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## [Sample of letter and proposal sent to book publishers in the U.S.]

June 1, 2007

Mr. Garrett Kiely U.S. President Palgrave Macmillan 175 Fifth Avenue New York, NY 10010	Mr. Dominic Knight Chief Executive Palgrave Macmillan 175 Fifth Avenue New York, NY 10010
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Dear Mr. Kiely,

I would like to submit hereby a proposal both for a book publication and a business venture.

They are centered on the increasing demand for experts and employees proficient in a fast growing specialty, namely, fraud and forensic accounting (FFA). The book will expose the evidence that I have already gathered while prosecuting 12 federal bankruptcy cases and that points to a bankruptcy fraud scheme supported or tolerated by the coordinated wrongdoing of federal judges.

The business venture calls for support for an FFA team to investigate further that evidence in order to determine the extent of fraud in the judiciary; a website for posting judicial fraud cases and materials and offering fee-based services; a conference to present investigative results to fee-paying FFA professionals; academic and professional FFA books; and consulting and litigation FFA services. Fraud will only keep growing because, compared to drug-trafficking, it is easier to commit and still carries lesser penalties.

Hence, the demand for FFA books and services will keep growing too. Judicial fraud is most insidious and can cause the most public outrage. A company with foresight can develop it into its own niche for its economic potential as well as its morally superior value as a service for the common good, the kind that earns those who render it public gratitude and literary prizes. All this warrants the investment of time and effort to read on.

Thereafter, you may wish to contact me to request clarification on any aspect of the proposal and concrete details on its implementation. You may also examine the underlying basis for this proposal and prototype for some aspects of it by visiting my website at <http://Judicial-Discipline-Reform.org>.

Meantime, I look forward to hearing from you and remain,  
sincerely,

**PROPOSAL**  
**For a Book Publication and A Business Venture**  
**Centered on Fraud and Forensic Accounting**  
**and the Exposure of**  
**Coordinated Judicial Wrongdoing**  
**Through a Case Revealing a Bankruptcy Fraud Scheme**

**A. The spread of fraud spurs the demand for FFA publication and services**

1. In 2005 the U.S. Department of Justice provided a grant for experts in this field, representing the academic and corporate worlds as well as practitioners in accounting, law, and forensic sciences, to develop a model curriculum that could be used by academic institutions and corporate training programs across the nation to develop their own FFA curricula.<sup>1</sup> The need for managers, employees, and consultants capable of working toward prevention of fraud, early detection of its indicia, and remediation of its consequences has only been highlighted by major scandals like the sudden collapse of ENRON and Andersen due to massive fraud. In its aftermath, several highly technical laws, e.g. Sarbanes-Oxley <sup>2</sup>, were adopted to combat fraud, whose implementation requires people proficient in FFA and related fields.
2. Moreover, such expertise is now much in demand in connection with the new type of widespread fraud involving the boardrooms of hundreds of companies, of which Apple is only one of the most notorious representatives, to wit, the backdating of stock options. This fraud has siphoned billions of dollars from stockholders for the unlawful benefit of top managers. It is bound to trigger a myriad of claims, for which FFA consulting and litigation services will be in high demand and short supply.
3. The third example illustrates convincingly that fraud has given rise to an ever growing need for FFA formal education, corporate training as well as consulting and litigation services, for fraud is the evil force driving the two fastest growing crimes in America: identity theft and Internet fraud. e.g. self-bidding just disclosed to be affecting E-Bay.

**B. Fraud supported or tolerated by judges and a book to expose it**

4. Yet, it is a different type of fraud that can most profoundly shock the public conscience and have the greatest impact on our society by affecting the very structure of our government. It is fraud systematically engaged in by the very ones charged with the duty and entrusted with the power to establish and punish the commission of fraud: the judges. In the federal judiciary, the exposure of life-tenured judges and their term-appointees coordinating their wrongdoing either to participate in fraud or tolerate it in self-interest could trigger a longer and more intractable Constitutional crisis than that brought about by the revelation of the participation in the Watergate Burglary of President Richard Nixon and his top White House aides because the time during which they could cause further harm or mount a cover up was limited to the remainder of the second four-year term of his presidency.

5. It would have extensive repercussions in practical and institutional terms if in just one case a chief judge of a court, and all the more so of a court of appeals, were exposed to have participated in fraud in coordination with other judges, court staff, lawyers, government officers, litigants, or others. Not only would all the decisions of that judge come under the suspicion of being tainted by his dishonesty, but also all the decisions of the judges in his court. This follows from the closely-knit fashion in which judges operate and the deference that they show to each other. Consequently, the exposure of one judge would raise the question who else knew about it and when did he know it but failed to denounce it to safeguard the integrity of judicial process and the collective duty of the members of the court to administer justice.
6. Likewise, the exposure of a judge's participation in fraud or other form of wrongdoing and its cover up by her brethren would cause all those who were adversely affected by their decisions, whether litigants or third parties, to file hundreds or thousands of lawsuits demanding the reversal of those decisions and new trials before judges not casting even the appearance of active involvement or passive indifference to undue process by lawlessness. Prosecuting those claims would generate considerable demand for FFA consulting and litigation services.
7. Now just imagine that the justices of the Supreme Court, each of whom meets twice a year in the circuit conference with judges of the circuit to which each has been allotted, were shown to have known about lower court judges' participation in fraud, yet did not discipline them or recommend their impeachment because they were more interested in protecting their collective image, not to mention if shown to have benefited from the fraud. [9] Public trust in our judicial system would be shattered and the judiciary would be shaken to its foundation. This is a realistic scenario that can materialize.
8. In fact, for the last six years I have prosecuted 12 federal cases<sup>3</sup> in the course of which I have gathered over 800 hundred documents [ip:9] –now posted with analytical comments on my website, namely, <http://Judicial-Discipline-Reform.org>- showing the operation of **a bankruptcy fraud scheme<sup>4</sup> supported by the coordinated wrongdoing of federal judges.<sup>5</sup>** Representative of them is the *DeLano* case, whose salient elements are summarized at [ip:7]. It involves chief judges of the bankruptcy court, WBNY, and the district court, WDNY, as well as the former and the current chief judges of the Court of Appeals for the Second Circuit and numerous other circuit judges and other chief district judges in the Circuit's Judicial Council,<sup>6</sup> and even the former Supreme Court Chief Justice and the current Circuit Justice.<sup>7</sup> On those facts it is reasonable to state that *DeLano* is apt to breach the façade of integrity of more than one judge and expose the coordinated participation of judges in, and the modus operandi of, a judicially supported fraud scheme.
9. Such exposure will be based on public, verifiable, and abundant documentation mostly filed under oath with the courts or consisting of official documents. It can bring a court and even a circuit under intense media scrutiny and public criticism that create a self-reinforcing, unstoppable unraveling process. It provides the noteworthy material that warrants a book; its content and writing quality can be previewed through my articles thereon posted on, and downloadable from, my website. More importantly, that book will render a public service to all the people that expect integrity in the judiciary, all those that have the duty to ensure it, and all those that have been harmed by the lack of it in their judicial proceedings. However, that book or its sequel can be made even more revealing, hence more appealing to an even broader customer base by the further research envisaged by the second part of this proposal: a business venture.

### C. A business venture to train FFA Professionals and offer FFA services

10. The business venture begins with a **Watergate-like *Follow the money!* investigation**.<sup>8</sup>It will take its lead from the available evidence of a judicially supported bankruptcy fraud scheme in order to compare the assets declared under oath by the bankrupts in their bankruptcy petition schedules and statement of financial affairs with assets publicly registered in their names, their relatives', or their strawmen's.<sup>9</sup>
11. The same comparative check will be performed with respect to the assets of judges and trustees. It will start from public financial disclosure reports filed by them<sup>10</sup> and go through their network of personal and financial relationships in order to discover any concealed assets. Unjustifiable discrepancies between declared and registered assets will expose coordinated financial criminal activity participated in or tolerated by even top members of the federal judiciary; prove their unfitness to hold office for lack of "good Behaviour" (Const. Art. III, Sec. 1)<sup>11</sup>; and show the failure of judicial self-discipline under the Judicial Conduct and Disability Act<sup>12</sup>.
12. The fact is that life-tenured federal judges have abused their judicial power to self-grant immunity from prosecution so that only seven of them have been removed from the bench in the 218 years since the adoption of the Constitution in 1789!<sup>13</sup>The resulting sense of impunity has worked both as reassurance and inducement for them to show bias and disregard for the rule of law whenever needed to turn a federal judgeship into a safe haven for wrongdoing.<sup>14</sup>
13. This fact provides the investigation a solid foundation together with another fact based the psychology of human behavior: Nobody intentionally breaks the law in coordination with others, particularly if the breach is severely punished by law, just for the sake of it. Rather, people do it because they see some benefit in it for them worth taking the risk; and they will be all the more tempted to do wrong the surer they are that they can get away with it and the less they have of the moral imperative to abstain from doing it. Most benefits end up being turned by the beneficiaries into tangible assets registered somewhere by them or by others on their behalf. That is why the investigation will search for concealed assets as evidence of coordinated judicial wrongdoing.
14. The *Follow the money!* investigation will be conducted by FFA professionals forming a multidisciplinary **judicial wrongdoing investigative team**. Contacting potential team members is considerably facilitated by the lists of the developers of the above-mentioned FFA model curriculum and of attendees to FFA conferences,<sup>15</sup> such as the one just held under the auspices of West Virginia University and Georgia Southern University<sup>16</sup>, the one soon to be held in Florida, and similar ones advertised on the Internet. [ip:205-207]
15. The investigative team will first deal with the *DeLano* case, searching for at least \$673,657 known assets of the DeLanos whose whereabouts are still unaccounted for due to the refusal of the bankruptcy, district, and circuit judges to order them to produce documents as obviously needed to establish the good faith of any bankruptcy petition as the bankrupts' bank account statements.<sup>17</sup> The evidence of concealed assets that the team finds will be posted on its website.
16. Such exposure of the judges' support for a bankruptcy fraud scheme will induce **bloggers and journalists join the investigation** and apply the same outside-court approach<sup>18</sup> and similar fraud investigative techniques to probe for coordinated judicial wrongdoing in other courts. It can be reasonably assumed that they will find evidence thereof and that it will form patterns of wrongful activity engaged in by judges whom a history of self-immunization from prosecution and deferential treatment by the other two branches of government has emboldened to break the law

without inhibition. Hence, they will expose other federal judges as well as state ones in probate, divorce, real estate, and landlord-tenant courts complained-about in particular or whose integrity they will try to ascertain in general. [ip:27§D] The exposure of judges' involvement in concealment of assets, money laundering, and tax evasion or their toleration by those who were entrusted with the administration of justice can so outrage the public as to induce more bloggers and journalists to join the investigation, thus engendering a self-reinforcing process that can generate enough public pressure to force official investigations of the judiciary.

17. One of the business venture's profit centers will be the annual posting on its website of the **Report on Judicial Wrongdoing in America**. The site will sell advertisement intended for visitors attracted by evidentiary documents, commentaries, statistics, charts, and the text of authorities posted by the team. There is already an audience for this information since it does not take long for one to Google dozens of websites and find Yahoo groups where people complain about federal and state judges' bias, disregard for the law, and corruption and express their desire for judicial reform.
18. The site's attractiveness will be enhanced by bloggers too, who may be willing not only to post their findings on their blogs, but also contribute them to the team's website in order to have access to leads, tips, and recognition reserved for contributors. This creates another profit center, i.e., people willing to pay the team to have the documents of their cases summarized in a synoptic paragraph and included in the constantly updated **Table of Judicial Wrongdoing Across the Nation** describing a pattern of wrongful conduct in the judiciary.<sup>19</sup>
19. The judicial wrongdoing investigating team will gain invaluable experience during its *Follow the money!* investigation. Its successful investigative experience and search results will be presented at a **profit-generating conference**. This will be the occasion for presenting the team to the public, the press, and its intended clients. To the latter, products will be presented that the team's success will validate and afford a competitive advantage.
20. Naturally given the business venture with a multi-list publisher like Macmillan, included among these products will be **educational FFA text, video, and audio materials**. For academic institutions there will be FFA courses geared toward the students acquiring empirical knowledge gained through the team's investigation and in turn applying it in their own investigations of judges, trustees, and other parties related to their local federal or state courts. Likewise, to attendees representing the corporate world and practitioners FFA materials will be presented aimed at in-house training of personnel and continuing professional education. Consequently, the conference will be the springboard for launching a marketing campaign based on the slogan 'with these educational and training materials you can be as successful as our team was'.
21. The conference will also be an appropriate venue to demonstrate **FFA seminars** to be conducted by team members or team-certified instructors. One kind will be aimed at accounting, law, journalism, and IT schools and other academic institutions wanting to develop FFA pro-grams or add to their existing ones case studies and problem-solving or investigative courses on coordinated judicial wrongdoing. The other kind will be seminars adapted to the corporate world, such as banking, insurance, real estate, and IT companies, as well as law and accounting firms in order to enable their officers and employees to avoid, detect, and remediate judicial fraud.
22. This leads into the product that may have the highest return in terms of money and publicity, namely, **FFA consulting and litigation services** to companies, law firms, and individuals that were injured in past suits by judicial wrongdoing and want to obtain the reversal of adverse deci-

sions and quantify their and their clients' losses due to it with a view to suing for compensation.

23. This line of business holds out the prospect servicing members of, or their representatives, or assuming the role of lead counsel in, **class actions in multidistrict litigation** based on the Racketeer Influenced and Corrupt Organizations Act.<sup>20</sup> **RICO** allows holding liable for the reimbursement of reasonable attorneys' fees and treble damages a losing defendant, which here would be one with the deepest of pockets: the federal government, of which the Judiciary is part. Its coordinated wrongdoing judges have run a corrupt enterprise so that they are not immune from prosecution under any theory of judicial immunity: They are joint participants in activity intended to attain an unlawful objective prohibited by criminal law and entailing the denial to parties before them of their constitutional right to due process of law.<sup>21</sup>
24. The experience gained during the *Follow the money!* investigation, the conference, the authoring and marketing of materials and their use in the field, and offering of services can make it advisable for the judicial wrongdoing investigative **team to become a partnership or company** or to be 'acquired' as the subsidiary of Macmillan's FFA business line or form its advisory board.
25. While the profit aspect must be considered in order to put forth an attractive and realistic proposal, this one contains a more altruistic, appealing, and far-reaching aspect: The *Follow the money!* investigation can expose judicial wrongdoing so outrageous to the public as to force U.S. attorneys, the FBI, and the Congressional Judiciary Committees as well as their state counterparts to conduct their own investigations. The latter can pave the way for the impeachment and removal of wrongdoing judges and judicial discipline reform legislation [ip:23¶¶5-9] ...the result of a team of FFA professionals breaking open a *Watergate* of amateur and official investigators that caused a flood of incriminating evidence, trust-crushing suspicion, and devastating public indignation to rush toward and topple a marble lady with a see-through blindfold and a scale in her hand to weigh where her interests lay.
26. This outcome can earn the public gratitude together with Pulitzer Prizes to those who embarked on an arduous undertaking, despite the risk of retaliation from those wielding 'absolutely corruptive' self-immunizing power, but succeeded in rendering a service of superior moral and practical value for the common good, to wit, the promotion of integrity, transparency, and accountability among judges, the arbiters of rights and duties in a nation built on the rule of law and the ones charged with the duty to attain the national lofty goal of delivering to all people "Equal Justice Under Law".

I respectfully suggest that you examine this proposal with its supporting documents, and arrange a meeting for of us to discuss it.

Sincerely,

## **A Case That Reveals a Bankruptcy Fraud Scheme and the Extent of its Enabling Coordinated Judicial Wrongdoing**

27. The extent of coordinated judicial wrongdoing in support of a bankruptcy fraud scheme is illustrated by a case so egregious as to reveal overconfidence born of a long standing practice. Indeed, *In re DeLano*, 04-20280, WBNY, is a case commenced by a bankruptcy petition filed on January 27, 2004, by the DeLano couple.<sup>22</sup> Mr. DeLano, however, is quite an unlikely candidate for bankruptcy, for he is a 39-year veteran of the banking and financing industry who at the time of filing was employed by M&T Bank precisely as a bankruptcy officer. He and Mrs. DeLano, a Xerox technician, declared in the A-J Schedules and Statement accompanying their petition:
- a) that they had in cash and on account only \$535 [23, ip:41/Sch.B], although they had declared in the Statement of Financial Affairs [ip:57] and their 1040 IRS forms<sup>24</sup> to have earned \$291,470 in the 2001-03 fiscal years preceding their bankruptcy filing;
  - b) that their only real property is their home, valued on November 23, 2003, at \$98,500, as to which their mortgage is still \$77,084 and their equity only \$21,416 [25, ip:40/Sch.A]... after making mortgage payments for 30 years! and having received during that period at least \$382,187 through the known elements of a string of mortgages!<sup>26</sup> *Mind-boggling!*
  - c) that their credit card debt on 18 cards totals \$98,092 [27, ip:48/Sch.F], while they set the value of their household goods at only \$2,810! [ip:41/Sch.B] *Implausible!* Couples in the Third World end up with household possessions of greater value after having accumulated them in their homes over their worklives of more than 30 years.
28. This 39-year veteran banker was assisted in his filing by a lawyer that had appeared in 525 cases before the judge assigned to the case,<sup>28</sup> one of 3,907 *open* cases that the bankruptcy trustee had likewise brought before the same judge.<sup>29</sup> Thus, this was a scheme-insider offload-ing 78% of his and his wife's debts [ip:68] in preparation for traveling light into a golden retirement. They felt confident that they could make such incongruous, implausible, and suspicious declarations in the schedules and that neither the schemers would discharge their duty nor the creditors exercise their right to require that bankrupts prove their petition's good faith by providing supporting documents. Moreover, they had spread their debts thin enough among their 20 institutional creditors to ensure that they would find a write-off more cost-effective than to challenge their petition in litigation. So they assumed that the sole individual creditor, who in addition lives hundreds of miles from the court, would not be able to afford to challenge their good faith either. [30, ip:182§1] But he did! The Creditor analyzed their petition and documents and estimated that the DeLano Debtors had concealed assets worth at least \$673,657! <sup>31</sup>
29. The Creditor requested that the Debtors produce financial documents as obviously pertinent to prove the good faith of any bankruptcy petition as their bank account statements. <sup>32</sup>Yet the trustee, who is supposed to represent the creditors' interests, tried to prevent the Creditor from even meeting with the Debtors. After the Debtors denied *every single document* requested by the Creditor [33 ip:146], the latter moved for orders of production [ip:149]. Contrary to their duty to determine whether the Debtors had engaged in bankruptcy fraud by concealing assets, the bankruptcy judge [ip:159], the district judge [ip:162], and the Court of Appeals [ip:165, 166] denied *every single document* requested. Then they eliminated the Creditor from the case in a sham evidentiary hearing.[34 ip:184§2] Revealing how incriminating these documents are, to oppose their production the Debtors, with the trustee's recommendation and the bankruptcy judge's approval, have been allowed to pay their lawyers legal fees in the amount of \$27,953<sup>35</sup>...although they had declared only \$535 in cash and on account [ip:41].
30. To date \$673,657 is still unaccounted for. Where did it go and for whose benefit? [ip:186§B].