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December 10, 2018

Chairman Jay Clayton
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-0609

RE: Whistleblower DEMAND of your recusal – Seeking independent review of racketeering - in **eToys**/Toys R Us

Dear Chairman Jay Clayton,

This letter is a follow up to my lawsuit against you, the President, FBI, DOJ and others, in a disappointed attempt on March 22, 2017, to get a TRO to block your nomination to be head of the Securities Exchange Commission; so that the United States Senate would be informed of *your* multiple conflicts of interests!

WHEREAS, you, as SEC Commissioner Jay Clayton, have far too many direct links to our **eToys** / Toys R Us related cases, disqualifying you, due to your lack of ability to be fair & impartial referee.

A. Reasons necessitating SEC Commissioner Jay Clayton's recusal from the **eToys** /Toys R Us cases

Speciously, an apparent scheme was hatched to Obstruct justice and stymie any main stream media look into our **eToys** case when the District of Columbia Federal Court Clerk illicitly refused to docket my March 22nd case against you – *until after* – your confirmation by Cloture vote, many weeks later, on May 2nd, 2018.

Additionally, your resume reported your investment in Bain Capital; and Bain happens to be a criminal co-conspirator with Goldman Sachs, in the defraud of our **eToys** (PLUS - *your wife also was a GSachs partner!*)

B. Goldman Sachs defraud of Mattel, **eToys**, Fingerhut cases

Clarifying the matter further, this criminal conspiracy is a matter that resulted in billions of dollars of fraud against Mattel, in 1999, the very same year **eToys** was taken public by Goldman Sachs. At that time, Bain Capital, Mitt Romney & Thomas Lee Partners, aided by Goldman Sachs, got involved with - The Learning Company ("TLCo") – which was merged with Mattel, and the crimes were aided by a Sullivan & Cromwell sister law firm, in Delaware, of Morris Nichols Arsht & Tunnell ("MNAT"). Mattel suffered an instant, catastrophic loss of near \$4 Billion; and TLCo was losing so much money by (*apparent*) cooked books fraud – where Mattel had to give away TLCo – for free!

Reportedly, Mitt Romney's contingency received 12 million shares of Mattel stock; which paved the way for Bain Capital to have (*ill-gotten*) undue power & influence to march towards ownership of Toys R Us vis-à-vis a "**Bankruptcy Ring**" criminal conspiracy, aided & abetted by MNAT & NY lawyer Paul Roy Traub in **eToys** cases.

Also, in 1999, the initial public offering of **eToys** was near \$85; but GSachs only permitted **eToys** \$18.65 per share.

Inscrutably, as reported by New York Times Joe Nocera, in the article titled “Rigging the I.P.O. Game”, an additional (*Smoking Gun*) detail was revealed that Goldman Sachs executive (Lawton Fitt) bragged in an email on how **eToys** stock would hit \$80. (There’s an immortalized SEC record of the fact that Goldman Sachs was an **eToys** fiduciary with a certain commission structure/underwriter discount - of only \$1.35 per share).

Being that Goldman Sachs knew (*boasted*) that **eToys** per share price would hit \$80. Hence, any stock purchase of anyone with/ or connected to Goldman Sachs, in the purchasing the shares at \$20 and selling for 1 penny higher, results in a criminal conspiracy/insider trading, pump-n-dump stock fraud.

Compounding those issues is the fact that MNAT, while simultaneously representing GSachs, lied under oath to become our **eToys** attorney and was also court ordered to handle my filings with the **eToys** bankruptcy court.

While all this going on, Michael Glazer was concurrently a Director for Mitt Romney’s Stage Stores, and Mr. Glazer also was Bain Capital’s CEO of Kay Bee Toys in mid-2000. Barry Gold was the executive assistant at Stage Stores who hired Paul Traub for Stage bankruptcy case (but the public can no longer see these facts, except via my copies, as PACER has harmfully redacted Paul Traub filings from federal court docket records. Including Cosmetics Plus, Kay Bee, Playco, Stage Stores, **eToys** and more)!

During this time, our **eToys** entity also had a multi-million-dollar cause of actions against Fingerhut; but that case was illegally settled by MNAT, Barry Gold & Paul Traub; and, subsequently, Paul Traub (as “*controller*” of Tom Petters Ponzi) bought Fingerhut with Petters Ponzi monies with Goldman Sachs & Bain Capital involved (and the Minnesota conflicted Justice Department speciously refused to seize Fingerhut).

In 2005, MNAT confessed its failure to disclose simultaneous representation of Goldman Sachs, when MNAT lied under oath to become eToys bankruptcy case Debtor’s counsel; and MNAT retaliated when it forged a HAAS Affidavit that the gang members claim was a “*waiver*” by Laser Haas of millions of dollars in fees & expenses.

The fraudsters usurped me and put in their Stage Store cohorts Barry Gold, as eToys President/CEO. Paul Traub also confessed to intentionally leaving lies to stand before the Chief Justice; and that Barry Gold was a paid member of the Traub Bonacquist & Fox law firm. Barry Gold and MNAT nominated Traub to sue Goldman Sachs in New York Supreme Court; which is the same thing as Goldman Sachs suing Goldman Sachs. Paul Traub settled the billion-dollar **eToys** (ebc1) v. Goldman Sachs case, in 2013, for a paltry \$7.5 million. (Traub did so in the name of Dreier LLP; despite the fact that Marc Dreier had been in prison since 2009).

Michael Glazer paid himself \$18 million and Bain Capital \$83 million, before filing bankruptcy of Kay Bee; which was not prosecuted by Colm Connolly. Then Paul Traub asked to prosecute Glazer & Bain (whom he was working for at Stage Stores and benefited by reducing **eToys** sales prices – after usurping/replacing me with Barry Gold).

MNAT represented Bain Capital in the \$83 million-dollar fraudulent conveyance; whilst MNAT also represented **eToys** against Bain Capital; and MNAT, Barry Gold and Paul Traub (as eToys Creditors counsel) was reducing prices of estate assets to Bain/ Kay Bee. (Paul Traub, MNAT, Barry Gold were all involved in Kay Bee case).

C. Systemic & Incestuous Department of Justice corruption protecting the racketeers

It was the plan of the betrayers of trust (MNAT, Traub, Barry and Colm Connolly) to end our public company (assuring GSachs scheme success) while the crooks sold our **eToys**, to Bain Capital for \$5.4 million; but both those artifices to defraud, were – *for the time being* - halted by me as top executive of **eToys** (*who refused their bribe*).

Despite the fact nearly everyone around me pretended to be arm's length opponents, I was able to get the bid prices up into the tens of millions of dollars. This is when they conspired to defraud a federal estate and destroy my career (and my entity, Collateral Logistic's, Inc. ("CLI")), and also plotted to kill our **eToys** public company.

Through this saga, Colm Connolly was Assistant United State Attorney, in Delaware, from 1992-1999 (*purportedly in charge of these cases*); but there was no investigation or prosecution of Mattel, Kay Bee, Fingerhut or eToys – before, during and after Colm Connolly became a partner – of the *enterprising* MNAT.

Colm Connolly quickly returned to the Delaware DOJ to become **the** sole authority as DE United States Attorney after MNAT, Paul Traub and Barry Gold knowingly concealed their conflicts of interests and they retaliated against me; because I turned down - and reported their bribery attempt - to the Delaware federal authorities!

To this very day, even upon his Senate Judiciary Questionnaire, Colm Connolly conceals the fact he was a partner of the criminals, during the 7 conflicted years when Colm refused to investigate or prosecute MNAT, its clients (GSachs, Bain Capital) and the RICO co-conspirators Paul Traub, Barry Gold and Michael Glazer.

Unfortunately, this *unprincipled* staunch refusal to prosecute aided the racketeering to expand. Paul Traub also was partners of Tom Petters Ponzi, Marc Dreier frauds and Traub was involved in Enron, Adelphia, Kay Bee, Kmart, OKUN 1031 Tax Group, Levitz and other tainted cases.

Upon my discovering Colm Connolly's DOJ Office of Legal Policy - resume proof - of direct links to MNAT, I then submitted a December 7, 2007 – **time stamped complaint** – to the Public Corruption Task Force; but, *disturbingly*, the Task Force was shut-down, and career federal prosecutors were threatened to be silent – or else! (See L.A. Times article of March 2008 - "*Shake-up roils federal prosecutors*").

Moreover, as is common when organized criminals seek to assure success and escape justice, the lives of Marty Lackner (brother of a federal prosecutor), Robert Alber, Michael Sesseyoff and John (Jack) Wheeler are some of the untimely dead; with visible links to these cases (*but no one has the stones to do a proper investigation*).

D. Conclusion – my **DEMAND** for an impartial investigation – is proper!

Due to the inexplicable & intolerable refusal of the FBI, SEC & DOJ to do their jobs, both Kay Bee and **eToys** were in bankruptcy, multiple times; and then Bain Capital has helped to destroy the iconic Toys R Us. The continued Obstruction, Retaliation and subsequent death of our **eToys** /Toys R Us, along with the defraud of Mattel, Kay Bee, and Fingerhut is now yours to blame. My case against you, of March 22, 2017, may have been thwarted, but you & SEC received the complaint (*arguing you never looked upon the filing does not bode well for your fitness*)!

Mr. Jay Clayton, as SEC Chairman/Commission, it is a matter of Law and jurisprudent that you **must** – *officially recuse* yourself - and (*officially*) refer this for independent review! Failure to refer the matter, properly, and notify me, within 3 days (*you have had a year since I sued you*), will force escalation of this matter to higher authorities, to determine the reasons of your indiscretion!

Sincerely,

/s/ Steven Haas (a/k/a Laser)

Whistleblower Mattel, Stage Stores, Kay Bee, Fingerhut & eToys cases