

BANK AMERICA FRAUD

November 11, 2011

Amanda Marshall
Oregon U.S. Attorney
1000 SW 3rd Ave #600
Portland, OR 97204

Re: Natache D. Rinegard-Guirma v. Bank of America, et al., Civil Case No. 10-1065-PK,

Lauren Paulson v. FHLF, LLC, et al., Civil Case No. 08-982-PK

Dear Ms. Marshall:

In this short time, it appears that your office has been busy. Congratulations on your Lighthouse mortgage fraud prosecution.

Yet one of the most pervasive frauds in Oregon's mortgage market is flying just under everyone's radar. It is omnipresent. This fraud is being ignored by the judiciary for reasons, I suspect, that has something to do with banks providing direct and indirect funding to the judiciary and to associations within the judiciary. Clear fraud is occurring by and through Oregon lawyers and Oregon financial institutions on innocent Oregon homeowners in foreclosure. No one is doing anything about this illegal activity that I describe in the attached *Fraud Report on Bank of America*. The Oregon Department of Justice, your former posting, has been missing in action in this arena, notwithstanding my prodding.

NATACHE'S CASE

Enclosed you will find an April 26, 2011 letter I sent to John Deits of your office which summarizes only one of these cases. I call it 'Natache's' case. It is compelling. The fraud worked on her by Oregon attorney Ian Kyle is bad enough. If you will look below the surface you will find that Mr. Kyle works for a nationwide network of companies that know very well what they are doing. My detailed *Fraud Report* describes how this insidious process works for Bank of America and their progeny.

As you peruse my information on Ian Kyle's law firm, Routh, Crabtree and Olsen, you should note that the fraud perpetrated on the court and the homeowner specifically described in my letter to Mr. Deits, is not inadvertent. The Routh law firm reports that they have handled over 100,000 foreclosures. Further, this Bank of America law firm states in their website that:

"Each...(foreclosure) file goes through numerous reviews and is fully....computerized to enhance efficiency **AND ACCURACY**, hard copies and scanned images of **ALL** pertinent documents are produced and readily available for instant review...to ensure completeness of the foreclosure." (Emphasis supplied)

Federal Magistrate Judge Paul Papak did not deign to ask Mr. Kyle how their law firm could have made such a devious error in filing his false documents that 'just happen' to favor Bank of America. Given the meticulous standards his law firm purports to have with respect to the "accuracy" of their documents----- points to intentional fraud by them on the Court and on Natache.

One must ask then, what about those other 100,000 foreclosure cases they have already handled and the millions yet to come?

Everyone has ignored how Bank of America and others game the legal system on all sides of the legal process in the foreclosure pipeline. Natache's case is a textbook example on how this game works -- for the banks, for their lawyers and silently against the Natache's of the world.

In my own case, which is "on all fours" with Natache's case; the creditor is represented by the Schwabe mega-law office. This law firm, which is also well connected, having recently hired retired Oregon Supreme Court Justice Michael Gillette, also knows well what it is doing. Like Natache's case, the judiciary is turning a blind eye to the blatant fraud of Schwabe attorney Craig Russillo just as they have done with Ian Kyle. Why? Because no one is looking. Oregon's judiciary at the local level and the judiciary at the Ninth Circuit level is actively looking the other way. In the case of the Oregon Supreme Court, I have caught them red handed in ruling on the substantive issues of my foreclosure case, **WITHOUT THAT COURT EVER LOOKING AT THE RECORD NOR THE TRIAL COURT FILE.** There are over 200 of these cases in your building. (Check the Justia law index report for foreclosures in the Oregon District.) In virtually all these cases you will learn that the lender illegally foreclosed when they had no legal right *nor constitutional standing* to do so. This is what seventeen (17) judges in my case have ignored. Mosey down the hallway and have Judge Garr King and Judge Anna Brown fill you in on the details in their cases on this same issue.

Then if you peel below the next layer, you will find that Bank of America, Merrill Lynch, Wells Fargo and other financial institutions are sponsoring various national legal entities such as the American Judicature Society, probono.net and an endless string of groups that are doing in the legal arena the exact same thing they all did in the financial arena -- they play all sides of the bet. (See the recent book by a writer for The New York Times, Joe Nocera and Bethany McLean, *All the Devils are Here*, Penguin Press, 2010 on how this game is played on the major stages of Wall Street.)

The Multnomah County Bar Association is even funded by Merrill Lynch, a Bank of America subsidiary, on their soirees for local judges including Oregon Supreme Court Chief Justice, Paul De Muniz, most recently. This can be confirmed by going to their website.

Thus, by sponsoring various legal trade associations, Bank of America and the others are securing the silence of judges like federal magistrate judge Paul Papak as to the open financial fraud perpetrated by lawyer Ian Kyle and Craig Russillo -- openly in his courtroom and everywhere -- top to bottom.

It is no accident that Justice De Muniz is retiring because I have caught him and the Oregon Supreme Court red-handed as described above. It is no accident that Oregon's Attorney General John Kroger is taking himself out of the game. He has been ignoring this vital issue of lender fraud for over three years -- probably, because he wanted to run for governor before other scandals have overtaken him. I have formally written to him on this issue beginning over three years ago without result. No one is paying attention.

I hope you will. It is a long story. It is a multifaceted fraud. It is an important story. It is a compelling story. All the other players stand mute. Since 2004 there are probably tens of thousands of Oregon homeowners subject to the scam of banks foreclosing with fraudulent documents.

Remember the lonely whistleblower of Madoff? The present fraud is no smaller in scope nor amounts. All one has to do is be curious. Few prosecutors have been curious.

Very truly yours,

Lauren Paulson
cc: Governor Kitzhaber, Senator Merkley, John Kroger, Natache