

Mandelbrot Law Firm

1223 Grant Avenue, Suite C
Novato, CA 94945
Phone: 415.895.5175
Fax: 415.727.4700
Web: www.mesothelioma.pro
E-Mail: mandelbrot@asbestoslegalcenter.org

May 3, 2021

Honorable Sheri Bluebond, Chief Judge
United States Bankruptcy Court
Central District of California
Edward R. Roybal Federal Building and Courthouse
255 E. Temple Street, Suite 1534 / Courtroom 1539
Los Angeles, CA 90012

Case Name: Pacific Insulation Company (Thorpe Insulation)

Case Number: 2:07-bk-20016-BB

Case Name: Jt Thorpe Inc

Case Number: 2:02-bk-14216-BB

Dear Judge,

The purpose of this letter and attachments is to put you on "Notice" of a lawsuit filed April 8, 2021, Donald Breyer, M.D.; Mark Klepper, M.D. v. Ankura Consulting Group LLC., Case No.: 21-cv-2541 United States District Court, Northern District of California.

Identified and referred to extensively in this Complaint is Trust Advisory Committee Member for the J.T. Thorpe and Thorpe Insulation Settlement Trusts **Steven Kazan**. The allegations and facts detail Kazan's calculated and coordinated insider dealing and breach of fiduciary duty (with Defendant Trust Fiduciary Ankura Consulting LLC.) to *misappropriate* hundreds of millions of dollars in Asbestos Trust funds (just as Kazan accomplished in the J.T. Thorpe, Inc. and Thorpe Insulation Settlement Trusts in your Courtroom).

Please publish/file this letter in both the J.T. Thorpe, Inc. and Thorpe Insulation Settlement Trust Court files as this information is critical and germane to J.T. Thorpe and Thorpe Insulation Settlement Trust present and future Beneficiaries. Ankura Consulting LLC., the defendant, has also appeared as a Fiduciary in your courtroom.

As with the Justice Department's intervention in the Bestwall Case, referred to in my letter dated January 11, 2021, *you* Judge Bluebond are, in part, responsible for these lawsuits as well. Because of your decades of favoritism, bias', insider dealing, and *extensive ex parte communications* with Trust Fiduciaries (such as Kazan, his partner David McClain, and Eve Karasik), Asbestos Trust Fiduciaries *presumed* they could act with impunity (like the blatant criminal Thorpe and J.T. Thorpe Asbestos

Settlement Trust Fund sham lawsuits and misappropriations). Hopefully, these lawsuits are one step in slowing the Asbestos Trust Fiduciary *and* Judicial bad faith.

Not coincidentally, the calculated, corrupt, and criminal acts by Asbestos Trust Fiduciary Defendant Ankura (and Steve Kazan) in the above case are entirely analogous to the calculated, corrupt, and criminal acts by the J.T. Thorpe, Inc. Fiduciaries and Thorpe Asbestos Trust Fiduciaries in *J.T. Thorpe Settlement Trust and Thorpe Insulation Company Asbestos Settlement Trust v. Michael J. Mandelbrot, A.P. 2:12-ap-02182-BB, 2:12-ap-02183-BB* with you presiding. To wit:

- 1) Like in *Thorpe v. Mandelbrot, Breyer v. Ankura* involves the calculated, coordinated, and criminal plan by Asbestos Trust Fiduciaries (like your ‘buddies’ in the *Thorpe* cases) to end esteemed Professional careers.
- 2) Like in *Thorpe v. Mandelbrot, Breyer v. Ankura* involves the calculated, coordinated, and criminal plan by Asbestos Trust Fiduciaries (like your ‘buddies’ in the *Thorpe* cases) to suppress *thousands* of legitimate Asbestos Trust Beneficiaries claims thus denying Trust Beneficiaries their just compensation.
- 3) Like in *Thorpe v. Mandelbrot, Breyer v. Ankura* involves the calculated, coordinated, and criminal plan by Asbestos Trust Fiduciaries (like your ‘buddies’ in the *Thorpe* cases) to misappropriate tens of millions of Asbestos Trust Beneficiary funds to “interested parties” (such as Gary Fergus and Eve Karasik in your Courtroom).
- 4) Like in *Thorpe v. Mandelbrot, Breyer v. Ankura* involves the calculated, coordinated, and criminal plan by Asbestos Trust Fiduciaries (like your ‘buddies’ in the *Thorpe* cases) to reroute and redirect *“billions”* in Asbestos Trust funds to Asbestos Trust Advisory Committee members (such as Steven Kazan and Alan Brayton in your Courtroom) who oversee and run the Asbestos Trusts.
- 5) Like in *Thorpe v. Mandelbrot, Breyer v. Ankura* involves the calculated, coordinated, and criminal plan by Asbestos Trust Fiduciaries (like your ‘buddies’ in the *Thorpe* cases) to deny Medicare millions of dollars in entitled reimbursements.

However, unlike the *Thorpe v. Mandelbrot* cases, one can expect an unbiased, honest, qualified, and ‘real’ Judge (not *you*). Not a Judge like you who is not riddled with favoritism, bias, and bad faith who disgracefully has her favored Parties write Orders weeks before hearings so that you can rule accordingly.

We note that you published my letter of January 11, 2021 into the *Thorpe* and *J.T. Thorpe, Inc.* bankruptcy case files, *but failed to publish my previous letters detailing Asbestos Trust Fraud by Trustees and Trust Advisory Committee Members.* Why? This information detailing Judicial and Trust fraud was *critical to all Beneficiaries* of the J.T. Thorpe and Thorpe Insulation Trusts. As you have prohibited my office from filings in these cases, *why are you ‘selectively’ deciding what letters to publish?*

I sent detailed letters to you on February 5, 2019, December 13, 2019, and June 10, 2020 which detailed *extensive* Thorpe and J.T. Thorpe Settlement Trust Advisory Committee (Steve Kazan, Alan Brayton) fraud, including the theft of Thorpe and J.T. Thorpe Settlement Asbestos Trust funds for Brayton’s wedding. I included the Trust check and detailed e-mails from Brayton’s wife to the Trust regarding the same. Why didn’t you publish these documents? I also sent you extensive information regarding insider dealing, bad faith, and judicial misconduct. Why didn’t you publish that information?

Not surprisingly, the J.T. Thorpe, Inc., and Thorpe Insulation (Pacific) Settlement Trust Annual Reports filed April 28, 2021 (by your buddy Eve Karasik) fail to mention the lawsuit above, while simultaneously concealing and dismissing Fiduciary misconduct. You have prohibited me and my office

from "Objecting" to the Annual Reports to raise these ongoing issues of Fiduciary criminal misconduct, please allow this to serve as your 'notice'.

Regards,

Michael J. Mandelbrot, Attorney

Cc: Justice Department

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Fax: 415.727.4700
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Case No. 02-14216-BB – J.T. THORPE, INC/THORPE INSULATION
Adversary Case No. 2:12-ap-02182-BB (closed case)

RE: RULE 60 MOTION – RELIEF FROM A JUDGMENT OR ORDER; NOTICE OF FIDUCIARY (ALAN BRAYTON/SARA BETH BROWN) THEFT OF BENEFICIARY TRUST FUNDS

Dear Judge Bluebond,

“[F]raud will not prevail and prevent substantial justice from being done” in a bankruptcy proceeding. *Pepper v. Litton*, U.S. 295,305 (1939).

This letter is from the thousands of Beneficiaries of the Thorpe Insulation and J.T. Thorpe, Inc. Settlement Trusts. In the last hearing related to matters above on November 28, 2018, I indicated that my office would be filing a Motion pursuant to Federal Rules of Civil Procedure Rule 60 – Relief from a Judgment or Order. Despite the clear merits of Motion (Thorpe Lawyers fraud, misrepresentation, misconduct, and perjury; Newly discovered evidence; Judgment is void etc....) we have opted not to file this Motion for the following reasons:

- 1) During the November 28, 2018 hearing, you indicated you had pre-determined that you would deny said Motion.¹
- 2) As you have done at every ‘critical’ hearing, you would improperly exclude properly submitted evidence supporting said Motion.²
- 3) Your friends working at the Thorpe Trusts would misappropriate additional beneficiary funds (millions) to oppose said Motion while communicating with you on ‘how’ to rule for them.
- 4) You would deny a ‘companion’ Motion to Recuse, and even if granted, you would no doubt improperly communicate with a fellow Judge on how to rule for the Thorpe Trusts.³

¹ See Transcript of November 28, 2018. Since the inception of the Thorpe cases against me and my office (2011), you have shown neither the integrity or impartiality required of the judiciary. You have allowed social, financial, and other relationships to influence judicial conduct or judgment.

² At ever critical hearing in these matters, you have excluded properly submitted evidence solely so your could rule for your ‘favored’ party.

³ Your propensity for Ex Parte communications is well established.

5) You would continue to retaliate against me for the filing of a Judicial Complaint.


You were recently provided irrefutable and undeniable evidence of the theft and misappropriation of asbestos trust funds by Alan Brayton and Sara Beth Brown and other Trust Fiduciaries (an actual check with confirming e-mail). These same individuals (Brayton and Brown), of course, 'spearheaded' the entire cases against me to further their fraud.⁴

Are you going to provide the Department of Justice and U.S. Trustee with the undisputed and undeniable theft of Trust funds by Brayton and Brown? You received "Notice" less than 30 days ago in my response to the State Bar Complaint. Are you going to conduct further investigation to determine the 'full extent' of the theft?⁵ Over the past 6 years, I have provided you with additional evidence of Brayton's fraud and misappropriation of funds (which you either ignored or excluded)? You have also been provided transcripts (many) relating to Brayton's fraudulent claim filing practices.⁶ It really is shocking that a sitting Judge would ignore blatant theft and fraud.

It bears worth noting that this Court's power to entertain an independent action to relieve a party from judgment, order or proceeding, or to set aside *this* judgment for fraud on the Court is not limited by the failure to file a Rule 60 Motion. See F.R.C.P. Rule 60 (d)(1,3). Should you ever initiate this Motion, we remain capable and committed to reliably representing Beneficiaries of the Thorpe Trusts.

One final note. I appreciate that your are reading my *Blog* at www.mesothelioma.pro. These are my opinions. I strive to maintain accuracy in all my posts. Should you find anything inaccurate at any time, please let me know and I will immediately investigate.

Regards,



Michael J. Mandelbrot

⁴ I sent an e-mail privately to another attorney dated September 29, 2011 wherein I wrote "Speaking of lucrative - you're missing out on some lucrative API, Western and J.T. Thorpe, Inc. claims... as well as Thorpe Insulation through your clients with Military exposure. The "Kings of Corruption" (Brayton/McClain/David Rosen) are continuing to treat these Trusts like their personal 'piggy banks'... Alan Brayton and David McClain received this e-mail *and less the 60 days later, the Thorpe cases were initiated against me and my office*. I became the 'scapegoat' to further Fiduciary theft (Brayton et al....) and fraud.

⁵ For at least a decade, Brown, Brayton, Trust Director of Claim Laura Paul, Stephen Snyder and Gary Fergus have been using the Beneficiaries funds as their 'personal piggy banks' – just as I stated in the September 29, 2011 e-mail.

⁶ See *Kananian Case* – Order dated January 18, 2007 - *No. CV442750, In the Court of Common Pleas Cuyahoga County, Ohio* wherein Brayton's *fraudulent asbestos trust claims* caused him to be excluded from ever practicing in Ohio.

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Phone: 415.895.5175
Fax: 415.727.4700
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E-Mail: mandelbrot@asbestoslegalcenter.org

December 13, 2019

**Honorable Sheri Bluebond, Chief Judge
United States Bankruptcy Court
Central District of California
Edward R. Roybal Federal Building and Courthouse
255 E. Temple Street, Suite 1534 / Courtroom 1539
Los Angeles, CA 90012**

**Re: State Bar Complaint - Case No. 02-14216-BB – J.T. THORPE, INC/THORPE INSULATION
Adversary Case No. 2:12-ap-02182-BB (closed case)**

Dear Judge Bluebond,

I am writing regarding the State Bar Complaint you filed against me and my office. As I'm sure you recall, following the improper exclusion of Mandelbrot evidence in the Thorpe cases referenced above, you filed a California State Bar Complaint against me and my office.¹ In that Complaint, you made numerous (false) accusations regarding me and my office. You also accused my office of making improper filings in your Court. I have now spoken with Jay Buteyn, Investigator for the California State Bar.

Why haven't you updated that Complaint with pertinent facts? You are no doubt keenly aware of the critical facts related to your State Bar Complaint such as the recent removal of Gary Fergus as a Thorpe Futures Representative Attorney. In addition, you are well aware of the (completely sham) retirements of Managing Trustee Steven Snyder and Executive Director Sara Beth Brown just as the Department of Justice began investigating the Trusts. Why haven't you updated your Complaint against me and my office with these critical facts. Any 'honest' Judge would have updated their Complaint. Why didn't you?

In addition, why didn't update your State Bar Complaint regarding the Department of Justice investigations into the Trusts? You were put on "Notice" of collusion, fraud, misappropriation of Trust funds, and other criminal conduct at the Trusts over a decade ago. But as a biased, abhorrent Judge, you ignored the criminal conduct to protect your buddies. Now that the Department of Justice is investigating the Trusts. Don't you think you should update your State Bar Complaint?

¹ In the underlying Thorpe cases, you improperly excluded evidence solely so you could rule for your 'buddies', created 'bad' law, and were incapable of impartiality.

In addition, you were provided undisputed and incontrovertible evidence of the actual theft of Trust funds by Trust Fiduciary Alan Brayton (attached). Brayton used Trust funds to *pay for the catering bill at his wedding*. You were provided with the actual check (signed by the now also retired Sara Beth Brown), confirming e-mails from Brayton's wife and the actual invoice (matching the amount of the check). Undeniable CRIMINAL conduct by same Fiduciaries discussed in my filings. Why didn't you update your State Bar Complaint to include this critical information?

Ms. Bluebond, you have filed a Complaint against me, yet your history in overseeing Asbestos Trusts has resulted in the following:

- 1) "Interested Parties" (your buddies) misappropriating approximately \$300,000,000 in Thorpe Beneficiary Funds-- "Interested Parties" who should be excluded from receiving Trust funds (Gary Fergus, Steven Snyder) per Department of Justice Chapter 11 Rules; These are the *exact same individuals* discussed in Mandelbrot filings;
- 2) Improper Rulings in the adversary proceeding above negatively impacting *thousands* of Present and Future Thorpe Trust Beneficiaries -- solely to benefit your buddies who filed sham lawsuits against my office;
- 3) Alan Brayton (Brayton Purcell) -- the Chairman of the Trusts above -- misappropriating hundreds of millions of dollars from the Trust funds *as his personal piggy bank*. **You've done nothing** (despite having uncontroverted evidence);
- 4) Treating litigants in a demonstrably egregious manner; On multiple occasions, you engaged in extensive Ex Parte communications with litigants (your buddies), consulted with them on various Orders (long before the hearings) and ruled for your 'buddies' on *every occasion -- including the improper exclusion of evidence in order to rule for your buddies*.
- 5) Creating "Bad Law" on multiple occasions (having been reversed on Appeal many times) *solely so you could rule for your 'buddies'*;
- 6) Retaliating against me and my office for my participation in the Judicial Complaint process.

Simply put, you are a disgrace to the Judiciary. The Beneficiaries of the J.T. Thorpe and Thorpe Insulation Settlement Trust deserve better. You are a Judge *proven incapable* of impartial rulings (the essence of being a Judge), good faith, and promoting "justice". And you question my sanity?

Regards,

Michael J. Mandelbrot, Attorney

Cc: Jay Buteyn -- State Bar Investigation

Mandelbrot Law Firm

1223 Grant Ave. Suite C. Novato CA 94945

June 10, 2020

Sheri Bluebond
United States Bankruptcy Court – Central
Los Angeles Division – Courtroom 1539
255 East Temple Street
Los Angeles, CA 90012

Re: Case Nos. LA-02-14216-BB & LA-04-35876-BB -

Dear Ms. Bluebond,

You (again) had the chance to stop fraud and corrupt taking place at the Thorpe Insulation and J.T. Thorpe, Inc. Asbestos Trusts instead of just approving the Annual Reports. We thought this would be the year you were going to stop ignoring the unabashed and clear theft of Thorpe Asbestos Trust Funds and Fiduciary insider dealing under your watch. We were wrong.

As the Thorpe Trustees' "Puppet" (clearly not a "Judge"), you approved *another* set of Annual Reports (2109 Reports) which contained extensive and obvious fraud on Trust Beneficiaries – again failing Trust Beneficiaries to appease your close and personal buddies at the Trusts.

Why didn't you *finally* investigate the lies, deception, and perjury of your close buddy Thorpe Trust attorney Eve Karasik? Karasik has committed fraud/misrepresentation in *every* Annual Report Karasik's prepared over the past dozen years – something well known to you. Not to mention Karasik's yearly "sham" billings to the Trust to make her billable hours (again, well known to you). And Karasik's perjury at the Mandelbrot Trial. Why didn't you finally investigate the "cartel" running the Trusts? Is unbiased good faith (the 'hallmark' of any respectable Judge) beyond you? Obviously.

You are aware that the "top 2" Fiduciaries are the Thorpe Trusts (Stephen Snyder and Sara Beth Brown) both "retired" (in an effort to conceal fraud) in 2019 just as Department of Justice began investigating the Trusts. You no doubt recall that both Snyder and Brown testified (and committed extensive perjury) in the Trial against my office? Why didn't you investigate that Fiduciary fraud harming thousands of Beneficiaries? Karasik-signed Annual Reports contain *extensive* fraud regarding the Thorpe v. Mandelbrot cases. Why won't you investigate the perjured testimony of Snyder? Sara Beth Brown? *You never even read the underlying documents in the case – just accepted what the Trust put in front of you as 'true'*. What is now apparent is that you were complicit with Snyder and Brown (and Karasik) during the (sham) cases against my office and do not want the information public.¹ Simply disgraceful.

¹ Your (Bluebond's) unethical conduct during the underlying Thorpe v. Mandelbrot cases is well established: 1) Improper exclusion of evidence; 2) Dozens of Ex Parte Communications (extensive!) with Thorpe Counsel throughout the case in an effort to assist your buddies at the Trust; 3) Having Karasik (your close buddy) submit Orders well in advance of your rulings to provide you with a "roadmap" to rule for your buddies; 4) Biased rulings from the inception of the case (to assist your buddies); 5) Purposefully creating "Bad Law" following my successful Appeal to spite Mandelbrot's clients.

Next, why didn't you investigate the THEFT of Trust funds by Snyder, Brayton, Laura Paul, and Brown uncovered in 2019? You were provided with uncontroverted evidence that Brayton, Paul, Brown et al were using (stealing) Thorpe Trust Funds for Brayton's wedding, The Bachelor watching parties, Annual Parties (costing hundreds of thousands of dollars), and other theft. **Why didn't you investigate?** Karasik indicated in the Annual Reports that the Trusts investigated and there was no merit (clearly perjury) to these facts. Did you ever ask Karasik what investigation was done? NONE. **Proper investigation would have required hiring an "Independent" Auditor to review the past 15 years of the Trusts (including Western Asbestos') Accounting Records to determine all improper expenditures - including a complete review of all "Petty Cash" expenditures.** This was not done! Had an "Independent" investigation been done, you would find at *least* five million dollars in improper expenditures.² At least. But again, since you are complicit in the theft, you did nothing.

Do you really wonder why you are the "Most Corrupt Judge in the Country"? It is a Title that you have earned (unlike your 'Appointment' through former and disgraced Judge Alex Kozinski). Never has a Judge 'allowed' such extensive and obvious corruption, fraud, and theft (to assist their buddies). Never.³ Asbestos victims need an unbiased Judge, not a puppet. Maybe next year will be the year (2020 Annual Reports) you actually read the Annual Reports? We doubt it. You are too clouded with corruption.

Please make this letter a part of the Court file. Emblematic of your bad faith is your yearly addition to Court file of letters by asbestos victim Mr. Autry Earl Barney, Jackson, Alabama – clearly in an effort to embarrass Mr. Barney. Mr. Barney needs help, not a corrupt Judge. Why haven't you required the Trust Fiduciaries to assist him instead of trying to embarrass him on a yearly basis? I look forward to reaching out to him. If you can make his letters part of the Court file, you sure can make this letter.

Sincerely, _____

Copies to: Western Court, Department of Justice, Blog

² In 2013, when the Trust investigated the millions stolen by Alan Brayton (Kananian "fictional" claims), the Trust hired an entirely biased lawyer (John Kecker – who shared office space with Trust Representatives) to create a sham report (again – something you knew (!) but failed to investigate (to assist your corrupt buddies).

³ Your corruption and bad faith bias towards Karasik have victims curious? Is Karasik paying you money "under the table" (from her "sham" billings) to continue to rule for the Trust despite the criminal conduct? What "Benefits" have you received from Karasik and her Firms in the past 5 years for being complicit in Karasik's fraud (other than her 'falsified' glowing recommendation for your Appointment)?