



The Freedom Watch Report

May 2009 Volume 1, Issue 1

Special Interest Articles:

- Freedom Watch takes on AIG!
- Tale of the Tape: Klayman v. Chavez!
- Where is our Taxpayer Money Being Spent? Freedom Watch is Going to Find Out!

Inside This Edition:

- More on the Bailout [2]
- Hillary Clinton and Filegate [3]
- Freedom Watch v. OPEC [4]
- The Truth about UFOs [4]
- Air Force One's NYC Flyover [5]
- Obama's White House Parties [6]



Larry Klayman,
Chairman of
Freedom Watch

LAWSUIT AGAINST AIG - AMENDED TO INCLUDE PAULSON, GEITHNER, AND COX

Freedom Watch's \$200 billion lawsuit filed on behalf of shareholders of American International Group has been amended to include Treasury Secretary Tim Geithner, former Treasury Secretary Henry Paulson and former Securities and Exchange Commission Chairman Christopher Cox as defendants. The case is on behalf of shareholders of AIG who have watched the value of the company plummet by some \$214 billion.

The class action lawsuit filed in federal court in Los Angeles is a "wide reaching" claim that will do what Congress cannot, said Freedom Watch founder Larry Klayman. "The American people,

not the compromised ruling elite in Washington, D.C., have begun a second American Revolution to take the country back from the con men on Wall Street, and on Pennsylvania Avenue – who under successive administrations played a central role in the meltdown of the U.S. financial system and economy," Klayman said.

The original complaint alleged that the Board of Directors was solely responsible for the decline of the company through mismanagement and breach of fiduciary duty. The amended complaint now alleges that the additional defendants violated the constitutional rights of the shareholders by denying them

the right to their property, the shares themselves.

"The inspiration for this amendment was information disclosed by University of Missouri professor William K. Black on the Bill Moyers' PBS television show last Friday, where he implicated these government officials in a massive cover up of the banking scandal, mostly for the benefit of Goldman Sachs, the former employer of both Paulson and Geithner, in which they held a significant financial interest," Klayman reported.

"As for Cox, his reckless and intentionally impotent oversight at the SEC

- continued on page 5 -

FREEDOM WATCH TAKES ON VENEZUELAN PRESIDENT HUGO CHAVEZ

MIAMI, FL.—You might say it was inevitable these two no-holds-barred fighters— one a champion of freedom and justice, the other a combatant for communism who rules Venezuela with an "iron fist"—would one day meet in a ring of justice. That day has come as Larry Klayman's Freedom Watch has filed an unprecedented class action lawsuit against the Venezuelan dictator and strong man, Hugo Chavez.

The stage is set for what is shaping up to be the legal battle of the century to be fought in U.S. District Court in Florida before Judge Cecilia Maria Altonaga, the first Cuban-American woman to be appointed as a federal judge in the United States. Klayman's lawsuit seeks damages from Chavez and his cronies for

assault, supporting terrorism, crimes against humanity, violations of civil and human rights and torture of members of the class Klayman is representing including lead plaintiff Ricardo Guanipa, a Venezuelan citizen currently living in Miami.

Guanipa was a reporter for El Nacional in the 1990's when he investigated and reported on allegations of drug trafficking and money laundering by top government officials in Venezuela and Cuba including defendant Chavez, and afterward was forced to flee his native country after receiving death threats, assaults and intimidation from plaintiffs, the lawsuit charges. Also with Radio Marti in Venezuela, Guanipa was granted political asylum in the U.S.

Ever mindful of the power of publicity for his legal exploits, such as his recently suing OPEC in Austria for allegedly supporting terrorism, Klayman plans to hold a news conference this morning in front of the Venezuelan Consulate in Miami. The lawsuit figures to be a topic of discussion at this week's Summit of the Americas in Trinidad.

The lawsuit charges Chavez and co-defendants including Ramon Alonzo Carrizales Rengifo, Vice President of Venezuela, with conspiring with Colombian paramilitary Revolutionary Armed Forces of Colombia (FARC), Al Qaeda, and the Taliban in committing atrocities and causing defendants to flee their native country in fear for their lives.



"It is not really a matter of 'if' there is corruption, but a matter of 'how much' corruption and conflict of interest there really is."

In Memory

If you would like to leave a legacy of Liberty and Justice through a bequest to Freedom Watch, please contact Eric Lightman, Executive Director at 310-651-3026 or email him at: freedomwatchla@yahoo.com

BAILING OUT THE LOSERS: BIG FINANCIAL INSTITUTIONS

In the past year, Americans have seen a government spending spree of epic proportions targeted at bailing out failing American companies, from the banking sector, to insurance, to manufacturing. It seems as if no American company is able to sustain itself these days without accepting gratuitous amounts of cash from the federal government. AIG has received nearly \$180 billion dollars, Citibank and Bank of America have combined to receive over \$100 billion dollars, and Chrysler and GM have each received tens of billions more. Freedom Watch has been asking the questions of the Federal Reserve and the Department of the Treasury that Americans deserve to have answered. Who is influencing the decision making process, and how is it determined who should be bailed out?

Lehman Brothers, a bedrock Wall Street institution, was allowed to fail, and its remains were plucked up at rock bottom prices by Barclays and Nomura holdings, two British and Japanese banks. Bear Stearns shared a similar fate, as it was allowed to near bankruptcy where it was bought out for pennies on the dollar by JP Morgan. Washington Mutual, the nation's largest thrift with over \$350 billion in deposits was allowed to fail, and then its assets were bought out by JP Morgan for under \$2 billion dollars.

On the other hand, American International Group, the

insurance giant, has received \$180 billion dollars to date, and yet set a world record not to be proud of, for posting the single largest quarterly loss in American history at \$67 billion dollars. And yet Geithner and the Fed continues to give them more money as fast as they can print it.

Freedom Watch Chairman Larry Klayman states, "There is no rhyme or reason to the actions taken by this administration and the past administration with regards to the financial bailouts. Washington Mutual, a bank that declared itself solvent, was forced into failure and its remains picked up by JP Morgan at fire sale prices. AIG on the other hand, can't seem to win a single bet it makes, yet is being bankrolled endlessly by the government for its losing ways."

There seems to be an appearance of impropriety in the decision making process, and for this reason, Freedom Watch in February made a FOIA request for the records of the bailout activities of the Federal Reserve and the Department of the Treasury. Freedom watch is seeking to disclose the rationale behind this seemingly arbitrary line of decision making by determining the list of beneficiary companies of the bailout funds, and their involvement with the current and prior administrations. Any links between government officials, either on a personal or financial level will be scrutinized.

Klayman states, "We will continue to turn over rocks, and

see what crawls out from underneath. With the hundreds of billions of dollars being dispensed for free from the ATM that is our government, it is not really a matter of "if" there is corruption, but a matter of "how much" corruption and conflict of interest there really is. This is the unfortunate reality that is our system of politics and commerce today."



A NEW ERA OF RESPONSIBILITY? NOT IN THIS ADMINISTRATION'S NEW BUDGET

Barack Obama's proposed 2010 budget: A New Era of Responsibility, marks the beginning of his Presidency and his push to incorporate permanent, government-inflating policies into the American political and economic landscape. In 2009, we will see our national debt increase by \$1.75 trillion additional dollars, mostly financed by China, and in 2010, the proposed budget is

\$3.6 trillion dollars with an additional \$1.2 trillion in national debt, again, mostly financed by China. The spending is primarily focusing on increases in government run healthcare, education, and energy investments.

This budget amounts to nothing more than a socialist project for Obama, in hopes of inflating government to levels unseen in our lifetimes. In this

time of economic uncertainty, one thing is certain, the winners will be in the government. Money is projected to go to government institutions across the board, while the private sector continues its rapid decline.

Also as a result of this deficit spending, the Obama administration is not only continuing the George W. Bush

- continued on next page -

- continued from page 2 - debt out is increasing it, consequently saddling future generations with massive interest payments, mostly to China, which they will likely never be able to fully pay back in their lifetimes. A story recently ran on Fox News placing the US debt obligations, including Social Security and Medicaid at \$78 trillion dollars, which is more than the GDP of the entire world. This trend is unsustainable and has enormous implications on the future stability of our economy and our associated political system.

Larry Klayman says, "This irresponsible spending proposal by Obama doesn't address the underlying problem our country faces, namely the accumulation of huge amounts of debt." For this reason, there would seem to be other influences at work here in shaping the budget, and channeling the cash flows into predetermined directions. "We

want to know which companies and individuals will most benefit from this budget, and how those same individuals went about lobbying congress during the negotiations for this budget. Obama said that he refuses to be beholden to special interests, well Freedom Watch is going to hold him to that."

To follow up on these concerns, Freedom Watch has filed a FOIA request with Office of Management and Budget (OMB) to obtain all documents, correspondences, and communications between lobbyists and other special interest groups and the members of congress who drafted the recent budget summary. By connecting the dots provided to us by the OMB, we will see exactly who is running the show in the private sector and how their influence in Washington was able to shape this enormous budget.

FREEDOM WATCH CONTINUES TO CHALLENGE GOVERNMENT HANDOUTS

Freedom Watch is continuing to press for details on the \$700 billion dollar bailout of the financial sector's biggest names, including AIG, Fannie Mae, Freddie Mac, Citigroup, and Bank of America, in addition to two of Detroit's "Big Three" automobile manufacturers, Chrysler and GM. As the Federal Reserve and the Department of the Treasury continue to dole out money in an effort to prop up the failing financial sector, there is little oversight and questionable rationale behind the decisions that are being made. American Insurance Group, which was once the largest insurer in the world, is now but a penny stock, after being effectively nationalized by the government's injection of \$150 billion in taxpayer dollars. Citigroup and Bank of America are facing similar fates as they are soon to be the recipients of an additional untold billions from the government, after already receiving nearly \$100 billion dollars to date. On the other hand, Washington Mutual, the nation's largest thrift with over \$307 billion in deposits was allowed to fail and then its assets were sold off to JP Morgan for a paltry \$1.9 billion dollars. Lehman Brothers was similarly allowed to fail and its assets were pawned off to Barclays for pennies on the dollar.

Freedom Watch is trying to

the nation's largest thrift with over \$307 billion in deposits was allowed to fail and then its assets were sold off to JP Morgan for a paltry \$1.9 billion dollars. Lehman Brothers was similarly allowed to fail and its assets were pawned off to Barclays for pennies on the dollar.

"We are trying to determine how these decisions are being made, and what the rationale is behind them," Founder Larry Klayman states. "We are going to keep scouring the public record until we get some suitable answers, until we know that at least *someone* in government has a plan for getting the economy back on its feet."

Recently, Freedom Watch filed FOIA requests with the Federal Reserve and the Department of the Treasury, to get information regarding the distribution of government bailout funds to these companies. Add to this the cost of the Iraq war, which conservative estimates place at well beyond \$3 trillion dollars in the years to come, and it may begin to seem as if the US economy is heading off a precipice. Klayman adds, "We have to retake control of this country from the irresponsible leaders who have been leading it, both in the public and private sectors, and set it back on a course of fiscal responsibility, not only for the sake of generations to come, but for the sake of the country itself."

HILLARY CLINTON TO BE DEPOSED IN FILEGATE CASE

AFTER TWELVE YEARS FREEDOM WATCH ASKS COURT TO FINALLY ACT

"Rehabilitated" Consigliere of the Clinton White House Must Account for 900 FBI Files

Washington, D.C.- Freedom Watch, the public interest watchdog founded by Larry Klayman after his 2004 U.S. Senate run, and the protector of civil liberties and freedom, has again asked Judge Royce Lamberth to permit the deposition of Hillary Clinton to go forward, particularly since Mrs. Clinton wants, as usual, to skate out of the lawsuit which landed her in trouble during her husband's former presidency.

As the country may remember, one of the Clintons' techniques at keeping adversaries at bay, was to illegally gather confidential and classified FBI files to use against these persons if they ever challenged the Clintons' behavior in the White House. Caught with their hands in the proverbial "cookie jar" when the House Government Reform Committee was investigating Travelgate, another one of the Clinton capers to hire their friends for the White House travel office (with likely kickbacks to them involved), I filed a class action lawsuit in D.C. federal court against Mrs. Clinton, the FBI and others to address this violation of privacy.

The case moved quickly in the 1990's, but Judge Lamberth seems to have lost interest when George W. Bush was elected in 2000 and the case has now has been around for over 12 years. Judge Lamberth, a fine jurist, is, like many federal judges, subjectively influenced by events in Washington, D.C. Mrs. Clinton, thanks to the dismal if not catastrophic performance of "W" and Cheney, has been politically rehabilitated and is now worshipped as a "Goddess" of womanhood and political strength. As a result, now, as the globetrotting Secretary of State under the Obama regime, she wants out of the Filegate case, but Freedom Watch challenged

Judge Lamberth to finally do his duty under the Rule of Law and allow the video deposition of Hillary Clinton to go forward. No defendant can be removed from a case without having to give testimony. Even Bill Clinton, while president, was ordered by the U.S. Supreme Court to be deposed. And, Mrs. Clinton is no queen, but instead "citizen Clinton."

"We are confident that Judge Lamberth will now have to finally order the deposition. Mrs. Clinton is not above the law, no matter how much she and her henchmen, who many attributed to some deaths of key witnesses during the Clinton administration's scandalous years in the White House, may intimidate this great jurist. Justice must be finally done," stated Larry Klayman, Chairman of Freedom Watch.



"We have to retake control of this country from the irresponsible leaders who have been leading it, both in the public and private sectors, and set it back on a course of fiscal responsibility, not only for the sake of generations to come, but for the sake of the country itself." -- Larry Klayman



FREEDOM WATCH v. OPEC

Originally filed in the U.S. District Court for the Southern District of Florida, this lawsuit charges the Organization of Petroleum Producing Nations (OPEC) with anticompetitive conduct such as price fixing, designed to raise the price of gasoline at the pump. Last fall, our Chairman, Larry Klayman, traveled to Vienna, Austria – the home of OPEC – to personally serve the complaint. News of the case made international headlines, as the importance of this legal initiative is obvious; if the price of oil increases due to the anticompetitive acts of the oil producing nations in the Middle East and Venezuela, our weakening economy could go into a tailspin, lessening our economic freedom.



FREEDOM WATCH TAKES A HARD LOOK OBAMA'S SPENDING HABITS, FROM INAUGURATION TO REDECORATION

Larry Klayman, the founder of Freedom Watch, a public interest group that investigates and prosecutes government corruption, today announced that he filed a FOIA request to the General Services Administration, regarding the Obamas' White House redecorating expenditures. It was recently announced that Obama will spend in excess of \$100,000 dollars to redecorate the White House. This is an odd decision for Obama, who has consistently pushed the line that we are in a financial crisis not seen since the Great Depression, and that all Americans have to tighten their belts and make some sacrifices during this unprecedented crisis. It would seem as if he meant "all Americans must sacrifice except he and his family." After spending an estimated \$170 million dollars on his inauguration (George W. Bush by comparison spent \$157

million), he is giving the entire \$100,000 dollar allotment from congress to the notoriously expensive decorator, Michael Smith.

In this time of economic hardship for most ordinary Americans, is it really necessary to spend this kind of money on redecorating the White House? In what is already a beautiful house by most standards, and with a secret warehouse at their disposal in Maryland which houses thousands of pieces of furniture from previous first families, Obama is spending taxpayer money on furniture from Ikea, Target, and Kohls, and is cluttering the esteemed living quarters that once housed the likes of Washington and Lincoln with these cheap, imported, foreign-made products. That money must really be burning a hole in his pocket for him to make these kinds of frivolous purchases, a hole that the

taxpayers will probably be forced to pay for as well. For many people, \$100,000 is the cost of an entire home, for the Obamas, it is merely the cost of redecorating what is already the most revered and coveted of houses in the world.

If the President really means what he says about making sacrifices, then for the sake of credibility, perhaps he would be best served by setting an example that the rest of the country can emulate. Founder Larry Klayman states, "The last thing this country needs is another leader who tells us one thing and then does another behind closed doors. What this country really needs is a leader who is willing to be straight with the American people and can walk the walk, not just talk the talk."

FREEDOM WATCH SEEKS DISCLOSURE ON UNEXPLAINED PHENOMENA

Freedom Watch has recently issued FOIA requests to the CIA, the DIA, the DOD the NSA, and the USAF, to uncover records relating to unexplained phenomena, particularly unidentified flying objects (UFOs), unexplained atmospheric phenomena, and documents that would provide evidence of the existence of any non-terrestrial technology and intelligent life. It has long been surmised that government intelligence agencies have for years been covering up documents and activities relating to extra-terrestrial intelligence, and a public answer is long overdue. Have the tens of thousands of documented sightings over the years been the result of a collective psychosis, a self delusory fabrication of the mind, or is there something more to these incidents? The mass sightings that have taken place, such as the so called "Phoneix Lights" on March 13, 1997 and the Mexico City mass sightings on July 11th, 1991, were these incidents something akin to a mass hallucination, were they

'black' government projects in plain sight, atmospheric phenomena, or were they truly other-worldly in nature?

Since Kenneth Arnold's first sighting in 1947 kicked off the initial mass hysteria that turned into the modern-day UFO movement, there have been boundless theories and hypotheses as to the nature of the phenomena that were being documented around the world. From Project Sign, to Project Grudge to the renowned Project Blue Book, the government was so genuinely interested in the UFO phenomenon early on that it assembled teams of reputable scientists to gather data and provide explanations, though these explanations were all too often over simplified or even outright suppressed as it became clear that there was something substantial and credible behind the reported sightings. Once Project Blue Book was put on ice in 1969, the government trail goes cold, but the push for understanding hardly ended there, as investigations took on a new life in the form of civilian research groups such as the

National Investigations Committee On Aerial Phenomena (NICAP) and the Mutual Unidentified Flying Object Network (MUFON).

As video and photography equipment has become inexpensive and universally available in recent years, the intrigue surrounding UFOs has only increased. Browse through YouTube and Google video websites, and you will see thousands of home videos of alleged UFOs. NASA astronauts Gordon "Gordo" Cooper, Neil Armstrong, and Edwin "Buzz" Aldrin are among the many astronauts who have reported in interviews to have seen UFOs. You can find official NASA videos taken aboard space shuttle flights that have recorded UFOs that simply cannot be explained away. There have been countless recorded transmissions of veteran commercial aircraft pilots who have given minute by minute descriptions of UFOs flying next to them, so many in fact, that it has become the official policy of all major airlines that their pilots no longer discuss UFO sightings

with the public. Governors, senators, musicians, celebrities, scientists, taxi-cab drivers, people from all walks of life from countries around the world all have stories of witnessing UFOs. All the while, our government has been quiet on matters of UFOs, and the public is not buying it anymore. A recent poll found that 72% of Americans believe that the government is not telling the public everything they know regarding UFOs. 34% of Americans believe in UFOs outright.

It is time for the truth to be known, and our question is simple and straightforward: "What is the government not telling us about UFOs?"



OBAMA ADMINISTRATION REFUSES TO RELEASE VIDEO OF AIR FORCE ONE FLYOVER OF NYC

On May 6th, Freedom Watch filed FOIA requests with the Obama administration to force the release of government video of the recent unannounced flyover of New York City by Air Force One and a fighter jet, causing widespread panic. The cost of this PR disaster to American taxpayers was nearly \$350,000 dollars, making it one of the costliest photo ops in American history. At this point, the least the administration can do is release the photographs because after all, we the American taxpayers did pay for them to be taken.

"President Obama thinks it "cool" to release national intelligence documents

concerning American intelligence gathering techniques of terrorists, but ironically terrorizes the people of Manhattan, who have the tragedy of September 11 emblazoned in their emotional psyches, but then refuses to release benign video of his own incompetence and lack of national security common sense.

Freedom Watch will not rest until the truth about this episode is fully exposed. It unfortunately demonstrates the lack of competence of the Obama administration when it comes to national security matters and its own hypocrisy in not releasing information the public has a right to see", stated Larry Klayman

BIDEN FAMILY INVOLVEMENT WITH FRAUDELENT FINANCIER ROBERT ALLEN

On February 17th, 2009, a convoy of Federal Agents raided the offices of Stanford Financial Groups' CEO Robert Allen Stanford, for orchestrating a massive ponzi-scheme that bilked investors out of \$8 billion dollars. As it turns out, one of the funds that the Stanford Group marketed to its companies and invested nearly \$3 million dollars into was a fund that was managed by Paradigm Global Advisors, a company headed by James and Hunter Biden, brother and son of vice President Joe Biden.

Freedom Watch is looking into this matter and has issued a FOIA request to the Securities

and Exchange Commission (SEC) in order to probe the Biden's level of involvement. While the Bidens have denied ever communicating with Stanford Financial regarding this fund, this matter should still be looked into and the record cleared independently of any government-led investigations, for obvious reasons.

It seems as if a new scheme is uncovered every week, where respected even idolized investment gurus turn out to be nothing more than common crooks, using the trust and goodwill of the public to enrich themselves illegally. While there was a lack of oversight among the regulatory agencies charged with overseeing these investment firms, there was a further lack of judgment on behalf of our elected politicians for their failure to adequately maintain a system that protects investors and thus ensures the credibility of the system.

As Larry Klayman puts it, "Are we really supposed to trust these same agencies and elected officials to do the proper investigations into these matters, when their incompetence and lax oversight is largely to blame for these crimes in the first place? We will take matters into our own hands and see that justice is served."

AIG LAWSUIT

- continued from page 1 -

...SEC is the basis for the claim against him," he said. Klayman noted that under precedent established by the U.S. Supreme Court, U.S. vs. Bivens, the defendants can be named as individuals, as well as officials. Klayman also decried the apparent attempt by AIG CEO Edward Liddy to avoid being served with the original lawsuit. On at least three occasions already, he has "run," telling AIG security not to allow process servers into his office suite, Klayman said.

"This is an absolute disgrace," said Klayman. "It shows the complete lack of respect AIG and its directors have for the Rule of Law. Liddy can run but he cannot hide. It's only a matter of time before he and his cohorts, along with Geithner, Paulson and Cox, will be held accountable by the American people, not compromised politicians in Washington, D.C., like Barney Frank Chairman of the House Financial Services Committee, who yesterday refused to answer a legitimate question from a Harvard student who inquired why he and his committee failed to oversee the banking scandal."

The complaint alleges the defendants "jointly and severally, have seriously undermined and damaged AIG's financial health and valuable past reputation by systematically causing and/or permitting the company to engage in a litany of highly risky, detrimental and reckless business dealings that have caused the company to verge on bankruptcy and which have required in excess of \$190 billion dollars to date of government provided monies to prevent total company failure."

The action seeks judgments against defendants "for the amount of damages sustained by the shareholders as a result of the defendants' breaches of fiduciary duties, gross mismanagement and waste of corporate assets, causing a decrease in shareholders equity in an amount in excess of \$200 billion dollars."

"Freedom Watch will not rest until justice is done and it won't come from the Obama administration, bent on deceiving the U.S. taxpayer that it intends to clean up this corruption, all the while lining the pockets of its friends at AIG with government bailout money, who gave handsomely to have the president elected," said Klayman.

The lawsuit alleges the defendants, also including Richard Holbrooke and Martin Feldstein of the Obama administration, have caused the company's value in 1990 to drop from "approximately \$217 billion dollars" to today's estimated \$3.5 billion, "a net decline of \$214.5 billion based on the market capitalization rate formula."

AIG used "financially unsound" credit default swap derivative contracts and collateralized debt obligations to expose the company to "enormous risk," the suit says. "After AIG posted a record breaking \$62 billion dollar loss for the 4th quarter of 2008, the defendants, each and every one of them, incredibly paid out \$165 million dollars in bonuses to its executives in March of 2009 and \$55 million dollars in December of 2008 for this poor performance, and also paid out dividends when this was not reasonable or warranted under the circumstances," Klayman's case alleges.

Klayman said 400 workers each received between \$1,000 and \$6.5 million, and seven executives in the unit responsible for many of the losses each got more than \$3 million.

"The bonuses were allegedly for retention, in part, and also performance based, but it has become clear that this was not the reason for the bonuses; rather looting of shareholder and government assets was the motivation," the case alleges.

It continues, "During this time of unprecedented wealth destruction for AIG shareholders, each of the defendants were compensated generously by way of handsome salaries and exorbitant bonuses and dividends, among other benefits and perks, despite their misconduct."

World Net Daily recently reported a poll indicated three in four Americans want members of Congress to return money they got from AIG for their political campaigns. The poll from The O'Leary Report by Brad O'Leary and Zogby International showed 73 percent of Americans think politicians, including President Obama and Sen. Chris Dodd, D-Conn., should not have profited from AIG and should return the money.

Obama and Dodd were the top recipients of campaign largesse from AIG over the past two years, with Obama getting \$104,332 and Dodd taking in \$103,900. Others received money, too, but in smaller amounts. All together, AIG donated \$644,218 to federal politicians. According to the Washington Post, Federal Reserve Chairman Ben Bernanke recently confirmed that he had wanted to sue AIG to stop the company from paying out about \$165 million in bonuses, but Fed lawyers advised against the litigation.

AIG CEO Edward Liddy told Congress last week that the Fed signed off on the bonuses before they became public. The company also has said some of the employees have promised to return the bonuses voluntarily.

"It seems as if a new scheme is uncovered every week, where respect, even idolized, investment gurus turn out to be nothing more than common crooks."



FOR THE OBAMAS, THE BEST OF TIMES, FOR THE REST OF US, THE WORST OF TIMES

World Headquarters
601 Pennsylvania Avenue, NW
Suite 900 South
Washington, DC 20004
Telephone: (202) 639-8100
Fax: (202) 639-8238

Western Regional Office
9701 Wilshire Boulevard
Suite 1029, Tenth Floor
Beverly Hills, CA 90212
Telephone: (310) 651-3005
Fax: (310) 651-3025

Southern Regional Office
3415 SW 24th Street
Miami, FL 33145
Telephone: (305) 447-1091
Fax: (305) 447-1548

Larry Klayman
Chairman & General Counsel
leklayman@yahoo.com

Eric Lightman
Secretary & Executive Director
freedomwatchla@yahoo.com

We're on the Web!

Find us at:
www.freedomwatchusa.org

Since Barack Obama started his campaign two years ago, he has consistently pushed the theme of corporate irresponsibility, excessive spending, and recklessness at the highest levels of both government and corporate America. The credit bubble that formed was due to greed and irresponsibility on behalf of corporations and banking institutions, and a lack of oversight on behalf of the government. Obama's enormous budget plan is even titled "A New Era of Responsibility: Renewing America's Promise. It is hard to reconcile this with his behavior in the White House.

Behind closed doors, we are seeing a jubilant, festive Obama that is in stark contrast to the solemn, forlorn public persona that is projected when he is in the public eye. Wednesday night has become the de fact 'Party Night' in the White house, with the Obamas entertaining guests

to the tune of \$100 dollar steak dinners, with entertainment by such high-priced acts as Stevie Wonder, Earth Wind and Fire, and even a private audience with the Jonas Brothers for the Obama daughters.

Larry Klayman states, "Emperor Obama is partying while Rome burns. It would be nice to see him lead by example, but apparently he is deciding to lead by rhetoric only, not in his actions. This party atmosphere sends the wrong message to the American public."

While Barack Obama is preaching to corporate executives with their renowned lavish spending habits, austerity and fiscal discipline, and to ordinary Americans who are losing their jobs in record numbers, he is urging that they spend within their means, Barack Obama does not feel the need to apply these same principles to himself and his family. While tent cities are springing up across the

country, reminiscent of the Great Depression, with the lucky families able to afford to squeeze their family of six into a small motel room, the Obama-Clinton crowd is throwing all night parties for themselves and their friends with nary a care in the world, all at taxpayer expense.

Does that family living in a Motel 6 that can barely afford to sustain itself, deserve to have its taxes spent in such a way? Apparently, this administration thinks so. Freedom Watch has filed FOIA requests in March with the General Services Administration (GSA) and the Government Accountability Office (GAO) to provide a list of these expenses that are being billed to the tab of the American taxpayer. On behalf of all Americans, we would like to know how much they have spent of our hard earned money.

About Freedom Watch...

Freedom Watch is the only group that speaks through actions, rather than just words. We are dedicated to not only preserving freedom, but redefining its meaning, from protecting our rights to privacy, free speech, civil liberties, liberty from foreign oil and crooked business, labor and government officials, protecting our national sovereignty against the incompetent, terrorist state controlled United Nations, and reestablishing the rule of law in what has become a very corrupt American legal system, where justice is only as good as your lawyer and judge – most of whom are compromised ethically and otherwise.

In the image of John Adams, our second and one of our finest presidents, without ethics, morality and religion there will be no lasting freedom. Using these principles, President Ronald Reagan, centuries later, took on the "evil empire" of the Soviet Union and established some freedom even in that communist state. He restored pride and vision to this country in the process.

Our greatest challenge as we face a deep economic crisis, a government that spends our tax dollars like a drunken sailor, and

a new Obama-Clinton regime that is using the economic crisis as an excuse to turn our nation into a socialist Euro-style welfare state, is to remain constant to the principles of our founding fathers; not only Adams, but Thomas Jefferson, Benjamin Franklin and others who put their lives on the line for our freedom. Freedom Watch is dedicated to doing just that, with total regard for the rights of all persons, whatever their ethnicity, race, religion, sex or otherwise.

By promoting true American values at home and around the world, through actions, frequently with hard hitting legal cases and other means, Freedom Watch will be at the forefront of preserving freedom for our children and grandchildren. We need your help and immediate and strong financial support to succeed in the face of those who would effectively put us in a "straight jacket" by having government control and regulate every aspect of our lives! These people, now in control of our government, worship at the alter of government! We at Freedom Watch worship our freedom, given to us by our creator, with certain unalterable alienable rights! Long live the United States of America and long live our freedom!



About our Founder, Larry Klayman

Larry Klayman, Esq. founder and former Chairman of the successful non-profit foundation Judicial Watch, was born and raised in Philadelphia. Mr. Klayman graduated with honors in political science and French literature from Duke University and later received a law degree from Emory University. He is the only lawyer ever to have obtained a court ruling that a U.S. president committed a crime, which occurred during his tenure at Judicial Watch. In 2003, Mr. Klayman left Judicial Watch to run for the U.S. Senate. After his Senate race, he established Freedom Watch. Joining him at Freedom Watch are the past regional directors of Judicial Watch, comprising a "Dream Team."

Larry Klayman, Esq. has dedicated his career to fighting against injustice and restoring ethics to the legal profession and government. He became so well known that the NBC's hit drama series "West Wing" created a character after him; "Harry Klaypool of Freedom Watch." Mr. Klayman liked the name Freedom Watch so much he sought to register it as a trademark.

Freedom Watch, Inc.'s, a non-profit organization, mission is to protect and promote freedom in the United States and around the world.