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- 1 -

## FEDERAL BUREAU OF INVESTIGATION

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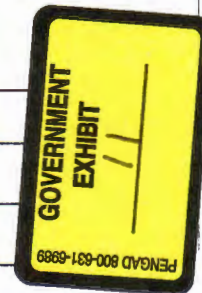
JOSEPH JAMES MOWRY, white male, date of birth [REDACTED], [REDACTED], SSAN [REDACTED], residence address [REDACTED], Tulsa, Oklahoma, was interviewed pursuant to a voluntary Rule 11 proceeding at the UNITED STATES ATTORNEY'S office, Tulsa, Oklahoma. MOWRY was advised of the identity of the interviewing Agents and the purpose of the interview. Assistant United States Attorney MATTHEW CYRAN, NORTHERN DISTRICT OF OKLAHOMA, and MOWRY'S attorney, ALLEN SMALLWOOD, were present during the interview. Special Agent DONNA MEADORS, IRS, and Special Agent LIBBY KOCH, IRS, were also present. After being advised of the conditions of the Rule 11 proceeding, MOWRY voluntarily provided the following information:

MOWRY was employed at ARROW TRUCKING COMPANY (ATC) for approximately eight and a half years. He went to college for his undergraduate degree and law degree at DRAKE UNIVERSITY. MOWRY graduated from DRAKE in 1991 and practiced law in DES MOINS, IOWA. He practiced primarily insurance defense until 1997 when he was hired by DOLLAR THRIFTY in Tulsa, Oklahoma. He worked at DOLLAR THRIFTY until 2002, when he was hired by ATC.

At ATC, MOWRY was initially hired to deal with legal issues. He had a background in risk management and dealt with liability claims, cargo, workers comp, health plans and the safety department. MOWRY negotiated claims and also signed checks for the claims department, which stood on its own at ATC. MOWRY also worked with human resources and recruiting. He approved invoices for his departments and sent them to finance. MOWRY worked closely with all the executives at ATC, including JAMES DOUGLAS PIELSTICKER (DOUGLAS PIELSTICKER). In the last one to one and a half years, MOWRY became more involved with operations at ATC. On December 15, 2009, MOWRY signed all ATC payroll checks.

In 2008, ATC began experiencing significant financial troubles. MOWRY saw draft financial paperwork in November, 2009 for the 2008 fiscal year. There had been a loss of six to seven million dollars. At its financial height while MOWRY was employed at ATC, the company had made a profit of \$1 million.

ATC had been through five Chief Financial Officers (CFO) during MOWRY'S tenure there. Their names were: JERRY BOLEN, BOB FITZGERALD, MARK LITSKY, JOHN PINKSTON and JONATHAN MOORE. ATC

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FD-302a (Rev. 10-6-95)

29P-OC-69670

Continuation of FD-302 of JOSEPH JAMES MOWRY, On 3/29/2010, Page 2

began a financial relationship with TRANSPORTATION ALLIANCE BANK (TAB) in November, 2008. ATC had previously banked with GE FINANCIAL. PINKSTON was still with ATC in November, 2008 and spearheaded negotiations with TAB. PINKSTON was involved with the conference calls and negotiations with the bank.

MOWRY did not have any involvement with ATC's payment of payroll taxes. The CFO was generally the person who would deal with those issues. MOORE was responsible for the payroll taxes in 2009. The only issue related to payroll taxes before 2009 occurred in the summer of 2008. PINKSTON asked MOWRY if he could slide the payroll tax payment from a Friday to the following Monday to help with cash flow. MOWRY allowed it, but advised that it should not happen again. While MOORE was CFO at ATC, MOWRY was not aware if the employment tax payments were made on a weekly or monthly schedule.

In June, 2009, MOWRY was brought into an already ongoing conversation between DOUGLAS PIELSTICKER and JONATHAN MOORE. DOUGLAS PIELSTICKER and MOORE were talking about the status of employment tax payments. MOWRY believed DOUGLAS PIELSTICKER and MOORE had been having a heated discussion before he was brought into DOUGLAS PIELSTICKER's office. He got this impression based on their demeanor when he entered the room. MOORE said the taxes had been paid through the second quarter. DOUGLAS PIELSTICKER is a paranoid individual and instructed MOWRY to get proof of tax filings and backup documents in July, 2009. MOORE provided documents to MOWRY. DOUGLAS PIELSTICKER told MOWRY to keep the documents in his desk.

DOUGLAS PIELSTICKER and MOORE told MOWRY that employment taxes were not paid in July, August and September, 2009. MOWRY advised DOUGLAS PIELSTICKER and MOORE to pay the taxes. MOWRY also suggested that the company executives not receive pay checks through the end of the year to help generate funds. DOUGLAS PIELSTICKER said that would never happen. DOUGLAS PIELSTICKER continued to spend money excessively against MOWRY's recommendations.

In mid December, 2009, MOWRY asked MIKE DUNLAP, ATC Controller, for information about the unpaid employment taxes. DUNLAP provided a spreadsheet showing that ATC owed approximately \$10 million in unpaid employment taxes. DUNLAP advised that no employment taxes had been paid for any of 2009, including state employment taxes. MOWRY showed DUNLAP the documents he had

FD-302a (Rev. 10-6-95)

29P-OC-69670

Continuation of FD-302 of JOSEPH JAMES MOWRY, On 3/29/2010, Page 3

received months before from MOORE. DUNLAP had another, accurate set of tax documents showing that no taxes had been paid. The tax documents and wire transfer forms MOORE had previously provided appeared to be inconsistent.

MOWRY did not have much contact with TAB until July, 2009. There had been a small issue MOWRY assisted with during the transition from GE to TAB in January, 2009, but it was corrected quickly. In July, 2009, TAB became concerned with "dilution." Dilution was the partial payments of amounts owed to TAB. MOORE said customers were slow to pay and paid smaller amounts because of the poor economy. TAB pressed the issue and wanted to come to Tulsa for an audit. CURTIS SUTHERLAND from TAB came to ATC. SUTHERLAND found erroneous invoices totaling approximately \$2 million. These invoice amounts were higher than they should have been. TAB had been paying ATC based on these amounts. MOORE said these errors were due to mistakes made by a former employee. The over billed amounts were recouped back to ATC. MOORE said the problem had been corrected.

ATC received a breach of contract letter from TAB giving ATC 10 days to cure. DOUGLAS PIELSTICKER instructed MOWRY to take care of the letter writing campaign to TAB and to let MOORE deal with the finances. MOWRY wrote a letter to JJ SINGH, president of TAB, containing a plan to recourse the debt.

In may, 2009, LARRY BUMP, CAROL PIELSTICKER's husband, loaned ATC \$6.25 million. BUMP was originally going to buy a stake in ATC, but DOUGLAS PIELSTICKER did not want anyone else having a say in operational decisions. The \$6.25 million lasted for awhile, but in September, 2009, ATC checks began to bounce. The TAB recouping began to have a significant effect on the cash flow of ATC.

In October, 2009, SARA CARTER, ATC employee, went to MOWRY to talk about billing issues. CARTER had previously worked in billing at ATC and knew the company well. CARTER told MOWRY that billing invoices were being inflated. False invoices were being sent to TAB for an increased amount so they would pay ATC more. The correct amount was sent to the customer so they would not have knowledge of the fake bill. Initially, a few bills were inflated a significant amount, but now several bills were being inflated in smaller amounts so as not to alert TAB what was occurring.

FD-302a (Rev. 10-6-95)

29P-OC-69670

Continuation of FD-302 of JOSEPH JAMES MOWRY, On 3/29/2010, Page 4

MOWRY confronted DOUGLAS PIELSTICKER and MOORE with the over-billing information. DOUGLAS PIELSTICKER said ATC could not survive without it. DOUGLAS PIELSTICKER wanted to know what CARTER said to MOWRY. MOWRY said CARTER was concerned about the invoices being inflated and employees had come to her about the issue. MOORE and DOUGLAS PIELSTICKER were clearly aware that invoices were still being inflated.

In September or October, 2009, MOWRY advised DOUGLAS PIELSTICKER and MOORE to stop inflating invoices because it was a breach of contract and possibly criminal, depending on the magnitude. MOWRY "absolutely suspected it was illegal." MOWRY asked MOORE what ATC's exposure was and MOORE advised it was "\$2 million or so." MOWRY asked DOUGLAS PIELSTICKER if CAROL PIELSTICKER was informed of what was occurring. DOUGLAS PIELSTICKER told MOWRY not to worry about CAROL PIELSTICKER.

TAB had been paying ATC at a rate of 90% before the dilution became excessive. Dilution brought the payment rate down to approximately 80%. On December 15, 2009, DONNIE ANGLIN, ATC IT employee, and MIKE DUNLAP showed MOWRY a report containing the invoices which had been inflated and their corresponding accurate invoice. The report contained the "A," "B" and "C" bills. "A" bills were inflated and went to TAB, "B" bills were accurate and went to the customers and "C" bills were partial payments generated after bills had been sent out.

JJ SINGH, president of TAB, sent emails to ATC regarding 2009 dilution rates being at an all time high. There was a conference call with DOUGLAS PIELSTICKER, MOORE, MOWRY, JJ SINGH and CURTIS SOUTHERLAND discussing billing and payment anomalies. A meeting between ATC executives and TAB was scheduled in Utah before Thanksgiving, 2009.

DOUGLAS PIELSTICKER instructed MOORE and MOWRY to maintain a relationship with TAB, no matter what it took to do so. DOUGLAS PIELSTICKER told MOORE to do whatever was necessary to get financial statements to TAB. MOORE prepared financial statements for TAB. TAB wanted personal guarantees from DOUGLAS PIELSTICKER and CAROL PIELSTICKER. TAB also wanted verification of accounts. DOUGLAS PIELSTICKER asked MOWRY to sign verification of accounts and MOWRY refused to do so. TAB wanted to do an on site audit at ATC. DOUGLAS PIELSTICKER stalled TAB until December 7, 2009, when CURTIS SUTHERLAND arrived from TAB.

FD-302a (Rev. 10-6-95)

29P-OC-69670

Continuation of FD-302 of JOSEPH JAMES MOWRY, On 3/29/2010, Page 5

SUTHERLAND wanted to call ATC customers and verify the amounts they had been billed. MOORE provided phone numbers of customers to CURTIS SUTHERLAND. BOYD HUNTER, TAB employee, made the calls. After making calls, HUNTER believed he was hearing the same voices for different customers. HUNTER advised MOWRY that he thought the voices sounded familiar. HUNTER called the customers via his own contact information for the companies. He called looking for the same individuals MOORE had provided. HUNTER obtained different information when he spoke with the actual employees of the companies.

TAB performed two audits at ATC. MOORE may have facilitated fraudulent phone calls during TAB's first and second audit of ATC. MOORE told MOWRY that he was going to follow the same process he followed during the first audit for the second audit. After HUNTER advised MOWRY that he believed dummy phone calls had been made, MOORE came to MOWRY's office. MOWRY told MOORE that he knew about the dummy phone calls and MOORE immediately left MOWRY's office. MOORE returned to MOWRY's office with a separation agreement in hand. MOORE said he had only done what he was told to do.

DAN SMITH, ATC employee, called MOWRY on the day of the audit phone calls and said he was asked to help with the calls. SMITH later told MOWRY that he had in fact been on the other end of the line when TAB made the customer phone calls.

On December 11, 2009, DUNLAP's invoice spreadsheet was provided to BOYD HUNTER. TAB had three or four auditors at ATC at that point. TAB identified approximately \$12 million in false invoices. DOUGLAS PIELSTICKER made it clear that with MOORE gone, MOWRY had to save the relationship with TAB. MOWRY wanted to provide a recourse plan, but knew it was impossible when he was informed of the total \$12 million in false invoices. TAB pulled the plug on ATC funding in the afternoon on December 22, 2009. MOWRY advised CAROL PIELSTICKER to seek the protection of the bankruptcy court, but she did not follow his advice.

DOUGLAS PIELSTICKER consistently set his priorities as follows: He was to be paid first, then his mother and finally the rest of ATC's operating expenses could be addressed. MOWRY received a pay raise around January, 2009, after he told DOUGLAS PIELSTICKER he wanted to leave ATC. MOWRY was unaware that DOUGLAS PIELSTICKER took nearly \$8 million out of ATC over the past two years.

29P-OC-69670

Continuation of FD-302 of JOSEPH JAMES MOWRY, On 3/29/2010, Page 6

ELAINE COX went to MOWRY about the inflating of invoices. She had been instructed to do so by MOORE and wanted to know if she should continue to do so. MOWRY advised her to continue doing what she had been doing under MOORE. COX told MOWRY that she had been instructed to inflate every single invoice and MOWRY told her to keep it up. MOWRY felt he would be fired if he didn't do what DOUGLAS PIELSTICKER wanted. MOWRY drafted his resignation letter on December 20, 2009 and gave it to CAROL PIELSTICKER on December 22, 2009. MOWRY thought about leaving in September, 2009, when he first learned of the false invoices, but stayed at ATC because he thought the problem could be fixed.

MOWRY was paid approximately \$300,000 a year salary at ATC and although he was paid well for his position, he did not feel that he was over paid. Any time DOUGLAS PIELSTICKER raised his own pay, he would also raise CAROL PIELSTICKER's pay.

MOWRY has had a few conversations with DOUGLAS PIELSTICKER since December, 2009. DOUGLAS PIELSTICKER steered all these conversations to be about him and his difficult situation. DOUGLAS PIELSTICKER blamed LARRY BUMP for ATC's collapse.

JESSICA PIELSTICKER had \$250,000 worth of shoes in her closet at her residence. DOUGLAS PIELSTICKER was greedy and felt he was entitled to anything and everything. He often showed up to work at 10 a.m. and left the office by 2 p.m.. DOUGLAS PIELSTICKER's private jet was originally leased through NETJET. After the NETJET lease expired, DOUGLAS PIELSTICKER went through OMNI. The jet was used primarily for personal trips and vacations. DOUGLAS PIELSTICKER liked to travel to the Carribean, Mexico and St. Barts. He would spend \$40,000 for a three or four night stay. MOWRY was unaware of any property DOUGLAS PIELSTICKER owned outside the United States. MOWRY flew on the jet approximately 4 times. The jet was rarely used for company functions. DOUGLAS PIELSTICKER owned 15 Rolex watches.

CAROL PIELSTICKER came to weekly or bi-weekly meetings. She knew that ATC checks were bouncing. After a discussion about how taxes were not being paid and checks were bouncing, CAROL PIELSTICKER handed MOWRY an invoice for \$9,000 from TONI'S FLOWERS. CAROL PIELSTICKER gave bills to MOWRY because she thought MOWRY could get JONATHAN MOORE to pay them. There were no flowers at ATC and the bill was in CAROL PIELSTICKER's name. CAROL PIELSTICKER did not have direct control or knowledge of what was going on at ATC.

FD-302a (Rev. 10-6-95)

29P-OC-69670

Continuation of FD-302 of JOSEPH JAMES MOWRY, On 3/29/2010, Page 7

She knew the company was in the red financially, but did not know specifics about the fraudulent activity.

ATC's tax accountants were initially HOGAN AND SLOVACEK. MOORE had ATC change to LANE GORMAN in Dallas, Texas. MOORE was previously employed by LANE GORMAN.

MOWRY said, "We all got caught up in the money."