

News Release by Joseph Zernik - 02-Mar-2009
Re: Bank of America Corporation (ticker: BAC, exchange: New York Stock Exchange)

DEMANDS FOR AUDIT COMMITTEE REVIEW & TIMED RESPONSE RE: ALLEGATIONS OF SUB-PRIME BAILOUT ABUSE AT BANK OF AMERICA

2-Mar-09 12:02pm

Requests for review/ enforcement also pending before SEC

FOR IMMEDIATE RELEASE

LOS ANGELES, CA, Mar 02/ /-- In a letter to individual members of Bank of America Audit Committee, Joseph Zernik, claiming to be victim of ongoing frauds by Countrywide*, now subsidiary of Bank of America, and failure of corporate officers to respond to his previous requests for assistance. Zernik demands response of either the committee as a whole, or the individual members, by March 10, 2009. Underlying matter is a real estate dispute – in 2004 Zernik listed his Beverly Hills residence for sale. Buyer Nivie Samaan made an offer and obtained Zernik's assent to contract in September 2004 under false pretenses including, but not limited to, the use of a fraudulent prequalification letter - as determined by fraud expert examination. Zernik canceled escrow in October 2004 after Samaan failed to perform per contract relative to obtaining mortgage loans, would not remove contingencies, and was caught engaging in alleged wire/fax fraud, where she impersonated throughout the transaction her loan broker in fax communications with both Zernik and Countrywide, allegedly – with the latter's collusion.

In October 2005 Samaan filed complaint in LA Superior Court, and Samaan v Zernik (SC087400) was heard by Judge Jacqueline Connor, best remembered for her performance in the First Rampart Trial (2000), where she reversed jury verdict convicting corrupt LAPD police involved in large-scale framing resulting in the false imprisonment of thousands of innocent people in Los Angeles, California. Zernik alleges that severe violations of due process and multiple instances of fraud by Connor in collusion with Samaan's counsel and Countrywide as part of the litigation, are credibly evidenced through records of the court itself. Connor rendered Summary Judgment for Specific Performance of the 2004 real property purchase contract based on fraudulent Countrywide records, as opined by fraud expert. Such records were admitted by Connor as evidence in alleged deliberate violation of due process and the evidence code. Multiple requests to stop the fraud, filed directly with Angelo Mozilo, then President, and Sandor Samuels, then Chief Legal Officer of Countrywide in the months preceding the summary judgment hearing, led only to alleged retaliation through collusion of Countrywide and the Court, coordinated by Bryan Cave, LLP. The law firm has been appearing in court for almost two years under the false self designation of Non-Party, while the Court interchangeably designates Countrywide Defendant, Plaintiff, Cross-Defendant, Intervenor, all without adequate legal foundation.

After repeat disqualifications for a cause of Connor, the case changed hands, and in November-December 2007, Zernik's property was taken for private use, under the threat of force, through coordinated actions of judges including, but not limited to John Segal and Terry Friedman, with no compensation at all. Such actions were perpetrated under the guise of execution of judgment, but without ever relying on the actual August 9, 2007 Judgment - rendered, but not entered by Judge Connor, without ever issuing a Writ of Execution, and through reliance on fraudulent Grant Deeds, issued for the court by Att David Pasternak, as opined by expert fraud examiner.

Zernik claims that Connor, Segal, Friedman and other judges involved in this case colluded with Countrywide, including, but not limited to Angelo Mozilo, Sandor Samuels, and the Legal Department, and engaged in racketeering under the guise of litigation. Zernik further claims that the preponderance of the evidence in his case and in several other cases he has identified demonstrate a well-established Enterprise Track at the LA Superior Court, where today, the Clerk of the Court, John A Clarke, and Presiding Judges, formerly Stephen Czuleger and today Charles McCoy, refuse to certify the case as litigation in the Superior Court of California, refuse to certify Judge Friedman, who still holds the file, as duly assigned to the case (none of the judges held an Assignment Order), and refuse to certify the August 9, 2007 Judgment by Connor as a valid effectual judgment of the Superior Court.

In December 2006, Zernik, who had no business with Countrywide, first realized that Countrywide had already been involved in various frauds against him - by then for over two years. He initially attempted for a few months to address the frauds through the Legal Department of Countrywide, only to realize that the Department was the one who had coordinated the frauds in the first place. He then addressed both Angelo Mozilo, then president, and Sandor Samuels, then chief legal officer, directly, with requests to stop the frauds being perpetrated by Countrywide against him. Both officers then advertised their personal commitment to fight frauds, and invited victims or informants to approach them. The response was a campaign of harassment/intimidation/retaliation against a victim/witness/informant, still ongoing today. Such conduct was coordinated by Bryan Cave, LLP, appearing for almost two years in LA Superior Court as counsel for Countrywide, under the false self-designation "Non-Party". The Court interchangeably uses for Countrywide false designations of "Defendant", "Plaintiff", "Cross-Defendant", "Real Party in Interest", etc - all with no legal foundation.

In anticipation of the Sub-Prime Bailout merger, Zernik gave notice to officers of Bank of America already in February 2008. However, in the nine months since the July 1, 2008 merger of Countrywide with Bank of America, such retaliation did not cease, on the contrary, it has been escalated. However, Bryan Cave, LLP would no longer clearly identify its clients in the case, and so far has failed to file adequate corporate disclosure. Office of Bank of America Timothy Mayopoulos, General Counsel, claims that Bryan Cave, LLP is not authorized to appear in its name, yet no attempt has been made to stop such appearances, on the contrary - court records evidence support by Bank of America of Bryan Cave, LLP actions. Neither Countrywide, nor Bank of America filed any disclosure in this matter per Sarbanes-Oxley, section 307. Appeals to Bank of America's Ken Lewis, president, Timothy Mayopoulos, General Counsel, members of the board, and members of the Audit Committee to this date remain unanswered.

Similarly, there is no indication that Bank of America has taken any corrective action so far regarding massive fraud against the U.S. government, identified by Zernik already in a complaint filed with FBI in January 2007, particularly at the wholesale branches of Countrywide Home Loans, Inc. Zernik alleges fraudulent use of large systems such as EDGE for underwriting monitoring, which deceptively convey appearance of compliance with Regulation B of the FRB, Fair Housing and Fair Credit laws, but allow underwriting in disregard of the law.

Starting December 2006, Zernik approached various local, state, and federal law enforcement agencies, uniformly, all refused to even review the evidence. Credible evidence from FBI shows that the reason for such refusal was the need to address allegations of widespread public corruption and racketeering - particularly in real estate litigations - by a large group of judges, including the leadership of the LA Superior Court. Zernik alleges that the court's large computer systems, e.g., SUSTAIN, are the enabling tools of the racket in its current manifestation, and that credible evidence is found in court records generated by the system. Such frauds are facilitated by the combined abandonment of published rules of court and denial of access to digital litigation records since the introduction of SUSTAIN around 1985 - in defiance of universally recognized basic human rights. In August September 2008, Kenneth Melson, director, US Department of Justice, and Kenneth Kaiser, assistant director, FBI, provided responses to inquiries by Senator Dianne Feinstein and Congresswoman Diane Watson regarding failure of agencies to respond in this case. Such responses are deemed by Zernik false and misleading. For example, Melson explained the conduct of U.S. Justice Department by making a false, misleading, and derogatory statement that Zernik was complaining about foreclosure procedures.

Support of Zernik's position in this case has come so far from retired Judge R William Schoettler, who in May 2007 reviewed the evidence in the case as Mediator and determined that Samaan had "no case at all", fraud experts Robert Meister and James Wedick, who reviewed key records in this case, and Prof Joseph Grundfest, SEC former Chair, who after brief review of some records forwarded the case to SEC Enforcement. American Homeowners Resource Center, an advocacy group supports Zernik's cause, pointing out that the case, which involved no foreclosure and no default at all, is a poster-child for the role of the courts in the current looting of homeowners throughout the U.S. in collusion with lenders and lawyers as part of the Sub-Prime Crisis.

Zernik himself points out that his case provides the clearest evidence for the widespread corruption of the LA Superior Court, and requires reevaluation of the Rampart scandal, where judge were claimed to have been "duped" by corrupt police to enter false evidence. However, in Samaan v Zernik Judge Connor, who was the central figure in the Rampart scandal, and also Judges Segal and Friedman, are alleged to have presided with no Assignment Orders and no authority at all, to have entered false evidence in violation of the evidence code and due process procedures, to have made rulings that were contrary to the law deliberately and without any explanation, and to have generated false and deliberately misleading court records routinely. Zernik claims that such allegations are credibly evidenced through the court records themselves.

Moreover, Zernik claims that the bigger looming disgrace is the ongoing incarceration of estimated (based on PBS Frontline, 2001) 10,000 Falsely Imprisoned People (FIPs) in Los Angeles, mostly black and latinos, over 10 years after they were confirmed innocent in Rampart Scandal investigations. Such false imprisonments were confirmed and re-affirmed in a series of official reviews, latest of which was the Blue Ribbon Review Panel Report (2006), commissioned by the LAPD itself. The Rampart scandal (1998-2000) was described at the time as the worst abuse of civil rights by police in the history of the U.S. But following Connor's derailing of the First Rampart Trial (2000) – all prosecutions of culprit police ceased, and the victims remained imprisoned. A U.S. judge was appointed Overseer of civil rights in LA pursuant to the Consent Decree (2001), but his office is deemed ineffective- it was scheduled to meet prescribed goals and close in 2006.

At present, Zernik has requests for review/corrective-action/enforcement pending before the audit committee and individual members of Bank of America - William Barnet, III, John T Collins, General Tommy R Franks, Walter E Massey, Thomas J May (Chair), Admiral Joseph W Frueher. Requests for investigation/enforcement are also pending before congressional committees and SEC.

In summer 2008, Zernik filed with Judge Friedman, who is still holding the file today, "Notice to Cease and Desist Racketeering" and ceased participation in any LA Superior Court proceedings of Samaan v Zernik (SC087400). Regardless, Judge Friedman and Countrywide continued their proceedings, most recently entering against Zernik on February 17, 2009 Judgment of Contempt, for the second time in two years, and again setting sanctions, by now in excess of \$30,000. The most recent charge was that by contacting the office of Bank of America General Counsel, Timothy Mayopoulos, and obtaining information that Bryan Cave, LLP, was not authorized to appear in court for Countrywide/Bank of America, Zernik violated a July 23, 2007 Order by Judge Connor, yet to be discovered, which purportedly directed him to communicate only with Att Todd Boock , of Countrywide's Legal Department. The office of Mr Mayopoulos likewise instructed Zernik that the counsel authorized to represent Bank of America/Countrywide in this case was only Book. But Boock claims that Zernik is prohibited from communicating with him by court orders.

Complaint filed in March 2008 in U.S. District Court, LA, against LA Superior Court, its judges, Countrywide, Mozilo, and Samuels – Zernik v Connor et al (2:2008cv01550) - was abandoned over half a year ago. Zernik holds that the docket of the case, as seen on Pacer, both before and after the case was abandoned, is inexplicable as litigation pursuant to either U.S. or International Law.

Requests were filed with international agencies to monitor the conduct of the courts in LA, California, in light of severe, large-scale, long-term abuse of human rights of all 10 million residents of the most populous county in the U.S., with inexplicable indifference by U.S. government agencies such as FBI.

- * Countrywide here denotes Countrywide Financial Corporation, Inc, and all its subsidiaries and affiliates.
- ** Digitally certified PDF copies of key evidence in this case available upon request.

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