No. 14-55784

IN THE UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

STEVEN (LASER) HAAS

Plaintiff-Appellant Pro Se

v.

WILLARD MITT ROMNEY
AND
MORRIS NICHOLS ARSHT & TUNNEL, et., al.

Defendants-Appellees

ON APPEAL FROM THE UNITED STATES DISTRICT COURT
FROM THE EASTERN DISTRICT OF CALIFORNIA
District Court Case No. 2:13-cv-7738

PLAINTIFF-APPELLANT RESPONSE TO COURT ORDER AUGUST 21, 2014 FOR APPELLANT TO SHOW CAUSE WHY APPEAL IS NOT FRIVOLOUS

PLAINTIFF/APPELLANT RESPONSE

WITH PROOF OF FILING FEE PAID 9/11/2014

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I **PRELIMINARY STATEMENT**

As repeated by His Honor Circuit Judge Michael Daly Hawkins;

"*Truth needs no disguise*"

In this Circuit's case of *Dixon v Commissioner of Internal Revenue,* No. 00-70858, His Honor Michael Daly Hawkins discussed governing issues of fraud on the court, by officers of the court citing the U.S. Supreme Court case of *In re Hazel-Atlas Glass v Hartford-Empire Co*., 322 U.S. 238, 247 (1944).

Docketed confessions of *fraud on the court* are core to plaintiff's case; but no proper adjudication upon the merits of the condemnatory has transpired.

It should be axiomatic that *integrity of the judicial process* and a counsel's loyalty to a client are sacrosanct. Yet, the gravity of artful premeditated collusion to gain *unjust enrichment* via *frauds on the court* and betrayal of a client's trust/ breach of court ordered fiduciary duty; has been inexplicably/intolerably ignored.

Emboldened by federal agents/agencies willful blindness and/or staunch refusals to prosecute wealthy parties; Defendants now seek to utilize visible frauds on court to stymie justice here. Culprits brought to (some) justice by whistleblower are being permitted to cry vexatious. Surely a victim of organized crimes unseemly benefiting from venal feds permitting attorneys to betray their court approved clients; most certainly grants any quarry the right to vex the malfeasants!

II AVERMENT

Plaintiff/Appellant, Steven Haas (more commonly known as "Laser") does hereby aver (and will supply separate Declaration hereto) that the statements made herein, are true and correct, in this response to this Circuit's August 21, 2014 Order to [just] Show Cause as to why this instant case is not frivolous.

III PARTIES TO CASE

Defendants are Willard Mitt Romney (*arguably*) was Chief Executive Officer ("CEO") of Bain Capital until (at least) August 2001; who also bragged much about making millions of dollars each year from Bain Capital.

Romney was also owner of Sankaty and Stage Stores in 2000/2001 and owner of The Learning Company (TLCo) in 1999.

Goldman Sachs took eToys public in 1999 where eToys.com stock soared above $80; but eToys.com received less than $20 per share and was also involved with Bain Capital and Paul Traub in Petters Ponzi/ Fingerhut issues,.

Morris Nichols Arsht & Tunnel ("MNAT") is ***now*** known (by public docket records) to be counsel for Goldman Sachs and Bain Capital, in Delaware; and Greg Werkheiser is a partner of MNAT.

Colm Connolly was a Delaware Assistant U.S. Attorney until 1999, who (apparently in 1999) became a MNAT partner until August 2001; where Connolly then became the full U.S. Attorney and head federal prosecutor in Delaware.

Michael Glazer was CEO of Kay Bee Toys, until 2005 and director of Stage Stores in 2001 (who is now the current CEO of Stage Stores in 2013/2014).

Barry Gold became CEO at eToys when he was director's assistant at Stage Stores; and he hired Paul Traub's firm of Traub Bonacquist & Fox ("TBF").

Plaintiff owns a California Corp. titled Collateral Logistics., Inc. ("CLI").

Romney's Bain Capital 2000 acquisition of Kay Bee was followed up with Kay Bee trying to buy eToys entire bankruptcy estate for only $5.4 million in 2001.

Defendants MNAT, Werkheiser, Traub and Barry Gold worked the eToys case (purportedly as opponents of each other), insisting plaintiff utilize his CLI entity to become the Delaware Bankruptcy Court approved liquidation consultant.

MNAT submitted plaintiff's paperwork to eToys bankruptcy court and was CLI's court approved counsel to supply CLI's paperwork for compensation.

Barry Gold and Paul Traub formed what could be perceived as a competitive entity to CLI, of Asset Disposition Advisors ("ADA") - in April 2001; and then MNAT, Traub/TBF clandestinely put Barry Gold in as eToys CEO in May 2001.

Liquidity Solutions is listed as Co-Debtor to Stage Stores bankruptcy; and became a claims buyer of the eToys bankruptcy estate after Gold was made CEO.

Roberta DeAngelis was the acting Region 3 U.S. Trustee that was replaced over eToys on December 22, 2004; who then became (secretly) the Acting General Counsel of the Executive Office of United States Trustees ("EOUST").

Lawrence Friedman was the Deputy Director of the Department of Justice's EOUST; who replaced Roberta DeAngelis on December 22, 2004.

IV FACTS

By way of background, after some Defendant(s) admitted lies under oath in the eToys bankruptcy, they were (*illicitly*) permitted to keep the keys to the vault they were fleecing; and were also allowed to permanently block this plaintiff's pursuits for Justice in the Delaware Bankruptcy realm (as of October 24, 2012).

On October 18th, 2013, plaintiff sued Mitt Romney ("Romney") and the associated parties for violations of the RICO Act of 1970 alleging *culpable* person's enterprised *patterns* of *racketeering*; harming this plaintiff's business.

After complaints by plaintiff and countering Defendants motions to dismiss by FRCP 12(b)(6) of various Defendants; the courts ruled this litigant's case is frivolous (has no merits) and the District Court dismissed plaintiff's First Amended Complaint ("FAC") with prejudice stipulating amendments would be futile.

Plaintiff (a pro se party who didn't graduate from high school), provides as an "Attachment A", his 3rd Amended Complaint ("3AC"); documenting good faith efforts, concerning issues substantial, with plausible RICO perceivable.

Defendants seek to dismiss plaintiff's RICO case under various theories of preclusion; arguing plaintiff was permanently barred from Delaware and that they thereof, entitled to enjoy sustained success of immunity for the same reasons here.

Romney owned Stage Stores, with Michael Glazer, Barry Gold and TBF as his agents. Due to conflicts of Barry Gold, TBF file a Supplemental Stage Stores Bankruptcy Rule 2014/2016 Affidavit - obfuscative. (Plaintiff's "Attachment B").

Subsequently, due to conflicts in eToys bankruptcy too, a Motion to Disgorge TBF (for $1.6 million) was docketed by the Delaware United States Trustee's office on February 15, 2005 (that is eToys docket item {"D.I."} 2195).

Plaintiff proffers eToys "*Disgorge Motion*" as his "Attachment C" and its testimony by the U.S. Trustee, in parts 19 & 35 – that there was a ***forewarn*** to Defendants - to NOT replace any key personnel in eToys with anyone conflicted.

Part 18 of the Disgorge Motion details the fact that Defendant Traub's TBF (eToys court approved Creditors counsel) has confessed Traub and TBF's partner Fox, knew they had eToys exposure by *Bonus Stores* (Sales) (DE Bankr 03-12284) affidavit; but consciously decided to leave the falsity to stand before the Delaware Bankruptcy Court – because the eToys Confirmed PLAN was already in place.

In part 35 of the Disgorge Motion, it concludes *fraud on the court* occurred!

Similarly a typo in the Public Access Court Electronic Records ("PACER") of eToys case number 01-706 to that of Finova case 01-705, led to the discovery that eToys court approved Debtor's counsel (MNAT) had failed to disclose the fact of MNAT representing Goldman Sachs in Delaware (whereas eToys has many causes of actions against MNAT's secret clients of Bain Cap & Goldman Sachs).

Litigant's CLI team halted an auction to sell eToys to Romney's Bain Capital's Kay Bee (run by CEO Michael Glazer) for $5.4 million; and compelled Bain's Kay Bee to bid tens of millions of dollars for eToys bankruptcy assets.

At that time, plaintiff alleges that he was offered a bribe, turned it down, and reported it to the Department of Justice and (reportedly) Romney resigned as CEO of Bain Capital in August 2001. Simultaneously MNAT's partner Colm Connolly became the Delaware United States Attorney over the eToys, TLCo & KB cases.

It is well docketed that Traub's TBF (eToys Creditors' counsel) and MNAT, (eToys Debtor's counsel), conspired to plant Barry Gold inside eToys as "*wind-down coordinator*" and kicked out plaintiff/CLI as "*Liquidation Consultant*".

Additionally, (*TBF and Barry Gold failing to object properly)* MNAT did ask for and receive the Delaware Bankruptcy Court's permission to destroy eToys Books & Records [***evidence***] (eToys D.I. 300 is plaintiff's "Attachment D").

MNAT then handpicks TBF to be the prosecutor of MNAT's other secret client Goldman Sachs, in a New York Supreme Ct case of eToys (renamed ebc1) v Goldman Sachs (case no. 601805/2002), for the missing hundreds of millions from the public offering. (See New York Times March 2013 "Rigging the I.P.O. Game").

While the prosecution [sic] of Goldman Sachs by (*in essence*) Goldman Sachs, is transpiring; Michael Glazer pays himself $18 million and Bain Capital $83 million – prior to filing bankruptcy of Kay Bee (DE Bankr. 04-10120).

MNAT is (openly) representing Bain Capital of the $83 million preference treatment (probable fraudulent conveyance); and Traub's TBF firm asked to be the one to prosecute Michael Glazer and Bain Capital (without informing THAT court that Paul Traub was working under Mr. Romney & Glazer at Stage Stores).

Plaintiff, discovering that fraud, reported it to EOUST Director Lawrence Friedman, who gave direct promise of remedy; but chose to resign instead.

Paul Traub and Barry Gold's ADA entity worked the Kay Bee Toys case too as the Delaware Department of Justice actually had plaintiff's evidences stricken & expunged from Kay Bee's docket record (Kay Bee D.I. 2228) (*which contained an affidavit of the former Chairman of the eToys Creditor's Committee testifying he was duped by Creditor's counsel TBF* {Chairman's affidavit as "Attachment E"}).

It wasn't until 2007 that this pursuer of justice learned the Delaware U.S. Attorney (Colm Connolly) was a partner of the MNAT firm plaintiff sought to prosecute; and that the removed Region 3 Trustee Roberta DeAngelis had been (secretly also) promoted to the post of Acting General Counsel of the EOUST.

At that time, receiving instruction from a California federal justice's clerk on reporting the shenanigan's under 18 U.S.C. $ 3057(a); this plaintiff filed a time stamped/ clocked copy complaint ("Attachment F") with the Los Angeles U.S. Attorney's office. Subsequently, in March 2008, the DOJ threatened agents/ shut-down the Public Corruption Task Force (See "*Shake-up roils federal prosecutors*").

Though the District Court claims to have read all of this plaintiff's various filings; it is bending over backwards to assist with Defendants preclusion and concluded this plaintiff's case is frivolous (dismissing the FAC with prejudice).

This Circuit Court concurs with the Central Division District Court in Los Angeles frivolity ruling and ordered this homeless man to pay $505 and also file a proof & "Show Cause" response to the Circuit's court order of August 21, 2014.

In compliance with the Show Cause Order and mandates thereof, this plaintiff has begged and found the $505; and submits this responsive item.

V ARGUMENTS

Properly, the *Hazel-Atlas* case was reopened after several years, due to the *fraud on the court*. In this instant case, fraud on the court, Obstruction of Justice and Retaliation, continues to assault the *integrity of the judicial process* and the United States Constitution; doing so with reckless disregard of facts and truth!

This court has an interest in *fraud on court* crimes transpiring in this Circuit!

Conflict of Interest Crimes Continuous & A Comfort Order to Prosecute Such

The Delaware Bankruptcy Court had remarked in its published (open online) Opinion of October 4, 2005 – the principal of NOT rewarding conflicted attorneys and punishing "[plaintiff]".

http://www.deb.uscourts.gov/sites/default/files/opinions/judge-mary-f.walrath/etoysmnatfees.pdf

No Bankruptcy Court (or any other court) is allowed to ignore the fact that MNAT, TBF and Barry Gold confessed lying under oath and doing conflict of interest crimes – **AFTER – they were forewarned** by the U.S. Trustee (Disgorge Motion parts 18 & 19)- NOT to do the very crime the did clandestinely anyway!

Abusing its discretion, the eToys Opinion pages 25 thru 29 concludes that – MNAT's "***actual***" conflict of interest that "**did**" harm the eToys Debtor's estate; is not consequential; "*Because the case is now over, disqualification of MNAT as counsel to the [eToys] Debtors is not practical".* As the original eToys bankruptcy is still open this year; obviously the "is now over" was also an errant finding.

This Circuit's recent case of *Anwar v Johnson* of July 2013 (Circuit Case 11-16612 of Dist. Ct. case 2{10-cv-02036 SRB}) favors this plaintiff's position; which stipulated to the ubiquitously adopted standard of *In re Middleton Arms* 934 F.2d 723, 725 (6th Cir. 1991) and it is well established ruling "*bankruptcy courts cannot use equitable principles to disregard unambiguous statutory language*").

Barry Gold and Paul Traub were questioned, on the stand (in October/ November 2002) by eToys shareholder, Robert Alber; and both parties perpetrated perjury at that time – lying about the fact they were actually partners.

Fatefully, the Delaware Bankruptcy Court stipulate relief (in a transcribed record {Plaintiff's "Attachment G"} that Defendants claim it wasn't really an order - concerning the testimony of hidden conflicts of Barry Gold and Traub/TBF).

EToys shareholder Robert Alber stated he believed discovery would proof of conflicts evidence and didn't want them (Traub/TBf and Gold) to be given a "*get out of jail free card*". To which the Delaware Bankruptcy Court did reply that

> "*Actions - - that the third parties have direct actions against any other party, other than E-toys, can proceed*".

It is plausible Defendants argument of such not being a comfort "ORDER"; is chiefly due to Defendants (who are guilty and would be burdened by such an ORDER); conveniently neglected to pen the ruling into ORDER format.

Can this Circuit ever allow counsels to openly betray court approved clients and scheming conflicted attorneys to retaliate against this whistleblower?

Protecting Conflicted Attorneys Fostered Material Adversity & Mayhem

There's additional crimes, all over the country and here too. As the issue of the John Gellene type crime of Foothill Capital, a division of Wells Fargo, loaning eToys $40 million and transacting $100 million prior to eToys bankruptcy; but TBF, Barry Gold and their court approved party Xroads LLC – failing to disclose working with Wells Fargo while conveniently neglecting to review the eToys loan.

Kay Bee and eToys have been in bankruptcy multiple times and still wound back up at Bain Capital (under the Toys R Us umbrella). Many times TBF feigns to be a Bain Capital opposing Creditors counsel. These issues of stolen property, of many federal estates, are patterns of racketeering conspiracies continuous.

Defendants are so audacious that Barry Gold's eToys Confirmed PLAN Declaration of November 2002, actually stipulated that the eToys PLAN was negotiated in "*extensive*" arm's length/ good faith negotiations between Barry as eToys Debtor and eToys Creditors (represented by Gold's partner Paul Traub).

Then PLAN (apropos naming) stipulates that the Administrator may settle the claims (some acquired by Stage Stores co-Debtor Liquidity Solutions) for less than $1 million; by the Administrator not needing to seek the permission of the Delaware Bankruptcy Court; as long as he gets Creditors (Traub's/TBF) okay.

It is a valid argument, worthy of trial that Defendants got back monies this plaintiff made Bain/Kay Bee bid higher of; via Liquidity Solutions claim buying.

When MNAT (Goldman Sachs Delaware counsel) nominated MNAT's cohort (TBF) to sue Goldman Sachs; a huge fraud was perpetrated on the courts (both the Delaware Bankruptcy Court and New York Supreme Court). This also transpired in the Bain Capital/Kay Bee crime acquiring eToys (and reducing the prices collusively of eToys.com IP from $10 million to $3 million); and Glazer paying himself a bribe of $18 million – when he gifted Bain Capital $83 million.

These bankruptcy frauds are issues for trial, under RICO as "***Bankruptcy Ring***" association in fact crimes (See case of *In re Arkansas* 3rd Cir. Case 85-5841). And such crimes are also listed as Racketeering Influences & Corrupt Organization ("RICO") "*predicate act*" crimes under **18 USC $ 1961**.

As noted by the Third Circuit in Arkansas, Congress changed the bankruptcy Code & Rules for this explicit reason of conflicts nefariousness. As verbatim;

> "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. Sec. 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 "[i]n 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 5787, 5963, 6053"

Plaintiff is pointing out that there's a new issue of a "*Bankruptcy Ring*" not (*originally*) considered an issue when the 1970 RICO Act was put in place.

Shutting down the Goldman Sachs litigation without addressing the ongoing crime of MNAT destroying eToys Books & Records (benefiting from Perjury); is a recent event of huge material adversity (rectifiable "*Bankruptcy Ring*" fraud).

Paul Traub was also partners fraudsters Larry Reynolds (who sat less than 25 feet away from this plaintiff – during eToys – as [Reservitz] Reynolds laundered a confcssed $12 Billion in California/Vegas while in Witness Protection program).

Also, Paul Traub (those associated with him) were partners with attorney Marc Dreier stealing escrow accounts of clients. Traub is also part of the mayhem of Tom Petters Ponzi involving Marty Lackner who was borther of Minnesota Assistant U.S. Attorney J. Lackner (former head of Criminal Division).

Paul Traub, MNAT, Barry Gold and Goldman Sachs, with Bain Capital are involved in another crime of Fingerhut. In 2001/2002, there was an eToys cause of action against Fingerhut; which was then settled by MNAT, Barry Gold & TBF. Then Tom Petters/Paul Traub Ponzi bought Fingerhut. Just prior to the FBI raiding Tom Petters Ponzi schemes, Traub arranged Goldman Sachs and Bain Capital loaning $50 million to Fingerhut (which was never seized by the feds).

Polaroid was seized by the feds, but sold in a sham to the 2nd highest bidder of Hilco/Gordon Brothers (both of whom are Paul Traub clients). Polaroid sale price of $83 million is also a crime; as Gordon Brothers announces $2 billion in license deals when Paul Traub becomes co-principal at Gordon Brothers.

Federal election harm occurred too, as Defendant Mitt Romney admitted in his own film that "we kind of hand to steal the [GOP] nomination".

Mitt Romney reportedly claims to be "*retroactively*" retired from August 2001; back to February 11, 1999. And this issues is no small coincidence as Mitt's co-Defendant Colm Connolly was a partner of Romney's Bain law firm of MNAT from 1999 to August 2001. At that time, after the parties offered this plaintiff a bribe (*which was turned down and reported*); then Colm Connolly was quickly arranged to become THE U.S. Attorney in Delaware (*corrupting many of the instant cases in question*). See Connolly's Federal Archived resume http://www.justice.gov/archive/olp/colmconnollyresume.htm

Could Al Capone, arrange for Nitti to become the fed prosecutor over his cases; and then claim "*retroactive*" retirement from his organized crimes?

Beyond that, Marty Lackner was never indicted as a partner in the Lancelot feeder fund of Petters Ponzi; and this isn't solely because Marty is dead.

In June 2012, Traub was named "*controller*" of Petters by the Receiver.

Arguments of Marty Lackner's purported suicide shouldn't be permitted by an obvious conflicted Minn. Department of Justice visibly exposed and plausibly trying to cover its own derriere (*while failing to address many begging questions*)!

John ("Jack") Wheeler, a West Point man, key to the Vietnam Memorial, key to MADD (Mothers Against Drunk Driving), walks into the Nemours Building on New Year's Eve, 2010; and winds up dead in a dump. Defendant Connolly office is at Nemours. Shortly after this plaintiff post stories in blogs, seeking information; Colm Connolly touts a $25,000.00 reward for info to go directly to Connolly!

Robert Alber, an eToys shareholder who joined this pursuer of justice efforts, was also offered a bribe and turned it down. After he received a threat against his life for so doing, in 2010, Alber shot/killed career criminal Michael Sesseyoff in Kingman, AZ (after Alber's own lifetime friend/co-owner of house – Vanished)!

Though the Petters Ponzi, Stanford, Frank Vennes, Palm Beach Links Capital, Tom Petters and Marc Dreier were all imprisoned; there's still no addressing the issues of correlated mayhem, homicides and interstate commerce

crimes of Fingerhut, eToys, Kay Bee, FAO Schwartz, The Learning Company, Stage Stores and frauds on the court in the Third Circuit, Delaware District & Bankruptcy, New York Supreme Court and the Los Angeles District Court too.

Are such serious troubling matters - directly correlated – insubstantial/ frivolous?

Issues of Retaliation

As There's no question about the fact of – *whether or not* – plaintiff's turning down the (plausible) bribery that Barry Gold and Michael Glazer accepted; caused distressed to the Defendants. It is then plausible and a proper argument that the Defendants efforts against this plaintiff – are acts of vindictiveness and retaliation. As it is also likely that those forced to pay sanctions (as the DE Bankr. Ct Opinion of October 4, 2005 ordered) "may" have a desire to retaliate.

MNAT was plaintiff's CLI company court approved counsel to submit CLI's paperwork, for compensation, to the Delaware Bankruptcy Court. Beyond the arguments of the fact of – *whether or not* – MNAT should even be allowed to testify against this plaintiff (*violation of Professional Codes of Conduct*); there's the fact that MNAT and co-Defendants supplicated a forgery to the Bankruptcy Court (Plaintiff's "Attachment H") of a Haas Affidavit – that the Defendants argued was a "waiver" by Haas of CLI's to be paid (an estimated $3.7 million).

All those who believe this whistleblower "waived" his right to an estimated $3.7 million; please raise your hands? Defendants utilized that fraud on the eToys courts and seek to continue to benefit from the same as continuous fraud here also.

Even if a reviewer were to give the inane posturing a chance to be evidence; the fact is Haas Affidavit item 10 and 11 states Plaintiff's CLI has the right to be compensated for successful efforts. How can a right given be called a waiver? At the barest of minimums, shouldn't the forgers be punished for maladroit forging!

Plaintiff's court approved CLI contracts also contain Indemnification clauses (this is Appellant's "Attachment I"); which clearly protect CLI and/or its agents, assigns, officers etc., from the willful misconduct and negligence of eToys parties.

Issues of Law Favoring Plaintiff's Right to Try Defendants

Not only has the District Court never given this pro se plaintiff any apparent "pro se" consideration and/or any right to amend. It is also a fact that there wasn't any District Court instruction/warning to correct given prior to the dismissal.

Defendants gained approval by the District Court about the First Amended Complaint ("FAC") that is moot, once they Motioned under FRCP 12(b)(6). Thios granted an automatic right to file an amended complaint as does dismissal (Where a motion to dismiss is granted, generally, the Ninth Circuit has a liberal policy favoring amendments and, thus, leave to amend should be freely granted. See, e.g., DeSoto v. Yellow Freight System, Inc., 957 F.2d 655, 658 (9th Cir. 1992)).

To the contrary of the rulings on ability and frivolity (being defined as "*totally lacking in any legal merit*"), plaintiff argues items above, already within all the complaints, details (at barest of minimums, questions) that there are plenty of issues that are not insubstantial. Including the obvious issue of first impression that

> "Would Congress create the 1970 extraordinary remedy of Civil RICO, to fill in 'Prosecutorial Gaps', by creating 'Private Attorney General' positions to address 'predicate acts' of Bankruptcy [Ring] crimes; only to have such made moot by an 1881 bankruptcy case *Barton doctrine"*?

Furthermore, as several Defendants have already been found guilty of "***actual***" conflict of interest violations, lying under oath after being forewarned and admitted to intentional frauds on the court; then the case of *Brady materials* is germane. As noted by this Circuit's recent case of *United States v Milke*, 2013 WL979127, *24 (9 th Cir. March 2013) "*We all have a stake--*". Though the cases of *Milke*, *Brady v Maryland*, 373 U.S. 87 (1963) and *Giglio v. United States*, 405 U.S. 150 (1972) - liars not being worth a grain of salt – is certainly on point!

There's no doubt about MNAT, Paul Traub and Barry Gold lying under oath to conceal their links to secret clients is a continuous crime; because none of them have ever addressed the issues of their direct links to Bain Cap/Kay Bee in eToys.

Romney claiming to be "*retroactively*" retired at the very same time the crimes transpired is just as specious as Colm Connolly as partner of MNAT who then was arranged to be a federal prosecutor. Aren't these issues – triable?

Furthermore, after the Opinion of October 4, 2005, MNAT was forbidden to have dealings with Goldman Sachs and Barry Gold (eToys Plan Administrator, was forbidden to have dealings with Paul Traub). The settling of eToys v Goldman Sachs in New York Supreme Court, after plaintiff's RICO case was filed by those same conflicted parties; are additional issues for trial - EVERYWHERE!.

Obviously, the heretofore realms refusals to prosecute the quantum acts of bad faith and visible questions of venal prosecutors willful blindness, established Prosecutorial Gaps.

Plaintiff also noted Defendants deliberately destroyed his business to make sure plaintiff and CLI would never stymie the *Bankruptcy Ring* forevermore.

These wanton acts of bad faith, readily apparent, provide for the premise by Congress and affirmed by U.S. Supreme Court in *Sedima v Imrex* 473 U.S. 479 105 S. Ct. 3275 87 L.Ed.2d 346 (1985), granting this plaintiff a civil right, under the RICO Act, to seek to fill in *Prosecutorial Gaps* (in this case visible) under 18 U.S.C. $ 1964(c), by becoming a "*Private Attorney General*".

VI CONCLUDING THE ARGUMENTS

Defendants desire preclusion from prosecution; but shouldn't be allowed to do so any more than Capone should be granted a pardon; because he was nailed for his rackets (instead for tax evasion). Defendants unremorseful frauds on this Circuit is because they sold out approved clients, for Romney's Bain Capital sake!

This Ninth Circuit's case of *In re Crown Vantage, Inc*., 421 F.3d 963, 970 (9th Cir. 2005), was cited by the District Court as being dispositive. That court stated, on the record, willful misconduct and issues of alleged federal venality, aren't known exceptions to Barton. This is also clear error, as even the American Bankruptcy Institute (*and advocacy group for bankruptcy professionals*) mentions in its Bankruptcy Litigation Committee News of November 2005, Vol 2, No 2., as it cites *Crown Vantage*; that Barton doesn't shield [willful] misconduct.

Being that the evidence against Defendants is preponderantly federal docket records/ archives; arguably they are extremely hard pressed to defeat such.

Allowing perpetrators of admitted from on the court continuous failures is what emboldened them to do Larry Reynolds, Tom Petters, Stanford and Marc Dreier crimes; and the more recent New York Supreme Ct. Goldman Sachs frauds.

The District Court below has never taken plaintiff's "pro se" status into proper consideration, in the same manner the District Court has never taken the extensive, heinous and egregious bad faith acts of the Defendants into account. Nor has the lower court ever given instruction to this plaintiff to amend.

Plaintiff's case should be allowed to proceed and his documented ability to make good faith efforts to address court orders and improve his complaints (as this response and the 3AC clearly demonstrates), should be permitted to proceed.

It is manifest injustice readily apparent that's the obvious culprit here!

Appellant respectfully requests that this court find the case is not frivolous; and that plaintiff be granted amend (by a RICO Case Statement styled Complaint).

Does the country deserve a flip flopping party to be granted chances to lie on federal election campaign finance forms; simply because he is so strong he can brag about his getting millions each year (directly) from Bain Capital [RICO] profits of that such enables him to steal the GOP nod to run for President?

Does anyone care that the Los Angeles Public Corruption Task Force was shut down and career federal prosecutors threatened shortly after proof submission thereto about the Colm Connolly, Roberta DeAngelis & Mark Kenney corruption?

Isn't the continuous crime of rigging the eToys, Kay Bee bankruptcies, along with the New York Supreme Court, frauds on the court issues – substantial?

Plaintiff has testified, many times under oath of the fact that – not only has the Defendants deliberately destroyed his business; but that his own CLI counsel (Henry Heiman) actually, blatantly and flagrantly emailed Paul Traub's threat.

Plaintiff prays he may be permitted to bring Defendants deeds to trial to prevent the continuation of manifest injustice. These Prosecutorial Gaps are visible causes of action, RICO "predicate act" crimes, of Intimidation and Retaliation. Can a court rubber stamp these profuse frauds on the court & organized crimes;

and then call such - *Justice*?

Date _____ - /s/ Steven Haas (a/k/a Laser)