

Edward M. Daspin

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February 16, 2023

re: Case #2:22-cb-06520-SDW-CLW

THE PLAN AND COMPENSATION

The SEC creates the enforcement of the laws we use to protect society so we must save the inhouse administrative law judges by using my strategic litigation plan are included. This plan enables the Chief Justice to permit his Presiding Circuit Judges to refer several standby Federal District/Circuit Court judges to serve as a "Commissioner's advocate" to balance the huge discovery edge that the prosecution currently has and to provide the Commissioners a meaningful judicial review before they issue a complaint. By the advocate delivering a superseding Wells judicial review, we project that during that 12 month term, which is the maximum time allowed in proceedings, and based upon performance an advocate can earn between a projected \$240,000 to \$480,000 1099 income with each clerk earning 50% of that amount.

After receipt of the advocates review, the Commissioners will make the final decision and assign the complaint to the Chief Administrative Judge instead of delegating them. Then after any appeal from an ALJ can only be submitted with Federal District Court with a jury trial, if requested. In that regard, the SEC hearsay rule must be eliminated and the Commissioners can spend the extra time saved by not participating in the appeal to clean up the 5 divisions consisting of 4500 employees while saving the SEC a minimum projected reduction of \$140 million per year. (As a result of any aspect of my plan which the Chief Justice and/or President wish to revise it is fine with me, because the Commission is obligated to pay me for my plan and/or any revisions to it as the Commission already used a portion of the plan I initiated).

In my notification that the Commission was obligated to pay me for the services I was about to render which notice commenced from the end of August 2016 up to January 2023, when I discussed the Commissioners financial obligation to me around the end of August 2016. I also notified the Chief Justice and the last two Presidents of the United States and their Chief of Staffs, that my hourly rate was \$350 per hour and that I would be releasing portions of my plan as it was developed, with the understanding that if the Commission used any portion and/or all of the plan, they would be financially obligated for the time that I spent

I notified the then Presiding Administrative Law Judge and the Chief Administrative Law Judge and the Presidents and their respective Chief of Staff, and the Chief Justice of the Supreme Court and those Commissioners currently presiding over my case that I would be releasing this confidential information piece meal as each portion of the plan was derived and if they used any portion of it they would owe me my hourly rate. Since they used portions of the plan (50%) by the end of November 22, 2022, when the Commissioners stopped delegating complaints to the ALJs and since thereafter I put in additional time up to and including the date of this

declaration the Commissioners owe me \$4,550,000 as of the date of this for the time I spent (13,000 hours at \$350 per hour).

I ask this court to order the SEC to show cause why they should not pay me after they used 3 of the 6 general recommendations which are listed below and comprise my plan's major point(s):

- 1) They should rid the SEC of Judge Murray which took them time because of the two-layer process, which the Supreme Court found that it was illegal. It is not my fault that they had to wait to pressure her to retire (in 2019 the day before the end of my Judge Murray hearing, she waited in the lobby and she didn't want to retire and intended to work for 10 more years. I assume the SEC pressured Judge Murray to retire in 4 years, six years earlier than she planned.
- 2) The SEC Commissioners replaced Judge Murray with Judge Foelak (also my recommendation in my plan)
- 3) The SEC stopped "delegating cases" to inhouse judges (also in my plan). In the SEC inhouse cases the delegator which the Commission stopped delegating cases to ALJs in November 22, 2022. In that regard the ALJ is defined as the delegate which is defined by Google as the agent and representative of the delegator. In this case, the delegator is the very Commissioner that initiated the complaint against me and against all inhouse defendants. In that regard, the ALJs has a fiduciary to the Commissioners despite their conforming with the Lucia v SEC finding of the Supreme Court of the United States that they satisfy the Constitution's appointment clause by delegating the ALJs still put them in a conflict of interest and required them to support the Complaint's wrongdoing allegations in each case against defendants. As a result, the ALJ cannot provide an impartial finding of facts.

After the WSJ article of 2015 came to my attention which could have been in 2016. It was written by Ms. Eaglesham. (All of a sudden, the inhouse judges eased up on the number of defendants they found guilty to try to mimic the Federal District Court Judges' SEC cases findings that 32% of SEC defendants were innocent. Judge Murray's micro managing her inhouse judges to try to mimic the Federal District Judge's findings of innocence of defendants in the Federal District Court's SEC cases was laughable as to me it demonstrated her control over the inhouse judges under her! (I exclude Judge Foelak in her findings of fact during that period as I had already found her innocence in the ALJ plot to make innocent defendants guilty). Judge Murray had the power to turn the faucet on or off. The inhouse process had a convoluted violation of due process by the presumption of guilt by the defendants and by the fact that the ALJs were delegates which made them Commissioner representatives and Commissioner agents which was in and of itself a change of the intentions of the Supreme Court in Lucia. We must eliminate the inhouse judges being delegates by the Commissioners but by assigning cases by the Chief Administrative Judge to use a lottery to select which ALJ would receive which case being assigned to the ALJ, just as in Federal Court.

As discussed in the plan, if we receive the permission of the Chief Justice of the Supreme Court, he can direct each Circuits Presiding Judge to provide several standby Federal District/Circuit

judges to become Commissioners' advocates to eliminate the Commissioners reliance on the prosecution's Wells Notice allegations and on the defendants' Wells Reply. The reason for this is that I found that the prosecution holds back the Wells Notice (in my case for 3 years) to become very familiar with the documents, the Brady interviews, the witness depositions, and in some cases to reindoctrinate those witnesses to accept the prosecution's party line. My law firm only got 45 days to file the Wells Reply, so the prosecution had 8 times more discovery.

The only way we can balance the discovery shortfall for defendants is by having a standby Federal Judge put in up to 30 days, reviewing the Wells Submissions, having up to 2 days testimony from the party's lead attorneys, assisted by 2 law clerks that the advocate selects, and then rendering an advocate's opinion solely to the Commissioners with a recommendation either for a NO BILL PRE-COMPLAINT INITIATION SETTLEMENT and the amount recommended and reasons why, before filing the opinion which can also include with NO OBJECTION TO A COMPLAINT INITIATION. Using this method, the Commissioners receive a meaningful Federal judicial review before they initiate a complaint. Since the prosecution is a division of the Commissioners the Commissioners give more credit to the prosecution's Wells Notice allegations than to the defendant's Wells Reply allegations. Now with the meaningful Federal Judicial review of the Wells submissions and testificandum, if the Commissioners decide to initiate a complaint the judges assigned by lottery will have that independent meaningful judicial review as an aid to getting better prepared to adjudicate the case.

The SEC prosecution must fully inform the advocate of all testimony, declarations, representations by witnesses, investor operators, and/or defendants that might, did, or intimate he/she exculpated the defendant from the Wells Notice wrongdoing allegations with the caveat the if the Commissioners initiate the Complaint and if subsequently the prosecution did not fully disclose all information that is exculpatory to the advocate and his 2 law clerks, then the Commission will void any judgment and repay the defendant all costs associated therewith.(It is for that reason that the advocate's secretary writing the facts of each interview must be accurate as I have seen many cases lost and/or won because of bad and/or good file notes).

The advocate has up to 2 days of testificandum of the lead lawyers to the dispute and up to 1 day's testificandum for whistleblowers (+/-). Thereafter assisted by his/her staff the advocate submits a preliminary opinion only to the Commissioner. This process may exculpate the Wells defendant with respect to certain Wells Notice wrongdoing allegations which will save the ALJs time to adjudicate.

The ombudsman will do the administration and report the advocates findings to the Commissioners designated to hear each Wells dispute. The ombudsman must be independent of the SEC and the Federal Court. If the advocate representation of a no bill or representation of a prelitigation settlement is accepted by the Commission, then the case is marked closed and no ALJ is assigned.

Respectfully,

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Edward M. Daspin

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