "No way." What an ingrate.

At first Tracy seemed unhappy. Tracy told me, "I thought your father was going to leave the business to me, or at least to my mom." Why should my father leave the business to them? But after a few days Tracy came in and told me I was the boss.

I asked, "You're OK with this?" Tracy said, "Sure. You're family. I'll help in any way I can. I don't want a free ride. How much will you pay?" I offered \$750 a week and any tips Tracy got would be Tracy's.

I reopened the pizza parlor on July 4, 2003. I changed the name. Pappy's was too old fashioned. I wanted an Italian name: "Bianco's Restaurant and Sport's Bar." Bianco is Italian for White. I also changed my last name to Bianco figuring it could change my luck. Instead of Jaimie White, convicted felon, it could be Jaimie Bianco, successful restaurateur. That's why the ownership papers show Jaimie Bianco as the new owner.

Business improved. Many of my old friends from the neighborhood began to stop by. I added a large bar and hooked up to satellite sports' packages on a half dozen televisions. Customers could come by and watch professional baseball, football, and basketball. College football and basketball games were a big draw, too.

Tracy came in and worked some of the time. After the first three months, Tracy began telling me that we were losing business. Tracy seemed to enjoy telling me this. It got to be a constant thing but I saw no evidence of it. Tracy would come in at slow times, like 3:00 p.m., to tell me, "Look at all the empty tables." I told Tracy to just worry about delivering the pizzas and I would worry about the receipts. We had a good cash flow. I put quite a bit of money right into my pocket. A lot of businesses do it and there was no need for me to tell Tracy about it. Tracy kept asking me what it would take for Tracy and the other cousins to buy me out. I told Tracy I was not interested in selling Bianco's.

Around September, Tracy's good friend, Carey Cartman – the one some people call "Officer Miranda" - began to come around and ask for free meals and gratuities. Cartman was no help to my business. Officer Cartman would stop in and shake me down as well as my customers. Cartman accused me of taking bets -

running a gambling operation after I had the sport's bar completed. Some of my old friends have been arrested for bookmaking and loan sharking. A couple of them did some time in jail. Not much. They are all clean now. There were no legal reasons to harass them. After a while, I caved in. I gave Cartman free meals and a few bucks here and there as a tip for keeping an eye on my place. After that, Cartman stopped harassing my customers.

I have been asked about a "special needs" menu. We did have a "special needs" menu. "Special needs" means we accommodate customers who may have an allergy to certain types of sausage, cheese or spices. Some people have no tolerance for gluten. Some people don't want port products. Some people don't want lard. "Special needs" is also when the customer wants some type of exotic combination on their pizza. I took personal care of the special needs menu. One time Tracy took a special needs order and could have killed the customer by sprinkling cheese on the pizza after being told that the customer was lactose intolerant. The customer caught the error, but what if the customer hadn't noticed? Tracy denied this happened. Tracy always denies doing anything wrong.

I don't know anything about any drugs being delivered through or by Bianco's. I don't know anything about any codes. I have no idea how the drugs got into my private wall safe. As far as I know, I am the only one who knows the combination to the safe. All I know is that good old cousin Tracy and Officer "Miranda" Cartman got it in for me. They want me out of the business and isn't it convenient that Tracy had the drugs, Cartman made the arrest, and Cartman arranged to give Tracy total immunity? If that's not a frame, then what is?

I have read the above statement and state that it is true and correct to the best of my memory.

Jaimie Bianco  
September 2, 2004