No. 18-7647

IN THE SUPREME COURT OF THE UNITED STATES

Lynn Smith
PETITIONER
v.
Manasquan Savings Bank,
et al RESPONDENT

ON PETITION FOR A WRIT OF CERTIORARI TO THE NEW JERSEY SUPREME COURT

SUPPLEMENTAL BRIEF OF THE PETITIONER

To the Chief Justices of the Supreme Court of the United States and Circuit Justice for the Third Circuit:

Petitioner hereby submits a supplemental brief for a writ of certiorari to review appeal of F-40519-09 that ended with a June 15, 2018 Final Judgment and Order of the New Jersey Supreme Court.

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SUPPLEMENTAL BRIEF

Pursuant to Rule 15.8, Petitioner files this brief to apprise the Court of relevant developments subsequent to the filing of the Petition. Our attempts to file a petition worthy of the serious problems we are attempting to address have been impeded by obstructive and retributive rulings by a District Court judge. This supplemental brief, which contains an amended petition as an exhibit, resolves most of these problems. To properly understand our concerns, Appendix A needs to be read as if it were in fact our petition of record, even though it is an exhibit to this Supplemental Brief.

I. Reason for the Supplemental Brief

An application for an extension to file their petition was docketed on October 18th and the petitioners were given until November 12th to file their writ. A series of questionable rulings by a judge in District Court starting on October 15th, a second on November 1st and a third on November 20th interfered with the Smith's ability to complete their petition in a form that adequately represented their intent and free of compliance errors. As a result of errors in their November 12th filing, the case manager of 18-7647 granted leave on November 27th to file in January.[1] The Petition was finally docketed in incomplete form and with errors on January 29, 2019. An amended writ of certiorari was filed on February 16th. The clerk of this court refused to file it citing compliance errors but suggested that a supplemental brief be filed. This brief with Appendix A contains our best expression of the problem under difficult circumstances.

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[1] The District Court judge was handling (1) an appeal of a bankruptcy petition order related to F-40519-09 and (2) a complaint against the Respondent and arbitrarily dismissed both. This judge should have recused herself from both matters since she is a Defendant in a second complaint filed against the State of New Jersey in July 2018. She vacated (2) on December 13th, but the damage was already done.

Appendix A clarifies the original brief and provides additional information and context to better express a petition that addresses several injustices to Pro se litigants in foreclosure and bankruptcy court.

Retribution

The retributive ruling filed on November 20, 2018 was a knee-jerk reaction to sincere criticism of her administration of Lynn Smith's bankruptcy appeals and our separate complaint against the bank. This judge should not be handling either matter since she has been named as a defendant in a separate complaint filed by Lynn and Brian Smith against the State of New Jersey.

Our various allegations against this judge (which include incompetence and incapacity as she rubberstamped bankruptcy court orders and judgments without reading and/or understanding Lynn Smith's pleadings) were somewhat confirmed on December 13, 2018 when the magistrate judge working with her on the complaint against the Respondent finally convinced her to vacate her November 1, 2018 order dismissing that action. Unfortunately, the damage was already done and continues to the present date. This brief and appendix compensate for time-related errors and omissions of context to the facts and evidence already presented.

II. Restatement of the Petition

The recent problems in the lower federal courts handling Lynn Smith's bankruptcy petition were disturbing since each incident was akin to what routinely occurs to Pro se foreclosure litigants in New Jersey state courts, including the misapplication or overextension of cited precedent. In federal court that included Revel AC and Rooker-Feldman which provided the trustee and the respective judges to ignore their jurisdictional responsibilities. The former example was used to deny opportunities to bring non-debt cash into the estate and the latter was used to deny a review of questionable claims.

The February 16th amended petition takes certain facts and evidence contained in the petition filed on January 29th and provides a better context to review the respective state and federal court rulings that ignored the advice of the United States Supreme Court and the precedents it established to guide lower federal courts in cases where trustees and judges have a clear jurisdictional responsibility to review possible fraudulent claims to maximize the cash value of the estate.

Although this petition is ultimately about reversing the June 15, 2018 judgment of Judge La Vecchia, reviewing these federal rulings for the same type of error made in New Jersey Supreme Court by this judge – shed light on the fact that the abuse and denial of civil, due process and property rights in the Third Circuit carries over when the Pro se litigants moved from state to the ;lower federal courts. Reviewing these currently ongoing problems also lets this Court know that the petitioners are not delaying this matter but are actively fighting a serious battle on a second front in the lower federal courts.

To fully understand the federal court situation is important since any relief requested will have to take ongoing developments into consideration.

An Opportunity Was Lost on January 31, 2018

First, the rape of Lynn Smith's estate in bankruptcy court went into overdrive on January 31, 2018 when she filed a "stay to pay" motion that asked that court to grant her 37-days to

(1) retain an attorney,

(2) amend her voluntary petition and

(3) be ready to close what could have been a $679,000 non-debt funding.

The reaction to this highly meritorious offer was typical:

1. The bankruptcy court judge never docketed the motion,
2. the District Court 2-months later denied she filed the motion despite being given a copy of it on February 1st, and
3. the Third Circuit embarrassed itself in denying the relevance of the above in a poorly-written 11-page Opinion that demonstrated no one had read the pleadings

The corruption and incompetence accelerated when Lynn Smith placed a copy of the bank's firm offer for $679,000 in non-debt cash on the docket in early August.

At the same time Lynn Smith filed a motion requesting that the State of New Jersey name the person she allegedly defrauded of $809,237. They refused. After waiting over two months for an answer by the state of some response from the trustee or the judge, she named her alleged $809,237 victim in October and, shortly thereafter, in November, presented evidence which proved conclusively that the $809,237 claim was fraudulent.

The evidence was his sworn statement at the state court trial in February 2009 that in retrospect unimpeachably establishes that the State of New Jersey has defrauded Lynn Smith, state courts and federal courts in a coverup that has now entered its 13th year.

Second, just prior to the August 8, 2018 final judgment to convert her petition from Chapter 13 to Chapter 7, Lynn Smith wrote a July 23rd letter to the magistrate judge handling the complaint against the respondent asking her to intervene with the senior judge since the Smiths did not want to file a motion to recuse citing her incompetence and incapacity. The senior judge refused to recuse herself. However, she did go on a legal rampage unreasonably denying motions, appeals and a complaint straight through to November 20th.

Considering the above, we hope this Court accepts this submission and appendix document. Although not perfect, it better represents the issues at hand related to the abuse of precedent.

III. Background of Abuse in New Jersey-based State Court

As Appendix A discusses in detail, states courts misuse C*rowe v. DeGioia, 9o N.J. 126 (1982)* to avoid judicial responsibility. For instance, Judge LaVecchia used it against Lynn and Brian Smith in F-40519-06 without even considering that Ms. Crowe had a trial. Lynn Smith begged for a trial in state court for 8-years. Applying *Crowe* v. *DeGioia* in the New Jersey Supreme Court to deny what we call a "stay to pay" or "stay to pay without delay" was a little disingenuous since Lynn Smith was denied a trial, a discovery the right to depose witnesses and to question them in court. Judge LaVecchia chanted the state court mantra to deny civil, due process and property rights and in federal court.

F-40919-09 was from the start intertwined with C-316-06 ($809,237 fraudulent claim). All state and federal courts have been provided with a plethora of evidence, including race-hate abuse and threats to imprison an elderly Black-American couple by the DAG and his investigators in C-316-06 for paying Brian Smith's legal bills. The Chancery Court judge in C-316-06 read certification after certification of pleas begging him to act to control the State of New Jersey, but he did nothing. The Black-American couple were lucky, they fled to South Africa for four months. Another man was not so lucky. After telling the DAG and his investigators that he invested $250,000 and planned to order up to $400 million in fuel cells, he refused their calls. They called his wife and told her that he was stealing her money and wasting it on a sham company. She divorced him.

That is why the Smiths wanted a jury trial in F-40519-09.

Judge LaVecchia

That is why it would be absurd for any reasonable, unbiased judge to be citing C*rowe v. DeGioia*. There was never a trial, discovery

or depositions, just an 8-year cycle of Summary Judgment motions and no court order requiring the Smiths to pay Manasquan Bank in the 60-day time period their offers to the crooked judge and the dirty bank outlined along with an offer to permit the sale of the house at the end of 60-days if full payment was not presented to the court. Several days after Brian Smith filed a motion in appellate court seeking a forensic examiner to review the acts, behavior and rulings of the Chancery judge handling C-316-06 and F-40519-09, he was arrested for not paying an attorney $5,000 in C-316-06, even though the judge never authorized it. The first two officers unhandcuffed him when he explained the judicial abuse. Five days later, two officers of lessor rank proceeded with the arrest and when queried for the reason they told him that he said something to a judge that he should not have.

F-40519-09 should be dismissed solely for the hard facts and evidence provided in Appendix A. However, if this court would rather interest itself in the abuse and lifelong damage perpetrated on Pro se litigants in the state of New Jersey, ignore the rampant official corruption and vacate Judge LaVecchia's June 15, 2018 for her (1) her misapplication of C*rowe v. DeGioia*, (2) failure to recuse herself despite having a clear conflict of interest dating back to January 2013; (3) failure to accept a $250 filing fee and turning around and dismissing the appeal for not having a filing fee, the many other reasons against her detailed in Appendix A and for the other good reasons evidenced in that document.

Simply stated, she acted to protect Chief Justice Rabner.

IV. Lower Federal Courts and Trustee Misapply the Rooker-Feldman Doctrine to Avoid Assuming their Jurisdictional Responsibilities

In re Revel AC, Inc. (3rd Cir. 2015) and the Hooker-Feldman Doctrine served well as the federal court chants that denied the same basic rights as occurred in state court.

Lynn Smith was not the first person in all three lower courts to produce a firm financing offer for $679,000 and be told that she had not proven she could succeed if granted our "stay to pay" motions - and she will not be the last until such time as the United States Supreme Court recognizes the corruption of process by regulatory and judicial officials, the disregard for U.S. Supreme Court advice and precedent and the disdain for Pro se litigants civil, due process and property rights that occurs hand-in-glove in both state and federal court in the state of New Jersey – and grants the multi-tiered relief requested in this petition. The point in this section is simple. If the trustee and all three lower federal courts:

(i) had not gone to the well time after time with *In re Revel AC, Inc. (3rd Cir. 2015)*, Lynn Smith would have closed a $679,000 non-debt refinancing and would be in Chapter 13 instead of Chapter 7, and

(ii) had not ignored the advice and precedent of the United States Supreme Court and the preponderance of published legal opinion and abused Lynn Smith and 200 families-in-interest by denying her clearly meritorious exception to the Rooker- Feldman Doctrine, Lynn Smith would be in Chapter 13 or out of Bankruptcy Court completely instead of in Chapter 7.

V. What is Good for the Goose is Good for the Gander

The trustee in Lynn Smith's Bankruptcy Case has cited the Rooker- Feldman Doctrine as reason why she has not bothered to investigate Lynn Smith's claim that the alleged victim who invested privately in Digital Gas common stock to the tune of $809,237, which the State of New Jersey reported she "unjustly gained from" simply does not exist. If the person does exist, it is someone who the state or the criminals who defrauded Digital Gas of up to $617 million in cash and $5 Billion in assets pressured to change his original testimony under oath, which, financial records confirm, is that he never invested in Digital Gas.

Of course, it makes perfect sense that Stuart Rabner, Anne Milgram and dozens of state officials in New Jersey would want to cover this untidy fact up, but, unfortunately, the State of New Jersey is wasting federal taxpayer's moneys and other federal moneys by refusing to name the Digital Gas investor that Lynn Smith unjustly enriched herself from.

In the case of Ms. Milgram, if she did cover it up, it is surprising, since she is now an advocate for the need to have better statistics to fight crime: https://www.ijpr.org/post/anne-milgram-how-can-smarter-statistics-help-us-fight-crime#stream/0.

One response we have for Ms. Milgram is that statistics starts with numbers, like $809,237. When you can't put a number like $809,237 to a name and a place, stay off TED Talk.

One response, we have for the trustee currently handling Lynn Smith's bankruptcy petition is represented quite well in the online article dealing with the Rooker-Feldman Doctrine and one case in particular where it was no problem for another trustee to exploit what was perceived as an acceptable exception.

New opinion

Rooker-Feldman doesn't bar bankruptcy trustee's fraudulent transfer claims

In re: Philadelphia Entertainment & Development Partners — bankruptcy / civil — reversal — Greenberg

> "Today's opinion is about how *Rooker-Feldman* applies when a bankruptcy trustee alleges that a state-court ruling amounted to a voidable fraudulent transfer. The district court had ruled *Rooker-Feldman* barred review of the fraudulent-transfer claims, but today the Third Circuit reversed because review of the claims did not require review of the state-court judgment."

VI. Summary of Prior Sections

The District Court judge demonstrated she did not read Lynn Smith's pleadings seeking a stay of the Chapter 7 proceedings to permit her to bring the proceeds of a guaranteed $679,000 non-debt financing into the estate. The judge denied her reasonable motion which provided evidence that the State of New Jersey's $809,237 claim against her should have been reduced to zero by the bankruptcy court.

Having read and carefully considered this Court's rulings dealing with the abuse of the Rooker-Feldman Doctrine, Lynn Smith carefully avoided seeking the review and reversal of the final state court judgment in C-316-06. She correctly asked the trustee, the Bankruptcy Court judge and the District Court judge to strictly focus on the obvious fraudulent claim and do what was within their jurisdiction to do: protect the estate, the creditors and Lynn Smith from a fraudulent dollar claim which endangered the integrity of the accounting of the estate promising further unnecessary litigation.[2]

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[2] The alleged victim of $809,237 provided testimony under oath at trial that provided unquestionable evidence that the state's claim was fraudulent.

The state, the bank, the trustee, and the Bankruptcy Court and District Court judges refused to permit Lynn Smith to bring $679,237 into bankruptcy court. They ignored the advice and precedential rulings of this Court and overextended the Rooker-Feldman Doctrine beyond its reasonable application.

In addition, to compound the above damage, the District Court judge wrongly terminating the above-referenced complaint against the Respondent on November 1, 2018. Fortunately, her Magistrate Judge handling the dismissed complaint recognized the senior judge's conflict of interest and apparently moved to either advise or compel her to reverse the damage and disruption. As a result of the Magistrate's intervention, an order vacating the dismissal of the complaint was filed on December 13, 2018.

The import of the above is that while we are appealing the dismissal of the appeal of F-40519-09, the same thing is happening again in federal court, although with different precedents misapplied and an official corruption underlying it all. The result is a petition that we have had to correct several times. This is our final submission until there is something new in this Court to address.

The presiding judge in F-40519-09 could have ended it by granting our remand motion from the Appellate Division, but he had a problem.

> In September 2010, a month before F-40519-09 went active in Chancery Court, the Smiths sent him a press release from the U.S. Attorney General in Des Moines, Iowa which corroborated Lynn and Brian Smith's story that he and Attorney General Rabner were either corrupt or naïve to accept the stories of criminals who were indicted for bank fraud. It must have frightened him when he saw Rumeal Robinson carted off to jail to be booked for bank fraud, just as Brian Smith's Complaint to the comptroller of the Currency predicted.

> A copy was sent directly to Attorney General Rabner in January 2007 and to the Chancery Judge in September 2007. The result was a 9-year defraudment of Lynn Smith, as well as state and federal taxpayers, because Mr. Rabner did not want his incompetence or his corruption publicly exposed.

The bank could have ended all of this in 2010 by accepting payment of the $165,000 they were offered, but they had a problem.

> One or more of their officers and directors committed fraud and criminal acts that they did not want disclosed. The only time a bank refuses full payment in 60-days is when they have a serious problem.

The State of New Jersey could have ended all the recent abuse by simply naming the alleged $809,237 victim at any time from August 8, 2018 to the present, but they had a problem...

> There is no victim. There is only someone manipulated by criminals, the DAG and his investigators. Fortunately, he cleared Lynn Smith under oath, but that evidence is being ignored by:

- the State of New Jersey
- Judge LaVecchia
- Chief Justice Rabner
- the Trustee
- the Bankruptcy Court Judge
- three District Court judges
- and Third Circuit judges

The State of New Jersey knows that Attorney General Rabner violated his regulatory and judicial Codes of Conduct. They know they have defrauded the public, 200 families and too many state and federal courts to count.

They know the Smith's have five Writs of Certiorari they can file in the next several months...

Several Writs of Mandamus that can be filed right now.

They don't care.

The reason why is that they had faith in the judicial system, both state and federal, operating within the state of New Jersey.

The above described serial abuse of power and corruption in these two intertwined matters can arguably be described with only one word.

Unprecedented

Hence, this matter should serve as fertile ground for the justices of the United States Supreme Court.

CONCLUSION

This petition should be granted for all the above reasons and attached evidence.

The primary intent of this brief was to find a platform for a petition document more accurately and roundly dealing with a serious problem that may actually be unique to the state of New Jersey with respect to Pro se litigants forced into bankruptcy court by banks and judges in state court chanting the Crowe v DeGioia mantra. However, the way the trustee and lower federal court judges have abused Lynn Smith and her children with the Rooker-Feldman doctrine mantra when she is only seeking the civil and due process protections afforded by Congress, the Constitution, and the U.S. Supreme Court, necessitates dealing with these incidents. There is certainly a need to convince the public-at-large, and all Pro se litigant victims of banking, regulatory and judicial corruption in foreclosure and bankruptcy court in the state of New Jersey, that there is a clear and distinct appearance of impropriety in this state and that banks, regulators, and certain judges and courts are demonstrating that they are operating under the assumption that the foreclosure and bankruptcy process is corruptible without consequences when dealing with Pro se litigants.

This petition is a clarion call to end these abuses once and for all. New Jersey Bankruptcy Courts move even further in trapping and defrauding Pro se litigants by not having the protection that might be provided by a BAP option for appeals. We are not being overly cynical on this point, but there is an urgent need for the United States Supreme Court to use the Lynn Smith case or, perhaps, a more deserving case and finally clear the air, particularly with regard to the self-serving misapplication of the Rooker-Feldman Doctrine.

The fact that $617 million and $5 billion of assets were stolen from 200 families, should give this court enough concern.

One question is whether F-40519-09 has been derailed due coverup criminal activity by state officials: Was any of the money stolen from 200 families diverted to state officials or politicians? Isn't it strange that Attorney General Anne Milgram moved to have Greenberg Traurig appointed receiver 16-months after a package was delivered to her predecessor, Stuart Rabner, which detailed Greenberg Traurig's client's involvement in defrauding a federal bank in Des Moines, Iowa of up to $1.5 million. Instead of defending their client from bank fraud charges, they told Rabner to sue Digital Gas, Brian Smith and Lynn Smith because they were running a public company scam with no assets and had $10 million stashed away in their basement. A 50-agent raid on the Smith's home 10-days after Brian Smith refused to free up the restricted shares of the Greenberg Traurig clients produced – a pink person owned by the Smith's daughter that contained $300 of Silver Certificates she was collecting.,

Prior to making a decision on this petition, since the Smiths believe the DAG and investigators in C-316-06, or a party related to the same, might have contacted the bank to pressure bank officials to initiate foreclosure proceedings one week prior to the start of trial, an order vacating the January 4, 2017 final judgment and a remand of this matter to a jury trial might answer many questions. An easier path would be to order the State of New Jersey to produce the name of the person that invested $809,237 which funds Lynn Smith allegedly "unjustly enriched herself" with. The state has actively worked in F-40519-09 against Lynn Smith in her efforts to obtain permission a "stay to pay" and in doing so we allege they have defrauded federal courts and U.S. taxpayers who foot the federal court bill. They hide behind Rooker-Feldman, but are running up a large federal bill – instead of simply naming the person. Lynn Smith is not concerned about the state court judgment. However, consistent with the intent of Congress and this Court, she wants the trustee and bankruptcy court to free her estate of any or all fraudulent claims or liens.

Thanks to the justices and clerks of this court for their patience in a complex matter obfuscated and obstructed in bankruptcy court over the last almost 9-years.

The reward of granting our petition, or a better one that protects Pro se foreclosure and bankruptcy litigants is liberating lower and middle class families from deliberate defraudment of their life savings and property.

In bankruptcy court, the trustee who perjured herself, claimed in desperation when apprised that Lynn Smith had secured a $679,000 reverse mortgage funding commitment that she was burdening the State of New Jersey's rights in the matter with "more debt".

The judge, who has a reputation for being astute in financial matters, bought into her argument and blocked the firm commitment for $679,000 that would have ended her bankruptcy.

Unfortunately for Pro se litigants who have to deal with these incompetent officers of the bankruptcy court:

Reverse Mortgage are not debt financings

Where there is a will, there is a way in New Jersey-based foreclosure and bankruptcy courts...

....even if lies are told, laws are broken and constitutional protections are shamelessly denied.

Respectfully submitted.

Brian Smith

Lynn & Brian Smith

Lynn Z. Smith