



Written by [Jerome R. Corsi](#) on October 18, 2017

## **Proof of FBI Criminal Leaks and Trump Pardon of Sheriff Arpaio Threaten to Undermine Mueller's Russia Probe**

WASHINGTON, D.C. — Preet Bharara, a constant Trump critic ever since the president fired him from his position as U.S. Attorney for the Southern District of New York, may turn out to be an unanticipated liability for Special Counsel Robert Mueller (shown).



Court documents prove jaw-dropping criminal prosecutorial misconduct in Bharara's 2016-2017 prosecution of William T. "Billy" Walters, a multi-millionaire investor, sports gambler, and philanthropist who was charged by Bharara with insider trading.

Walters was convicted despite court documents that prove indisputably that Bharara proceeded with the prosecution after the FBI in New York engaged in a systematic pattern of leaking grand jury secrets to the *New York Times* and the *Wall Street Journal* over a four-year period, starting two years before Walters was indicted.

Over the past few weeks, Special Counsel Robert Mueller has consulted with Bharara and has added Assistant U.S. Attorney Andrew Goldstein, one of Bharara's former top prosecutors, to his Special Counselor staff.

This raises the question of whether tweets posted by President Trump, alleging that Mueller's case is based on "Fake News" advanced through a systematic pattern of illegal FBI leaks to partisan mainstream media, may have a basis in fact.

The question raised by Billy Walters' conviction, now under appeal, is this: Has government impropriety in the form of prosecutorial corruption advanced to the highest levels of the Department of Justice, threatening to undermine the integrity of Mueller's investigation — an investigation President Trump has rightfully accused of being plagued by illegal leaks to the press?

Additionally, on October 4, U.S. District Judge Susan Bolton in Phoenix reluctantly ruled that President Trump's pardon of Maricopa County Sheriff Arpaio was valid. This ruling undermined Mueller's attempt to argue that the president's pardon power was limited in order to prevent President Trump from ending Mueller's Russia "witch hunt" probe by pardoning key Special Counselor targets, including former Trump campaign manager Paul Manafort and former Trump National Security Advisor Michael Flynn.

As Mueller's inquiry advances, charges that he is a partisan political operative closely aligned with former FBI Director James Comey may build to the point where President Trump has grounds for firing Mueller and ending what Trump has characterized as his "no evidence" Russian Collusion "witch hunt."

**Trump Charges Mueller With "Fake News"**



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Specifically, Mueller may have to explain why his pattern of leaking to the press differs from the illegal leaking of grand jury information to the *New York Times* and *Washington Post* that Bharara had to admit happened in his prosecution of William T. Walters, a prominent businessman, investor, sports gambler, and philanthropist whom Bharara convicted of insider trading in a U.S. District Court criminal trial that ended last April.

Mueller's most recent leak was evident in a *New York Times* story [published](#) on September 18, 2017, entitled "With a Picked Lock and a Threatened Indictment, Mueller's Inquiry Sets a Tone."

In the article, reporters Sharon LaFraniere, Matt Apuzzo, and Adam Goldman made public that Mueller intended to follow with an indictment his pre-dawn Gestapo-like break-in raid into Manafort's Alexandria, Virginia, apartment home, while Manafort and his wife were sleeping, according to information the newspaper reported from typically anonymous sources identified only as "two people close to the investigation."

In July, President Trump issued a volley of angry tweets after the *Washington Post* [reported](#), again based on unnamed anonymous sources, that Trump had asked his attorneys and advisors about his ability to pardon aides, family members, and possibly even himself as a means of "limiting or undercutting" Mueller's Russia investigation.

In response to the *Washington Post* story, Trump [tweeted](#), "While we all agree the U.S. President has the complete power to pardon, why think of that when the only crime so far is LEAKS against us. FAKE NEWS."

U.S. District Judge Susan Bolton's decision on October 4, 2017, in the case of former Sheriff Arpaio, that she had no choice but to accept President Trump's pardon as valid was a setback to Mueller, especially after Bolton had allowed some 30 Democratic members of Congress to file an *amici curiae* brief arguing Trump's pardon exceeded his constitutional authority.

Now, Mueller will have to deal with an unsealed and not-redacted admission Bharara was forced to file with U.S. District Court Judge P. Kevin Castel in the case *United States v. Walters*: In a letter dated December 16, 2016, U.S. Attorney Bharara was forced to admit that FBI Special Agent David Chaves had been illegally leaking secret grand jury information to reporters at the *New York Times* and the *Wall Street Journal* for at least two years, beginning in 2013 — more than two years before the Department of Justice indicted Walters.

What Mueller will have to explain now, should he be allowed to continue his investigation, is why a systematic pattern of leaks in the Russia probe does not constitute a pattern of government impropriety that should disqualify the investigation from being allowed to continue.

In the defendant's appeal in the *U.S. v. Walters* case, former U.S. Attorney Bharara will certainly be given an opportunity by the U.S. Court of Appeals to explain why his office was not engaged in an conspiratorial effort engineered with the FBI to prejudice the defense by leaks — prejudicing the case by conducting a "trial by newspaper."

In Mueller's case, the leaks have made abundantly clear that the Special Prosecutor is targeting the occupant of the highest office in the land — a case in which all information developed by the Special Prosecutor should have been treated as sacrosanct, at least until presented lawfully before a magistrate in a duly constituted judicial proceeding.

## **FBI Illegal Leaks in Bharara's Insider Trading Conviction**



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The federal criminal case for insider trading against noted Las Vegas-based sports gambler William T. “Billy” Walters was seriously impaired in December 2016, when U.S. District Court Judge P. Kevin Castel, in preparing to take the case to trial, learned that an FBI agent had leaked information on the case to the *New York Times* and the *Wall Street Journal* two years before Walters was indicted.

What the record reveals is that despite being unable to develop enough evidence to justify a grand jury indictment for insider trading against Walters, FBI Special Agent David Chaves decided in April 2014 that he would prevent the investigation into Walters from going dormant by going to the press and illegally spilling juicy details from the grand jury investigation that he hoped might somehow revive the case.

When Judge Castel understood the extent of Chaves’ leaking, he demanded that U.S. Attorney Bharara must prepare for the court a complete accounting of the FBI leaking activity in the case — a [memorandum](#) that Judge Castel demanded the U.S. Attorney’s office make available to the public in an unsealed and non-redacted form, naming the reporters at the *New York Times* and the *Wall Street Journal* cooperating with Chaves, as well as a full timeline accounting of the numerous leaks both newspapers published.

In late 2013, Chaves admitted to having lunch with *Wall Street Journal* reporter Susan Pulliam, during which Chaves also briefed her about his investigation of Walters. At the lunch, Chaves asked Pulliam to let him know if she came across any information concerning Walters. Chaves admitted that Pulliam “from time to time” would call him to describe what she was learning, with Chaves telling her to “check your sources” when she reported something about Walters that Chaves’ investigation suggested was incorrect.

Then, in April 2014, Chaves had another dinner, this time with three *New York Times* reporters, including Goldstein and Protes. At that dinner, the reporters asked questions about the Walters investigation. In response to their questions, Chaves told the *Times* reporters “the FBI was investigating a number of different stocks” in which Walters had made investments.

The record shows that Chaves, after his initial dinner and lunch meetings, remained in continued contact with the *New York Times* and the *Wall Street Journal* reporters, ultimately involving Chaves switching to his personal email account and to his personal cellphone. Bharara’s report also noted that Chaves and the reporters left voicemail messages to reconnect when efforts by the reporters and the FBI Special Agent to speak by phone initially failed.

“[Special Agent David Chaves] has admitted that, in 2013 and 2014, he was a repeated source of information regarding the Investigation to as many as four reporters: Matthew Goldstein and Ben Protes at the *Times*, and Susan Pulliam and Michael Rothfeld at the *Journal*,” Bharara’s unsealed memorandum to the court admitted.

In a hearing before U.S. District Judge P. Kevin Castel, held on December 21, 2016, after the court demanded the unsealing of the name of the FBI Special Agent who leaked to the press, Castel told U.S. Attorney Preet Bharara that he was outraged at the government’s behavior in the case.

“Human nature being what it is, I could certainly understand if an agent found themselves in communication with a member of the press and somehow a conversation got out of hand and went beyond where it should have, and the agent, without any real thought ahead of time, misspoke,” Judge Castel said.

“That is not what happened here,” the judge continued. “This included dinner meetings and the like. I



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am a wiser person today for having been exposed to this. To say I was shocked would be an accurate statement.”

Judge Castel continued, suggesting that the agent could be prosecuted for a criminal offense, after learning from Bharara that Chaves had leaked secret grand jury information to the two New York-based newspapers.

“It seems to me that, as a formal matter, as a judge, I would refer this to the U.S. Attorney’s office to review for possible prosecution as criminal contempt or as obstruction of justice,” he stressed. “If you look at *New York Times v. Gonzalez*, 459 F. 3d 160, they explain how unwarranted disclosures could amount to obstruction of justice, 18 U.S.C., Section 1503(a). And reviewing the statute, it breaches actions to corruptly influence a proceeding. And ‘corruptly’ in context may mean nothing more than an improper purpose.”

Walters has appealed the case on the basis that Judge Castel allowed the prosecution to go forward after Bharara insisted that the U.S. Attorney’s Office in New York knew nothing about FBI Agent Chaves’ illegal leaking of secret grand jury information. Throwing Chaves to the wolves as a rogue agent, Judge Castle was satisfied FBI Agent Chaves had been referred to the Department of Justice’s Public Integrity Division for criminal investigation.

### **Judge Rules Trump’s Pardon of Arpaio Is Valid**

On October 4, U.S. District Judge Susan R. Bolton’s decision at the hearing in Phoenix that President Trump’s pardon of former Sheriff Joe Arpaio was valid is a big win for Trump in his ongoing battle with Special Prosecutor Robert Mueller.

Only the day before, on October 3, *Bloomberg* [reported](#) that Mueller had assigned the task of researching the limits of Trump’s pardon ability to Michael Dreeben, Mueller’s top legal counsel with more than 100 Supreme Court appearances.

On September 29, thirty Democratic members of Congress [submitted](#) an *amici curiae* brief to Judge Bolton arguing that President Trump’s pardon of Sheriff Arpaio was unconstitutional because it violated the separation of powers by asserting “an encroachment by the Executive on the independence of the Judiciary.”

- Arpaio’s attorney, Mark Goldman of Goldman & Zillinger PLLC in Scottsdale, explained to Infowars.com in an exclusive telephone interview that Judge Bolton had allowed the *amicus curiae* briefs to be filed in this criminal case — a highly unusual move in that *amicus* briefs are typically not allowed in criminal cases — because she was inclined to rule that Trump’s pardon of Arpaio was unconstitutional, if she could find sufficient legal precedents to make that ruling.

Goldman agreed that Judge Bolton’s ruling that Trump’s pardon of Arpaio was constitutional made more difficult the job Mueller had assigned to Dreeban, namely, to find an argument at law that could convince the Supreme Court that President Trump would exceed his constitutional authority if he should issue a presidential pardon to his former campaign manager, Paul Manafort, or to his former national security advisor, General Michael Flynn.

“I analogize this to a football touchdown where neither team is contesting the touchdown, and there is indisputable video evidence that the player made a touchdown, yet the referees decide to spend 15 minutes reviewing the play,” Goldman said.

“If there was any way Judge Bolton could have ruled Trump’s pardon of Arpaio unconstitutional,



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with[out] looking ridiculous for so ruling, she would have done so,” Goldman stressed. “The arguments in the *amicus* briefs, including the *amicus* brief submitted by the Democratic congressmen were so frivolous and without merit that the Congressmen should be ashamed of themselves.”

Goldman added that Arpaio was considering filing a lawsuit in federal court seeking to sanction the Democratic members of Congress filing what he considered an inappropriate and frivolous *amici curiae* brief, emphasizing that he “can’t wait” for the opportunity to take a video deposition of the members of Congress who signed the *amici curiae* brief.

On September 11, the Public Integrity Section, Criminal Division of the U. S. Department of Justice [filed a petition](#) with Judge Bolton asking her to vacate her verdict on July 6, in which she found Arpaio guilty of a criminal misdemeanor for disobeying a preliminary injunction issued in a civil case involving a Maricopa County traffic stop.

“A pardon issued before entry of final judgment moots a criminal case because the defendant will face no consequences that result from the guilty verdict,” the Justice Department argued to Judge Bolton. “Accordingly, the government agrees the Court should vacate all orders and dismiss the case as moot.”

In response to Judge Bolton’s request for additional arguments, the Public Integrity Division [filed](#) a second brief dated September 21, 2017, arguing that Judge Bolton should vacate Arpaio’s conviction because President Trump’s pardon was issued prior to the sentencing that was needed to make the conviction final.

“The Defendant’s verdict should be vacated and the case dismissed as moot,” the Justice Department argued to Judge Bolton in this second legal brief. “No further action is requested or required, and the presidential pardon does not require the alteration, destruction, erasure, expungement, or sealing of the record in this case.”

At the hearing on October 4, Judge Bolton refused to vacate her guilty verdict, despite ruling that the Arpaio pardon was valid, thereby notifying Arpaio and the Justice Department that she intended to rule by issuing a written order at a later date as to whether or not to vacate her guilty verdict.

“It’s an unusual ruling in that the prosecution and the defense in this case both agree the judge should vacate her guilty verdict in light of the Arpaio pardon,” Goldman continued.

“There is no way Judge Bolton could do anything but dismiss this case as soon as Trump issued the pardon, but instead, she allowed Sheriff Arpaio to twist in the wind for six weeks as she allowed *amicus* briefs to be filed contesting the constitutionality of the pardon,” Goldman continued.

Goldman pointed out that if Judge Bolton refused to vacate Arpaio’s conviction, Arpaio would have no remedy, except to appeal to the U.S. Supreme Court, to expunge the guilty verdict from his record.

“Usually a criminal defendant can seek to vacate a criminal conviction by appealing the case after sentencing, but in this case, the Trump pardon eliminated Arpaio’s need to appeal the case,” Goldman stressed.

“If Judge Bolton refuses to vacate Arpaio’s guilty verdict, we will file a motion for mandamus with the Ninth Circuit Court of Appeals, asking the appeals court to instruct Judge Bolton to vacate the verdict,” he continued. “If the Ninth Circuit refuses, we will file the motion for mandamus with the U.S. Supreme Court.”

He argued that if a person is convicted and sentenced for a crime, but dies before the appeal is final, the criminal case is vacated.



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“This is a related case in that President Trump issued his pardon after Judge Bolton ruled from the bench that Sheriff Arpaio was guilty of a criminal misdemeanor, but before Judge Bolton sentenced Sheriff Arpaio for the crime,” Goldman pointed out.

“Because no sentence was ever issued, Judge Bolton’s criminal conviction was never completed,” he added, arguing that without Arpaio being sentenced, there really is no conviction that can remain on the books.

“The Sheriff has no ability to vindicate himself through the appeal process because he was never sentenced, so Judge Bolton has no choice but to vacate the conviction,” he argued. “The case law is clear on this point and that’s why the Department of Justice agreed with us.”

*Photo of Robert Mueller: AP Images*



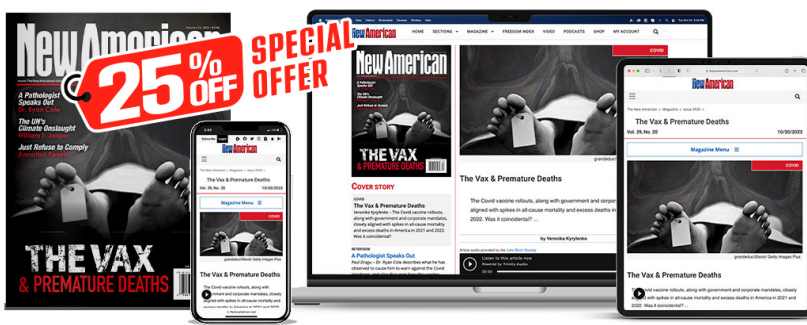


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