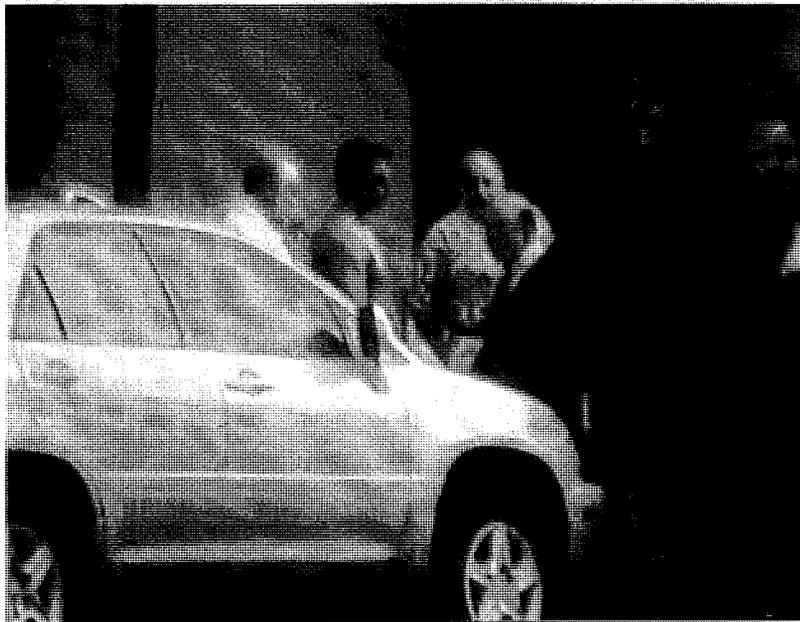


Emp. Task Force
Dep. Exh. 41



FILED
U.S. DISTRICT COURT
EASTERN DISTRICT OF LA

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LORETTA G. WHYTE
CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

ORIGINAL

UNITED STATES OF AMERICA * CRIMINAL DOCKET NO. 02-219
v. * SECTION: "C"(4)
RONALD D. BODENHEIMER *
*
* * *

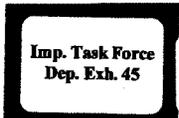
FACTUAL BASIS

COUNT ONE

If this case were to proceed to trial, the Government would prove that defendant, **R RONALD D. BODENHEIMER**, inspired with Curley J. Chewning to distribute and attempt to distribute, and possess and attempt to possess with the intent to distribute, a quantity of oxycodone in order to intimidate, harass, discredit, and silence a neighbor from making public complaints against **BODENHEIMER** and the Venetian Isles Marina ("VIM"), which **BODENHEIMER** controlled. The Government would prove the defendant's guilt through the testimony of competent witnesses and the introduction of admissible evidence.

The Government would demonstrate that:

1. In late Summer or early Fall of 2001, **BODENHEIMER** discussed with a Jefferson Parish police officer a plan to arrange for the false arrest for drug possession of a neighbor at VIM who was aggravating **BODENHEIMER**.
2. On October 2, 2001, **BODENHEIMER** told an employee of VIM that she



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EASTERN DISTRICT OF LOUISIANA
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should "bide her time" because a certain neighbor's "time was coming".

BODENHEIMER counseled the employee that in the meantime, "aggravate the little p.... as much as possible", referring to the neighbor.

3. On October 10, 2001, **BODENHEIMER** and a private investigator discussed the fact that the neighbor was making complaints to government agencies about oil spills at VIM. The private investigator and **BODENHEIMER** talked about the delay this would cause in their plan to retaliate against the neighbor. The private investigator stated that the incident "puts us back on the time, 'cause if we do something to him now, it's going to look like it's a, you know...." **BODENHEIMER** and the private investigator agreed they would defer their actions for at least a couple of weeks. The private investigator told **BODENHEIMER**, "I mean no, when we are ready, I'm ready...."

4. On January 30, 2002, **BODENHEIMER** and the private investigator had a conversation concerning the neighbor in which **BODENHEIMER** stated, "[I] still got to do something with that kid, from that Venetian Isles thing." After further discussion about the neighbor, the private investigator stated, "[I] say somebody ought to kick the f... out of him." **BODENHEIMER** responded, "Yeah, I want him hurt worse than that." Immediately thereafter, **BODENHEIMER** and the private investigator discussed plans to plant crack cocaine in the neighbor's vehicle and have the neighbor falsely arrested.

5. In early 2002, **BODENHEIMER** discussed with a New Orleans police officer a plan to plant illegal drugs of a type and in a quantity which would lead to a false felony arrest of an individual who was causing trouble to **BODENHEIMER** at VIM.

6. On February 4, 2002, **BODENHEIMER** called Chewning. **BODENHEIMER** told Chewning that he needed someone to "get close" to the neighbor. Chewning agreed to "see what he's up to."
7. On March 6, 2002, **BODENHEIMER** and Chewning met and discussed how the neighbor and others observed **BODENHEIMER**'s activities at VIM. **BODENHEIMER** stated "I gotta get this mother f..... out of my hair".
8. On March 11, 2002, **BODENHEIMER** and Chewning discussed in a telephone call getting the "product" that they needed to plant drugs on the neighbor and when it would occur. Chewning told **BODENHEIMER** that he would give him a day's notice before planting the drugs.
9. On March 17, 2002, **BODENHEIMER** and Chewning discussed in a telephone call a meeting in Slidell later that evening.
10. On April 2, 2002, **BODENHEIMER** had a telephone conversation with Chewning during which they discussed a scenario designed to provide Chewning access to the inside of the neighbor's vehicle. The scenario consisted of Chewning taking his vehicle to the neighbor's place of employment, leaving it there to have the transmission checked, and then asking the neighbor for a ride to another location, where **BODENHEIMER** would pick up Chewning.
11. On April 18, 2002, **BODENHEIMER** and Chewning had a telephone conversation during which they discussed Chewning meeting with the neighbor on April 19, 2002. Chewning told **BODENHEIMER** that he was meeting with the neighbor at 7:00 p.m. and "it is all going be good with that, you know, because I'm going to be in the

truck." Chewning and **BODENHEIMER** discussed that "something" was "up" with the neighbor. Chewning told **BODENHEIMER** "let's see, let's see who sinks the deepest hook." **BODENHEIMER** responded, "It's like a knife fight while dancing."

12. On April 19, 2002, Chewning placed a plastic baggie that contained three Oxycodone pills, a Schedule II drug controlled substance, into the neighbor's vehicle.

13. On April 20, 2002, **BODENHEIMER** and Chewning met in the parking lot of a gas station in Slidell, Louisiana.

14. On April 21, 2002, **BODENHEIMER** told Chewning that he (**BODENHEIMER**) was at VIM and asked Chewning, "are you taking a ride or what?" Chewning asked if **BODENHEIMER** thought it was "cool" to come to VIM "at this particular point."

15. The Government has no evidence that **BODENHEIMER** in fact, called the police in an effort to effect the arrest of the neighbor.

COUNT TWO

If this case were to proceed to trial, the Government would prove that defendant, **RONALD D. BODENHEIMER**, a Louisiana district court judge, along with Philip M. Demma and Bryan M. White, devised and intended to devise a scheme and artifice to defraud and to deprive the citizens of the State of Louisiana of **BODENHEIMER**'s honest and faithful services, performed free from deceit, bias, self-dealing, and concealment. **BODENHEIMER** did so by using his position as judge to enrich himself by making rulings favorable to the father in a domestic proceeding over which he presided in exchange for things of value, including assistance with quashing

unfavorable publicity, assistance in obtaining a lucrative seafood contract, and other things of value. The Government would prove the defendant's guilt through the testimony of competent witnesses and the introduction of admissible evidence.

The Government would demonstrate that:

1. On February 1, 2001, a seafood wholesaler appeared in **BODENHEIMER's** court for a criminal hearing. **BODENHEIMER** advised the parties that he knew the seafood wholesaler but failed to reveal fully his relationship with the seafood wholesaler.
2. On or about October 2, 2001, **BODENHEIMER** appointed Social Worker 1 to make recommendations on an issue concerning the preschool attendance of the minor child.
3. On October 2, 2001, **BODENHEIMER** called a close relative of the father and stated his intention to manipulate the proceedings in the father's favor. **BODENHEIMER** said that when the father was in **BODENHEIMER's** court earlier that day, **BODENHEIMER** "had to act like I was neutral . . . cuz if I would have acted any other way his wife was gonna file a motion to recuse." **BODENHEIMER** further asked the close relative of the father to "let him (the father) know that . . . I know what he did for me, I'm talking about with that T.V. thing." **BODENHEIMER** stated that "I'm not gonna forget what he did" and "he will get everything he wants." **BODENHEIMER** repeated that "I remember what he did. I don't forget my friends and he was a friend to me and I'll see that he gets what he wants." **BODENHEIMER** further told the close relative of the father that "if he (the father) wants to talk to me at all or let me know

anything, tell you and you can give me a call.”

4. On October 9, 2001, **BODENHEIMER** and the seafood wholesaler discussed the possibility of selling shrimp to one of the father's businesses, and **BODENHEIMER** told the seafood wholesaler that he planned to meet with the father's attorney the following week to try to put something together.

5. In the Spring of 2001, **BODENHEIMER** requested the seafood wholesaler provide him with fuel for VIM. Subsequently, the seafood wholesaler provided **BODENHEIMER** with four shipments of fuel worth in excess of \$16,000. **BODENHEIMER** never paid for the fuel.

6. On November 7, 2001, **BODENHEIMER** and White had a conversation in which neither the mother involved in the domestic proceeding nor the mother's attorney participated. During this conversation, **BODENHEIMER** and White discussed the basis of the mother's recusal motion. **BODENHEIMER** instructed White to tell the father's attorney to file a discovery motion to seek the mother's full grounds for recusal.

7. On November 20, 2001, an individual called **BODENHEIMER** on behalf of the close relative of the father and relayed a request that **BODENHEIMER** attend a meeting the following evening at a restaurant with the close relative and “that guy he (the close relative) had gotten you to talk to once before.” **BODENHEIMER** agreed to meet and, in fact, did meet with the father later that evening at another location.

8. On December 11, 2001, **BODENHEIMER** and White had a conversation in which neither the mother nor the mother's attorney participated. They decided that Social Worker 1 appeared to be taking a position favorable to the mother.

BODENHEIMER suggested that he and White could "get some mileage" by appointing Lawyer 1 as "Guardian Ad Litem" for the minor child.

9. On December 18, 2001, **BODENHEIMER** signed an Order appointing Lawyer 1 as "Guardian Ad Litem" for the minor child and caused the Order to be mailed.

10. On December 18, 2001, the father's attorney caused to be mailed a letter to the mother's attorney stating the father's position regarding Christmas visitation with the minor child.

11. On December 21, 2001, **BODENHEIMER** ruled that the father would have visitation rights with the minor child on Christmas Eve and Christmas morning.

12. On December 21, 2001, Demma called **BODENHEIMER** to discuss **BODENHEIMER**'s Christmas visitation rulings for the minor child. **BODENHEIMER** asked Demma, "How'd I do?" in getting the father Christmas Eve and Christmas morning, and Demma responded: "My man! . . . That's exactly what he wanted Score, scoring big points I'ma call him at home now to ask him is if he's happy with that. I'll call you right back."

13. On December 21, 2001, while discussing **BODENHEIMER**'s Christmas visitation rulings, **BODENHEIMER** instructed Demma to "Tell [the father] I gave him everything Bryan asked for."

14. On December 28, 2001, **BODENHEIMER** and the seafood wholesaler discussed how **BODENHEIMER**'s shrimp distribution operation at VIM could handle a shrimp supply contract with the father's businesses.

15. On January 7, 2002, White called **BODENHEIMER** to schedule a hearing for the father to voice his complaints about the mother, and **BODENHEIMER** suggested that the father's attorney file a motion to hold the mother in contempt.

16. On January 7, 2002, the father's attorney filed a motion to hold the mother in contempt.

17. On January 8, 2002, **BODENHEIMER**, Demma, and White held a telephone conference in which neither the mother nor the mother's attorney participated. During this conference, they agreed that Demma should not attend the upcoming hearing in the proceedings. White said that the mother would "start screaming the fix is in" if she saw Demma in court.

18. On January 8, 2002, **BODENHEIMER** instructed Demma to get a copy of a seafood contract for a business owned by the father from White.

19. On January 16, 2002, Demma told **BODENHEIMER** what rulings the father wanted him to make at an upcoming hearing.

20. On January 24, 2002, **BODENHEIMER** expressed his disappointment to Demma at the way things had been working out with the social workers assigned to the proceedings, especially since **BODENHEIMER** had been "appointing the ones that I thought would be most favorable to him (the father) in the first place."

21. On January 29, 2002, after talking with the father about the previous day's hearing, Demma told **BODENHEIMER** that, "He is so pleased with you, pal. . . . He is so pleased with you it's unreal."

22. On January 29, 2002, **BODENHEIMER** signed a judgment granting the

mother's application to file a writ of review on **BODENHEIMER's** January 28, 2002 order relating to the preschool attendance issue but denying the mother's request to stay **BODENHEIMER's** ruling. **BODENHEIMER** explained to Demma that by denying the mother's motion for a stay, the school year would "be over before the appeal gets taken."

23. On February 2, 2002, **BODENHEIMER** and Demma discussed their efforts to obtain a copy of a seafood contract for one of the father's businesses from White, and **BODENHEIMER** stated "We, we gonna start bugging him again next week."

24. On February 11, 2002, the father's attorney caused to be mailed a proposed judgment relating to the preschool attendance of the minor child, among other things.

25. On February 19, 2002, **BODENHEIMER** signed and caused to be mailed a judgment relating to the preschool attendance of the minor child, among other things.

26. On February 26, 2002, White caused the shrimp prices to be faxed to Demma.

27. On March 7, 2002, **BODENHEIMER** and the seafood wholesaler agreed to meet at **BODENHEIMER's** residence to discuss the seafood prices.

28. On March 7, 2002, White and **BODENHEIMER** discussed scheduling the next hearing in the proceedings, during a conversation in which neither the mother nor the mother's attorney participated. During this conversation, White told **BODENHEIMER** that he had additional prices at his office and would "be happy to get 'em" to **BODENHEIMER**. White added that, "I promise you I'll get you some stuff very

soon with the rest of the fresh seafood that we buy."

29. On April 26, 2002, **BODENHEIMER** told the seafood wholesaler that he would be having lunch with "that boy" from a company associated with the father the next week and intended to ask him "where the f--- is that contract you promised me."

COUNT THREE

If this case were to proceed to trial, the Government would prove that defendant, **RONALD D. BODENHEIMER**, a Louisiana district court judge, conspired with the owners and employees of a Jefferson Parish bail bonding company, and others known and unknown to devise and intend to devise a scheme and artifice to defraud and to deprive the citizens of the State of Louisiana of **BODENHEIMER**'s honest and faithful services, performed free from deceit, bias, self-dealing, and concealment. **BODENHEIMER** did so by using his position as judge to enrich himself by setting, reducing, and splitting bonds in various criminal matters pending before him as well as other judges on terms most advantageous to the bail bonding company in exchange for things of value, including meals, trips to resorts, campaign contributions, home improvements, and other things of value. The Government would prove the defendant's guilt through the testimony of competent witnesses and the introduction of admissible evidence.

The Government would demonstrate that:

1. At various times during the period from August 2001 through April 2002, the Government conducted court authorized electronic surveillance of **BODENHEIMER**'s home telephone, office telephone, and chambers, as well as the

telephones of the bail bonding company. This surveillance confirmed that **BODENHEIMER** regularly set, reduced, and split bonds in criminal cases pending before him and other judges, irrespective of whether he was scheduled for "magistrate duty". The bonds were routinely set at a level requested by the bail bonding company which would tend to maximize their profits by securing the maximum amount of premium money available from the criminal defendant and his family. **BODENHEIMER** made himself available to handle bonding matters for the bail bonding company on a 24/7 basis. It was reasonably foreseeable to **BODENHEIMER** that the bail bonding company routinely used the mails and other common carriers in furtherance of the scheme, particularly with regard to the processing of bond premiums and in the billing of the criminal defendants and their families.

2. The bail bonding company routinely purchased lunches, drinks, and dinners for **BODENHEIMER** and, in 1999, paid for a trip to the Beau Rivage Casino for **BODENHEIMER** and his wife. These things of value were routinely paid for by the bail bonding company through the use of credit cards, and it was reasonably foreseeable to **BODENHEIMER** that the payments for the credit card bills were made through the mails.

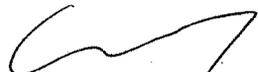
3. The bail bonding company arranged for home improvements to be made at **BODENHEIMER**'s residence, in return for the advantageous handling of bond matters.

4. The bail bonding company made campaign contributions to **BODENHEIMER** in return for the advantageous handling of bond matters. Louisiana

law requires that judges make regular campaign finance reports. Correspondence relative to such reports were routinely handled through the mails.



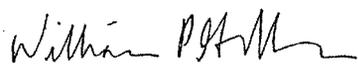
RONALD D. BODENHEIMER
DEFENDANT



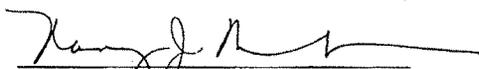
EDDIE J. CASTAING, ESQ.
ATTORNEY FOR DEFENDANT



MICHAEL W. MAGNER
Assistant United States Attorney
Bar Roll No. 1206



WILLIAM J. GIBBENS
Assistant United States Attorney
Bar Roll No. 27225



NANCY J. NEWCOMB
Senior Trial Attorney
Public Integrity Section
Criminal Division
U.S. Department of Justice

New Orleans, Louisiana
March 28, 2003

TWENTY-FOURTH JUDICIAL DISTRICT COURT
PARISH OF JEFFERSON
STATE OF LOUISIANA

STATE OF LOUISIANA NO. 89-2360

VS. DIVISION "A"

AUBREY WALLACE

PROCEEDINGS taken in the above
numbered and entitled cause before the Honorable G.
Thomas Porteous, Judge presiding, on September 21,
1994.

APPEARANCES

For the Plaintiff:
Michael Reynolds
For the Defendant:
Bruce Netterville

Reported by: Lisa Broussard, Official Court
Reporter

HP Exhibit 246

Imp. Task Force
Dep. Exh. 46

EXHIBIT INDEX

EXHIBITS: DESCRIPTION PAGE RECEIVED:

PLAINTIFF'S EXHIBITS

DEFENDANT'S EXHIBITS

AMERICAN GOVERNMENT

P R O C E E D I N G S

1
2 THE COURT:

3 All right. This is State of Louisiana
4 versus Aubrey Wallace. It was 89-2360. It's a
5 motion for amended sentence. Mr. Netterville
6 is standing in on behalf of Mr. Reese. I've
7 already spoken with the DA on this.
8 Apparently, previously in my Court on 11
9 December 91, I terminated this defendant's
10 probation unsatisfactorily because as stated in
11 the petition, "Subject was sentenced on
12 2/26/91, on 89-0001, to five years at hard
13 labor for possession of PCP and Cocaine." That
14 conviction or that crime technically predates
15 the crime for which he pled in my particular
16 Court. Accordingly, it was an incorrect basis
17 to terminate unsatisfactorily. Accordingly,
18 the sentence will be amended to include removal
19 of the unsatisfactory removal of probation and
20 the entering of the plea under Code of Criminal
21 Procedure 893.

22 All right. I've signed the order.

23 MR. NETTERVILLE:

24 Thank you, Judge.

25 THE COURT:

26 If you want further relief, then file a
27 petition to enforce 893 and then I'll execute
28 that also.

29 MR. NETTERVILLE:

30 Thank you.

31

MISSOURI STATE COURTS

C E R T I F I C A T E

I, Lisa Broussard, Official Court Reporter, do hereby certify that the foregoing is a true and correct transcript of the proceedings heard in Open Court at Gretna, Louisiana, on September 21, 1994, before the Honorable G. Thomas Porteous, Judge presiding, in the matter entitled State of Louisiana versus Aubry N. Wallace, numbered Criminal Docket Number 89-2360.

Lisa Broussard

LISA BROUSSARD
OFFICIAL COURT REPORTER
24TH JUDICIAL DISTRICT COURT
IN AND FOR THE PARISH OF
JEFFERSON, STATE OF LOUISIANA

This 28 day of Nov., 1994.

JEFFERSON CRIME COMMISSION

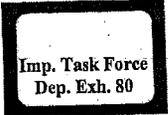
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AFFIDAVIT

STATE OF LOUISIANA
PARISH OF JEFFERSON

BEFORE ME, the undersigned Notary, personally came and appeared:

LOUIS M. MARCOTTE, III

who being duly sworn did depose and state as follows:

1.
I have personal knowledge of the statements made in the Affidavit and each is true and correct.
2.
I am a licensed bail bondsman in the state of Louisiana and the owner of Bail Bonds Unlimited, Incorporated.
3.
At no time have I ever given money or anything of value to Judge Porteous for reducing or altering any bond.
4.
More particularly, at no time did I give money that was to be delivered to Judge Porteous for reducing a bond on behalf of Keith Klips.
5.
At no time has anyone working for Judge Porteous ever delivered or returned any money to me.
6.
At no time did Philip Boudousque deliver or return money to me that allegedly came from Judge Porteous.
7.
At no time did I tell anyone that Judge Porteous received \$1,500.00 (or any sum of money) to reduce a bond on behalf of Tracey Ireland. More importantly, at no time did I ever pay money to Judge Porteous to reduce a bond on behalf of Tracey Ireland.

PAGE 02

ANTHONY LEMAY

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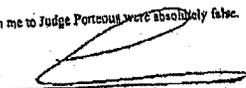
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000

In 1994, I met with two representatives from the FBI who were conducting a background investigation on Judge Porteous prior to his appointment to the federal bench.

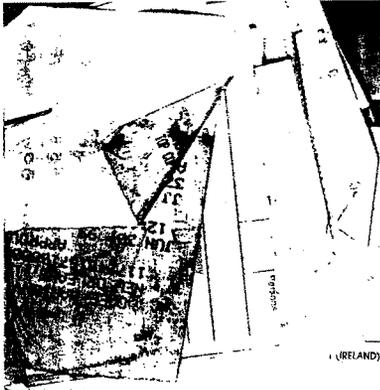
9.

During the background investigation in 1994, the FBI asked me about allegations concerning alleged payments to Judge Porteous. I denied the allegations. I told the FBI that the allegations involving bribes by me or through me to Judge Porteous were absolutely false.


LOUIS M. MARCOTTE, III

Sworn to and subscribed before me
this 11 day of April 2003


NOTARY PUBLIC



JUNE

		TUESDAY	WEDNESDAY
		7 Dubois #6 Bud Goodwin	2 J. McDonald #7 R Capelli #4 Kubing #6 Henry Morley #6
	(IRELAND)	8 7 Morgan Tommy O'Connell #4 Kubing #3 Mint	8 Kavan Morgan #9 Jack Hunter 4965 #62
13		Don Bushy #15 Karl Sommer	
	14 FLAG DAY (US)	14 Pat Connick Ronnie Boudillon Kotann Minkley #10	15 Tony Beynon #5 Bud Goodwin M J Martin #28
20	FATHER'S DAY (US, C, UK)	21 Mint #15 Kubing #7 Howard Miles #30 John #36 Alan #38	22 Tom Portous Kubing #3
27		28 Marion Edward #6 John #3 John #3	23 Vic #6 M J Martin
		29 Dan #6 STP.	30

John Spratt

Loylee

Imp. Task Force
Dep. Exh. 83

		Bud Goodwin	R Capelle Kalen Henry Mirel Kalen Mirel
7	HOLIDAY (IRELAND)	8 7 Megan Tommy O'Leary #4 Kalen #3 Mirel	Jack Hunter 4925 #62
13	14 FLAG DAY (US)	15 Tony Beynon #15 Bud Goodwin M J Mirel #28	16 Roy Allen STP. Jaden #7 Paul Mirel
20	FATHER'S DAY (US, C. UK)	21 Mirel #5 Kalen #7 Alvin Mirel #36 John #36 Mirel #36 Mirel #36 Mirel #36	22 Tom Porteus Kalen #3-
7	28	29 Don Byrne #18 STP. Mirel #36	30 M J Mirel #6

*Jim
Spauld*

Boyle

11:57 1 CHIEF JUDGE JONES: All right, sir. I guess you may
2 step down. Thank you very much --
3 THE WITNESS: Thank you, Judge.
4 CHIEF JUDGE JONES: -- for coming over from Houston
11:57 5 today.
6 THE WITNESS: Good to see you all.
7 MR. WOODS: Thanks, Bill.
8 Your Honors, Mr. Heitkamp is in the hallway. I
9 believe Mr. Finder is getting him. He'll be very, very short.
11:58 10 Your Honors, for scheduling purposes, Rhonda
11 Danos will be our last; and she'll be very short, also.
12 CHIEF JUDGE JONES: Okay.
13 *(Witness being summoned to the stand)*
14 MR. FINDER: He's on his way.
11:59 15 CHIEF JUDGE JONES: Do you want to put Ms. Danos on?
16 We could shorten lunch. You could put her on after
17 Mr. Heitkamp.
18 MR. WOODS: That would be fine, your Honor.
19 CHIEF JUDGE JONES: If that's all right, if you think
11:59 20 you can do that.
21 JUDGE LAKE: Please come around, sir, to be sworn.
22 This table here is where the witnesses sit.
23 Please raise your right hand.
24 Do you solemnly swear that the testimony you
11:59 25 shall give in this case will be the truth, the whole truth, and

Cheryll K. Barron, CSR, CM, FCRR

713.250.5585

HP Exhibit 295

11:59 1 nothing but the truth, so help you God?
2 THE WITNESS: Yes, sir, I do.
3 JUDGE LAKE: You may proceed.
4 MR. FINDER: Thank you, your Honor.
12:00 5 Have a seat, sir.
6 WILLIAM EDWARD HEITKAMP, DULY SWORN, TESTIFIED:
7 DIRECT EXAMINATION
8 BY MR. FINDER:
9 Q. Please state your full name and spell your last name for
12:00 10 the court reporter.
11 A. William Edward Heitkamp, H-E-I-T-K-A-M-P.
12 Q. What is your occupation?
13 A. I am one of the two standing Chapter 13 trustees in the
14 bankruptcy court for the Southern District of Texas.
12:00 15 Q. How long have you been a bankruptcy trustee?
16 A. Since 1979.
17 Q. And what is your education?
18 A. Text A & M University degree in accounting and University
19 of Houston School of Law, licensed to practice in 1972.
12:00 20 Q. And you are still a practicing lawyer, correct?
21 A. Yes, sir.
22 Q. Are you familiar with a gentleman by the name of William
23 Greendyke?
24 A. Yes, sir.
12:00 25 Q. As a matter of fact, did you just pass in the hall?

12:00 1 A. Yes, I did.
2 Q. And what was your relationship with Judge Greendyke?
3 A. Judge Greendyke was a judge in -- bankruptcy judge in my
4 district; and I was a Chapter 13 trustee administering cases
12:01 5 that were assigned to him for several years, for the entire
6 time he was on the bench, as a matter of fact.
7 Q. So, approximately how long did you work for
8 Judge Greendyke?
9 A. Oh, I think he was on the bench for ten years at least, or
12:01 10 thereabouts.
11 Q. During your working relationship with Judge Greendyke, do
12 you recall Judge Greendyke receiving an assignment to be a
13 bankruptcy judge in a case out of the Eastern District of
14 Louisiana for Judge Porteous?
12:01 15 A. Yes, I do.
16 Q. Okay. And have you ever met Judge Porteous?
17 A. No, sir.
18 Q. Have you ever talked to Judge Porteous?
19 A. Not to my knowledge, no, sir.
12:01 20 Q. As a matter of fact, do you recognize the gentleman to your
21 left and behind you?
22 A. No, sir.
23 Q. So, if I told you that was Judge Porteous, would you agree
24 this is probably the first time you've ever seen him?
12:01 25 A. Yes, sir.

12:01 1 Q. During the course of your working with Judge Greendyke, did
2 you ever get a call from the trustee from the Eastern District
3 of Louisiana, out of New Orleans or Metairie, by the name of
4 SJ Beaulieu?

12:01 5 A. Yes, sir.

6 Q. And would that have been sometime in -- well, at least no
7 earlier than March of 2001?

8 A. I couldn't recall exactly when it was.

9 Q. Whenever it was, do you recall the substance of the
12:02 10 conversation?

11 A. I recall being advised by Mr. Beaulieu that he was the
12 trustee in a case that had been assigned to Judge Greendyke,
13 that involved someone from the State of Louisiana, that had
14 been transferred over, yes, sir.

12:02 15 Q. Was he calling to find if -- strike that.

16 To the best of your recollection, did he ask you
17 any questions about Judge Greendyke's policies or procedures?

18 A. I believe he did, yes, sir.

19 Q. And do you recall what any of those questions were about?

12:02 20 A. I know that one of the things he asked me about was the
21 confirmation order. And I believe that he asked me to provide
22 him with a copy of the form of order that we used, a
23 standard -- basically a standard form that we used to document
24 the approval or confirmation of a Chapter 13 plan. I
12:03 25 specifically recall that.

12:03

1 And I vaguely recall him asking me about other
2 issues, how the judge handled confirmations, how involved he
3 was in the process and general -- general matters, sir.

12:03

4 Q. I know you can't -- you've already testified you can't
5 remember when this conversation took place, but do you remember
6 any conversation with Mr. Beaulieu regarding how to handle tax
7 refunds from the government?

8 A. I do recall somewhat.

12:03

9 Q. What do you recall -- what was the substance of that
10 conversation, if you'll share that with the Special Committee,
11 please?

12:04

12 A. Well, I know what our procedure was; and we had a -- we had
13 a policy about them, but -- or not -- an informal policy, I
14 guess, about them. And I would assume that I would have
15 recited what -- what the procedure was.

16 Q. Can you share that with the Special Committee, what your
17 procedure was at the time, and assuming that time is calendar
18 year 2000?

12:04

19 A. It was our procedure that those tax refunds were part of a
20 Chapter 13 debtor's disposable income in so far as it was --
21 represented earnings that had been withheld that weren't used
22 to pay taxes, that they were -- they were a portion of the
23 debtor's disposable income, which was required to be committed
24 to payments in Chapter 13 cases.

12:04

25 Q. And that was related to Mr. Beaulieu?

12:04

1 A. It was related to anybody.

2

3 Oh, I'm sorry, I misunderstood your question. I
4 would assume that I would -- I would have no reason not to tell
5 him that, yes, sir.

12:04

6 Q. Because that was the procedure that you were familiar with?

7

8 A. Yes, sir.

9

10 Q. Was it your understanding and opinion at the time, and
11 maybe even through today, that tax refunds are part of the
12 bankruptcy estate and should be reported?

12:05

13 A. Yes, sir.

14

15 Q. How many cases do you have under your Chapter 13 purview?

16

17 A. My active caseload at this moment is approximately 8500.

18

19 Q. And approximately how many were there a few years ago,
20 going back to 2001, more or less?

12:05

21 A. Probably about half that.

22

23 Q. But even if there were 4,000 cases, do you do the due
24 diligence on each schedule that you receive, to verify what the
25 debtor told you?

26

27 A. I attempt to, yes, sir.

12:05

28 Q. And how much do you rely upon the information provided by a
29 debtor?

30

31 A. Well, I rely quite a bit on the information provided by the
32 debtor.

33

34 Q. Is that because good faith is part of the Chapter 13
35 system, good faith of the debtor and the debtor's obligation to

12:05

12:05 1 report truly and accurately?
2 A. Yes, sir.
3 Q. Is that why there's a certification under penalty of
4 perjury on the schedules and under the statement of financial
12:06 5 affairs, that require the debtor to truly, accurately, and
6 completely list information?
7 A. Yes, sir.
8 Q. And it is that oath and -- strike that.
9 It is based on that that you rely -- based on
12:06 10 that representation that you rely greatly on the information
11 provided by the debtor?
12 A. Yes, sir.
13 MR. FINDER: No further questions.
14 CHIEF JUDGE JONES: All right, sir.
12:06 15 Judge Porteous?
16 JUDGE PORTEOUS: I have nothing.
17 CHIEF JUDGE JONES: All right. Has no questions.
18 Mr. Heitkamp, thank you for coming over here
19 today.
12:06 20 THE WITNESS: Thank you, your Honor. May I be
21 excused?
22 CHIEF JUDGE JONES: Yes, sir.
23 MR. WOODS: Rhonda Danos.
24 *(Witness being summoned to the stand)*
12:06 25 JUDGE LAKE: Ron, how long do you think this will

S. J. Beaulieu, Jr.

403 Metairie Road, Suite 515
Metairie, Louisiana 70005

CHAPTER 13 TRUSTEE

(504) 831-1313

August 4, 2003

Claude C. Lightfoot Jr.
Suite 4500
3500 North Causeway Boulevard
Metairie LA 70002

In Re: Gabriel T. Porteous, Jr.
Case No. 01-12363

Dear Claude,

Enclosed is a copy of the letter I received from William E. Heikamp, the Chapter 13 Trustee in Houston. Basically he indicates that they use the same procedure that we do.

If you have any questions, please call.

Sincerely,

S.J. Beaulieu Jr.
Chapter 13 Trustee

cc. Gabriel T. Porteous, Jr.

HP Exhibit 296

SC00674

William E. Heitkamp
Chapter 13 Trustee
U.S. Bankruptcy Court
Southern District of Texas
9821 Katy Freeway, Suite 590
Houston, Texas 77024
713-722-1200
FAX 713-722-1211

July 28, 2003

S. J. Beaulieu
Chapter 13 Trustee
433 Metairie Road, Suite 307
Metairie, LA 70005

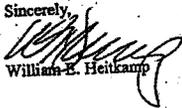
In Re: Chapter 13 Case No. 01-12363; Gabriel T. Porteous, Jr.

Dear Mr. Beaulieu:

This is a response to your inquiry concerning completion of Chapter 13 plans. In cases that I administer for Judge Greendyke, he has consistently ruled that unless the plan pays all creditors in full, the debtor must commit all of his or her net disposable income for a minimum of 36 months. The Judge views the stated percentage in a Chapter 13 plan as an estimate of the dividend to unsecured creditors, assuming that all claims are filed, and that the estimated claims are consistent with the filed proof of claim amounts. If certain creditors do not file claims, or if their claims are filed for amounts less than what was projected at the time of confirmation, then the percentage paid to the creditors may actually be greater than that which was stated in the plan. I would fully expect the Judge to follow this interpretation of 11 U.S.C. Sec. 1325(b) in the case you have pending before him.

If you need further clarification, please feel free to contact me.

Sincerely,


William E. Heitkamp

SC00675



S. J. Beaulieu, Jr.

CHAPTER 13 TRUSTEE

433 Metairie Road, Suite 307
Metairie, Louisiana 70005

(504) 831-1313

April 1, 2004

Federal Bureau of Investigation
Attn: Wayne Horner
2901 Leon C. Simon Dr.
New Orleans, LA 70126

In re: In Re Gabriel T. Porteous, Jr & Carmella A. Porteous
Case No.: 01-12363

Dear Mr. Horner:

I am Staff Attorney for S. J. Beaulieu, Jr., Chapter 13 Trustee. This letter is in response to a conversation of Mr. Beaulieu with one of the FBI agents earlier this month.



In January, 2004, at the request of the FBI, Mr. Beaulieu met with you and several other agents. Prior to that meeting, the FBI refused to divulge why the meeting was needed or what would be discussed at the meeting. During the meeting, it was disclosed that Mr. Beaulieu was being interviewed with respect to an ongoing investigation into the captioned Chapter 13 case and debtors' activities regarding same. Also, during the meeting, the agents discussed some allegations concerning potential bankruptcy improprieties involving debtors related to: filing the original petition with their name misspelled, undisclosed income, income tax refunds, the use of credit cards, transfers of property, and lifestyle activities that might not be consistent with the debtors' schedule "J" disclosures.

In the conversation this month, the FBI agent advised Mr. Beaulieu that he should pursue further investigation into debtors' activities in this case. However, the only allegation that the Trustee has evidence of relates to debtor's FICA tax withholding which should have stopped after the FICA withholding limits were met. The additional income to debtor was not taken into account in evaluating debtors' disposable income to fund the Chapter 13 plan over three (3) years. In Mr. Beaulieu's opinion, extending the plan at this late date to recoup the difference in disposable income would not substantially increase the percentage paid to unsecured creditors.

Regarding the other allegations, the FBI has refused to provide the Trustee with any evidence of improprieties by debtors. Since Mr. Beaulieu has no evidence to support the suspicions expressed by the FBI agents, he does not intend to take further action related to these allegations.



I am enclosing a copy of the Final Account prepared in this case. The case is currently set for a Final Account hearing on May 18, 2004, at 8:40 a.m. You may file an objection to the

SC00417

HP Exhibit 298

Federal Bureau of Investigation
Attn: Wayne Horner
April 1, 2004
Page 2

Trustee's Final Account or you may provide Mr. Beaulieu with evidence of wrongdoing and same will be investigated.

If further information is required, please feel free to contact me at your convenience.

With kindest regards, I am

Sincerely,


Michael F. Adoue
Staff Attorney (Ext. 222.)

Enclosure

cc: R. Michael Bolen
United States Trustee, Region 5

SC00418

United States Bankruptcy Court <i>Eastern District of Louisiana</i>		01-12363 <small>Case Number</small>
CHAPTER 13 TRUSTEE'S FINAL REPORT AND ACCOUNT		
<i>In re:</i> GABRIEL T PORTEOUS JR CARMELLA A PORTEOUS 4801 MEVREY DR METAIRIE LA 70002	This case was: COMPLETED Final Meeting of Creditors: 8:40 AM, May 18, 2004	

S. J. Beaulieu, Jr., Chapter 13 Trustee, respectfully submits for the Court's approval a report of his administration of this estate, avers that the case has been fully administered pursuant to FRBP 5009, and prays that he be relieved of his trust. The total amount received from or on behalf of the debtor was \$ 57,600.00, which was disbursed as follows:

#	NAME	TYPE	% ALLOWED	CLAIM AMT	PRINCIPAL PD	INTEREST PD
01	BANK ONE	DIRECT PAY	.00	.00	.00	.00
02	CHRYSLER FINANCIAL CORP	DIRECT PAY	.00	6,982.57	.00	.00
03	CHRYSLER FINANCIAL CORP	DIRECT PAY	.00	6,979.35	.00	.00
04	FIDELITY HOMESTEAD	DIRECT PAY	.00	109,488.96	.00	.00
05	ECAST SETTLEMENT CORP	UNSECURED	34.55	11,855.57	4,056.10	.00
06	BANK OF LOUISIANA	UNSECURED	34.55	1,910.00	659.91	.00
07	JULES FONTANA ATTY	NOTICE ONLY	.00	.00	.00	.00
08	CHASE BANKCARD SERVICES	UNSECURED	34.55	.00	.00	.00
09	CITIBANK	UNSECURED	34.55	.00	.00	.00
10	RESURGENT CAPITAL SERVICES	UNSECURED	34.55	21,227.06	7,333.95	.00
11	CITIFINANCIAL INC	UNSECURED	34.55	17,711.35	6,113.27	.00
12	CITIFINANCIAL INVESTMENT	NOTICE ONLY	.00	.00	.00	.00
13	EDWARD F BIKATY III	NOTICE ONLY	.00	.00	.00	.00
14	DILLARD NATIONAL BANK	UNSECURED	34.55	5,033.55	1,739.09	.00
15	DILLARD NATIONAL BANK	UNSECURED	34.55	597.88	206.57	.00
16	DISCOVER FINANCIAL SERVICES	UNSECURED	34.55	22,640.41	7,822.26	.00
17	AOL VISA	UNSECURED	34.55	.00	.00	.00
18	FIRST USA	UNSECURED	34.55	.00	.00	.00
19	JC PENNEY/MONOGRAM	UNSECURED	34.55	.00	.00	.00
20	MAX FLOW CORP	UNSECURED	34.55	5,386.54	1,861.05	.00
21	MAX FLOW CORP	UNSECURED	34.55	38,931.92	10,656.67	.00
22	MAX FLOW CORP	UNSECURED	34.55	29,443.71	10,172.80	.00
23	REGIONS BANK	UNSECURED	34.55	5,158.98	1,782.43	.00
25	DILLARD NATIONAL BANK	UNSECURED	34.55	251.54	86.91	.00
Paid to Trustee: \$ 3,274.29			Disbursed to PRIORITY Creditors: \$.00			
Paid to Attorney: \$ 1,750.00			Disbursed to SECURED Creditors: \$.00			
Refunded to Debtor: \$ 0.70			Disbursed to UNSECURED Creditors: \$ 52,567.01			

cc: CLAUDE C LIGHTFOOT JR
 STE 450
 3500 N CAUSEWAY BLVD
 METAIRIE LA 70002

S. J. Beaulieu Jr.

S. J. Beaulieu, Jr.
 Chapter 13 Trustee

SC00419

TOTAL P.04



U.S. Department of Justice

Criminal Division

Washington, D.C. 20530

April 13, 2004

BY FEDERAL EXPRESS

S. J. Beaulieu, Jr.
433 Metairie Rd., Suite 307
Metairie, LA 70005

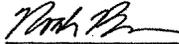
Dear Mr. Beaulieu:

We are writing with regard to an April 1, 2004, letter from your staff attorney, Michael F. Adoue, to FBI Special Agent DeWayne Horner, which Agent Horner has forwarded to us. We appreciate you sharing your thoughts and concerns.

As we previously discussed, we cannot comment on the existence or nature of an ongoing investigation or share any evidence that may have been gathered in the course of such an investigation. In Mr. Adoue's letter, he identifies several subjects about which it might be possible for you to make inquiries or take other investigative steps, but, as we stated previously, we take no position as to whether you should pursue any investigation in any case before you. It is entirely at your discretion whether you choose to do so. Please feel free to contact us with any additional questions.

Sincerely yours,

Noel L. Hillman
Chief, Public Integrity Section

By: 

Noah D. Bookbinder
Daniel A. Petalas
Trial Attorneys
Public Integrity Section
Criminal Division
(202) 514-1412

cc: Special Agent DeWayne Horner, FBI

NDB:jw

Typed: 04/13/04

Records

Bookbinder (1)

(by NDB)

Section Chron.

ACTS# 200000436

SC00420

HP Exhibit 299