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Friday, December 20, 2013

# SECURITIES CHAIR MARY L. SCHAPIRO KNEW FACEBOOK AND ITS IPO WERE FRAUDS

## SCHAPIRO SANCTIONED THE 500-SHAREHOLDER EXEMPTION SO HER 51 FACEBOOK FUND BOATS WOULD ALL FLOAT IN THE IPO

CONTRIBUTING WRITERS | OPINION | AMERICANS FOR INNOVATION | UPDATED MAR. 10, 2014 11:43 A.M. | **UPDATED PDF (POST SCRIBD CENSORSHIP)** 



# Facebook IPO "Dark Pools" Uncovered

UPDATE, DEC. 28, 2013-"DARK POOLS" DISCOVERED AS THE SOURCE OF WASHINGTON'S INSIDER TRADING. Ever wondered how federal judges, politicians and senior bureaucrats get rich while they are in public service? This is the dirty little secret of Wall Street and S.E.C. insiders like Mary L. Schapiro.

**HEADS UP:** The more regulators and Wall Street talk about "transparency," the more they appear to be ripping off the public behind closed doors.

(DEC. 20, 2013)-New evidence shows that during the SEC's so-called pre-IPO oversight of Facebook, Mary L. Schapiro, Chair of the SEC and her staff, were colluding with Facebookfriendly third party funds. They were using insider knowledge to position their personal



Bookmark: #stand-with-roger-stone

## **ROGER STONE SPEAKS:** On Nov.

18, 2017, Twitter censored New York Times bestselling author Roger Stone completely. Every red-blooded American should be outraged, Republican, Democrat and Independent alike. If Roger's voice is silenced today, yours is next. We must break this embargo. Click here to read and share Roger's latest perspectives on the Battle for our Republic, including his responses to his critics (who have not been censored).

## Updated Mar. 25, 2018. **CLICK HERE TO SEE COMBINED TIMELINE OF THE HIJACKING OF THE INTERNET**

PAY-to-PLA Y NEW W ORLD ORDER This timeline shows how insiders sell access & manipulate politicians, police, intelligence, judges and media to keep their secrets

Clintons, Obamas, Summers were paid in cash for outlandish speaking fees and Foundation donations. Sycophant judges, politicians, academics, bureaucrats and media were fed tips to mutual funds tied to insider stocks like Facebook. Risk of public exposure, blackmail, pedophilia, "snuff parties" (ritual child sexual abuse and murder) and Satanism have ensured silence among pay-to-play beneficiaries. The U.S. Patent Office is their toy box from which to steal new ideas.

### 4/5/2018

holdings for big IPO paydays. Sadly, they collaborated in the theft of Facebook core technology from Ohio innovator Leader Technologies' investors to do it.

# **U.S. LAW OPTIONAL**

Readers should keep in mind that Schapiro is the same FINRA and SEC regulator who was never held accountable for missing Bernie Madoff's \$65 billion Ponzi scheme. She even admitted ethical shortcomings to Congress on Mar. 10, 2011 (New York Times) (PDF) promising to turn over a new leaf. However, conduct in the Facebook IPO disclosure is just more of the same nonsense, with sophistry like

saving she must go "beyond what may be required in any given situation." She continued: "We will learn from this experience and will take all actions necessary to earn the trust that the public places in us." Double take: She impled that following ethics laws was conditional, but that she was working to earn our trust



FIG. 1—MARY L. SCHAPIRO, Chair, U. S. Securities & Exchange Commission, at her official announcement, Jan. 27, 2009. Schapiro failed to disclose her holdings in 51 funds that were permitted to purchase pre-IPO Facebook insider stock via a critical exemption from the firmly established 500shareholder rule. Like she did when whistle-blowers came to her about Bernie Madoff, she ignored clear warnings of the Facebook fraud in the run up to the Facebook IPO. The **truth** is, she already knew about the collusion, and had been a participant for many years through her personal investments in 51 of the secret accounts. In fact, she appears to have loaded up more than all her collaborators, seconded only by Commerce Secretary Rebecca M. Blank who has 40 secret accounts. Photo: Wall Street Journal.

Click here for a full list of Obama political appointees and Leader v. Facebook federal judges and their Facebook Basket Fund financial hodlings in 2008-2012.

## **BUSY FEATHERING HER OWN NEST**

nonetheless. Why didn't Congress impeach her on the spot? By this time, the Facebook Club boats were in full sail.

### See Full Schapiro Senate Testimony, Mar. 10, 2011; see also Full Schapiro House Testimony, Sep. 22, 2011

following revelations that S.E.C. Chief Counsel David M. Becker had told Schapiro about Bernie Madoff's Ponzi scheme in 2009. Were Schapiro and Madoff Facebook "Friends" too?



FIG. 2-Mary L Schapiro, Chair, SEC, only pretended to regulate "dark pools" while participating personally in the Facebook dark pool run by Goldman Sachs and Morgan Stanley, at the direction of James W Breyer, Accel Partners LLP, and Lawrence "Larry" Summers, we believe Graphic Themis Trading

## SCHAPIRO: DO AS I SAY, NOT As I do — Re. "Dark pools"

• "Investor trust is the lifeblood of our financial markets." Mary L. Schapiro, CEO, FINRA, Dec. 18, 2008.

• "Good morning. Today we are tackling another item on our agenda to protect investors and bring greater transparency to our markets... Transparency is a cornerstone of the U.S. securities market... transparency plays a vital role in promoting public confidence in the honesty and integrity of financial markets" [speaking on "dark pool regulation;" pools in which she participated personally via Goldman Sachs and Morgan Stanley re. Facebook pre-IPO stock]." Mary L. Schapiro, Chairman, SEC, Oct. 21, 2009.

• Recusal is required when a regulator participates in recommendations from which he or she could benefit personally. Mary L. Schapiro did not recuse herself from Goldman Sachs' and Morgan Stanley's Facebook dark pool activities, yet she benefited personally. This renders the entire Facebook IPO a scam of the highest order. Schapiro told Congress on Sep. 22, 2011 (p. 31) that she agreed with this principle and regretted her failure to act. She admitted it was a mistake not to require the recusal of her Chief Counsel David M. Becker from policy making after the Madoff Scandal. Becker's late mother's estate (and therefore Becker) was a beneficiary in the Madoff settlement over which Becker was making policy.

# Social Networking: The True Story

## HealthCare.gov's confiscation of this property cannot stand

Leader: 145,000 man-hours • over \$10 million • 20 people • solid engineering • hackers not welcome • affirms privacy, security, property • no foreign influence • respects U.S. Constitution

acebook: "one to two weeks" • beer money • all by nyself • 28 hidden hard drives • stole Harvard photos • acks email • PayPal Mafia handlers • scofs at privacy • orrupts markets, judges, politicians & govt agencies



### OpenTrial.org

Leader v. Facebook Facebook — a force for freedom perhaps, but at odds with the rule of law in the U.S.

## Federal Corruption

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-Disclosures: Exec | Judiciary | USPTO -Patent Office FOIA Stonewalling

Donna Kline Now! Archives





## **CONGRESS CONTACT LOOKUP**

## **Contacting the Congress**

Universal Toxic Substance Symbol & Warning FINANCIAL HOLDINGS OF OBAMA POLITICAL APPOINTEES, BY AGENCY

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## **BLOG ARCHIVE**

- ► 2018 (9)
- 2017 (27)
- 2016 (39)

• "We have proposed rules that would strengthen our regulation of dark pools of liquidity." Mary L. Schapiro, Chairman, SEC, Jan. 20, 2010.

• "the American people... need to believe and understand that there is a watchdog who is watching out for their interests." Mary L. Schapiro, Senate Hearing, p. 13, para. 1, Mar. 10, 2011.

• "MS. SCHAPIRO: Congressman, if I could just add, I think one of the important things we can do, and it goes back to the comment about setting the [ethics] tone at the top, is really heightening our employees' — all of our employees' — awareness to the impropriety or the appearance issues generally . . . I feel confident that we have in place the processes and the procedures that will help us prevent something like this [ignoring S.E.C. staff conflicts of interest] from happening again." House Hearing, pp. 17, 31, para. 3, Sep. 22, 2011.



JAMES "JAMIE" BRIGAGLIANO, had just resigned



FIG. 3—JAMES "JAMIE" BRIGAGLIANO resigned from the S.E.C three days before Mary L. Schapiro's Sep. 22, 2011 House testimony. He had been with the S.E.C. for 25 years. He was one of the lead rule makers for "dark pools." What did he know and when? Photo: Sidley Austin.

three days before her testimony, after 25 years at the SEC: "Is it a sad testimony that such a large cottage industry has been created, in which complex rules are crafted, which may or [may] not help the market and its structure, which then require navigating by the very insiders that helped craft those rules?" Themis Trading, para. 2, Sep. 20, 2011.

 SIDLEY AUSTIN LLP appears to be the SEC public comment "straight man" for the Facebook Club-when they need to make their manipulation of the SEC appear transparent. For example, they sponsored "SEC Speaks" on Feb. 5, 2010 in Washington D.C. where many of the Facebook Club actors were present, including opening remarks by MARY L. SCHAPIRO, and also including JAMES A. BRIGAGLIANO (who later went to work for Sidley), DAVID S. SHILLMAN, and THOMAS J. KIM (who just went to work for Sidley in August). On Oct. 14, 2008, Kim, as Chief Counsel, had approved the unprecedented Facebook's 500-shareholder exemption.



FIG. 4-DAVID S. SHILLMAN, Associate Director of the Division of Trading & Markets, Securities and Exchange Commission (SEC), provided policy recommendations to Mary L. Schapiro regarding regulation of "dark pools," working side by side with James A. Brigagliano and Thomas J. Kim of Facebook 500-shareholder exemption fame. Photo: WatersTechnology.

In this Sidley meeting, Kim was pressing the **FACEBOOK CLUB** agenda by proposing that underwriters could pre-sell offerings before they were registered, which is exactly what **GOLDMAN SACHS**, **JPMORGAN** and **MORGAN STANLEY** did in the three-year run-up to the Facebook IPO. This proposal violates every common sense rule in the book regarding full disclosure. The fact that he even proposed it should have gotten him fired. (Reminder: like Barack Obama, Thomas J. Kim was an editor of the Harvard Law Review just after Obama.)

(On Aug. 8, 2013, **THOMAS J. KIM** left the S.E.C. and joined Brigagliano at ... **SIDLEY AUSTIN LLP**. [The duplicity of these actors is becoming predictable.] In 2008, Kim failed to disclose that he was formerly employed by **LATHAM & WATKINS LLP**, attorney to **JAMES W. BREYER**, **ACCEL PARTNERS LLP**, **FACEBOOK'S** financier and second largest shareholder. Such a conflict dictated recusal. Instead, he issued the unprecedented exemption to Facebook that opened the pre-IPO "dark pool" trading by **GOLDMAN SACHS**, **MORGAN STANLEY** and **JPMORGAN**. This trading included \$2-4 billion (or more, no one knows the full extent of the "dark pool" since disclosure was selective) in dubious Russian oligarch investing that pumped the Facebook valuation artificially.

- ► 2015 (34)
- 2014 (26)
- **2013** (28)
  - ▼ December (5)
    - SENIOR COMMERCE DEPT. OFFICIALS ARE INVESTED IN FA...
    - SECURITIES CHAIR MARY L. SCHAPIRO KNEW FACEBOOK AN...
    - FAST AND FURIOUS JUDGE TIED TO ASSAULT WEAPON SALE...

HARVARD UNIVERSITY IS CORRUPTING AMERICAN DEMOCRAC...

### HEALTHCARE.GOV HAS EXPOSED WASHINGTON'S ETHICAL DI...

- November (4)
- ► October (2)
- September (4)
- August (2)
- ► July (2)
- **June** (1)
- ▶ May (1)
- ► April (1)
- March (1)
- February (2)
- ► January (3)
- **2012** (6)

### **UPDATE MAR. 25, 2014**

# FIVE CRITICAL AFI POSTS ON JUDICIAL COMPROMISE

Fully updated Mar. 25, 2014 in the wake of the Scribd censorship:

### 1. HOW PATENT JUDGES GROW RICH ON THE BACKS OF American inventors



Patent Office filings are shuffled out the USPTO backdoor to crony lawyers, banks and deep-pocket clients.

- WAS CHIEF JUSTICE ROBERTS BLACKMAILED into supporting Obamacare by his ethical compromises in Leader v. Facebook?
- 3. JUSTICE ROBERTS MENTORED Facebook Gibson Dunn LLP attorneys.



- JUSTICE ROBERTS HOLDS substantial Facebook financial interests.
- JUDGE LEONARD STARK FAILED to disclose his Facebook financial interests and his reliance on Facebook's Cooley Godward LLP attorneys for his appointment.



## BARACK OBAMA'S DARK POOLS OF CORRUPTION

SCHAPRIO'S FACEBOOK

**STOCK SCHEME WAS IN** 

FULL SAIL BY 2008 . . .

MOTTO: IF WE'RE GOING TO

**BE CORRUPT, THEN LET'S** 

**TOO CORRUPT TO FAIL?** 

Photo The Florida Keys and Key West

GO ALL THE WAY!

According to investors interviewed by AFI who received the Goldman dark pool prospectus, there was <u>no mention</u> of the Leader v. Facebook patent infringement case that was then pending at the Federal Circuit. Subsequently, it was learned that all three judges had holdings in the Facebook dark pool, sometimes called the Facebook Club Basket of Funds.)

• S.E.C. PUBLIC COMMENT CHARADE: On Mar. 4, 2010, a month later, the SEC's JAMES A. BRIGAGLIANO and DAVID S. SHILLMAN, continued their "public comment" charade by hosting MORGAN STANLEY executives, who proposed enough "dark pool" gobbledygook to make a process engineer cough a hairball, and to certainly throw off even the most seasoned corruption watcher. Morgan's proposal was a total mess, but was largely adopted as policy. The evident strategy was to conceal the Facebook IPO agenda of their task masters at Goldman Sachs, JPMorgan, Morgan Stanley, Fenwick & West LLP, Accel Partners LLP, and Sidley Austin LLP.

[A common denominator here is that ALL of these individuals are attorneys with no moral backbone. The more they talk about "concern for the trust of the American investor," the deeper they are in the Facebook "dark pool."]

Also keep in mind as you read Schapiro's testimony that she is personally holding shares, at that moment, in 51 Facebook basket fund boats that will all be floated by the coming Facebook IPO. She cries wolf in her attempts to be given more funds to catch more bad guys. But the bad guys are really her and her staff, most notably Chief Counsel Thomas J. Kim, who signed the Oct. 14, 2008 Facebook exemption.)

Schapiro's comments to Congress may have been Freudian, since she and her Facebook Club collaborators were, indeed, "looking around the next corner, looking beyond the horizon, and thinking above and beyond what may be appropriate advice from ethics counsel." [Wow. The smoke from this gun is noxious.]

Schapiro's ethical lapses are lucrative. When she left FINRA to head the SEC, having conpletely missed the \$64 billion Madoff Ponzi scheme, she was paid a \$9 million bonus nonetheless, although the number could have been as high as \$25 million, according to her **2009 financial disclosure**. Such industry duplicity is mindboggling.

## THE DUPLICITY OF MARY L. SCHAPIRO

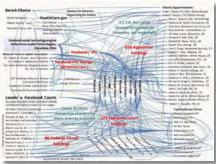
**IN WHAT APPEARS NOW TO BE A CAREFULLY TIMED SCHEME**, Schapiro was appointed to her post by President Obama on Jan. 20, 2009. Just three months earlier, on Oct. 14, 2008, SEC Chief Counsel Thomas J. Kim, a former editor of the Harvard Law Review, same as Barack Obama, had issued to Facebook an unprecedented exemption from the sacrosanct 500-shareholder rule. See previous post. On May 26, 2009, Goldman Sachs' Russian oligarch partner, Yuri Milner, spearheaded the first \$200 million of what would become billions of dollars of private investing in pre-IPO Facebook stock.

This unprecedented pre-IPO activity pumped the valuation. Mary L. Schaprio only closed her eyes, covered her mouth and plugged her ears. Even the normally Facebook-friendly **Techcrunch** took note that Milner's association with the Russian Bank Menatep was conspicuously missing from his bio. The bank was caught diverting \$4.8 billion in IMF funds. Strangely, Techcrunch didn't mention another Bank Menatep charge: laundering \$10 billion in Russian Mafia funds. Did Schaprio investigate to protect Americans from this evident fraud? Apparently she was too busy "looking around the next corner" ... to her Facebook IPO winnings.

Fenwick & West LLP, who were also the former attorneys for Columbus inventor Leader Technologies—the true inventors of social networking—filed for the exemption on Facebook's behalf.

Fenwick & West did not disclose this astounding lawyer conflict of interest, in violation of the **Rules of Professional Conduct.** 

#### Click to enlarge



CLICK HERE FOR WASHINGTON'S ETHICAL DISEASE DISCOVERIES RE. FACEBOOK "DARK POOLS"

## STOP FACEBOOK PROPERTY THEFT

## We see. We "like." We steal. STOP FACEBOOK PROPERTY THEFT. www.fbcoverup.com

W LL HUMANK ND EVER LEARN? Facebook's Orwellian doublespeak about property and privacy (theft) merely repeats the eventual dehumanization of the individual under MAO's Red Star, Stalin's SOV ET Hammer & Cycle and Hitler's NAZI Swastika. Respect for the inalienable rights of each individual is a bedrock value of democracy. The members of the Facebook Cabal abuse this principle at every opportunity. They evidently believe that they deserve special privileges and are willing to lie, cheat and steal in order to treat themselves to these privileges.

# ASK CONGRESS: PASS THE INVENTOR PROTECTION ACT!

### LEADER TECHNOLOGIES Inventor Protection Act (Proposed)

America needs to practice what it preaches.

We have no business lecturing the world about free enterprise and the rule of law, when we permit the investors in Ohiobased innovator Leader Technologies to go uncompensated for the risks they took to help invent social networking . . .

-a technology upon which the President and U.S. government now rely;

—a technology stolen by the "Facebook Cabal" who recruited the federal courts and Patent Office into their club of corruption.



Contact your representatives. Ask them to pass it. <u>Real American inventors need your support.</u> http://www.contactingthecongress.org/ http://americans4innovation.blogspot.com

Click image above to download a poster-quality PDF optimized for a 11in. x 17in. (ledger-size) poster. America should not be in the business of cheating its entrepreneurial investors simply because the cheaters buy off judges with the money gained from their theft. Such permissiveness is obscene.

Thomas J. Kim failed to disclose that he was formerly employed by Latham & Watkins LLP, attorney to Facebook's then chairman and second largest shareholder, James W. Brever.

Thomas J. Kim's silence violated his signed ethics commitment under the Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R. Part 2635.



FIG. 5-MICHAEL MCKIBBEN, CHAIRMAN & FOUNDER, LEADER TECHNOLOGIES speaking at Pärnu Conferences, Pärnu Estonia on Oct. 10, 2013

Photo: Eesti Päevaleht (Estonia Daily), Urmas Kamdro.

## SCHAPIRO ALLOWED **GOLDMAN SACHS TO MAKE** AN UNREGULATED MARKET IN PRIVATE FACEBOOK STOCK TO JAMES W. BREYER'S FRIENDS, INCL. T.ROWE PRICE, FIDELITY, VANGUARD & TIAA-CREF

This unprecedented Thomas J. Kim S.E.C. exemption for Facebook was used by Goldman Sachs, JPMorgan and Morgan Stanley to make a private, unregulated market in billions of dollars in Facebook insider stock. Then, when questions were asked about whether or not these transactions violated U.S. securities laws (see May 2, 2012 whistle blower complaint, p. 9), Goldman slammed the door on their U.S. clients (PDF). They brokered the sale of Facebook insider stock to third parties, including their Russian oligarch partner, Alisher Usmanov. At the same time, James W. Breyer's secret club of funds invested, including Fidelity, T.RowePrice, Vanguard, TIAA-CREF and Blackrock (the "Facebook Club"). Of course, Schapiro in her duplicity, declined to investigate these transactions that make Bernie Madoff look like a school yard prankster.

Mark Zuckerberg's former speech writer, Katherine Losse, said in her book The Boy Kings that Facebook employees were essentially ordered to sell their shares and ask no questions.

## T.ROWE PRICE BOUGHT 5.2% OF FACEBOOK'S PRE-IPO SHARES

On Feb. 1, 2012, Facebook S-1 Registration disclosed on page 127 (on the May 16, 2012 Facebook S-1 Amendment No. 8 the disclosure is on page 145):

"T. Rowe Price Associates, Inc., 6,033,630 Class A shares, 5.2% and 12,158,743 Class B shares"

The footnote on p. 128 states that the Class A shares are held by 81 T.RowePrice funds, and the Class B shares by 77 T.RowePrice funds.

CLICK HERE T O DOWNLOAD: Mary L. Schapiro, OGE Form 278 Financial Disclosure, 2008, submitted Jan. 12, 2009

## LEADER V. FACEBOOK BACKGROUND

Jul. 23, 2013 NOTICE: DonnaKlineNow! has gone offline. All her posts are available as a PDF collection here (now updated, post-Scribd censorship).

Mar. 20, 2014 READER NOTICE: On Mar. 7, 2014, all of our documents linked to Scribd were deleted by that "cloud" service using the flimsiest of arguments . Some of our documents have been there for two years and some had almost 20,000 reads.

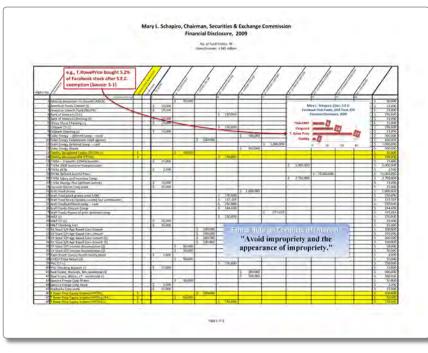
George Orwell wrote in 1984 that one knows one is in a totalitarian state when telling the truth becomes an act of courage.

### All the links below were updated Mar . 20. 2014 (many thanks to our volunteers!)

- 1. Summary of Motions, Appeal, Petition, Evidence, Analysis, Briefings (FULL CITATIONS) in Leader Technologies, Inc. v. Facebook, Inc., 08-cv-862-JJF-LPS (D. Del. 2008), published as Leader Techs, Inc. v. Facebook, Inc., 770 F. Supp. 2d 686 (D. Del. 2001)
- 2. Dr. Lakshmi Arunachalam's Censored Federal Circuit Filings (Archive)
- 3. Brief Summary of Leader v. Facebook
- 4. Backgrounder
- 5. Fenwick & West LLP Duplicity
- 6. Instagram-scam
- 7. USPTO-reexam Sham
- 8. Zynga-gate
- 9. James W. Breyer / Accel Partners LLP **Insider Trading**
- 10. Federal Circuit Disciplinary Complaints
- 11. Federal Circuit Cover-up
- 12. Congressional Briefings re. Leader v. Facebook judicial corruption
- 13. Prominent Americans Speak Out
- 14. Petition for Writ of Certiorari
- 15. Two Proposed Judicial Reforms
- 16. S. Crt. for Schemers or Inventors?
- 17. Attorney Patronage Hijacked DC?



- 18. Justice Denied | Battle Continues
- 19. FB Robber Barons Affirmed by S. Crt.
- 20. Judicial Misconduct WALL OF SHAME
- 21. Corruption Watch "Oh what webs we weave, when first we practice to deceive"
- 22. Facebook | A Portrait of Corruption
- 23. White House Meddling
- 24. Georgia! AM 1080 McKibben Interview
- 25. Constitutional Crisis Exposed
- 26. Abuse of Judicial Immunity since Stump



On Apr. 16, 2011, according to The Wall Street Journal, "T. Rowe declined to comment on how the Facebook shares were purchased (PDF). A Facebook spokesman declined to comment." Zuckerberg's former speech writer, Katherine Losse, said in her book The Boy Kings that Facebook employees were essentially ordered to sell their shares, and ask no questions. Evidently the Facebook 20-somethings had not developed a moral backbone, or had no concept of their ethical duty to blow the whistle on this corruption. Thank you James W. Breyer and Co. for corrupting an otherwise promising generation of young people.

## SCHAPIRO IGNORED WHISTLE BLOWER WARNINGS—SHE WAS TOO BUSY FEATHERING HER OWN NEST

AFI has obtained whistle blower reports warning the SEC of the Facebook pre-IPO fraud in its failure to disclose Leader v. Facebook. This fraud is in addition to the fraud complaint in the class action suit over Facebook's concealment of mobile advertising assessments. See latest ORDER: In Re Facebook Inc., IPO Securities and Derivative Litigation, Case 1:13-cv-04016-RWS (S.D.N.Y.), Dec. 12, 2013.

## **ON APR. 17, 2012** (SEC Whistle-blower Complaint, Ref. No.

TCR1334705074400), Schapiro was warned about the likely collusion and insider trading activity among Facebook principals, lawyers and underwriters, including their failure to disclose in the S-1 the results of the Leader Technologies, Inc. v. Facebook,

**Inc.** split verdict where Facebook was found guilty of literal infringement on 11 of 11 claims of U.S. Patent No.

7,139,761 (the highest form of infringement). This occurred despite the fact that Facebook concealed 28 hard drives of Zuckerberg evidence that they said was lost, which is now known to be a lie.



FIG. 7—MARY L. SCHAPIRO, CHAIR, SECURITIES & EXCHANGE COMMISSION (SEC), breakdown of holdings in the Facebook Club of funds established by James W. Breyer, Managing Partner, Accel Partners LLP, along with his fellow directors at the National Venture Capital Association (NCVA), Robert C. Ketterson (Fidelity), Anne Rockhold (Vanguard) and Ann H. Lamont (Meritech, Oak Investments, Castlight Health, Athenahealth (ObamaCare/HealthCare.gov). See previous posts.

**ON MAY 2, 2012**, (SEC Whistle-blower Complaint, Ref. No. TCR1335967891507, p. 104), Schapiro was provided a copy of this complaint previously sent to the Goldman Sachs' compliance officer by a licensed broker dealer on the lack of disclosure of the intellectual property risks.

**ON MAY 3, 2012**, (SEC Whistle-blower Complaint, Ref. No. TCR1336081478379), p. 119), Schapiro was provided an overview of the Business Judgment Rules that were likely being broken by the Facebook insiders.

**ON MAY 7, 2012**, (SEC Whistle-blower Complaint, Ref. No. TCR1336411301942,, p. 133), Schapiro was provided proof of longstanding conflicts of interest among Facebook, a

- 27. Obamacare Scandal Principals are intertwined in the Leader v. Facebook scandal
- 28. S.E.C. duplicity re. Facebook

## GIBSON DUNN LLP exposed as one of the most corrupt law firms in America



Investigative Reporter Julia Davis investigates Facebook's Leader v. Facebook attorney Gibson Dunn LLP . She credits this firm with the reason why not

a single Wall Street banker has gone to jail since 2008. Click here to read her article "Everybody hates whistleblowers." Examiner.com, Apr. 10, 2012. Here's an excerpt:

> "Skillful manipulation of the firm's extensive media connections allows Gibson Dunn to promote their causes, while simultaneously smearing their opponents and silencing embarrassing news coverage."

This statement followed right after Davis cited Facebook's chief inside counsel in the Leader v. Facebook case, Theodore Ullyot, who appears to have helped lead the Leader v. Facebook judicial corruption. Interesting word choices associated with Gibson Dunn LLP: manipulation, smear. Attorneys swear a solemn oath to act morally, ethically, and in support of democratic principles. They promise to conduct themselves in a manner than instills confidence among the citizenry in the rule of law and the judicial system. These promises appear to be meaningless. Click here for a PDF version of Julie Davis' article.

## **POPULAR POSTS**



OBAMA HIRED THEM. TRUMP CANNOT FIRE THEM. SO THEY SAY.

Senior Executive Service (SES) is ~10,000 Deep State shadow government o are sabotaging the

employees who are sabotaging the American Republic for the globalist...



### OHIO STATE'S PRESIDENT MICHAEL V. DRAKE MIRED IN PERSONAL CONFLICTS OF INTEREST

Trustees and Provost promote learning

technology that benefits trustee clients and is stolen from OSU alums Contributing Writers | Opini...



AMERICAN MORAL UNDERPINNINGS ARE UNDER SIEGE BY GODLESS DEEP STATE CORPORATE GLOBALISTS

Trump under surveillance for many years MSM fake news is INTENDED to degrade our Republic Judeo-Christian moral values of our Founde...

Russian oligarch, Lawrence "Larry" Summers, Goldman Sachs, Morgan Stanley and JPMorgan.

# Despite these substantial warnings, neither Schapiro nor her staff responded to any of these complaints.

Now we know why, Schapiro was feathering her own investment nest by promoting the Facebook IPO, and protecting it from all assaults on its illegitimacy.

# SCHAPIRO FAILED TO DISCLOSE HER SUBSTANTIAL FACEBOOK CLUB STOCK HOLDINGS

Schapiro failed to disqualify herself, or divest herself, of her 51 holdings in T.RowePrice, Fidelity, Vanguard and TIAA-CREF funds that she valued at up to \$4.4 million in 2008. Twenty-seven (27) of Schapiro's holdings were in T.RowePrice, a 5.2% pre-IPO owner of Facebook.

Not so coincidentally, the Federal Circuit Chief Judge in Leader v. Facebook, Alan D. Lourie, holds 22 Facebook Club funds. District Court Judge Leonard P. Stark holds 9 Facebook Club funds. Chief Justice John G. Roberts holds 21 Facebook Club funds.

# SOUND ETHICAL PRACTICES ARE A PREREQUISITE FOR FIXING A BROKEN GOVERNMENT

When will American law and business enforce conflict of interest laws? We have no hope of fixing our problems in Washington until we enforce sound ethical principles. One cannot build a solid house on a crumbling foundation.

Let's start with long time SEC Chair, **MARY L. SCHAPIRO**. Her misconduct opened these floodgates of corruption.

The Facebook handlers have been buying off America's best and brightest for more than a decade in their quest to construct an empire founded on murder (U.S. Border Agent Brian Terry by Fast and Furious weapons), greed and corruption. Clearly, Mary L. Schapiro does not think anyone will hold her accountable. So far, she's right.

Let's change that.

\* \* \*

## COMMENT

Click "N comments:" on the line just below this instruction to comment on this post. Alternatively, send an email with your comment to affi@leader.com and we'll post it for you. We welcome and encourage anonymous comments, especially from whisteblowers.

Posted by K. Craine at 1:44 PM

G+

## 3 comments:

dave123 December 21, 2013 at 7:44 PM



LEADER PROPOSES TRILLION DOLLAR FED REVENUE WHILE LOWERING TAXES User fee on social

networking will generate \$300+ billion a year to fund major initiatives Surcharge on social networking will pay for 17...

Constant of the second second

### OSU BAND INVESTIGATION UNEARTHS SURPRISE TRUSTEE COLLUSION IN PATENT THEFT Breaking News, Sep. 3, 2014

, 10:05am OSU Trustee President, Jeffrey Wadsworth, "counterattacks" the Band Alumni leadership T...



### LEADER TECHNOLOGIES FILES TRILLION DOLLAR BOND LIEN ON THE U.S. GOVERNMENT

President Trump is asked to compensate Leader for the theft of their inventions by the Deep State

shadow government Leader's social net...
MEET THE PERSON WHO



### MEET THE PERSON WHO CAN REMOTELY CRASH PLANES AND CAN READ YOUR MIND

Monstrous Patent calls people "wet ware"

Implanted devices deliver electric shock, poisons, dopamine, adrenaline, emit mind control freq...



### PROOF: ROBERT MUELLER CANNOT BE IMPARTIAL IN THE RUSSIA INVESTIGATION Mueller's Deep State

relationships will politicize the FBI yet again riters | Opinion |

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### JFK: DISMANTLE THE ROGUE



Many NSA and C.I.A. whistleblowers confirm JFK's warning Will we choose accountability to

God or enslavement to bullies? Contribut...



### TOP 12 REASONS ROBERT MUELLER IS A TRUMP HITMAN TO HIDE THE DEEP STATE'S SINS

President Trump and our Republic are in peril from

Deep State operatives like Robert S. Mueller Contributing Writers | Opinion | AMERIC...

## **EDITORIALS**

- DC Bar refuses to investigate attorney misconduct in Leader v. Facebook -Unwillingness of DC attorneys to selfpolice may explain why Washington is broken, Dec. 30, 2012
- Will the U.S. Supreme court support schemers or real American inventors? Facebook's case dangles on a doctored interrogatory. Eighteen (18) areas of question shout for attention, Dec. 27, 2012

MARK PATTERSON Chief of staff, treasury department A former lobbyist for Goldman

### LEWIS SACHS

Senior Treasury Advisor Who oversaw Tricadia a company heavily involved in betting against the mortgage securities it was selling

### OBAMA

picked Gary Gensler a former Goldman sachs executive who helped ban the regulation of derivatives

### OBAMA

picked Mary Schapiro the former CEO of FINRA to run the securities and exchange commission

### OBAMA

Chief of staff Rahm Emanuel made \$320,000 serving on the board of freddie mac.

#### OBAMA

picked Timothy Geithner as Treasury secretary Geithner to pay Goldman Sachs 100 cents on the dollar??

#### OBAMA

chief economic advisor was Larry Summers who tolled the Winklevoss to piss of and help zuckerberg to steal the idea facebook Chris Hughes Larry Summers and Obama new that facebook was stolen Obama had Larry Summers had mark zuckerberg and Chris Hughes who stole Leader's source code stolen from Michael McKibben Cameron and Taylor Winklevoss instead of of telling the truth put your extortion hands out

### OBAMA

The 2008 finance crisis was not an accident it was caused by an out of control industry and at the wheel was chief economic advisor Larry Summers and step by step captured the political system. They didn't care about the quality of the mortgage it was pure greed and getting a fee out of it and new it was dangerous, Larry Summers and the banks preferred subprime loans they carried higher interest rates \$\$\$\$ borrowers were needlessly placed in expensive subprime loans, (predatory loans) more greed for Larry Summers and the banks\$\$\$\$ And the SEC office of risk Management was reduced to a staff of one

### OBAMA

administration resisted regulation of bank compensation The administration had no response Their view its a temporary blip but new it was not? and not a single senior financial executive had been prosecuted or arrested for fraud The Obama administration has made no attempt to recover any compensation pay out

### OBAMA

Facebook IPO, using underwriters including Goldman Sachs, forced through the Securities and Exchange Commission to create money out of nothing

### OBAMA

The finance minister of Sweden the Netherlands, Luxemboug, Italy, Spain, and Germany called for the G20 nations including the United States to impose strict regulations on bank compensation

### OBAMA

Henry Paulson CEO of Goldman Sachs helped lobby the SEC to relax limits on leverage that was nuts but they did it?? Bank leveraging up to the level of 33-to -1. and it was all about greed. and at the time this was done their was only five people working at the SEC office.

### OBAMA

Obama care web site has a clear priority--gathering confidential information about Americans.

### Reply



Cathy Lee December 24, 2013 at 9:08 AM PRESIDENTIAL LIES:

LBJ: We were attacked (in the Gulf of Tonkin)

Nixon: I am not a crook. I will end the war in Vietnam.

GHW Bush: Read my lips - No new taxes.

Clinton: I did not have sex with that woman... Miss Lewinski

3. Two Policy Changes That Will Make America More Democratic (and less contentious), Dec. 21, 2012

## **OUR MISSION**

American citizens must fight abuse of the constitutional right for authors and inventors to enjoy the fruits of their inventions, as a matter of matter of basic property rights and sound public policy. Otherwise, instead of innovation, creativity, genius, ideas, vision, courage, entrepreneurship, respect, property, rejuvenation, morals, ethics, values, renewal, truth, facts, rights, privacy, solutions and judicial faithfulness,

... our society and economy will be dragged down (and eventually destroyed) by copying, infringement, thievery, counterfeiting, hacking, greed, misinformation, exploitation, abuse, waste, disrespect, falsity, corruption, bribery, coercion, intimidation, doublespeak, misconduct, lies, deception, attorney "dark arts," destruction, confusion, dishonesty, judicial chicanery and lawlessness.

If we do not speak up, impeach derelict judges and imprison corrupt attorneys, we cannot possibly hope to start fixing the current ills in our society. Without justice and respect for private property, democracy has no sure foundation.

## **CURRENT EDITORIAL FOCUS**

We are an opinion blog that advocates for strong intellectual property rights. We welcome commenters and contributors. The Leader V. Facebook patent infringement case first came to our attention after learning that the trial judge, Leonard P. Stark, U.S. District Court of Delaware, ignored his jury's admission that they had no evidence to support their on-sale bar verdict, but the judge supported it anyway.

The judicial misconduct has deteriorated from there, replete with two of the three judges on the Federal Circuit appeal panel, Judges Alan D. Lourie and Kimberly A. Moore, holding Facebook stock that they did not disclose to the litigants, and later tried to excuse through a quick motion slipped in at the last minute by the Clerk of Court, Jan Horbaly, and his close friends at The Federal Circuit Bar Association. (The DC Bar subsequently revealed that Mr. Horbaly is not licensed to practice law in Washington D.C.)

The judges ignored shocking new evidence that Mark Zuckerberg withheld 28 hard drives of 2003-2004 evidence from Leader Technologies that could prove actual theft (and therefore claims even more serious than infringement). In addition, Facebook's appeal attorney, Thomas G. Hungar of Gibson Dunn LLP, has close personal ties to just about every judicial player in this story. The misconduct appears to reach into the U.S. Patent Office through abuse of the reexamination process by Facebook. We will stay focused on Leader v. Facebook until justice is served, but we also welcome news

Obama: I will have the most transparent administration in history. The stimulus will fund shovel-ready jobs. I am focused like a laser on creating jobs. The IRS is not targeting anyone. It was a spontaneous riot about a movie. If I had a son. I will put an end to the type of politics that "breeds division, conflict and cynicism". You didn't build that! I will restore trust in Government. The Cambridge cops acted stupidly. The public will have 5 days to look at every bill that lands on my desk It's not my red line - it is the world's red line. Whistle blowers will be protected in my administration. We got back every dime we used to rescue the banks and auto companies, with interest. I am not spying on American citizens. ObamaCare will be good for America You can keep your family doctor. Premiums will be lowered by \$2500. If you like it, you can keep your current healthcare plan It's just like shopping at Amazon. I knew nothing about "Fast and Furious" gunrunning to Mexican drug cartels. I knew nothing about IRS targeting conservative groups.

I knew nothing about what happened in Benghazi.

I have never met my uncle from Kenya who is in the country illegally and that was arrested and told to leave the country over 20 years ago.

And, I have never lived with that uncle. (He finally admitted 12-05-2013 that he DID know his uncle and that he DID live with him.

### And the biggest one of all:

"I, Barrack Hussein Obama, pledge to preserve, protect and defend the Constitution of the United States of America."

### Reply

### dave123 December 26, 2013 at 4:12 PM

Larry Summers was very vocal he thought regulation was bad Goldman sachs sold at least \$3.1 billion worth of toxic CDOs in the first half of 2006. Henry Paulson secretary of the treasury to get the job Paulson had to sell his \$485 million of Goldman Sachs stock when he went to work for the government but he didn't have to pay any taxes on it it saved him \$\$\$ 50 million \$\$\$

Goldman sachs in late 2006 started to sell toxic CDOs and started to bet against them telling it's customers that they were high quality investment and Goldman was betting on the U.S housing crash. Goldman sachs started selling CDOs specifically designed to crash Henry Paulson Goldman Sachs and Morgan Stanley weren't alone Merrill Lynch, J.P Morgan, and Lehman Brothers were all in on it.

Goldman sachs Larry Summers new that mark zuckerberg stole the idea facebook and stole Leader's source code stolen from Michael McKibben and so did Chris Hughes, Obama + Chris Hughes ended up in the same bed x0x0xo and Larry Summers got his leveraging power to run facebook his way to rip off facebook IPO

### THE DAVID KIRKPATRICK BS STORY

LIBOR The strategy wasn't a secret. Each morning at a meeting of UBS's interest-ratederivatives desk in Tokyo, Mr. Hayes would change his status on his Facebook page to reflect his daily desires for Libor to move up or down Originally, the purpose of the feature was to allow users to inform their friends This feature first became available in September 2006 updates were followed by the "What are you doing right now in March 2009, the question was changed to "What's on your mind? (move it up or no move it down ) Facebook than added the feature to tag certain friends (or groups, bankers lawyer Shady traders etc.) The ponzi scheme had everything it needed. Facebook that was stolen (Sean Parker Facebook extortionist James W. Brever david kirkpatick IN the early days of FACEBOOK they all new that facebook was stolen and new of THEFT OF Leader Technologies', david Kirkpatick set up libor manipulation in England and on facebook under the disguise of doing an investigation with the help of Mark Zuckerberg The PayPal boys teamed with Larry Summers to prop Zuck up in front of this new global transaction system scam and the IPO WAS A JACK UP Mark Zuckerberg's former speechwriter, Katherine Losse, said in her book The Boy Kings that Facebook employees were essentially ordered to sell their shares and ask no questions. Facebook's secret profiles, master passwords... and a 'hot or not' app: Insider's book reveals Zuckerberg's 'twisted' quest for total domination

The Winklevoss twins have both been very vocal in their support of bitcoin, but Cameron and Taylor Winklevoss instead of of telling the truth put your extortion hands out you know that facebook was stolen you know the idea facebook was not yours nor was it zuckerberg idea??, BITCOIN the new global transaction system scam, China has told every one they are going to dump the bitcoin but their is still INDIA for the new global BITCOIN transaction system scam. But how are they going to do this Michael McKibben, SO WHO is sucking up to india IT'S OBAMA giving out awards and to give by official decision PAYMENT PRIZES AND

and analysis of intellectual property abuse in other cases as well.

## WELCOME TO DONNA KLINE NOW! READERS!



AFI has been supporting Donna and is now picking up the main Leader v. Facebook coverage (she will continue coverage as well).

Anonymous Posts Are Welcomed! Blogger has more

posting constraints than Donna's WordPress, but we will continue to welcome anonymous posts. Simply send us an email at NEW Leader® Private Email: afi@leader.com with your post. Once the moderator verifies that your email address is real, your comment will be posted using your real name or handle, whatever you wish, like John Smith or Tex.

Click here to v iew a complete Donna Kline Now! posts archive .

> Judicial Misconduct "CANON 2: A judge should avoid impropriety and the appearance of impropriety in all activities."

> > Code of Conduct for United States Judges

Americans For Innovation STOP Judicial Misconduct "Canon 3 requires disqualification of a judge in any proceeding in which the judge has a financial interest, however small." Code of Conduct for United States Judges

CODE OF CONDUCT FOR U.S. JUDGES 4/5/2018

### Americans for Innovation: SECURITIES CHAIR MARY L. SCHAPIRO KNEW FACEBOOK AND ITS IPO WERE FRAUDS

AWARDS????? obama using back door keys from the NSA to spy and steal ideas

A federal judge in California ruled yesterday that Hulu will stand trial in a lawsuit that claims the streaming video site illegally shared viewing data ...

HAVE A FUCKING NICE DAY EVERY ONE

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NOTICE TO COMMENTERS: When the MSM diatribe on "fake news" began, our regular commenters were blocked from posting comments here. Therefore, email your comments to a new secure email addess afi@leader.com and we will post them.

Home

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"CANON 2: A JUDGE SHOULD A VOID IMPROPRIETY AND THE APPEARANCE OF IMPROPRIETY IN ALL ACTIVITIES

## **GALLERY OF JUDICIAL** MISCONDUCT



Judge Leonard P . Stark, U.S. District Court of Delaware, trial judge in Leader Techs, Inc. v. Facebook, Inc., 770 F. Supp. 2d 686 (D.Del. 2011). Judge Stark heard his jury foreman admit that the jury made the on-sale bar decision without any evidence other than speculation, and yet he supported that verdict anyway. Just months before trial, Judge Stark allowed Facebook to add

the on-sale bar claim after the close of all fact discovery and blocked Leader



from preparing its defenses to this new claim. Judge Stark allowed the claims despite Leader's prophetic argument that the action would confuse the jury and prejudice Leader. He also permitted the jury to ignore the Pfaff v. Wells Electronics, Inc. test for on-sale bar, even after instructing the jury to use it. (See that

### Jury Instruction No. 4.7 here.) He

also contradicted his own instruction





to Leader to answer Interrogatory No. 9 in the present tense (2009), then permitted the jury to interpret it as a 2002 admission as well. Facebook's entire on-sale bar case is based upon this interrogatory. (Editorial: Hardly sufficient to meet the "heavy burden" of the clear and convincing evidence standard.)



Judge Alan D. Lourie , U.S. Court of Appeals for the Federal Circuit, panel judge in Leader Techs v. Facebook, Inc., 678 F.3d 1300 (Fed. Cir. 2012). Judge Lourie stood to benefit financially from undisclosed holdings in Facebook. See analysis of Judge Lourie's T. Rowe Price holdings re. the Facebook IPO. Judge Lourie also failed to apply