DOJ Refuse to prosecute MNAT

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Short version on the DOJ cover up of \$300 million in Fraud

Posted by LASER Haas on Wednesday, July 02, 2008 7:31:59 PM

The Delaware Dept of Justice refuses to prosecute, investigate or, for that matter, even name the bad faith acts of the MNAT law firm as if such were a cardinal sin.

It is a fact that the MNAT and TBF law firms both confessed to deceiving the Court and submitting, multiple, false, affidavits to the Federal Court as Officers of the Court.

TBF received a Motion to Disgorge for \$1.6 million and then was provided a Stipulation to Settle that gifted them Illegal, implied, blanket, immunity.

Now the Delaware Dept of Justice is an Appellee with MNAT, TBF and Barry Gold in the 3rd Circuit Court case 07-2360 as the Dept of Justice egregiously petitions the Court, with taxpayer dollars to throw out eToys shareholders, tossing the whistle blower as **the DOJ falsely states that the appeal has no merit**.

The Dept of Justice even states in a footnote that if will not address any MNAT issues, that is simply absurd as MNAT cross appealed the case and the District Court combined the cases.

Think these matters do not harm you, they are in Goldman Sachs, Levitz, Finova, Kmart, Enron, Jumbo Sports, Gadzook, Stage Stores, Toys R Us, Sears, JoAnn's, etc etc.,

They go from one Public entity to another and then place the entity into bankruptcy with designed controls to devour the entity from all sides. Going from one entity to another, walking it into Bankruptcy violates most State laws, Federal and even SarOx.

The entity eToys went public in 1999 for \$8bn and bankrupt March 2001.

Where did the money go?

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And what happened to the standard investigations by the SEC, FBI and Dept of Justice.

Since then more than \$300 million in fraud and thirty four acts of periury are documented.

The law firms of MNAT and TBF, being "caught" with red-handed, confessed that they filed the false affidavits and deceived the court offering cheeky excuses of inadvertent neglect.

The Asst US Trustee, Frank Perch, documented that the acts were deliberate, premeditated and intentionally left to stand as false.

Then Perch Motioned to Disgorge the TBF law firm for \$1.6 million and testified therein, that he had forewarned the parties not to violate the law.

Less than ten (10) days later the Dept of Justice Trial attorney, Mark Kenney, provided illegal, implied, blanket, immunity to the TBF law firm.

Speciously, despite the fact that the MNAT law firm also confessed to filing the false affidavits and also admitted to deceiving the court, the Delaware Dept of Justice does not even mention the MNAT law firms name or acts in any briefs.

It has since been discovered that the US Attorney in Delaware, Colm F Connolly, was a partner with the MNAT law firm in 2001, when the fraud and perjury began.

This is a serious ethics and protocol violation that will most likely hold up the nomination of Colm Connolly from becoming a Delaware District Court Federal Justice.

The Delaware Dept of Justice is persistently using taxpayer dollars, defending the right to give the implied, blanket, immunity, acting as an appellee attorney defending MNAT and TBF while asking the courts to strike and expunge Haas and the shareholders, along with striking and expunging all pleadings that document the perjury and fraud.

Additional crimes of perjury and fraud continue, such as the \$100 million cash fraud issue in the KB case and the \$800 million lawsuit in the NY Supreme Ct. Yet the Dept of Justice simply refuses to do anything about the mendacity.

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The proof is overwhelming and the number of felony violations is over 100, including Bribery, Fraud, Perjury, Intimidation of Victim/ Witness, Failure to disclose an assets, Collusion to Defraud and Estate and quite possibly RICO.

Yet not one single investigation is occurring into the 34 acts of perjury and over \$300 million in fraud.

WHY?

You can look at the post(s) below for the proof of these acts.

If a person cares about the integrity of the system of justice, the acts of mendacity of the law firms, being directly competitive with the Dept of Justice overt efforts to obstruct will boggle your mind~

Yes, it is "our" case

However

IT IS EVERYONE"S SYSTEM OF JUSTICE AT STAKE HERE!

Tags:CronyismeToyscollusionWalrathDeAngelisConnollystapletoncorruptionMNATperjuryfraudTBFKenney

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Law Professors, Senators' and Judges document DOJ bad faith

Posted by LASER Haas on Wednesday, July 02, 2008 7:29:23 PM

It is necessary to document the amount of skulduggery that is readily apparent to Congress and the Courts by providing authoritative commentary that is now becoming profuse throughout the land.

Any additional information others may have on the subject is welcomed.

Many distinguished parties are making remarks about the odd ways the Court's, the Dept of Justice are behaving, especially concerning cases in Delaware.

The WSJ Law Blog did a piece on the issue of Delaware's Corp dominance issues (<u>here</u>)

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<u>ProPublic.org</u> speaks of issues that seek to protect the Dept of Justice high up personnel being contrary to the new law that was designed to increase the scrutiny and accountability of our governmental entities, except of course, for the dear ole DOJ http://www.propublica.org/article/law-undermines-the-dojs-inspector-general/

The Book by UCLA Law Professor Lynn LoPucki on Courting Failure How Competition for Big Cases is Corrupting our Bankruptcy Courts, is an authority's look at the corruptive influece of our courts becoming a commerical enterprise. www.lopucki.com

Senator John Cornyn of Texas battled about the LoPucki book with Delaware Senator Biden.

Senator Biden is, of course, conflicted, as Delaware gets a large part of their annual budget from other state corporations paying Delaware taxes.

As Senator Cronyn's motivation(s) are the pursuits of each State keeping its own revenue and all courts remaining free from temptation to "*court*"; it is readily apparent what logic should prevail in a "*chaste*" world.

Senator Cornyn stated, in a diplomatic manner in an issue of the Legal Times (<u>here</u>),

"Of course, no one wants to believe that a federal judge would ever distort the law for any reason, let alone in order to improve the court's docket".

At the same time the Senator stated in the Legal Times, (June 6, 2005), article that the facts are what they are; as Senator Cornyn remarked;

"After all, picking a judge isn't far from picking the verdict. What's more, if debtor's get to pick the jurisdiction, then bankruptcy courts have a disturbing incentive to compete with each other for major bankruptcy cases, by tilting their rulings in favor of corporate debtors and their attorneys."

The 3rd Circuit Court of appeals, remarked that there is organized, sophisticated, bad faith behavior by attorney's is detrimental to the integrity of the system. This is due to the organized element now known as "Bankrutpcy Rings"

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The 3rd Circuit addressed the issues of "bankruptcy rings". In the matter of <u>In re Arkansas Co.</u>, 798 F.2d 645 (3rd Cir. 08/13/1986), the Circuit remarked upon the fabric of the stabs to clean up errant efforts, *after the fact*, to circumvent the Code, by quoting the verity that Congress was well aware of the "reality" of how the system "truly" works. The Third Circuit tackled the issues of offensive applications by faulty **§ 327(a)** and **Rule 2014** affidavits as follows;

> "It is significant that Congress chose to place the requirement of court approval for the employment of an attorney, accountant, or other professional by the creditors committee directly in the **Bankruptcy Code** in 1978. **11 U.S.C. § 1103(a)**. The legislative history makes clear that the **1978 Code** was designed to eliminate the abuses and detrimental practices that had been found to prevail. Among such practices was the cronyism of the "**bankruptcy ring**" and attorney control of bankruptcy cases.

The 3rd Circuit also noted the Congressional awareness of the harsh reality of perpetual malfeasance by attorneys as the Circuit continued on Arkansas stating;

In fact, the House Report noted that "in practice . . . the bankruptcy system operates more for the benefit of attorneys than for the benefit of creditors." H.R. No. 595, 95th Cong., 2d Sess. 92, reprinted in 1978 U.S. Code Cong. & Ad. News 5963, 6053"

In these modern days of Perjury prosecutions of Martha, Bonds, etc for making a false statement to an officer,,,,, how much more heinous will the public find the proof, by an authority that attorney's are lying under oath and getting millions in fees (that they are not entitled to if they tell the truth) and the "police" the Dept of Justice, utilize their power to protect the perpetrators of false hood and deception?

There are more than 100 felony violations in the eToys case. The law firms of MNAT and TBF have confessed to filing more than 34 false affidavits and deceiving the court.

Where are the prosecutions?

Where are the investigations?

The Delaware Dept of Justice refuses to even mention the name of the MNAT law firm in any briefings, much less mention their bad faith acts.

This problem is not just eToys alone, as you can see by the following;

A Dept of Justice Trial Attorney for the US Trustee Program went before Congress and stated that Director Friedman and Director White have done little to promote the Integrity of the US Trustee Program (<u>here</u>)

Judge Judith Fitzgerald stated that Justice Dept silence aided fraud (<u>here</u>) (you will need to pan down to the W R Grace Tersigni issues and case where Judge Fitzgerald is shocked when the US Trustee representative says he was instructed not to tell the court anything. (the story is also <u>here</u>)

Another Judge reported to House Judiciary Committee that the US Trustee Program is not a "watchdog" , that it is a "pack of dogs" (here) Judge Cristol also remarked that it is not David v Goliath it is Goliath versus and ant.

A Judge in Michigan dealt with a case, like eToys, where all the previous judges and US Trustee refused to address Fraud on the Court issues. All previous court decisions in Matrix refused to have a hearing on fraud and the Judge remarked "*The Courts have the inherent authority, and indeed a duty, to address fraud on the court issues*" (case item attached as a file).

The Courts have also dealt with eToys where the case of In re Baron's used the eToys case to reopen a closed case due to Fraud on the Court. (Florida In re Baron's and Meryl Lanson <u>here</u>) (when at the site do the keyword search for eToys, the Court states it agrees with the eToys decision that fraud on the court merits an extended time review.

Both the Delaware Dept of Justice and the Delaware Court has stated, despite the confessions to filing 34 false affidavits, that no perjury was documented. In Delaware, supplying a false affidavit is no big deal. (please see judge Walrath's Opinion page 52 <u>here</u>)

The 11th Circuit dealt with an issue where a Trustee tried to state that a false affidavit was not perjury if given voluntarily, the Judge

in that case said such logic was absurd, "Lying under oath is lying under oath" (\underline{here})

If you file bankruptcy and hide aunt Martha's gift of her great grandmothers ring you can go to jail for 4 or 5 years.

If you are an attorney, who becomes an Officer of the Court and steals a public entity to sell it to your regular clients, you just pay a itsy bitsy fine and can even retaliate and punish the person who blew the whistle on you.

Throwing away the shareholders of a public company by planting your paid associate is just a perk a court appointed counsel can enjoy, especially when one of the law firms has a former partner who is the United States Attorney

Tags: Cro	nyism	eToys	DOJ	deangle	eis	coll	usion	bankruptcy	Connolly	
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Timeline of events of DOJ Cover Up and failure to investigate

Posted by LASER Haas on Wednesday, July 02, 2008 7:10:50 PM

The entity eToys went public in 1999 for \$8bn and then bankrupt March 2001.

To date, there are no reports of any SEC, FBI or Dept of Justice investigation into this classic "pump n dump" and the real question of where did the money go?

Compounding those questions is the speciousness of how the SEC and other investigative parties sat still when the Debtor eToys, represented by the Morris Nichols Arsht & Tunnel ("MNAT") law firm petitioned the Delaware Bankruptcy Court for the strange request to Destroy Books n Records.

Of the many parties that failed to object to this arcane request there is the Creditors, represented by the Traub Bonacquist & Fox ("TBF") law firm and the policing entity of the bankruptcy court, the Dept of Justice United States Trustee's.

As it was obvious to anyone, that the request was an effort to destroy evidence, onc can only speculate as to what the motivations were for the lack of response, *however*, armed with the Court's approve of the esoteric Order, the Senior Executives summarily abandoned the eToys estate providing a feast of plenty

to the attorneys' who were left with a cookie jar, milk, the keys and no one to say no!

Initially an auction was scheduled to liquidate the entire estate of eToys for \$5 million. The Creditors were alarmed about such a paltry result and sought the counsel of someone who could effect a better result. They settled upon Laser Steven Haas who had just received a significant result in another liquidation of 50% of value.

The attorneys TBF & MNAT negotiated that Haas would not be hired as a Professional Person, rather, Haas would utilize his company CLI and the attorney's would then also discouraged Haas from obtaining his own counsel, that the estate would have to pay for. Under the guise that it would save the estate expense, MNAT & TBF would supply the paperwork for CLI to the Delaware Bankruptcy Court instead of Haas doing so himself.

Despite the fact that Haas was extensively successful in his efforts and assisted in building the cash deposits of eToys to nearly \$50 million, the TBF and MNAT law firms persistently found fault with everything that Haas and his company accomplished. One of the biggest critics at the end of 2001, of Haas, was the new President and CEO of eToys, Mr. Barry Gold and his secretary of sorts, Ellen Gordon from Xroads LLC (*the court approved Financial Consultant responsible for accounting for eToys cash deposits*).

Haas had pulled Barry Gold aside, when he came on board in May 2001 and remarked to Barry Gold that he was concerned that the TBF law firm had hidden agenda's and that Xroads LLC, Ellen Gordon and Paul Traub may be hiding additional items from all interested parties.

Haas did not know at the time, *that Paul Traub and Barry Gold had* been partners for some time.

Mr. Haas had discovered that there were overseas cash deposits, in the millions, that was not reported to the Courts. (The very failure to declare a cash asset on the bankruptcy filing schedules is fraud and a felony violation). When Haas reported this issue to the Creditors and the Creditors attorney, instead of being thanked for the discovery, TBF again harangued and berated the efforts.

Of the many greater returns that Haas and his company had achieved was the sale of the eToys.com name for \$10 million. Inexplicably, MNAT, TBF and Barry Gold renegotiated that sale down to a purported \$3 million.

Haas's company's commission and success fee's was based upon

the actual sale result of the assets to buyers. At the end of 2001, TBF, MNAT and Barry Gold refused to permit Haas review of Books n Records so that a final fee application could be submitted. When it was time to file the final fee applications for CLI and Haas to the Court, MNAT simply refused to do so.

Being abandoned but having Court approval for the work, Haas hired another law firm. Haas received one more minor payment with the promise to settle on the balance. However, Haas had a problem, the CLI contracts stated that Haas must file a final fee application by March 2002. As Haas new counsel, Morris James, refused to address the readily apparent conflict of interest issues, Haas got on a plane and went to Delaware and hired a new attorney Henry Heiman. Heiman reported that he was a former Trustee and that the Court approved contracts were irrefutable. Heiman stated that he would go to court, when the time was right and force compliance with the Court approved contracts.

Haas informed the Dept of Justice United States Trustee's office of the many issues at hand, specifically the Dept of Justice trial attorney handling the case, Mark Kenney. The responses from Mr. Kenney were obtuse to the issues at hand as Mr. Kenney reflected that no crimes had occurred and there was no reason to investigate.

Then, in a bizarre turn of events, Haas discovered that Barry Gold and TBF were actually associated from as far back as the 1980's, learning this from a former associate of Paul Traub's as the TBF law firm was previously known as Traub Bonacquist & Yellen, before becoming Traub Bonacquist & Fox. Informing Henry Heiman of this fact resulted in intimidation and extortion acts by the TBF law firm that Henry Heiman actually emailed to Haas.

Heiman emailed to Haas that Susan Balaschak of TBF stated that if Haas did not "*back off*" not only would Haas and his company CLI not get paid, his career would suffer and other retaliations would occur. Heiman then informed Haas that he should seek other counsel.

Haas found other counsels willing to take the case, but Henry Heiman refused to give that new counsel the files of Haas or CLI as Heiman abandoned his duties.

Forced to find a way to handle the issues, Haas began to study the Law and Dept of Justice US Trustee website. At that time Haas learned that the Dept of Justice attorney, Mark Kenney and Henry Heiman had been taking advantage of the fact that Haas was a layman, where they stated no violations of the law had occurred, they were both, in fact, thwarting justice and giving Haas false information.

Laser Haas called Mark Kenney and told him of the email threat that was sent to him and how it violated the law. Acting with a little fit of rage, Mark Kenney stated that there was no laws broken and that the issue of Barry Gold and Traub had been handled in the "Bonus Sales" case. This was the 2nd time the Bonus issued had been mentioned to Haas, however, it was the first time it was mentioned completely by Mark Kenney.

Armed with new knowledge of the Law, specifically Sections 101(14) and 327(a), along with the fact that they must be accompanied with a Rule 2014 affidavit, that affirms, "under penalty of perjury" that there are no undisclosed conflicts of interest, Haas looked up the Bonus Sales case on-line with PACER, the Public Access system to Court dockets.

As it turns out, Mark Kenney made a "lapse lingue" where such slip of the tongue provided Haas with the first, concrete proof positive, that the Law had been broken and that Perjury in the eToys case was profuse. As a hidden gem within the Bonus Sales bankruptcy case (DE Bankr 03-12284) an affidavit by a company entitled Asset Disposition Advisors LLC ("ADA") existed. On the first sheet of the ADA paperwork on the left side it states Barry Gold Principal and on the right side it states Paul Traub Principal.

Haas could not believe his eyes, there it was, concrete proof, irrefutable, as a court docket record, signed by Paul Traub himself, providing proof, beyond all reasonable doubt, that Paul Traub and Barry Gold had an "undisclosed" connection.

Further research of the ADA company led to the discovery that it was formed in April 2001. By all testimony before the court and a Hiring Letter not revealed until four (4) years later, Barry Gold became the "wind down coordinator" of eToys in May 2001 and then, after the initial success of the plot, Barry Gold was promoted to the President and CEO of eToys.

Both Haas and the eToys shareholders petitioned for an Emergency Hearing to deal with the malicious acts. The Emergency hearing occurred Dec. 22, 2004. At the same time, with a press release also dated Dec 22 2004, the US Trustee program announced that the new Region 3 Trustee (who presides over Delaware) was Kelly B Stapleton who replaced the Acting US Trustee Roberta DeAngelis.

The Bankruptcy Code is designed by Congress to make sure that

these type of shenanigans do not occur. That is why, even though attorneys already are governed by Model Rules of Conduct and their oath's before the State Bar's, Congress wanted to make sure that the Creditors and Debtor in bankruptcy cases were "arms length" in all their transactions, in order to assure good faith dealings. This is why Section 327(a), the application of Professional Persons requires that even an attorney must supply a Rule 2014 Affidavit affirming that they are "disinterested" parties as is defined by Section 101(14).

Therefore the only way that there can be any "*undisclosed*" issues of a "*conflict of interest*" is for an attorney to supply a False Affidavit.

Supplying a False Affidavits is an act of Perjury.

Doing so intentionally, after being warned not to do an act is extensively egregious.

This particular case is made morose because the United States Trustee's office testified, *in its Motion to Disgorge the TBF law firm \$1.6 million*, that the parties had discussions with the US Trustee about replacing key personnel of the Debtor. The US Trustee states twice in the Disgorge Motion that he instructed the parties Not to replace key personnel of the Debtor with anyone connected to the retained professionals of the estate.

Disregarding that authoritative warning, TBF, MNAT and Barry Gold, along with others, drafted the Hiring Letter for Barry Gold. He was given a contractual choice that permitted him to choose, whether or not, to apply to the Court for permission to be hired. This violates the law under pretense and "color of law". After choosing not to apply; Barry Gold was then given \$40,000 per month, promoted to President/ CEO and promised a Bonus possibility at the end of the case.

Armed with these facts, alarmed that TBF was given immunity, Haas wondered what else was there that was hidden.

Haas and the eToys shareholders looked everywhere for additional acts of malfeasance. Haas then discovered that MNAT, TBF and Barry Gold all had "*undisclosed*" connections to Bain/ KB. The significance of that is the fact that eToys sold the bulk of the estate assets to Bain/ KB for discounts in the tens of millions of dollars, including the nefarious renegotiation by the parties to reduce the \$10 million dollar bid for eToys.com to only \$3 million.

This is Collusion to Defraud an estate. As entrusted Officers of the

Court, there is no greater crime that the attorneys can commit.

The parties were so brazen and flagrantly arrogant in their acts of mendacity, believing that they had gotten away with all the subterfuge - MNAT is actually representing Bain in the KB bankruptcy case.

Paul Traub had the unmitigated gall to petition that Court for permission to prosecute the \$100 million dollar cash payment that KB paid to Bain and Michael Glazer prior to KB filing for Bankruptcy.

Haas then filed a motion to that Court. Upon reporting this to the Director of the United States Trustee and the Asst US Trustee who Motioned to Disgorge TBF the \$1.6 million, both parties resigned.

Speciously and quietly (as you will find no press release in 2005 concerning the issue) the removed Roberta DeAngelis was promoted to the post of General Counsel of the US Trustee's office in Washington DC (EOUST GC).

Again, Mark Kenney stepped up to the plate and defended the perpetrators of fraud. Being that MNAT and TBF could not answer the Haas allegations and the Chairman of the Creditors Committee affidavits, the Delaware Dept of Justice submitted a Motion to the KB Court asking that Court to strike and expunge the Haas motion with proofs of perjury and fraud.

Seeing that it was readily apparent that the "fix" was in, Haas reached out to other governemant agencies such as the SEC, FBI, Public Integrity Section, the OSC, OGE, OIG, Pres Bush Corp Fraud Task Force, the OPR, Administrator of the Courts and even the US Marshall, all of whom referred Haas to the whistle blower entity, the local US Attorney and the General Counsel of the US Trustee's.

As anyone can see, though no one knew such at the time, sending any items to the General Counsel's office is a waste of energy, as you would be asking Roberta DeAngelis to prosecute her own failure to perform.

It has also been discovered that the US Attorney in Delaware, Colm F Connolly, was a partner with the MNAT law firm in 2001, the very year the fraud and perjury began (for all we know Connolly worked on the case or with the related clients).

Colm Connolly's failure to investigate or prosecute violates Ethics, Model Rules of Conduct and the protocol of the Dept of Justice that requires him to notify the Public Integrity Section. Therefore we decided to report the case to the CA US Attorney's office where Pres Bush Corp Fraud Task Force was managed and eToys has its' home office in CA.

We received no response from the CA US Attorney, whose website states that they will answer in 8 to 12 weeks with an acknowledgement that they are looking into the issue or a decline to go any further.

However, the Los Angeles Times reported a story that seems to be connected. The official complaint was filed with the CA US Attorney Dec 7, 2007. A little over the *12 weeks* later, the CA US Attorney walked into a staff meeting and harangued his staff. After berating them he informed them that all personnel working in the Public Corruption Unit would be reassigned.

Making the actions appear even more specious is the fact that the L A Times reported a story on March 20, 2008; that Tom O'Brien, the CA US Attorney went so far as to intimidate career prosecutors threatening to tarnish their reputations if they discussed any reason for the dismantling of the Public Corruption Unit with the Press.

Then, a few weeks later, May 2, 2008 the United States Trustee press releases made a note that Kelly B Stapleton, the girl that replaced Roberta DeAngelis, resigned.

Speciously and almost expectedly, the very person sent back into the Region 3 Trustee's office to clean up her own mess is the now notorious Roberta DeAngelis.

Then, just four days later, the WSJ reported on the fact that the FBI raided the home in Northern Virgina and his office, confiscating computers and files of Scott Bloch in Washington DC.

Scott Bloch was the head of the Office of Special Counsel in Washington DC. Of the many duties the Office of Special Counsel is responsible for, the one germane here is the fact that the OSC's office handles sensitive investigations into Government wrongdoing. This would include Whistle Blower files against government personnel.

Things are certainly heating up and the amount of disparaging acts by the current Administrations Dept of Justice seems to know no restraint.

Many subpoenas were recently issued by Congress into the

political prosecutions that apparently occurred and the firing of those that refused to prosecute such cases.

Wonder when the mindset of all will turn on the light bulb about the issue that if they can make prosecutions happen for political purposes, then the next obvious question is what prosecutions, that should have occurred, were buried?

We have one such case right here!

Tags: misprisonfelonyDelawarecollusionWalrathobstructionbankruptcyDeAngelisConnollystapletoncorruptionMNATperjuryfraudTBFKenney

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Law firms confessed to 34 acts of Perjury and Fraud on the Court

Posted by LASER Haas on Tuesday, June 24, 2008 1:34:39 PM

A Law Professor who wrote a book on Corruption stated :"the system is too far gone"

Can it really be true, that No One Cares how much corruption goes on in our Federal Courts.

Is the need to appear kosher and clean so important that the System can fall into the realm of the arcane, for cronyism and anarchy's sake? Just for the sake of appearances?

eToys went IPO in 1999 for \$8bn and was Bankrupt March 2001.

How is it that the SEC, Dept of Justice US Trustee's and Court permitted Destruction of Books n Records early on in the case? (eToys docket item 300).

Where was the SEC, FBI and Dept of Justice investigations into the "pump n dump"?

It simply boggles the mind. Confessions to 34 false affidavits and deceiving the Court. The US Attorney who refuses to prosecute the case was a partner with one of the law firms that confessed. http://www.usdoj.gov/olp/colmconnollyresume.htm

Lying under Oath is Perjury. Deliberately lying under Oath to hide the "planting" of a paid associate of Creditors within the Debtor as CEO is Collusion to Defraud an estate. When the acts are done by a collaboration between both Debtor and Creditor's counsel, who both have relationships to Bain,

Where both MNAT and TBF represented their clients (eToys & creditors of eToys) and sold those clients assets to Bain for discounts in the tens of millions, doing so by supplying 34 false affidavits and the Planted person being CEO, the ONLY authority in the bankruptcy estate.

There can be no crime more heinous. Except,

that the Dept of Justice, who swear an Oath to protect and defend the Laws and Constitution from enemies Foriegn and DOMESTIC,

violates that Oath of Office and speciously refuses to even mention the MNAT name or acts of mendacity, while they give Illegal, implied, immunity to the TBF law firm.

The fact that MNAT works for Goldman Sachs in DE and TBF/ Barry Gold worked for Goldman Sachs entity Cosmetics Plus, while there is a \$500 to \$800 million case in the NY Supreme Court of eToys against Goldman Sachs, where TBF gained its permission to handle the case by a False Supplemental Affidavit to the Court, while TBF was of a Revoked status by the State of NY and where TBF is now closed and the TBF co-counsel in the NY Supreme Court case (601805/2002) assisted with the Barry Gold D&O Insurance. Violating Model Rule's everywhere.

Why does no one seem to care????????

The DE DOJ refuses to mention the MNAT law firms name, as the DE US Attorney was a partner with the MNAT law firm in 2001, when \$300 million in fraud and 34 acts of perjury began. When we reported to the CA US Attorney, the discovery that Colm Connolly, the DE US Attorney who refused to prosecute or investigate the case, was a partner with the MNAT law firm in 2001 the only reply was the immediate dismantling of the Public Corruption Unit and threats against career Asst US Attorney's to keep their mouths shut.

http://articles.latimes.com/2008/mar/20/local/me-shakeup20

It is a fact, that you can go to the Dept of Justice Information on Resume of US Attorney, Colm F Connolly shows that Connolly was a partner with the MNAT law firm in 2001.

The TBF and MNAT law firm have confessed to supplying 34 false Rule 2014/ 2016 affidavits to the Federal Court in eToys

DE Bankr 01-706 and deliberately deceiving the Court about the false affidavits.

TBF and MNAT collaborated to "PLANT" a paid associate of TBF (Mr. Barry Gold) within eToys as Pres/ CEO and then Confirmed Plan Administrator.

The US Trustee progam replaced the Region 3 Trustee, Roberta DeAngelis wiht a press release Dec 22, 2004 http://www.usdoj.gov/ust/eo/public_affairs/press/docs/stapleton_release2_12-04.htm

The Emergency hearing to address the Fraud and Perjury issues in the eToys case occurred, coincidently Dec 22, 2004.

The Court Ordered the law firms to reply to the allegations. Being "caught" by Court docket records, the parties confessed to filing the false affidavits and offered cheeky excuses of inadvertent neglect (Response Jan 25, 2005)

The Court held a hearing Feb 1, 2005 and after hearing enough proof, permitted the pro se shareholders and Haas permission to Depose the TBF and MNAT law firms as well as Barry Gold on Feb 9 2005.

After the Depositions uncovered additional confessions, the US Trustee Motion to Disgorge the TBF law firm for \$1.6 million Feb 15, 2005 and speciously did not mention the MNAT law firms acts.

Less than ten (10) days later, the DE Dept of Justice Trial Attorney issued a Stipulation to Settle the \$1.6 million for only \$750,000 and gave the TBF law firm ILLEGAL, implied, blanket, immunity and Unlawful permission to violate the Laws the DE Dept of Justice US Trustee's are supposed to defend from violations.

Then, armed with the impunity, the MNAT and TBF law firms

committed another \$100 million fraud in the KB Toys case (04-10120) and when we reported it, alarmingly, the DE Dept of Justice came to their rescue and Obstructed Justice by asking that Court to strike and expunge Haas's briefings (KB case docket item 2228)

Then the Director of the Exec Office of United States Trustee's (EOUST) in Washington DC, Mr. Lawrence Friedman -Resigned http://www.usdoj.gov/ust/eo/public affairs/press/docs/friedman resignation 4-27-05.htm

The \$3 million dollar claim Haas and his company had in eToys was then transferred to another Judge who warned Haas to back off from filing anything else. Haas disobeyed the threat to stop investigating and the WSJ Reported on the \$750,000 sanction that was offered the TBF law firm, even though the Judge had not ruled on it yet. www.wjfa.net/bk/etoys.html

Haas sent proof of the perjury, fraud and scheme to cover up the affair everywhere, the OIG, OGE, FBI, Public Integrity Section, ORO, US Marshalls, Pres Bush Corp Fraud Task Force, the OSC, etc etc.,

As a protocol, everyone referred the matter to the local US Attorney (including Debra Yang of Pres Bush Corp Fraud Task Force) and the other protocol, as a Judge cannot remove a US Trustee, is to refer the matter to the Dept of Justice EOUST General Counsel.

The problem here being that those two parties is Colm F Connolly, the former Partner with the MNAT law firm and the General Counsel somehow, speciously and with NO Press Release of the issues, became Roberta DeAngelis, the former Removed US Trustee by Lawrence Friedman.

So the referals were going to the very persons who had a

reason to Cover up the case, who also had Undisclosed, conflicts of interest issues.

After the alarming issue of the dismantling of the Public Corruption Unit by CA US Attorney Tom O'Brien, the FBI called Haas. Haas spoke with agents in CA, Washington DC and Balt Md (Balt oversees DE)

Then, Kelly B Stapleton resigned as Region 3 Trustee over DE and Roberta DeAngelis, as dumb as it may seem, returned to Phil/ Delaware as the new Acting US Trustee where the Dept of Justice finally made notice of the DeAngelis issue as the General Counsel http://www.usdoj.gov/ust/eo/public_affairs/press/docs/2008/pr20080502.htm

Then, one week later, the FBI raided the OSC's home and office FOR the destruction of Whistle Blower files against Government personnel. http://themoderatevoice.com/politics/us-constitution/justice/19418/fbi-raids-special-counsel-office/

Now, R U ready for the Big Finale? The MNAT and TBF law firm, as well as Barry Gold supplied their false affidavits in eToys and the KB Toys case, that accomplished \$300 million in fraud that greatly benefited BAIN. Who handled BAIN and still owns thereof in 2001. MR MITT ROMNEY!

Yes, it is "our" case and who cares about a Dot Com company gone bust?

Wait, they are not bust, you can still go to <u>www.etoys.com</u> and buy goods as it is a NASDQ stock (symbol KIDS) How did the company that was broke, still wind up on an Exchange?

Maybe we should ask Bain's buddy company D E Shaw.

Scott Henkin, the bondholder manager of Fir Tree Value Fund, who told Haas he O K'd the dealings that TBF could plant Barry Gold within eToys well Scott Henkin was rewarded also.

For he is Exec at D E Shaw that owns the Parent Company, that owns eToys on NASDQ as stock symbol KIDS.

Tangled web to deceive doing so many crimes no one could ever believe.

For there is No Punishment, No investigation on destruction of the Whistle Blower Laser Haas.

After all, who cares how corrupt Delaware Courts and the DE Dept of Justice rogue personnel are?

Does Kmart care? Does Stage Stores care? Does KB care? Does Goldman Sachs care?

Do You Care?

Tags: <u>eToys</u>	bankruptcy_	corruption pe	rjury <u>fraud</u>	
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Rogue Personnel at Dept of Justice

break the Law for cronyism's sake

Posted by LASER Haas on Monday, June 23, 2008 3:59:13 PM

We beg of you, to address the facts and abate the inherent reflex due to your idealism.

If you do not consider the possibility, that entrenched corruption can exists, they wayward parties are then granted immunity.

Any reader must, for the sake of the integrity of the judicial process, abate preconceptions, that would encourage scoffing. It is testified to all, this the 23rd day of June 2008, by Steven Haas (a/k/a Laser Haas) ("Laser or Haas") "under penalty of perjury" that the following items are True and Correct.

While it is a minor issue that it is "our" case, the fact remains that corruptive cronyism is destroying everyone's system of Justice (at least in Delaware).

Delaware is the State of Corporate dominance, due to the fact that the Delaware Federal Courts, especially the Bankruptcy Courts, are known to rule in a manor favorable to Corp Exec's and representative counsels at the direct, material adverse harm to public equity holders, minor creditors and anyone who would challenge their supremacy.

Senator John Cornyn as a Ranking Member of the Senate Judiciary Committee reflected upon a book that criticized Delaware's "insider" abuse of their collective bargaining positions. The book was written by UCLA Law Professor Lynn LoPucki entitled "Courting Failure" How Competition for Big Cases is Corrupting the Bankruptcy Courts (<u>here</u>) and Professor LoPucki's battle with Senator Biden (<u>here</u>)

The reflections by Professor LoPucki on how Senator Biden defended the wayward actions of Delaware are pertinent.

One must also pay attention to the issue that Senator Biden is extensively biased, for Delaware receives more than 50% of its annual budget from beguiling entities from other State's to pay taxes in Delaware. The reasons why any entity would pay multiple State's a revenue is the question that must be understood.

As Senator Cornyn's motivation(s) are the pursuits of each State keeping its own revenue and all courts remaining free from temptation to "*court*" cases; it is readily apparent what logic should prevail in a "*chaste*" world.

Senator Cornyn stated, in a obvious diplomatic manner,

"Of course, no one wants to believe that a federal judge would ever distort the law for any reason, let alone in order to improve the court's docket".

At the same time the Senator Cornyn stated in the Legal Times, (June 6, 2005), article. that the facts are what they are; as Senator Cornyn remarked;

"After all, picking a judge isn't far from picking the verdict. What's more, if debtor's get to pick the jurisdiction, then bankruptcy courts have a disturbing incentive to compete with each other for major bankruptcy cases, by tilting their rulings in favor of corporate debtors and their attorneys."

Congress and the Circuit Court's have addressed the issues of sohpisticated, organized, counsels endeavors to engage in detrimental practicess that would destroy the basic frameworks of the Title 11 Code for the benefit of conflicted attorneys.

The 3rd Circuit addressed the issues of organized errant activity that Congress has classified as "**bankruptcy rings**".

In the matter of <u>In re Arkansas Co.</u>, 798 F.2d 645 (3rd Cir. 08/13/1986), the Third Circuit remarked upon the fabric of the stabs to clean up errant efforts, *after the fact*, to circumvent the Code, by quoting the verity that Congress was well aware of the "*reality*" of how the system "*truly*" works. The Third Circuit tackled the issues of offensive applications by faulty **§ 327(a)** and **Rule 2014** affidavits as follows;

"It is significant that Congress chose to place the requirement of court approval for the employment of an attorney, accountant, or other professional by the creditors committee directly in the **Bankruptcy Code** in 1978. **11 U.S.C.** § 1103(a). The legislative history makes clear that the 1978 **Code** was designed to eliminate the abuses and detrimental practices that had been found to prevail. Among such practices was the cronyism of the "**bankruptcy ring**" and attorney control of bankruptcy cases. Now that we hopefully have laid the foundation that organized criminal activity within the bankruptcy realm is not a creation of eToys, the fundamental issues must be addressed as to how such corruptive measures could propagate into full blown Organized Crime. For criminal acts can only thrive, where prosecution or "policing" is lacking. As it is impossible to walk in with a gun and hold up a Federal Court, the only way to fleece a Federal Estate that has the protections of a Federal Judge, Dept of Justice US Trustee's (the System of Justice) and extensive Congressional Laws specifically designed for such, is that one or all three of the protectorates must Fail!

Congress has done its job prudently, righteously and extensively. The protections are extensive, profuse and deeply detalied within the Code and Rule of Law. Therefore the failure then must be either the System of Justice ineffectiveness in application of the profuse Statute's designed to protect the public, the creditors and the integrity of the Judicial Process.

Why Delaware, the smallest state in the land, has become the largest Bankruptcy state is simply due to the fact that it is known, the Court will not appoint a US Trustee to administer cases. This, of course, requires, at the barest of minimums, complacentcy by the US Trustee's office local personnel not seeking to affirm their inherent, statutory, rights.

It is not within our ability to investigate and document what the "System's" participants are gaining for their willful blindness to statutory violations. What they gained for engaging in illegal behavior to protect those who deliberately have broken the law is the responsibility of other persons or agencies, such as the FBI etc.. However, what we can do is document, overwhelmingly, *by Court docket written records* that the Chief Justice and many persons of the Delaware Dept of Justice are engaged in acts, totally contrary to the Law, in an arbitrary & capricious manner for the expressed benefit of the TBF and MNAT law firms confessed acts of Perjury & Fraud.

Both Traub Bonacquist & Fox ("TBF") the court approved counsel for the eToys Creditor's and Morris Nichols Arsht & Tunnel ("MNAT") the Court approved counsel of the Debtor, eToys; have confessed to filing more than thirty-four (34) False affidavits (Perjury) and deceiving the Court.

Committing acts of Perjury for the purpose of deceiving the Court is Fraud upon the Court by Officers of the Court.

Fraud on the Court by Officers of the Court is such a heinous act that the United States Supreme Court has stipulated there is no statute of limitations.

The Delaware US Trustee's Disgorge Motion of the TBF law firm for \$1.6 million and even the Opinion of the Delaware Bankruptcy Court on October 4, 2005 that approved the illegal Stipulation to Settle that provided implied, blanket, immunity to the TBF law firm, addressed a case that Justice Tucker utilized in the M.T.G matter (where M.T.G similarly addressed a repetitive failure by the lower courts to address Fraud on the Court), directly citing the US Supreme Court's decision <u>In re Hazel Atlas Glass Co., v</u> <u>Hartford-Empire Co.</u>, 322 U.S. 238, 239, 245 (1944), as Justice Tucker reflected;

"the United States Supreme Court vacated a decision of the court of appeals that had been obtained by fraud on that court, even though the action seeking relief was filed nine years after the decision. The Supreme Court held that lack of diligence by the party seeking relief for fraud on the court does not prevent relief"

The Chief Justice in eToys and the Dept of Justice Region 3 Trial Attorney, Mark Kenney, both proffer the notion that no serious wrong has occurred here. Utilizing their esteemed levels of public trust, in an act of imprimatur, they "clout" the issue by pretense and "color of law" for cronyism's sake and directly contravene the irrefutable evidence.

The US Trustee's Disgorge Motion and Stipulation to Settle only mentioned the TBF law firm, despite the fact that both MNAT and TBF confessed to supplying more than 17 false affidavits each, while they collaborated to defeat the Laws of the United States for their direct, unlawful, benefit and the expressed profit of a hidden, powerful client (BAIN).

Also, both the US Trustee Disgorge Motion and the Court's Oct 4, 2005 Opinion specifically addressed the "wind down coordinator" issues of Mr. Barry Gold. Despite the acknowledgement of the criminal acts, the Opinion stated that no Perjury was documented and the Judge also stated, in writing, that she refused to refer the matter to the US Attorney.

What the Judge, the Delaware Dept of Justice and MNAT all failed to detail was the fact that a former partner of the MNAT law firm is the Senior Judge of the Circuit, where the Circuit appointed the Bankruptcy Court as Chief Justice and that the Delaware US Attorney also clerked for the same 3rd Circuit Justice (Walter K Stapleton).

Making the issue more morose as a compounding issue is the germane fact that the US Attorney, Colm F Connolly was also a partner with the MNAT law firm in 2001, the very year the fraud and perjury began.

The crimes that have been committed are extensive, including, but not limited to, Perjury, Scheme to Fix Fee's,. Intimidation of Victime/ Witness, Willful Circumvention of Code/ Rule, False Oath/ Declaration, Bribery, Extortion, Deliberately failing to list a Federal case asset, Collusion to Defraud an estate (by selling their client eToys assets to their other, regular client Bain) and being that the case involves multiple state lines, multiple cases, over many years, with many firms and hundreds of millions of dollars, the foundation for RACKETEERING certainly is abundant.

They have threatened my demise in many ways. Their clandestine acts actually pushed an aggressive eToys shareholder into a nervous breakdown and his ill health resulted in Brain surgery. Upon his recovery from the Brain Surgery an unauthorized Magistrate summarily issued a shot gun briefing notice to the shareholder (Robert Alber) and then a new justice, without a hearing, summarily dismissed the appeal. Noteworthy is the fact that the Dept of Justice was acting as an appellee with the MNAT and TBF law firms, defending the right to give the TBF law firm implied, illegal, blanket, permission to Circumvent the Law of 327(a). The very Code the United States Trustee's office is designed to protect and defend.

Also, not only does the Delaware Dept of Justice refuse to mention the MNAT law firms acts, as the Delaware Dept of Justice sought to sanction the TBF law firm for \$1.6 million and sought no sanctions or even mentioned the MNAT law firms name. The Dept of Justice rogue personnel (at least we hope they are rogue's) stated as a footnote in their 3rd Cir Appeal brief (case 07-2360) that they would "not" address the MNAT issues, as if such were a cardinal sin.

Finally, as noted below, we submitted a brief, a formal Complaint, to the US Attorney's office in CA when we received proofs of the Ethics violation of US Attorney Colm F Connolly's office. That complaint was never answered. However, the CA US Attorney's office summarily dismissed the Public Corruption Unit as the US Attorney, Tom O'Brien threatened career prosecutors to keep silent on the reaons for the dismantling of the Unit.

Then, we asked questions about if the US Trustee over Delaware, Kelly B Stapleton, who replaced the Region 3 Trustee who first presided over eToys, Roberta DeAngelis, for the obvious question of whether or not, Mrs Stapleton was related to Judge Stapleton.

We received no answer, because Kelly B Stapleton immediately resigned.

Then, the FBI raided the Special Counsel's home and office in Washington D.C. for destroying whistle blower files against Governement personnel.

Remember, this is testified to you under penalty of perjury.

It is our case.

They are still being permitted to keep the keys to the vault they are fleecing as the TBF law firm is disbanded, sold, closed and defunct.

Paul Traub of TBF is now with Dreier LLP and still engaging in acts of perjury and fraud while handling the NY Sup Ct case of eToys (ebc 1) versus Goldman Sachs. Traub gained his permission to handle the case by a perjury supplemental application, TBF's co counsel handled the Director & Officers insurance of Barry Gold and MNAT represents Goldman Sachs in

Delaware, while Traub and Barry Gold worked for a Goldman Sachs entity Cosmetics Plus.

What do you think the outcome of the NY Case shall be?

Yes, it is "our" case, However

IT IS EVERYONE"S SYSTEM OF JUSTICE at stake here.

The only question that needs to be answered now, is

Do you care?

Tags:CronyismcollusionWalrathbankruptcystapletoncorruptionMNATperjuryfraudTBF

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FBI raids OSC office, Region 3 Trustee Resigns, Delaware courts dominance under review and this Online Affidavit about DOJ Corruption in Delaware

Posted by LASER Haas on Monday, May 12, 2008 4:57:28 PM

To make things clear, I Steven Haas (a/k/a Laser Haas) ("Haas") does state this day May 12, 2008 'Under Penalty of Perjury" that the following items are True and Correct.

Everywhere, the questions are being raised, by Congressional parties and more, how much longer shall Delaware's dominance in Corporate filings (and bankruptcy filings) Continue.(see WSJ Law blog review here)

If Congress could see how much fraud, cronyism, corruption and organized criminal efforts were being protected by the Dept of Justice over Delaware Bankruptcy Rings. the answer would most likely be that Delaware's reign would end.

How can things get so far out of hand, is it apathy, willful blindness, coverage of elections or something else?

We have our own Opinions and have become greatly (justifiable) cynical of our System of Justice,

The report below seeks not jail time or impeachment. We only seek what any American believes is their right.

JUSTICE.

You cannot have justice when the keepers of the gate, for political gain or otherwise, are willfully blind to organized crime.

More than one hundred (100) felony violations have occurred in eToys and to date, there is no prosecution and the Dept of Justice and Delaware Courts are being arbitrary & capricious in their rulings, judgments and actions, punishing innocent parties of interest, giving retaliatory benefit to conflicted attorneys, who have confessed to having "unclean hands" and have gained massive "unjust enrichment" at the direct, materially, adverse harm to many parties of interest,

Where all this subterfuge has assisted the multi billion dollar entity Bain and others get away with stealing and fleecing a public company.

The Delaware Dept of Justice of has engaged in Overt acts of Obstruction of Justice for the benefit of Organized Criminal activity that is speciously, directly connected to the US Attorney Colm F Connolly, who is now Nominated (and being extensively pushed) for Delaware District Court Judge. (<u>here</u>)

Furthermore, the facts are so self evident, only self indulgent pettiness would allow anyone not to see the blazing truth before their eyes.

The company went public for \$8bn and then Bankrupt a little over a year later with no investigation. Immediately and inexplicably, the Delaware Courts and Dept of Justice gave their blessings to the Destruction of Books n Records, as the Exec's of the company where overjoyed and immediately abandoned the estate upon approval of such key document destruction.

The Court approved law firm for the Debtor (MNAT) and Creditor's (TBF) then seized upon every additional opportunity to nefariously gain controll of the estate and colluded to defraud the estate of the remaining assets.

To make sure their scheme was successful, even though Congress designed the Code to make sure the Debtor and Creditor's attorneys are "*arms length*", TBF and MNAT conspired and drafted a "*clandestine*" Hiring Letter, after they :"*planted*" a paid associate

of TBF's (Barry Gold) within the Debtor.

Barry Gold accepted the bribe within the Hiring Letter, to NOT ask the court for the required permission to be hired '*Post-petition*" as he became the "*wind-down coordinator*", then President, CEO and finally Confirmed Plan Administrator.

Barry Gold gave a fasle Declaration in 2002, stating the Plan was proposed in "good faith" and "arms length" negotiations between Debtor and Creditor (*between Barry Gold and his partners company TBF where Paul Traub of TBF testified 3 years later and confessed he paid Barry Gold four (4) separate payments of* \$30,000 each, prior to "placing" Barry Gold within eToys without *informing the Court*) Thus making good faith and arms length impossible to achieve.

Barry Gold also went on the stand in 2002, being questioned extensively by an eToys shareholder about his connections to TBF as Barry Gold continued to deny any connections to TBF in the past (*while many persons in the room were aware of the hidden Hiring Letter and sat silent*). *This was on the stand false testimony by Barry Gold*.)

TBF and MNAT, when caught in 2004, confessed to filing the false affidavits and ploy to put in Barry Gold, offering cheeky excuses of inadvertent neglect.

Bonds, Clemens and Martha would definitely love this case as precedent when the Chief Justice, Mary F Walrath (MFW) punished whistle blower HAAS,

tossing out his \$3 million dollar, court approved work, as MFW stated, despite the confessions to thirty four (34) false affidavits, as Walrath stated there was no documentation of Perjury.

The Asst US Trustee Frank Perch TESTIFIED, that he [warned] the parties not to replace key personnel of the debtor with anyone connected to the retained professionals of the estate, while the Director of the DOJ EOUST office in Washington DC removed the Region 3 Trustee Roberta DeAngelis with a press release on the very day (Dec 22 2004) that the Emergency hearing occurred in eToys to address the Perjury and \$300 million in fraud issues.

The US Trustee's Disgorge Motion by Frank Perch is the only document by the Dept of Justice that even comes close to being legitimate in this case. Addressing on three of the perjury violations, the Asst US Trustee Perch stated that TBF was extensively experienced, bankruptcy professionals, That their acts were deliberate, rather htan inadvertent, that it destroyed the [diametric] lines to be between Creditor n Debtor. That there was material adversity as Perch concluded that Fraud upon the Court had occurred, to Disgorge anything less than \$1.6 million would simply be viewed as a cost of doing business.

Then Perch made a Motion to Disgorge TBF for \$1.6 million, (but made no mention of the MNAT law firm even though they both committed the same crimes). Frank Perch also did effort, erroneous, leniency, in stating, in the first footnote of the Disgorge Motion, that Barry Gold was not required to apply per Section 327(a). (Any first year law student can see that such is a bogus remark).

In an act that is not only inexplicable, being Obstruction of justice; less than ten (10) days later, the Dept of Justice attorney, Mark Kenney, issued a Stipulation to Settle that gave implied, blanket, immunity to TBF, where the DOJ rogue personnel became Complicit in efforts to cover up Organized Criminal activity.

Then TBF, Barry Gold and MNAT, armed with such impunity, proceeded to test the waters, engaging in another \$100 million in Fraud in another case.

When Haas blew the whistle on that one, Mark Kenney, utilizing Taxpayer efforts, Obstructed Justice again by successfully petitioning the Court to Strike and Expunge the proofs of perjury and fraud by Haas. (<u>here</u>)

At the same time Haas reported this everywhere, to the FBI, US Marshalls, the OIG, OGE, OPR, ORO, OSC, the Public Integrity Section, Pres Bush Corp Fraud Task Force, etc etc.

This resulted in the departure of Asst Trustee Perch and the Resignation of Director Lawrence Friedman (here)

Haas's own attorney, Henry Heiman had emailed him a threat

from TBF to "**back off**" or not only would Haas and his company (CLI) not get paid, Haas's and his company's career would suffer while other retaliations would occur. The Wall Street Journal began working heavy with Haas to get the story out and Chief Justice MFW responded by tranferring Haas's CLI claim to another Judge. (Baxter).

You can see the Wall Street Journal's story at <u>www.wjfa.net/bk/etoys.html</u> (since then the WSJ reporter was ordered off the story).

The new Judge then allowed the parties to retaliate by rescheduling Haas's CLI claim to a new date, (where one would think once you prove your adversaries are gulity of perjury and fraud, the Court would direct, at the minimum, new, independent counsel)

Instead, Judge Baxter then allowed Haas's new counsel for CLI (Brad Brook and the Bayard Firm to withdraw, Judge Baxter also threatened Haas with sanctions if he placed anymore [proofs] in the record.

Then Judge Baxter held a hearing in August 2005, refused Haas's new counsel for CLI ffrom speaking as Judge Baxter dismissed he \$3 million dollar [completed court approved work] without having a hearing. The Judge remarked that Haas and CLI had failed to prosecute the case and had abandoned the Claim as MNAT, TBF and Barry Gold had forged a document, supplying it to the Court, stating it was a Waiver.

Anyone who believes someone would work nearly a year and abandon \$3.7 million please raise your hands?

Then Haas timely filed an appeal.

Then Judge Walrath issued a 57 page Opinion, (<u>here</u>) stating that [despite the confessions] no perjury or fraud had been documented ,

the Judge saids she would then refuse to refer the matter to the US Attorney's office. the Opinion therefore became a 57 page testimony on behalf of the perpetrators of perjury and fraud. (*easy to say when the Judge and Dept of Justice keep tossing out the proofs*}

Including the proof by the Chairman of the Creditor's Committee Affidavit who stated he was deceived by his own counsel (TBF) and Barry Gold (part 17 of affidavit <u>here</u>)

Then the eToys shareholder and Haas then appealed the Judges Opinion and corresponding Order that approved the ILLEGAL, implied, blanket, immunity.

Then the Judge scheduled a hearing to consider, whether or not, to Transmit the appeal, while the Clerk refused to process the case, defing the Federal Rules of Appellate Procedure.

Several appeals occurred, all being heard by Delaware Dist Ct Judge Kent A Jordan (KAJ).

KAJ rejected all the appeals, stating Haas had no standing, (did not have the courts permission to blow the whistle) Then, speciously, Oct 2006, KAJ ordered all attorneys to be present for a telephonic hearing, where the Judge granted the pro se shareholder Robert Alber (Del Dist Ct appeal 05-830) the right for extended timing as the Judge warned all the counsels present they were in trouble, if the items alleged, proved to be True. Judge Kent Jordan was immediately promoted to the 3rd Circuit Court of appeals.

Sometime between Lawrence Freidman resignation and Judge Jordan's promotion, the removed Region 3 Trustee (<u>here</u>), Roberta DeAngelis was promoted to the position of the Dept of Justice EOUST General Counsel.

Thereby being in charge of what cases of Trustee malfeasance were reviewed or investigated (including her own cases)

Then Debra Yang of the Pres Bush Corp Fraud Task Force resigns

Then Colm F Connolly, the US Attorney for Delaware is Nominated to fill the Del Dist Ct Judge seat left vacant by KAJ

Then we discover, by Colm Connolly's resume that he was a partner with the MNAT law firm in 2001. WOW (see DOJ resume for Colm <u>here</u>)

We reported this obvious breach of Ethics to the US Attorney's office in CA (Tom O'Brien) (\underline{here})

The protocal on the CA US Attorney's website states, they will respond within 8 to 12 weeks. Upon receiving no response, we began to push for one.

Then O"Brien walks into a weekly staff meeting, belittle's his staff without any previous warning, as the LA Times reports that he then, speciously, disbands the Public Corruption Unit.

To make matters worse, O'Brien Threatens the career prosecutors with tarnishing their records if they speak to the Press (see Los Angeles Times Story by Scott Glover "Shake-up roils federal prosecutors" <u>here</u>)

We report to Congressmen Conyers, Senator Feinstein and others how the amount of skullduggery, cronyism and cover ups just keep mounting, in connection to this case.

Senator Feinstein sends an Official letter to Attorney General

Mukasey, asking him to explain the excuse that the dismantling of the Public Corruption Unit was to make the Dept of Justice more efficient (<u>here</u>)

During this same time press release's occur where a Federal Judge remarks upon how Region 3 Trustee silence aided fraud (here) after a Florida Judge testified that the US Trustee program is a "'pack of dogs" (here) while a former Dept of Justice attorney for the US Trustee program states that Director Friedman and Director White;'s administration over the US Trustee Program has done little to promote the Integrity of the US Trustee's (here)

Judge Fitzgerald had made remarks in another Region 3 Trustee case that the silence of the US Trustee's office had aided Fraud as Judge Fitzgerald asked "*What is going on with the US Trustee's office*"? (<u>here</u>)

Prior to this same period of time the Delaware Dept of Justice is joined by the Washington DC office of Roberta DeAngelis, in an act of imprimatur, where DeAngelis, Stapleton, Mark Kenney and new Asst Trustee Vara sign the appellee brief, Joining MNAT, TBF and Barry Gold, defending the Illegal Stipulation to Settle, while Mark Kenney committs Perjury, stating the appeal has no merits. (Third Circuit Appeal 07-2360)

Kelly B Stapleton then resigns as Region 3 Trustee and **speciously**, with grave cause for concern, after bringing her clout from Washington DC to the Appeals cases, Roberta DeAngelis is now reappointed as Region 3 Trustee (though the US Trustee press release fails to point out that DeAgnelis was there before Stapleton).

This is followed up by the FBI raiding the Washington DC home and office of the Special Counsel who is in charge of whistle blowing acts against the Government.

We may not know, for a while, if the FBI raid to find out what files were destroyed includes the files of this case.

We assume they were destroyed, for eToys filed in 2001, the proofs of Perjury and Fraud occurred in 2004 and here we are in 2008.

The fact remains is the Clout efforts are productive in Obstructing justice as well, for the Third Circuit appeal of the eToys shareholder was dismissed, as the Circuit remarked in an eight page **Per Curiam Opinion on page 7** thereof (<u>here</u>)

"We note that the Federal Rules of Appellate Procedure do not apply [to this case]"

That is the summation of the Entire case

The Federal Law is NOT Being APPLIED!

Tags: CronyismeToyscollusionWalrathDeAngelisConnollystapletoncorruptionMNATfraudTBFKenney

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FBI raids US OSC home and office, Stapleton resigns as US Trustee and DeAngelis is sent back in to her

own mess

Posted by LASER Haas on Thursday, May 08, 2008 1:45:36 PM

This week, big things have occurred, all connected to the eToys saga.

The FBI raided the home and office of the US Special Counsel in charge of protecting government employees from retaliation and other itesm such as the Hatch Act issues or whistle blowers against the Government for political items or other such wayward acts.

After US Attorney Tom O'Brien disbanded the Public Corruption Unit, speciously after receiving documentation of Delaware Dept of Justice cronyism, fraud, perjury and corruption in Federal cases. Mr. O'Brien felt it necessary to threaten his staff to keep their

mouths shut and not discuss reasons for the dismaniting of the unit to the Press.

The bogus excuse that O'Brien gave to the Press, was that it was to make the Dept of Justice more efficient.

So where are the case numbers, assigned to eToys issues.

1. eToys went public in 1999 for \$8bn and bankrupt a year later, the SEC was told not to send a letter for investigation by Dept of Justice attorney for Delaware Mark Kenney. No case or investigation.

2. eToys had hidden overseas cash assets in the millions, it deliberately did not report on its bankruptcy schedules, where it is a crime to fail to do so. No case or investigation.

3. The law firm of MNAT and TBF both confessed to deceiving the court. This is Fraud on the Court by officers of the court. No case or investigation.

4. The Delaware Dept of Justice will not even mention the MNAT name in a admonish or pleading, despite the fact that MNAT has confessed to filing more than 17 false affidavits. All that perjury No case or investigation.

5. The Law firm of TBF also confessed to filing more than 16 false affidavits and also admitted to acts of intentionally refusing to amend them when it was revealed in another case, that they were false. No case or investigation.

6. The Delaware Dept of Justice gave the TBF law firm ILLEGAL, implied, blanket, immunity. They can only do so with Direct written permission by the Deputy Director of the USAG's office. No case or investigation. (*even if they had the permission it is unlawful to allow them to stay in the house that they are fleecing*.)

7. The Asst US Trustee, Frank Perch, testified he forewarned the parties not to replace key personnel of eToys with anyone connected to the retained professionals. Not only did TBF and MNAT ignore that authoritative instruction, they got together and collaborated with a "clandestine" Hiring Letter that "planted" a paid associate of the TBF law firm (Barry Gold) within the Debtor as CEO. No case or investigation.

8. They also placed within the ploy of the Hiring Letter an inducement for Barry Gold to choose not to apply to the court. This is therefore a conspired effort, by both Debtor and Creditor's counsel (destroying the Congressional diametrically opposed lines of Law to assure an arms length Creditor v Debtor scenario). No case or investigation.

9. When we discovered more than \$300 million in fraud and then another \$100 million in fraud, after the Director removed Roberta DeAngelis as Region 3 Trustee, Asst US Trustee and Director Friedman both Resigned. No case or investigation.

10. The Delaware Dept of Justice is not only refusing to investigate or prosecute the affair, they are also utilizing Taxpayer dollars to defend the illegitimate, implied, blanket, immuntiy, by being "appellees" with MNAT, TBF and Barry Gold, as the Dept of

Justice gives false Testimony to defeat a 3rd Circuit Appeal)07-2360). No case or investigation.

Combine all that with the fact that these items are testified to you, Under Penalty of Perjury, by Steven Haas (a/k/a Laser Haas) this, the 8th day of May 2008. Where it is also stipulated and acknowledged that it is a crime to state that crimes have occurred, when they have not. While furthermore, the US Attorney in Delaware, Colm F Connolly is discovered to have been a partner with the MNAT law firm in 2001, when the perjury and fraud began. To styme the investigation and cement power centers, Colm Connolly is nominated for a Federal Judge position and "they" the powers the be, are pushing the nomination, even after being informed of the Ethics violations.

That is therefore severally morose and heinous, when you see that all the whistle blower files of the case may have been purged from the OSC computers, along with the fact, that right before the raid by the FBI, the US Trustee for Region 3, Kelly B Stapleton resigned.

When Stapleton replaced DeAngelis, the Dept of Justice press release stated that Stapleton was an experienced fraud personnel. We discovered another \$100 million in Fraud (spring of 2005) and **the Delaware Dept of Justice Obstructed Justice** by seeking for the Court to strike and expunge the proof of perjury and fraud.

Then Director Friedman Resigned.

Somehow, quietly and speciously, Roberta DeAngelis was promoted to the position of General Counsel of the Dept of Justice EOUST office in Washington DC. Where she was in charge of her own case of eToys being referred for prosecution. (*It was specious, because, until Stapleton's resignation, there was no press release about DeAngelis getting the General Counsel's job*)

Instead, DeAngelis actually acted with imprimatur, signing her name to the 3rd Circuit appeal case (07-2360), acting as appellee with MNAT, TBF and Barry Gold. Where DeAngelis and her otherDept of Justice cohorts committed Perjury.

Now that Stapleton has resigned, DeAngelis has been speciously placed back in control of the Region 3 Trustee's office over Delaware. The Dept of Justice press release mentions the resignation of Stapleton, the fact that DeAngelis was General Counsel and neatly forgets to note that DeAngelis was the Region 3 Trustee before the arrival of Kelly B Stapleton.

The question is, has Roberta DeAngelis also purged her systems of this case?

and

Will there ever be an Investigation?

It is our case, However, It is Everyone's System of Justice.

There can be no greater manifest injustice, in the civil realm, than the defense of racketeering by those assigned with policing and protecting the public from such. Where they do so, under pretense and color of law!

For that is the Dept of Justice being the biggest of hypocrit's in Breaking the Law!

Tags: CronyismeToysDOJKBBAINWalrathbankruptcyDeAngelisColmHaasConnollyfederalstapletoncorruptionMNATfraudTBFKenney

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Asst Attorney General of Dept of Justice Resigns!

Posted by LASER Haas on Monday, May 05, 2008 2:20:12 AM

After the L A Times reported on the "Shakeup roils prosecutors" where US Attorney Tom O'Brien dismantled the Public Corruption Unit of the Dept of Justice in California the Asst Attorney General under AG Mukasey also announced her resignation.

http://www.justice.gov/criminal/pr/press releases/2008/04/04-30-08 doj-announcement.pdf

Alice A Fisher is leaving the Dept of Justice May 23 2008.

There still remains no news as to whether or not there is any case number assigned to the eToys fraud, perjury and corruption.

Including the failure of the Dept of Justice to explain away how it is extensively specious that the Public Corruption Unit was disbanded at the time an answer was to occur concerning the proof that the Delaware Dept of Justice is giving implied, blanket, immunity to admitted acts of false affidavits to the Court and
fraud upon the Court.

Below you have details of the proof of perjury, fraud and Online affidavits.

Tags: Cronyism corruption perjury fraud

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The Dept of Justice is facing an Armageddon over Bankruptcy Fraud, Cronyism and Corruption

Posted by LASER Haas on Friday, May 02, 2008 4:21:38 PM

We have been reporting on the "*Poster-child*" [*eToys*] case of Bankruptcy Fraud, Corruption and Dept of Justice Cronyism [or worse], and the level of irrefutable evidence and higher authority comments upon the dire situations throughout the U S has been mounting profusely.

The legal system has a way of mitigating the severity of issues, through repetitive, verbal, reinforcement of statements specifically designed to difuse and diminish the reality of an issue by utilizing soft toned descriptions of any given scenario.

The system defeats, by legalese, any proper review of an attorney, who is an officer of the Court, who is guilty of non-disclosure of conflicts of interest by filing false Rule 2014 affidavits, when milions in dollars vanish.

Martha, Bonds and Clemens would tell you that what really transpired was Perjury occurred, by persons held to higher ethical standards while they engaged in fraud upon the court in stealing millions of dollars.

Now even Judges are getting the point, that the B S of soft language is making everyone numb to obvious mendacity. Judge Phyllis A. Kravitch stated such in quashing the B S where counsels petitioned to remove the Trustee for false testimony in the bankruptcy case in Florida of James F Walker, (see Law.com story <u>here</u>) as the 11th Circuit agreed on the Judge Kravitch remarks; "The idea that false testimony when offered to the court voluntarily is immune to the consequences of lying under oath is absurd!" as the Judge continued "Lying under oath is lying under oath --"

(We are anxiously awaiting the outcome of the use of Judge Hyman's remarks, Judge Kravitch remarks and the 11th Circuit certification that Lying is Lying, as it should now apply in the Baron's S Florida case. It is about time that a shark is called a shark! A lie a Lie and those that do such must pay and have their career die!) (the Baron's case quoted the eToys case as it was closed, to reopen Baron's due to Fraud on the Court).

Congress had made the Bankruptcy Code to stop cronyism that had become, in essence, organized criminal activity. While at the same time, acting with gentlmenly gloves, calling such acts a "Bankruptcy Ring". The Congressional mindset was spoken of, by the 3rd Circuit Court of Appeals, in the case of In re Arkansas 798 F.2d 645 (3rd Cir.1986), as the Circuit remarked upon Congress's mindset with the following warnings;

"it is significant that Congress chose to place the requirement of court approval for the employment of an attorney, accountant, or other professional by the creditors directly in the Bankruptcy Code in 1978. (11 U.S.C. 1103(a)). The legislative history makes clear that the 1978 Code was designed to eliminate the absuses and detrimental practices that had been found to prevail., Among such practices was the cornyism of the "bankruptcy ring" and attorney control of bankruptcy cases. In fact, the House Report noted that "in practice..... the bankruptcy system opereates more for the benefit of attorneys than for the benefit of creditors." H.R. No. 595 95th Cong., 2d Sess. 92, reprinted in 1978 U.S. Code Cong. & Ad. News 5963, 6053"

(emphasis cannot be added enough).

During that same period of time the Federal GAO report stated that the amount of Trustee fraud in Bankruptcy cases was "unknown"!

The Tide is Turning and the Dept of Justice has crossed the proverbial line, when it dismantled the Public Corruption Unit in California, in an apparent effort to bury the issues of Delaware, with the bogus excuse that the dismantling was to make the Dept of Justice more efficient.

Senator Feinstein has taken a pro-active stance and sent an Official letter asking Attorney General Mukasey to explain the issue of dismantling the corruption unit in more detail. (here)

The Delaware Dept of Justice is in Breach of their fiduciary duty, <u>betraying their Oath of office</u>, breaking the law so profusely, they *will not even mention the name of the MNAT law firm*, when the Asst US Trustee Motioned to Disgorge the TBF law firm, *MNAT also confessed to filing more than 17 false affidavits and participated in the deception of "planting" Barry Gold within the Debtor*. Where the Asst US Trustee then Motioned to Disgorge TBF for \$1.6 million (while not mentioning anything of MNAT in the Motion). The motion already efforts abusive leniency in and of itself as a slap on the wrist; where the fraud in eToys being more than \$300 million and the perjury acts helped conceal the Collusion to Defraud an estate, in the selling of the assets of their client eToys to their regular client Bain in discounts of the tens of millions.

A situation made morose by the fact that less than ten (10) days after the Disgorge Motion, the Dept of Justice attorney for the Region 3 Trustee's office (Mark Kenney), issued *a Stipulation to Settle a Disgorge Motion that gave implied, blanket, immunity to TBF*, (*that MNAT and Barry Gold have*

*adopted as wel*l). Upon the reception to act with impunity, the TBF law firm, along with Barry Gold and MNAT, being caught in another case as well, actually engaged in another \$100 million deception of the Court.

Where Haas documented that additional fraud on the court and perjury that was halted by the Dept of Justice in a manner that is so seditious, it is Obstructive (<u>here</u>) *The Dept of Justice Attorney, Mark Kenney, is utilizing Taxpayer dollars, overtly making a bogus effort to conceal organized criminal activity* successfully petitioning the Court to strike and expunge the proofs of perjury and fraud.

Things were so out of hand, going where many sane Public officials dare not tread, that the Asst US Trustee and the Director of the Dept of Justice EOUST office in Washington DC resigned (<u>here</u>)

To answer the question, concerning the speciousness of the timing on disbanding the public corruption unit, one need only ask Californian US Attorney Tom O'Brien why O'Brien shut down the task force and threatened his subordinates directly after he received a formal Complaint (<u>here</u>) about the US Attorney in Delaware connections to the MNAT Law firm (<u>here</u>) with the fact that the MNAT law firm also confessed to filing 17 false affidavits and complicity in deceiving the Delaware Federal Bankruptcy Court concerning the eToys case in 2001.

The rogue elements in the Dept of Justice had engaged in an effort that is so obtuse of the law, that the Chief Justice in Delaware felt compelled to join in the ruse issuing an Opinion approving the illegitimate Stipulation to Settle, while the Opinion stated, despite the confessions, that no perjury or fraud had been documented. (Opinion <u>here</u>) (NOTE, *the Opinion is deceptive in stating that Haas and Alber's complaints are similar, as the Court tossed out Haas's proofs of additional*

crimes, including the Affidavit by the Chairman of the Creditor's committee as the Delaware Court only addressed 3 of the 100 felony violations that Haas had sworn an oath to).

Laser Haas, of the company (CLI) that was Court approved to handle the eToys Liquidation, discovered the fraud and perjury, reported to the Court and Delaware Dept of Justice, only to be ostricized and stripped of his \$3 million dollar court approved work, (after the job was completed). *It seems that asking questions about how a public company could have \$8bn in worth one year and be bankrupt a year later is a No No! Much less blowing the whistle on Officers of the Court perjury and fraud*. (as is required by **18 USC 4 MisPrison of a Felony**)

When Haas discovered that Colm F Connolly was a partner with the MNAT law firm in 2001, he reported it on Dec 7 2007 to Tom O'Brien's office (here). Then 12 weeks later, when the CA Dept of Justice was required to respond to Haas's complaint, *US Attorney Tom O'Brien disbanded the Public Corruption Unit and threatened career prosecutors with retaliation* (here) if they revealed any other reason for the dismantling. Even His Honor Mukasey is "stuck" as the Government staunchly continues to go the wrong way.

Mukasey also stated to the press, that the disbanding of the Public Corruption unit was merely office redesign. (<u>here</u>)

Then where is the case number and Dept of Justice staff that are assigned to the eToys fraud and corruption?

Why are Kelly B. Stapleton, Andrew Vara, Mark Kenney and Roberta DeAngelis, still acting as "*appellees*" in the 3rd Circuit case (07-2360) defending the illegitimate Stipulation to Settle? Online affidavit and Court docket record proofs of perjury, fraud and coverup can be seen below throughout http://fraud-corruption-mnat.townhall.com/default.aspx

Many persons have reviewed the GAO released report that reported the fact on the amount of Trustee fraud being UN Known! http://161.203.16.4/d36t11/148551.pdf

We also can thank Meryl Lanson for keeping the story about how Judge Fitzgerald asked what is going on with the Region 3 US Trustee's office as the Judge stated that Dept of Justice US Trustee silence aided fraud (here)

The website also contains the Congressional Committee reports of Federal Judge Cristol calling the US Trustee program a "*pack of dogs*" (<u>here</u>)

The Congressional testimony was also corroborated by Dept of Justice attorney for the US Trustee program Mary F Powers who stated that *Director Friedman and Director White had done little to promote the integrity of the US Trustee Program* also at (here) the www.fraudonthecourt.blogspot.com

Combine this with the UCLA Law Prof Lynn M LoPucki's book on "Courting" how Competition for Big Cases is Corrupting the Bankruptcy Courts that can be bought through Amazon and seen on Google books (<u>here</u>)

We are also joined by wonderful, intensive, research by <u>www.bankruptcymisconduct.com</u> and other sites as well such as <u>www.wjfa.net/bk/etoys.html</u> and many more (<u>www.caught.net</u>)(all owed our thanks)

They, the "*nefarious hordes*" are stealing America in big chunks, due to their impunity, accomplished not only by Dept of Justice inadequacies, unfortunately, there is also a corrupted element gathering strength within the Dept of Justice, especially the US Trustee's office. It has now become a practice to find a struggling company, file bankruptcy and steal with apparent Federal Protection.

The recent case of In re M.T.G (M.T.G. <u>In re Matrix Tech</u> <u>Grp</u> 95-48268) addressed Trustee issues as Judge Tucker addressed an issue similar to the eToys case, where all Court's, including the Circuit, had not addressed Fraud on the Court issues that were glaringly, readily apparent

Unlike the M.T.G case, the eToys Court, looked at the overwhelming documentation of Fraud, the confessed acts of 34 false affidavits and even testimony by the Asst US Trustee, Frank Perch, that he warned the parties NOT to replace key personnel of the Debtor with anyone connected to the retained professionals. The Court simply ignores the In re Middleton <u>Arm's and the In re Hazel Atlas-Glass decisions (even though the eToys court cited both) as the Delaware Court said it was her' rulings her way and that is final.</u>

There is no greater miscarriage of justice, than those that are paid by Americans, given esteemed power, position and impunity, who then abuse that high level of trust, under "color of law".

There can be no greater civil, manifest injustice, than Anarchy under perversion of our laws by "ad hoc" applying and not applying our laws for the benefit of Organized Crime.

The Cover up in eToys is so high, that the 3rd Circuit per curiam Opinion states (on page 7) that the Federal Rules of Appellate Procedure does not apply to the case. (see Opinion <u>here</u>) for the Judges are left with the dire position of finding against their career colleagues or finding against "pro se"

parties falsely.

And that is Everyone's Problem.

The N Y case of the US Trustee Paul Banner v Cohen Estis and Assoc, cited eToys as a case precedent for the denial of all fee's for non-disclosure. (The Balco/Estis case involved only 1 non-disclosure issue, where eToys has over 20 failures to disclose). To date there has been no adequate remedy in eToys, with sufficient deterrent, by proper disqualification and disgorgement, to conspired acts of willful, Fraud on the Court, accomplished via "officers of the Court".

Funny how the Banner case or Baron's is S Fla can cite eToys to reopen items due to Fraud on the Court, while everyone has not noticed that the eToys Court has yet to make a determination that Fraud on the Court has occurred.

It is only a matter of time, before some brilliant mind, utilizes that failure to point out the other precedents that eToys has invariably established. 1 - that fraud can occur and receiving leniency and 2 - that the willful circumvention of the Court and the Code by the collaborative efforts of the Debtor and Creditor's counsel to "plant" a paid associate connected to both Debtor and Creditor counsel is really no big deal. As the eToys court also oddly stated, despite confessions to 34 false affidavits, that no Perjury had been documented.

The Bankruptcy Court Justice's have no Criminal authority and cannot even rule on Contempt issues.

Not even a Chief Federal Justice can bypass Congress's Code on Section 327(a). If attorneys give false testimony, they must be disqualified.

It is only through "color of Law" that the horde can effort to defeat the Truth.

If you have any additional subject matter along these lines, please forward the same to us and we will get it out to all.

They are united by our granting power and position, we therefore must Unite to remind them who it is they work for.

Stand up and fight for your American way of life.

Or LET IT GO! Tags: Cronyism eToys bankruptcy DeAngelis Colm feistein Connolly waltrath corruption MNAT periury fraud TBF Kenney Email It | Print It | Comments (0) | Trackbacks (0) | Flag as Offensive

Federal GAO warns about "unknown" levels of Trustee Fraud.

Posted by LASER Haas on Thursday, May 01, 2008 11:29:38 PM

The General Accounting Office of the Federal government reported that the level of Trustee fraud is unknown.

That was in 1993. As can be seen here in the GAO released report $\underline{http://161.203.16.4/d36t11/148551.pdf}$

Since that time, the amount of Fraud has grown, from millions to billions

The Fraud has catapulted from Trustee's to complicity by the Office of the United States Trustee

as Delaware has cemented its key position as the Den of Iniquity concerning Federal Bankrupt Estates

As can be seen in UCLA Law Prof Lynn LoPucki's Book "Courting Failure" (<u>here</u>) The book details how Competition for Big Cases is Corruption the Bankruptcy Courts.

You will see the Poster Child case below that demonstrates just how far the Corruption has gone!

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 Tags: Cronyism
 eToys
 corruption
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Dept of Justice efforts to cover up \$8 Billion vanishing act

Posted by LASER Haas on Sunday, April 27, 2008 1:24:47 PM

The public entity of eToys IPO achieved unprecedented success. Shares that list for \$16 went to \$78 instantly.

eToys was worth nearly \$8 billion at the outset.

Then, in the year 2000 it went broke, all the wealth vanished.

They filed Bankruptcy March 7 2001.

In a move that is simply inexplicable, contrary to all common sense and contrary to the Code or system of Justice the Court and Dept of Justice US Trustee's office, speciously, permitted the Destruction of Books n Records.

The Executives then abandoned the remainder of the assets as the Law firms of MNAT and TBF gobbled up the rest and tried to sell the remaining assets to their regular employer Bain for only \$5 million.

The Creditors then engaged Laser Haas and his company CLI, whom the Court approved for handling the liquidation.

Despite the fact that MNAT and TBF "planted" a TBF paid associate within eToys to become the President and CEO, where MNAT, TBF and Barry Gold nefariously seized control of the bankrupt entity, HAAS and his company CLI still managed to get Bain to pay nearly \$20 million and helped get nearly \$45 million into the eToys bank accounts.

HAAS was not aware, at the time, that collusion was occurring.

No one, not even the Creditors, had any idea, that the law firms had worked with Mattel and Bain.

The attorneys working with Bain, while also working for eToys, selling the bankruptcy estate assets of eToys to Bain/ KB is Collusion to Defraud an Estate.

The most serious and most heinous of crimes that any office of the court can commit.

HAAS discovered that there were overseas undeclared, hidden, cash deposits for millions of dollars and began to dig into other "odd" and unexplainable events.

He was offered a bribe, turned it down, - his own attorney, Henry Heiman, emailed him a threat from the TBF law firm to "back off" and when HAAS informed the Dept of Justice, a series of events reveals that the Dept of Justice wants to bury the investigation.

The latest event was HAAS discovered that the US Attorney in Delaware, Colm F Connolly, was a partner with the MNAT law firm. As MNAT was "caught" by HAAS, MNAT has confessed to filing more than 17 false affidavits.

Among the many crimes committed, the MNAT law firms perjury achieved ; includes the fact that MNAT is now representing Bain openly, in the \$100 million cash fraud issue in the KB, where TBF law firm actually had the gall to ask the KB Judge for permission to be the law firm to prosecute the \$100 million cash scheme.

Compounded by the fact that MNAT conspired with the TBF law firm to "plant" Barry Gold within eToys as President and CEO. Doing such "planting" by Perjury and willful circumvention of the Court the parties believed they had cemented their schemes perfectly.

Now the US Attorney in California, being informed about the Ethics violations of Colm F Connolly, acts in the same specious manner as the Delaware Dept of Justice. Instead of putting a halt to the mendacity of the perjury and fraud, that is confessed, Tom O'Brien shuts down the Public Corruption Unit and threatens career prosecutors.

This is the link to the L A Times Story on O'Brien's actions http://www.latimes.com/news/local/la-me-shakeup20mar20,1,7868966.story

O'Brien and Attorney General Mukasey state that the disbanding of the Public Corruption Unit was a move to make the Dept of Justice more efficient.

 Tags:
 Cronyism
 eToys
 DOJ
 KB
 Walrath
 DeAngelis
 rico
 Connolly

 EOUST
 SHAW
 KIDS
 Justice
 corruption
 racketeering
 conflicts
 MNAT

 perjury
 fraud
 TBF
 ethics
 ethics
 ethics

Dept of Justice personnel at Bear Sterns with FBI review discovery of other connections to eToys Fraud such as Xroads and TBF

Posted by LASER Haas on Wednesday, April 23, 2008 2:36:37 PM

After US Attorney Tom O'Brien shut down the Public Corruption Unit and Threatens his staff with retaliation if they reveal any other reason to the Press for the disbanding of the unit (<u>here</u>) we contact the career prosecutors and receive a phone call from the FBI.

Following up on the investigations into how Roberta Angelis was replaced by Kelly B Stapleton at the command of the Dept of Justice Director Lawrence Friedman (<u>here</u>) only to result in another \$100 million dollar fraud in another case where the Dept of Justice attorney Mark Kenney then Obstructed Justice (<u>here</u>) as Director Lawrenc Friedman Resigns (<u>here</u>)

After speaking with the FBI again, for 30 minutes, going over the facts on Monday, we realize that Lawrence Friedman became a Director at Bear Sterns (<u>here</u>)

Asst US Trustee Frank Perch, Director Lawrence Friedman and Director of Corp Fraud Task Force (where O"Brien took her place) Debra Yang, all had detailed knowledge of the eToys crimes and all three (3) resigned for personnel reasons.

So did the SEC Bankr Fraud Div G Robinson SEC Fraud Division <grobinson@sec.gov>; and Sherill SEC Fraud Div Atlanta <ssherrilbeard@sec.gov>; after the Dept of Justice attorney, Mark Kenney, told the SEC not to send an Official Intergovernmental letter for Official Investigation. There is no longer, any SEC Bankr Fraud Div.

Spitzer's office refused to prosecute the case also as McCarran resigned while Asst AG of Spitzer, Andrew Lorin called me and told me, one by one, why there was no crime in eToys. (at that time we had not studied the Law, so we believed him).

Speciously, after Lawrence Friedman resigned, the removed Region 3 Trustee, Roberta DeAngelis was speciously and quietly promoted (for you can find no press release at the DOJ website <u>here</u>) as DeAngelis became General Counsel for the Dept of Justice EOUST office, in charge of investigations into her own cases.

DeAngelis and Mark Kenney also Obstructed Justice at the Third Circuit case 07-2360 (<u>here</u>) PACER is a paid service or you can email me at <u>laserhaas@msn.com</u> for the brief by DeAngelis, Stapleton, Vara and Mark Kenney.

While also noticing that Ronald's Sussman, who is the attorney for Traub's, also is connected more deeply to the issues as we learn that Sussman's significant other, Holly Eltin was a Principal at CrossRoads (Xroads LLC) (please see here)

At the same time it is discovered that Greg Werkheiser's wife Rachel works at another law firm and sometimes uses her maiden name (<u>here</u>).

While Sussman's firm Kronish Lieb and Traub's Firm, TBF, have now both become defunct, with the issue of Hutchins Wheeler (<u>here</u>) or (<u>here</u>), J&J, **Nancy A Valente** (when eToys shareholder Alber talked to Valente at J&J he was told by Valente she now received a new last name as a newly married) as Nancy A Valente was the one who handled the paperwork of the company co-principaled by Traub and Barry Gold (ADA). Though Hutchins Wheeler is also defunct and the details, emails and memo's will no longer be available.

Evidence trails are disappearing all over these cases.

With the extensive research beginning into the motivations of why Chief Justice Mary F Walrath and Dept of Justice personnel Mark Kenney would **Break the Law inorder to protect Organized Crime in the Delaware Federal Courts**.

As it most assuredly has something to do with the fact that the oldest sitting Justice on the 3rd Circuit Court is Judge Stapleton, hailing from the MNAT law firm, while research begins into the fact of whether it is Cronyism also, that the US Trustee Kelly B Stapleton, may be connected to Judge Stapleton. For the Delaware Dist Ct and the Third Circuit Ct, speciously, even after making many rulings on the "*unambiguous*" language of Section 327(a), relentlessly the Circuit continuously ignores the Fraud issues and finds in favor of the felony perpetrators. Stating that the Federal Rules of Appellate Procedure does not apply to the eToys cases.

When the willfull blindness induces arbitrary and capricious decisions by one of our highest courts, then Oganized Crime has become what the G-dfather and Untouchables movies has always implied. A system of Commerce to the highest bid or influence.

At the same time, why did Judge Kent Jordan review all four appeals in eToys and when he ordered all the attorney's to be present, the Court reporter altered the record to delete Judge Jordans threat to the attorneys, as Judge Jordan was immediately promoted to the 3rd Circuit.

At the same time Werkheiser and US Attorney Colm F Connolly clerked for the 3rd Circuit Justices, including Judge Roth and Judge Stapleton, while one is extremely hard pressed to find any ruling concerning any MNAT issue at the 3rd Circuit, except the one in eToys case 07-2360 where the 3rd Circuit stated the Federal Rules of Appellate Procedure does not apply to the eToys case. (see pg 7 here)

Now that Colm F Connolly is nominated to be the Judge to replace Judge Jordan in the Delaware District Court while Colm F Connolly neatly neglects to inform the Senate Judiciary Committee that he is guilty of cronyism in declining to prosecute his former partners at the MNAT law firm (see DOJ press release that US Attorney, Colm Connolly was a partner of MNAT in 2001, when the eToys fraud and perjury began <u>here</u>)

Anyone who did not even graduate high school, can read the US Attorney Manual (<u>here</u>) on Bankruptcy Fraud or the US Trustee Manuals (<u>here</u>) and understand the crimes. After all, HAAS did not graduate from High School, nor did eToys shareholder Alber.

Or you can simply swallow the repetitive, verbal, reinforcement B S that the Administration is tossing at you,

After all, the new Attorney General Michael Mukasey stated and agreed with US Attorney Tom O'Brien, that the shutting down of the Public Corruption Unit of the Dept of Justice, after receiving our Official Complaint (<u>here</u>) was merely office restructing, to make the Dept of Justice more efficient (<u>here</u> and <u>here</u>) as Mukasey tries to imitate Nixon.

The Associated Press needs to ask them about eToys and what is it that the Dept of Justice has become more efficient at?

Stand up and fight for your American way of Life

OR

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LET IT GO!

Tags: CronyismeToysorganizedDOJcollusionWalrathbankruptcyDeAngelisO'BrienConnollycrimessecstapletoncorruptionMNATperjuryfraudTBFKenneyfriedmanattorney

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SEC "nolle prosequi" efforts on Bear Sterns is the eToys disease air borne!

Posted by LASER Haas on Wednesday, April 23, 2008 12:35:50 PM

eToys goes public in 1999 for \$8 billion and broke just 1 year later.

No investigation or Prosecution.

The US Trustee, attorneys who confessed to 34 acts of perjury and fraud, with the Delaware Courts, as the Delaware Courts approved of Destruction of Books n Records early on.

Still no investigation.

With us providing irrefutable Court docket proof of perjury and fraud, Lawrence Friedman as Dept of Justice Director EOUST in Washington DC replaces Roberta DeAngelis as Region 3 Trustee (<u>here</u>)

After an Asst US Trustee, halfway does the right thing to punish the Fraud on the Court, another Dept of Justice Attorney gives the perpetrators of Fraud and Perjury, implied blanket immunity, where the parties of TBF and MNAT law firm, along with Barry Gold, immediately work together on another \$100 million in fraud.

Still no investigation.

When we report this to the Dept of Justice, the SEC, the OIG, the OGE, the OPR, the US Marshall, the FBI and the US Trustee Director

it results in the Dept of Justice attorney acting with sedition to Oath of office, as he breaks the Law and Obstructs Justice (<u>here</u>)

Still no investigation

Then the Asst US Trustee Frank Perch resigns as well as the Director of US Trustee's in Washington DC (see DOJ release here)

Still no investigation.

The SEC Bankruptcy Fraud Div in Atlanta is instructed by Mark Kenney (DOJ Attorney Region 3 Trustee) not to begin an Official Intergovernmental Investigation. The Wall Street Journal reports on the Stipulation to Settle by Mark Kenney and the Lawrence Friedman Resignation. (<u>here</u>)

Still no investigation.

The Courts, Mark Kenney and the perpetrators of Fraud retaliate against HAAS and his Court approved company for blowing the Whistle and expunge the Court approved \$3.7 million work and expenses.

Still no investigation.

HAAS and eToys shareholders appeal and the Delaware Chief Justice Mary F Walrath, heads off the appeal with her Approval of the Illegal Stipulation to Settle that gives unlawful, implied, blanket, immunity. (<u>here</u>) Desptie the fact that the MNAT and TBF law firm confessed to filing more than 34 false affidavits and provided written proof that they conspired to defraud the Court, Chief Justice MFW says no perjury has been documented and she refuses to refer the matter to the US Attorney (please see page 52 of the Opinion).

Still no investigation.

HAAS and the eToys shareholder file an appeal of the Judges Illegal Order and the Delaware Court Clerk simply refuses to Transmit the Appeal. HAAS was emailed a Threat by his own attorney to "back off", as he was physically threatened, when the Delaware Court decided to hold an Illegal hearing to decide, whether or not, to let the appeal issues go forward. HAAS files a Motion to Recuse the Judge and Review Failure to Act by US Trustee under Bankr Rules 5004 and 2020. HAAS also contacts the FBI in Baltimore, as he is concerned about shareholder Alber who is driving across country in Secret to halt the Illegal hearing.

STill NO investigation!

The Delaware Dist Court Judge, Kent A Jordan hears all four

appeals, violating the Wheel of assignment as Judge Jordan tells HAAS he has read the brief of the crimes in detail Judge Jordan tosses HAAS appeal without any detail or explanantion, stating per Oral discussions case dismissed. Judge Jordan in Oct 2006, ORDERS all attorneys to attend a Teleconference hearing and warns them they are in trouble. Judge Jordan then is promoted to the Third Circuit

Still no investigation.

Appeals to the 3rd Circuit receive briefs by Mark Kenney, Roberta DeAngelis, who are Obstructing Justice and Defending their ILLEGAL immunity efforts. The Third Circuit actually states in the per curiam Opinion that the Federal Rules of Appellate Procedure does not apply to this case (please see page 7 of the 3rd Cir dismissal <u>here</u>)

Still no investigation.

We then discover that the US Attorney in Delaware, Colm F Connolly, whose office refused to investigate, make a case and declined charges has also been bitten by the non-disclosure and conflict of interest disease. For Colm Connolly was a partner with the MNAT law firm in 2001, when the fraud and perjury began, For all we know he may have even worked on the eToys, KB or Bain related issues (please see DOJ own press release as Connolly is now Nominated to be the person to Replace Kent A Jordan as a Judge <u>here</u>)

Still no Investigation!

As this is, at the barest of minimums, an Ethics violation, as well as a protocol violation and in contradiction to the Model Rules of Conduct, we report the Colm Connolly issue to the US Attorney's office in California (as eToys home office is in California) (Please see Clocked copy of Complaint <u>here</u>)

Still no Investigation!

As the investigation would be hard to do, where you can see by the Complaint we point out that a Public company worth \$8 billion, goes broke in little more than a year, the attorneys who work for the eToys bankruptcy, sell the assets of eToys to their other client Bain, for discounts in tens of millions, while the removed Region 3 Trustee is Promoted in Secret to the General Counsel in charge of investigating her own case, as the Dept of Justice US Trustee's office whose Oath of Office and Congressional duty is to protect the integrity of the Bankruptcy Courts, chooses, instead, to utilize Taxpayer dollars to Defend Organized Crime, giving Illegal immunity as US Trustee personnel violate the Law, while the US Attorney was a partner with the Law firm, that the US Trustee's office will not even Mention in the Disgorge Motion or Stipulation to Settle, even though MNAT confessed to filing more than 17 false affidavits as it collaborated in Fraud.

No investigation - becasue the US Attorney in Califonia then shuts down the Public Corruption Task Force (<u>here</u>)

US Attorney, Tom O'Brien actually threatened career prosecutors when O'Brien dismantles the Public Corruption Task Force, as he warns them not to reveal to the Press, any other reason for the disbanding of the Public Corruption unit. O'Brien tells the Press that this is merely a way to make the Dept of Justice more efficient. Where the new Attorney General Mukasey agrees, vowing to crack down on fraud and corruption, Mukasey says the disbanding of the Unit is mere office restructing to become more efficient

Now everyone wonders why the SEC has refused to investigate Bear Sterns.

Just like eToys, Sterns has so much proof of Fraud, the only way to defeat the fraud, is to make sure that no one investigatesthe Fraud.

What is even stranger and more related is the fact that Bear Sterns is sort of connected to eToys. As Director Lawrence Freidman left the Dept of Justice and went to become a big Exec at Bear Sterns that used to be on many websites, until the Sterns collapse. (one they have not removed yet <u>here</u>)

Mr Friedman emailed me this in the beginning of the Perjury and Fraud case of eToys.

Time is the weapon of the enemy, through time and delay, America's ears will grow cold and there will be NO INVESTIGATIONS

From: Lawrence.A.Friedman@usdoj.gov *To:* 'laserhaas@msn.com'*Cc:* Kelly.B.Stapleton@usdoj.gov *Subject:* RE: Item sent to the record today

Mr.. Haas:

You most assuredly have our attention and my personal commitment that we will act in every case where action is required and we are aware of it. Please understand however, that like any prosecutor, we must exercise appropriate discretion in carrying out our responsibilities which while sometimes in a particular case may seem unjust, it is done with perspective to ALL matters we handle. I sympathize with your frustration and again assure you that my staff is extremely competent to handle this matter and will exercise appropriate judgment.

Lawrence A. Friedman, Director Executive Office for US Trustees United States Department of Justice Washington, DC

Evidnece of Friedman's ties to Bear Sterns is already dissappearing from the web!

THERE WILL BE NO INVESTIGATION

Tags: CronyismDOJcollusionWalrathbankruptcytrusteeDeAngelisColmConnollyJusticecorruptioninvestigationracketeeringTraubMNATperjuryfraudcoverupTBFKenney										
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Congress warns of Organized Criminal Activity in our Federal Courts

Posted by LASER Haas on Sunday, April 20, 2008 4:01:50 PM

It is amazing, the latitude that the System of Justice shall extend in mitigating language that efforts toward a diminished reflective tone on issues when they are concerning persons or parties within the Federal Court system of justice.

When any John Q public person makes a false statement to a federal officer or in the Court, much less one in writing, it is Perjury, clear and simple. However, when an attorney, Trustee or Dept of Justice personnel makes a false affidavit in a Federal matter, doing so in statement under oath or in writing, it is an affirmative misrepresentation or a conflict of interest.

The Dept of Justice, or at the barest of minimums, rogue personnel at the Dept of Justice, along with the Delaware Federal Court, have become complicit in an Otganized Criminal Conspiracy to Cover up more than \$300 million in fraud, thirty four (34) false affidavits (confessed) where the Perjury -is accomplishing the out right total theft of a Public company eToys, that benefited the TBF, MNAT and other law firms, as well as Barry Gold, Mark Kenney, Roberta DeAngelis, Bain, SanKaty, Liquidity Solutions, KB, D E Shaw and Scott Henkin who is now a key Executive at D E Shaw.

Be that as it may, **Congress and the Third Circuit has remarked in the past, concerning Organized Criminal behavior of Attorney's** and their cohorts in the Federal Bankruptcy Process, while also efforting to soften the blow of how serious the offense may be in coloring the term of addressing **Organized Crime** as a "**Bankrupty Ring**" as can be seen, by both the Third Circuit and Congressional remarks in the case of <u>In</u> <u>re Arkansas</u>; 798 F.2d 645 (3rd Cir. 08/13/1986))

"It is significant that Congress chose to place the requirement of court approval for the employment of an attorney, accountant, or other professional by the creditors committee directly in the Bankruptcy Code in 1978. 11 U.S.C. § 1103(a) The legislative history makes clear that the 1978 Code was designed to eliminate the abuses and detrimental practices that had been found to prevail. Among such practices was the cronyism of the "bankruptcy ring" and attorney control of bankruptcy cases. In fact, the House Report noted that "in practice... the bankruptcy system operates more for the benefit of attorneys than for the benefit of creditors." H.R. No. 595, 95th Cong., 2d Sess. 92, reprinted in 1978 U.S. Code Cong. & Ad. News 5963, 6053."

Regardless of the efforts to soften the blow to "gentlemen" terms, the fact remains, Criminal behavior by an Organzied effort to defeat the Laws and Authority of the Unted States, when it occurs in multiple cases, by multiple parties, in multiple states over multiple years, with tens of millions of dollars in each case then you not only have Organized Crime, you have RACKETEERING (RICO) enterprise within our Federal Courts.

When Judges and Dept of Justice personnel rule contrary to Law, for the benefit of leniency towards those participating in these efforts. You have the Dept of Justice and Federal Justices becoming Complicit in Organized Crime and RICO!

One needs only ask Martha, Bonds and Clemens, what they

think about the premise, that rogue Justices and rogue personnel within the Dept of Justice as they reflect on the issue that more than 34 acts of written, intentionally false, Rule 2014 affidavits is not any proof of Perjury as Judge Mary F Walrath stated in her Opinion (please see <u>here</u>). The Chief Justice of the Delaware Bankruptcy Court remarked, in the usual contrarian manner of efforts to utilize language to soften the issues as Chief Justice MFW remarked;

"Therefore the failure to disclose cannot be considered perjury or any other bankruptcy crime. Consequently, the Court finds no reason to refer this matter to the US Attorney's."

The personnel at the Dept of Justice that did effort to obtain partial justice in this affair ultimately found the Powers that Be too strong to overcome and Resigned. They were the <u>Director of the</u> <u>US Trustee Program, Lawrence Friedman</u> who emailed me personally that he would effect a remedy, <u>where he replaced the</u> <u>Region 3 Trustee, Roberta DeAngelis (here)</u> and <u>Asst US Trustee,</u> <u>Frank Perch made a Motion to Disgorge TBF law firm for \$1.6</u> <u>million</u>. Mr. Perch Disgorge Motion stated the acts were "deliberate", rather than inadvertent as Mr. Perch remarked that he [fore]warned the parties against doing the very crimes that MNAT & TBF effected by subterfuge in direct defiance of that authoritative warning. Mr. Perch only addressed three "affirmative mispresentations" and concluded that **Fraud on the Court occurred**.

Then, Mark Kenney, the Dept of Justice Attorney for the new Region 3 Trustee made the Stipulation to Settle, <u>that gave</u> <u>implied</u>, <u>blanket</u>, <u>immunity to the TBF law firm</u> concerning its legal infractions. This resulted in another \$100 million, cash preferential fraud</u>, that TBF petitioned to handle in the KB Toys Bankruptcy Case.

When we reported that Perjury, Fraud and Collusion to the KB Toys Court, as well as Frank Perch and Director Lawrence Friedman, Mark Kenney utilized the Dept of Justice to defend the Racketeering efforts with the following document that successfully Obstructed Justice in the Federal matter of KB (here)

This resulted in the Resignation of Director Lawrence Friedman and Frank Perch (please see US Trustee press release <u>here</u>) as well as the Wall Street Journal article on the Stipulation to Settle and Friedman's resignation (<u>here</u>)

Later, Debra Yang of Pres Bush Corporate Fraud Task Force resigned also, after her efforts to get something done in the case

met with alarming refusal to prosecute.

Then, speciously, Roberta DeAngelis, the removed US Trustee, was quietly promoted to the post of Acting General Counsel of the US Trustee's office in Washington DC, where she is in charge of what cases are referred to the US Attorney's office for investigation.

We cannot direct you to any press release about the promotion of Roberta DeAngelis, becasue there is none!

DeAngelis and Mark Kenney are now Appellee's, with the MNAT, TBF law firms and Barry Gold, defending the ILLEGAL Stipulation to Settle, while DeAngelis and Kenney now make *affirmative misrepresentations* in District Court and Circuit Court appeals. (please see the Third Circuit appeal case 07-2360).

When we discovered the fact that the US Attorney in Delaware, whose office refused to investigate, make any case or any charges, was also guilty of "non-disclosure" as the US Attorney, Colm F Connolly, was a partner with the MNAT law firm in 2001, when the fraud and perjury began. Colm Connolly may have even worked on the eToys, Bain case issues (see Colm Connolly Dept of Justice press release <u>here</u>)

We then made a formal Citizens Complaint to the US Attorney in California, Tom O'Brien (please see clocked copy here)

The protocol, when you make a formal complaint to the Dept of Justice, is that they will respond within 8 to 12 weeks, as to whether there is a case or the matter will be closed.

The only response we received, concerning Tom O'Brien's office, *was no direct correspondence*, instead, Tom O'Brien walked into a Staff meeting of US Attorney's and, without any warning, berrated them and **US Attorney Tom O'Brien threatened his staff** after he told them he was disbanding the Public Corruption unit. (please see L A Times story on Tom O'Brien threats against his staff here)

You will see within the Tom O'Brien comments in the article that O'Brien stated the disbanding of the unit was to make the Dept of Justice more efficient. When the new Attorney General Michael Mukasey was asked about the units dismantling, he also stated it would make the Dept of Justice more efficient (please see MSNBC article where Mukasey said of O'Briens move that it was "little more than restructoring here) So the question remains, about the item , **MORE EFFICIENT AT WHAT**?????

They keep saying, after 7 years in the eToys saga, to be patient, these things take time.

They also say I have no corroborative evidence. Yet we have their own admissions to 34 false affidavits and the Willful Hiring Letter drafted by Barry Gold, MNAT, TBF and David Gatto, that gave written, ILLEGAL, permission to Barry Gold to choose to Circumvent the Law and the Court, where he would be paid, \$40,000 per month, for two days work, every two weeks and become CEO and President, with a promise of a Bonus at the end of the case, if Barry Gold did not apply to the Bankruptcy Court for permission to be hired.

At the same time TBF had also confessed, in the record, that his firm paid Barry Gold four (4) payments of \$30,000 each, that halted when Barry Gold was secretly placed within eToys as a "wind down coordinator".

By the Judges remarks that no crime or perjury was documented, guess the payments to Barry Gold are also not a bribe.

Even though the Asst US Trustee testified, in the record, that he warned the parties not to replace any key personnel of the Debtor with anyone connected to the retained professionals of the Estate.

While Barry Gold was questioned, on the STand, by eToys shareholder Robert Alber, about his ties to TBF law firm, where Barry Gold denied being connected, while everyone in the room, know of the Barry Gold Hiring Letter and TBF situation.

That must not be perjury either.

Even though Barry Gold stated, in a Declaration, under Penalty of Perjury that the Creditors, offered Barry Gold to be the Plan Administrator. (where the creditors attorney was TBF).

That is not perjury or fraud either.

Even though the PLan Affidavit of Barry Gold (eToys docket item 1312) states that the Plan was negotiated in "extensive" "arms length negotiations between Creditor and Debtor" (between Barry Gold and his partners at TBF law firm)

That is not perjury either, according to the Chief Justice.

As for that corroborative evidence, the Court and US Trustee states we do not have. Well, they simply keep tossing out all of HAAS's statements, under the "color of law" that HAAS has to have the Judges permission to point out fraud and perjury. When the Judge and Dept of Justice Obstruct Justice toss out the Affidavits of the Chairman of the Creditors Committee, well then yes, I guess you can say that no proof by corroborative evidence has been provided.

Please see the Chairman of the Creditor's Committee Affidavit that the Court's and US Trustee keep from going into the record (here)

The amazing thing is the Wilmington Journal refuses to report the story and has even Ordered reporters off the story.

The same thing happened to the Wall Street Journal, the reporters were Ordered off the story.

If they can do this much, against the Law and color of law B S in the open, what do you think is going on in every other John Q public's case behind closed doors?

Please see <u>www.bankruptcymisconduct.com</u> for many stories on US Trustee corruption.

You can also see the Congression testimony of Judge Cristol (<u>here</u>) and the Dept of Justice attorney Powers for US Trustee in Florida (<u>here</u>) where Judge Cristol called the US Trustee's program a "pack of dogs" and the DOJ Attorney said Director Friedman and White have done very little to promote the Integrity of the Bankruptcy System. <u>www.fraudonthecourt.blogspot.com</u>

You could also go see the Bobby Harmon Bishops Estate fraud case of US Trustee Woo v Harmon on the <u>www.the-catbird-seat.net</u>, bhowever, the Federal Judge in that case Ordered that Harmon pay \$500,000 and had the website taken down.

You could also go ask Dov Avni about the Stage Stores Bankruptcy Fraud and how the Granite Bank was sold to the World Bank for \$150 million. But the Texas S Bankr Court case 00-35078 fined Dov Avni \$380,000 and sent the US Marshall's after Dov Avni more than 10 times, so he may be hard to find. By the way TBF, Barry Gold, Michael Glazer (the CEO of KB) and other Bain and SanKaty associates were all involved in the Stage Stores Bankruptcy as well. The Dept of Justice has yet to assign a case number or investigate the SanKaty and Granite Bank issues.

You can also ask Donna in NY how the US Trustee's can permit the events that placed her into an Involuntary bankruptcy as they steal her interest in the Real Estate of the NY Marine Terminals?

There are more than 1000 cases of Bankruptcy Fraud against John Q public, that is done behind closed doors.

But when you have the US Trustee's office protecting Organized Criminal Activity openly, blatant, flagrant, disregard for the Law as Chief Justices make willful, arbitrary and capricious rulings, contrary to the Law, for the inner circle elite.

There is only one way the American Citizens can take back their Courts.

UNITED!

Stand up and Fight for the American way of the Life

OR

LET IT GO!

They, the nefarious, B S 'ing horde, that believe we are all weak and dum enough to swallow the repetitive, verbal, reinforcement of bull,

they need your apathy and seek to hide the facts from your scrutiny

Americans need the Truth to be seen and heard!

 Tags:
 Cronyism
 eToys
 DOJ
 Circuit
 bankruptcy
 trustee
 DeAngelis
 Colm

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Contacting Congressmen and Senators results in additiaonl questions and automatic defense of

Colm Connolly Delaware US Attorney

Posted by LASER Haas on Monday, April 14, 2008 6:50:45 PM

We have been keeping Congressman Conyers, Senator Leahey, Senator Pelosi and other members informed of the Delaware Bankruptcy Fraud and Corruption.

Those close to and tied to Delaware are inexplicably, willfully blind to the mendacious behavior and apparently, instinctively, defensive of Colm F Connolly have begun a large campaign to complete his nomination to the Federal Courts. Now the push, to force the issue of Connolly's nomination to become a Federal Delaware District Court Justice, even though he is obviously of questionable character, therefore he is not suited to be an impartial justice, by his actions concerning the law firm of MNAT,.

MNAT already has strong ties to the Courts, as well as the Circuit Court, along with the Dept of Justice, that is clearly evident by the fact of the staunch efforts of "nolle prosequi" concering MNAT as evident by the DOJ's US Trustee's office readily apparent efforts to sanction one firm involved in the perjury and fraud of eToys and will not even DARE mention MNAT law firm's name concerning the same issues. Despite the fact that MNAT has confessed to deceiving the Court, deliberately - while admitting to filing more than 17 false affidavits..

You can see Delaware's M Castle's push and the American Bar Associations push for Connolly's nomination, that speciously occurred immediately after I called their offices (<u>here</u>)

If Connolly gets nominated with a successful vote that disregards the eToys/ MNAT law firm issues, he cannot be removed, for years, except through impeachment, while MNAT's nefarious control and Organized Criminal influence over Judicial proceedings shall continue (that obviously is receiving Dept of Justice and Delaware Bankruptcy Court "color of Law" biased rulings in favor of MNAT already)

Today an interesting phone call was recorded with a key office. Upon calling and making the endeavor to verify the reception of the Brief about \$300 million in Fraud, 34 acts confessed of Perjury and Corruption,

an aide immediately informed me that it was past office hours and asked about my issue, upon making the statement that I had submitted a Citizen's Complaint in CA about the US Attorney Colm Connolly's failure to disclose his connections to the MNAT law firm the person immediately barked at me that my information was false and that he knew that Colm Connolly was NOT a partner at the MNAT law firm.

Being somewhat taken aback by the staunch stand while being informed that the Brief had not been read by the person I immediately re-asked the question. "so you have reviewed the brief" and he responded with an emphatic NO"

Strange how he would immediately by so defensive and knowledgeable of the Colm Connolly and MNAT issue, while claiming to not having reviewed the brief or issues.

For that reason we will resend the Brief to everyone at the burdensome cost and expense of reprint and Fedex.

He then asked me who my attorney was, to which I responded the Court refuses to admit any new counsel.

He responded, "yea, right,-- o kay, we will review the brief when it gets here"

The party asked me how to spell my name and I asked him to state his, I called back his office to make sure I spelled it correctly and his co=worker gave me the correct spelling.

I also informed him that I would Fedex out for signature the brief again.

Amazing how instantaenous he was in his rebuttal that Colm Connolly had nothing to do with MNAT.

What is more amazing is that the whole point of this eToys saga remains the fact that,

the Dept of Justice is not doing anything about MNAT!

Tags: Cronyism	eToys D	elaware	collusic	on ba	ankruptcy	trustee	DeAngelis	
castle Connoll	y Justice	perjury	fraud	TBF	Kenney	friedman	-	
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