



This **eToys** case gets more interesting with each passing day. ♦
One gets the feeling that the case will never "go away" and instead "eToys" will be the straw which breaks the camel's back resulting in Congressional intervention. ♦ Perhaps such action will re-establish the rule of law in our Federal Bankruptcy Courts. ♦ **Imagine** a world where attorneys and their hedge fund clients lost their mutual profit advantage in federal bankruptcy courts gained through their criminally hidden conflicts of interest and conspired treachery. ♦ *Didn't John Lennon write a song about it?*

- Will Mr. Mukasey set up a committee to investigate, or will he wait for Congress to do so?

- At what point will those responsible for the non-prosecution of the criminal law firms simply seek a quiet and graceful exit, and let the cards fall where they may?
Below follows an interesting sworn letter to Michael Bernard Mukasey, the successor to former Attorney General **Alberto R. Gonzales**. ♦ A concise letter which conveys a ton of information. ♦

December 31, 2007
His Honor Michael B. Mukasey
U S Attorney General
Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001
Dear Attorney General;
This letter is to inform you of the many complaints against fraud and corruption within the Dept of Justice, specifically related to the Federal Bankruptcy issues in Delaware.
The Director of the EOUST replaced the Region 3 US Trustee, Roberta DeAngelis on Dec. 22, 2004 as Trustee over Wilmington DE. ♦ We had direct correspondence with Mr. Lawrence Friedman who assured us that the matter would be handled. ♦
On Feb 15, 2005 the Asst US Trustee Frank Perch then did place in a Motion to Disgorge Traub Bonacquist & Fox (TBF), for \$1.6 million. ♦ This is attached with this letter as ♦Exhibit 1♦ (D.I. 2195). ♦ The Asst US Trustee has testified, multiple times, that he had discussions with the officers of the courts in the eToys bankruptcy case (Del 01-706), as he specifically warned TBF and the Debtors counsel, Morris Nichols Arsht & Tunnel (MNAT), against breaking the law of ♦ 327(a) and Rule 2014 of the bankruptcy statutes. ♦
Despite this warning the Law firm of MNAT and TBF, along with other parties did draft a Hiring Letter for Barry Gold (a direct paid associate of TBF [confessed]). This Hiring Letter was kept hidden, in a clandestine manner, as it directly ignored the caution of Frank Perch as Asst US Trustee. ♦ The Hiring Letter is already in the court docket record of eToys as docket item 2169 and is attached here as ♦Exhibit 2♦. ♦ It specifically gives Barry Gold, under the ♦guise♦ that he is arms length, permission to Circumvent the Code and the Court. ♦ While it proves, conclusively, Scheme to Fix Fees (18 USC 155 Janet Reno Reform Act of 1994), it becomes a full blown ♦conspiracy♦ to perpetrate ♦fraud on the court♦ by ♦officers of the court♦ as they were [fore]warned and then did the subterfuge in a ♦collaborative♦ manner. ♦
Less than ten (10) days after we were told by Director Friedman that the matter would be handled, the attorney for the ♦new♦ US Trustee, Kelly B Stapleton, then did sign a letter giving implied clemency to the admitted acts of perjury and fraud. ♦ The Stipulation to Settle is eToys docket item 2201 and is attached here as ♦Exhibit 3♦. It contains the following [obvious] illegal clause, ♦
WHEREAS the United States Trustee shall not seek to compel TBF to make additional disclosures; ♦
Then, documenting that the clemency is totally erroneous and destroyed any ♦sufficient deterrent♦ value, Paul Traub of TBF then perpetrated another \$100 million fraud in the KB Toys

bankruptcy case in Delaware. (04-10120) Where Mark Kenney stepped up to the plate and defended the fraud and obstructed justice by asking the Court to strike and expunge us. (KB Toys D.I. 2228). This is attached as ♦Exhibit 4♦.

 Immediately thereafter Asst US Trustee Frank Perch and Lawrence Friedman resigned from their office.♦ Other resignations connected to this case include Debra Yang of the Corp Fraud Task Force, Ellen Slights as AUSA in Delaware, Gordon Robinson of the SEC Bankruptcy Fraud Division and your predecessor, Alberto Gonzales, who we informed, right prior to his resignation, about knowledge of his complicity in promoting the removed Roberta DeAngelis to the post of General Counsel of the Dept of Justice EOUST office.♦ DeAngelis and Kenney are now involved, in the criminal conspiracy, asking the 3rd Circuit Court, (case 07-2360) to dismiss the case, while they defend their efforts to give clemency to the fraud and perjury.

 Finally, just a few weeks back, we placed in the Public Record out here in California, the newly discovered evidence that the US Attorney office in Delaware, Colm F Connolly, whose office has refused to prosecute the affair, is also guilty of bad faith acts and non disclosure.♦ Colm F Connolly was a partner with the MNAT law firm in 2001 when the fraud and perjury began.♦ Over \$300 million, all Court Docket record proofs, of fraud has occurred that benefited Bain.

 The US Sup Ct decision In re Hazel Atlas Glass (1944) has been affirmed by the 3rd Circuit and states, specifically, that there is no statute of limitation of Fraud on the Court by ♦officers of the Court♦.♦ We have also attached a copy of the clocked item given to the US Attorney♦s office in California. ♦

 This mess and corruption of the Dept of Justice is most certainly a rogue element, not of your making.♦ We hope and pray that you will not resign, as the others have, who have chose discretion rather than valor.♦ We seek the American spirit of Truth and Justice.♦ Hoping, earnestly, that you are the person who will stand tall against corruption.

 Testified to you this day
 ♦Under penalty of perjury♦
 Steven Haas (a/k/a Laser)
 100% owner Collateral Logistics
 Court approved consultants of eToys

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