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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA - WESTERN DIVISION  
HONORABLE OTIS D. WRIGHT  
UNITED STATES DISTRICT JUDGE PRESIDING

- - -

Ingenuity 13 LLC, )  
PLAINTIFF, )  
VS. ) NO. CV 12-8333 ODW  
John Doe, et al., )  
DEFENDANT, )  
\_\_\_\_\_ )

REPORTER'S TRANSCRIPT OF PROCEEDINGS  
LOS ANGELES, CALIFORNIA  
FRIDAY, JULY 12, 2013

\_\_\_\_\_  
KATIE E. THIBODEAUX, CSR 9858  
U.S. Official Court Reporter  
312 North Spring Street, #436  
Los Angeles, California 90012

1 APPEARANCES OF COUNSEL:

2

3 FOR MOVANT:

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7

8 FOR DEFENDANT:

9 THE PIETZ LAW FIRM  
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12 -and-

13 HELLER AND EDWARDS  
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1 LOS ANGELES, CALIFORNIA; FRIDAY, JULY 12, 2013

2 1:38 P.M.

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6 THE CLERK: Calling Item 1, CV 12-8333, Ingenuity  
7 13 LLC versus John Doe.

8 Counsel and parties, may I have your  
9 appearances, please.

10 MR. PIETZ: Good morning, your Honor. Morgan  
11 Pietz appearing for the putative John Doe defendants.

12 MR. HELLER: Morning, your Honor. Lawrence Heller  
13 for Mr. Pietz and for Nicholas Ranallo.

14 MR. STEELE: Morning, your Honor. John Steele  
15 here appearing pro se.

16 THE COURT: Good morning.

17 MR. STEELE: Good morning.

18 THE COURT: All right. Mr. Steele, we are here on  
19 your motion for reconsideration. Before I get started, I  
20 just want to note for the record I continue to get  
21 filings. Paul Hansmeier -- is this today? Something  
22 called administrative motion for request to appear by  
23 telephone and appear for what, I am not sure. He hasn't  
24 filed a motion nor has he joined the motion. And then I  
25 got this from you, Mr. Steele, exhibits to bar complaints

1 against Brent Gibbs.

2 Why do we have that here?

3 MR. STEELE: Well, your Honor -- well, your Honor,  
4 for one, obviously, I am aware of the various pleadings  
5 that have been filed since March in this case.

6 THE COURT: You are aware. Because that is going  
7 to be the topic of further discussion.

8 MR. STEELE: Sure. I would say that as I sit here  
9 today, I am aware of everything that has been filed in  
10 this case. May not have been aware of them earlier when  
11 I should have been, but I am certainly aware of them now.  
12 It is obvious to me having a personal knowledge of a lot  
13 of these facts that Brett Gibbs has committed perjury or  
14 a scale that I have never even seen before.

15 THE COURT: Wait. No. You have filed something  
16 with the California State Bar.

17 MR. STEELE: Yes, your Honor.

18 THE COURT: And you realize that we are not the  
19 California State Bar.

20 MR. STEELE: Yes, your Honor.

21 THE COURT: My question is why you have filed  
22 these exhibits with the United States District Court.

23 MR. STEELE: Because it goes to the questions that  
24 are raised. It goes to --

25 THE COURT: Which questions? Are raised where?

1 MR. STEELE: Well, first of all, it goes to my  
2 motion for reconsideration. It goes to the allegations  
3 raised by Mr. Pietz and his co-counsel and the response.

4 THE COURT: Wait a minute. Tell me how anything  
5 having to do with Brett Gibbs goes to your motion for  
6 reconsideration.

7 MR. STEELE: Because Mr. Gibbs is working with  
8 Mr. Ranallo and Mr. Pietz to file their documents and to  
9 conduct this course so I do believe it is related.

10 THE COURT: Okay. As best I am able to ascertain,  
11 this is all about you not getting service on certain  
12 pleadings; right?

13 MR. STEELE: Yes, your Honor.

14 THE COURT: What does Mr. Gibbs and his state bar  
15 complaint have to do with that?

16 MR. STEELE: I am not saying that this is -- that  
17 is not my response to anything filed by Mr. Pietz or  
18 Ranallo in this hearing today.

19 THE COURT: Then why do I care? You just thought  
20 I needed more paper?

21 MR. STEELE: Well, your Honor, I am assuming you  
22 want to get this right.

23 THE COURT: Which right? When you say this?

24 MR. STEELE: This hearing.

25 THE COURT: This hearing for reconsideration?

1 MR. STEELE: I want to assume you want to get at  
2 least not only this proceeding but everything before your  
3 Honor, and I would assume that you want to do this with  
4 the proper information. And basically this is --

5 THE COURT: If you thought this was important and  
6 in order to achieve a just result, why did you just lay  
7 on me that much paper if you wanted it to be considered?

8 MR. STEELE: Well, your Honor, I am not asking you  
9 to consider it for today's hearing. What I am asking you  
10 to consider it for, first of all, my complaint itself is  
11 only a few pages I believe. I don't know the exact  
12 number, but I believe four or five pages. There is  
13 exhibits that because I believe that when I make  
14 allegations about somebody or something I need to attach  
15 some kind of evidence or documentary proof.

16 But I am certainly not trying to say that  
17 Mr. Gibbs' actions in the past has anything do with the  
18 fact that I did not receive proper notice from Mr. Pietz  
19 or Mr. Ranallo or Mr. Gibbs.

20 THE COURT: So it has got nothing to do with this  
21 hearing.

22 MR. STEELE: Well, no. Mr. Gibbs also didn't --

23 THE COURT: It doesn't have anything to do with  
24 this hearing.

25 MR. STEELE: It does because part of the bar

1 complaint talks about the fact that Mr. Gibbs also failed  
2 to serve me, and he is working with Mr. Ranallo -- I'm  
3 sorry -- Mr. Pietz filing joint documents without serving  
4 me. So not only did Mr. Pietz or Mr. Ranallo not serve  
5 me, but Mr. Gibbs has not served me in accordance with  
6 the local rule and in accordance with the Federal Civil  
7 Procedure No. 5. So it is very relevant the fact that  
8 Mr. Gibbs has literally done the same exact bad acts, the  
9 same fraud on this court that Mr. Ranallo and Mr. Pietz  
10 has done.

11 THE COURT: All right. Listen, I have got the  
12 docket here. It has been a long time since Mr. Gibbs has  
13 filed anything. He has been relieved as counsel of  
14 record. To my knowledge, since then, he has filed  
15 nothing. So I am not sure where you are getting your  
16 information, and I am certainly not going to act on that  
17 kind of supposition.

18 But let's put that aside for a second. On the  
19 monitor, you will see your request for substitution of  
20 attorney.

21 MR. STEELE: I believe that was prepared by my  
22 attorney at the time from what I can see.

23 THE COURT: Okay. You anticipate my question.  
24 Did you see it?

25 MR. STEELE: I don't -- could I see the actual

1 document?

2 THE COURT: Right.

3 MR. STEELE: I would have to --

4 THE COURT: You don't know whether or not you ever  
5 saw the request for substitution?

6 MR. STEELE: I am sure I did at some point. I  
7 mean, my past attorney was very diligent and when he  
8 represented me getting me documents and so on.

9 THE COURT: Is that address for you correct?

10 MR. STEELE: No.

11 THE COURT: So you saw this document, and you  
12 didn't notice it twice on that document your address is  
13 incorrect?

14 MR. STEELE: Your Honor, like I said, I obviously  
15 didn't sign that document. I am not sure what it -- I  
16 think we can save a little bit of time by saying that I  
17 agree wholeheartedly on the record that I have received  
18 every court-issued document that has been sent to that  
19 address. There is no 111 whatever. So I get documents  
20 all the time from the court mailed to me.

21 THE COURT: Tell me what is going on with your  
22 e-mail address now.

23 MR. STEELE: Are you referring to  
24 johnlsteele@gmail.com?

25 THE COURT: Yes.

1 MR. STEELE: Well, as you might imagine, there has  
2 been a lot of spam and hacking and different attempts to  
3 mess up not only my e-mail but various websites and  
4 certainly everybody associated with Prenda Law has at  
5 some point or another dealt with this. The e-mail bombs  
6 and the various things that are going on, I literally  
7 couldn't even open up my e-mail sometimes. It has been  
8 basically impossible.

9 So for some period of time, I don't know how  
10 many weeks or whatever, a short period of time, maybe  
11 three weeks, I had an auto responder saying this is my  
12 new e-mail, this is my new work e-mail whatever. And,  
13 then, finally, sometime in June, I cancelled the account.  
14 I have had it since probably over 10 years. So that is  
15 pretty much why I shut it down.

16 THE COURT: All right. And have you replaced it?

17 MR. STEELE: I have an old -- I have an old e-mail  
18 that I use sometimes as needed.

19 THE COURT: Do you plan on letting the court in on  
20 that?

21 MR. STEELE: If your Honor would like to have --

22 THE COURT: No. The local rules require it. And  
23 by Local Rule 11-3.8A, your e-mail address is to appear  
24 on your pleadings.

25 MR. STEELE: Well, I can certainly obviously

1 update the court and put that on my pleadings.

2 THE COURT: Would you?

3 MR. STEELE: Sure.

4 THE COURT: I think that would probably remedy an  
5 awful lot of what we are dealing with.

6 MR. STEELE: Well, your Honor, I would  
7 respectfully disagree because I don't believe my having  
8 an e-mail address somehow obviates the plain reading of  
9 the rules that I need to be served. I am pro se. I  
10 don't have an ECF account. I deserve to be served with  
11 papers just like everyone else is, and there is no  
12 getting around that.

13 Obviously, there can be, oh, did your e-mail  
14 change and why don't you have it updated, but the fact of  
15 the matter is long before 1965 when they started doing  
16 e-mail, the very first e-mail, people still had to have  
17 service. So I don't think whether or not I receive  
18 service is dependent upon whether or not I have an e-mail  
19 account.

20 THE COURT: All right. Tell you what you do.  
21 Don't worry about our rules. You just do whatever you  
22 want. All right. And then when you don't get served,  
23 then why don't you fly out here and complain about it.

24 MR. STEELE: Well, no, your Honor.

25 THE COURT: No. Hang on a second. First of all,

1 back in June when the first time you raised this issue  
2 that you had not been served with papers, you listed 21  
3 documents that you had not been served with. And you  
4 prefaced this with the statement, a cursory review of the  
5 papers they -- that is Pietz and Ranallo -- submitted  
6 show that they did not serve their papers on pro se  
7 persons. And then you list 21 documents.

8 MR. STEELE: Is this on my original?

9 THE COURT: It is. Page 2.

10 MR. STEELE: Okay.

11 THE COURT: Okay. We begin with ECF Docket No.  
12 69. And I think that is what caught my attention when I  
13 first read this. Now, when we go back that early in  
14 time, they were not pro se; correct?

15 MR. STEELE: I wouldn't know because I don't have  
16 the document in front of me.

17 THE COURT: All right. Then I will help you  
18 because I do. Docket 69, dated March 6th. All right.  
19 Now, people didn't start going pro se for another couple  
20 of months; right?

21 MR. STEELE: No. That is not true at all. There  
22 has been people that have been pro se since the beginning  
23 of this thing started, Peter Hansmeier, I think Livewire  
24 Holdings.

25 THE COURT: Let's start with you. You are the

1 complaining party. It is your motion.

2 MR. STEELE: Right, but I am referring to the  
3 fact --

4 THE COURT: Hang on a second. We are not going to  
5 argue anybody else's motion but yours.

6 MR. STEELE: I am not.

7 THE COURT: This is your pleading. You went pro  
8 se when?

9 MR. STEELE: I believe it was late May.

10 THE COURT: May 17. It is on your screen.  
11 May 17.

12 MR. STEELE: I don't dispute that.

13 THE COURT: All right. That is Docket No. 146.  
14 So anything that predates Docket 146 was not when you  
15 were pro se?

16 MR. STEELE: Correct.

17 THE COURT: Well, why did you list all but six of  
18 these?

19 MR. STEELE: Because as I was trying to state,  
20 this is the entire pattern. What I am claiming here is  
21 not that Mr. Pietz accidentally forgot to serve me on a  
22 couple of things. I am saying this is a pattern, a fraud  
23 in which he didn't serve anybody at any time.

24 THE COURT: When you had a lawyer, how were you  
25 served?

1 MR. STEELE: My lawyer was served.

2 THE COURT: How?

3 MR. STEELE: I am assuming through ECF.

4 THE COURT: That's right. That's right.

5 MR. STEELE: But none of the pro se people at that  
6 time were being served.

7 THE COURT: That's right. So when you get rid of  
8 your lawyer, you need to update your contact information  
9 so that the court and the parties can contact you. All  
10 right?

11 MR. STEELE: My contact information is -- I have  
12 been receiving every document issued by this court to  
13 that address up until literally, I have received a couple  
14 the other day. So I received everything from this court  
15 and everything that people send me including --

16 THE COURT: You accept what comes from the court  
17 to that bad address, but you don't accept what comes  
18 from --

19 MR. STEELE: I have with me the actual pleadings  
20 that Mr. Ranallo finally decided to grace me with, and it  
21 is post dated July 2nd and sent to the Lincoln Road  
22 address. I have it. Great. But the problem is that  
23 July 2nd doesn't really give me a good chance to fight  
24 the pleadings that were filed resulting in the order.

25 THE COURT: We are going to talk about those.

1 Okay. Because like I said, I have gone through all of  
2 them, and there are only six documents that post date  
3 your substitution of attorney. And we begin with  
4 Document No. 148, and you object to the fact that you  
5 didn't get Document No. 148. 148 was a response to the  
6 court's request that they provide us with bar information  
7 on all of the attorneys involved in this scheme.

8 Now, is that something that you wanted to file  
9 some sort of an opposition to?

10 MR. STEELE: I don't know.

11 THE COURT: Why don't you tell me this. In fact,  
12 instead of us going through all of this, why don't you  
13 tell me which one of these documents and not being served  
14 with a copy of that document has prejudiced you somehow  
15 because I will tell you now, none of these documents seek  
16 affirmative relief against any of the pro se entities or  
17 parties. So how have you been prejudiced?

18 MR. STEELE: Well, every single document is  
19 prejudicing, your Honor, because my Fifth Amendment right  
20 to due process doesn't require that I justify why I have  
21 my Fifth Amendment right. I have it. It is an  
22 individual right that I have because I am a citizen, and  
23 the very fact that I have not been allowed to have due  
24 process, the fact that this court seems to indicate that  
25 it doesn't really matter.

1 THE COURT: What doesn't matter? I'm sorry. What  
2 doesn't matter? Your Fifth Amendment? Last time you  
3 were here, you asserted your Fifth Amendment, and I let  
4 you head right back to the airport, didn't I?

5 MR. STEELE: Yes.

6 MR. STEELE: But that is a different Fifth  
7 Amendment right, your Honor. I am talking about the  
8 Fifth Amendment right to due process.

9 THE COURT: I am asking you, how have you been  
10 damaged?

11 MR. STEELE: Well, simple. Mr. Pietz filed  
12 fraudulent documents claiming that he had incurred  
13 certain billing expenses and asked for additional monies,  
14 and the reality of it is that I didn't have an  
15 opportunity to contest that. I didn't have an  
16 opportunity to point out all the different deficiencies,  
17 and to the extent your Honor asked me to brief a matter  
18 that is not before the court today, I would ask for time  
19 to obviously prepare a comprehensive response. Quite  
20 frankly, the responses to the list of all the things that  
21 Mr. Pietz has done improper in this case against me would  
22 definitely take more than this hearing.

23 THE COURT: All right. I am a little surprised at  
24 that request. This is your motion. Well, let's back up.  
25 Let's talk about why you are entitled to be here at all.

1 Tell me the legal basis that entitles you for  
2 reconsideration of the June 21 motion.

3 MR. STEELE: Well, I am assuming you are referring  
4 to my original motion.

5 THE COURT: Which was ruled on right away. Why  
6 are you entitled to be back here for a second bite?

7 MR. STEELE: Sure. Well, it is not a second bite.  
8 Well, technically, I guess you could consider it a second  
9 bite.

10 THE COURT: It is a reconsideration.

11 MR. STEELE: But, as I think all the attorneys in  
12 this room know, that if there is new information  
13 subsequent to the filing of the original document, then I  
14 can certainly -- and it is certainly relevant, then I can  
15 certainly ask for a motion to reconsider.

16 THE COURT: When is it relevant when it is on an  
17 undisputed fact?

18 MR. STEELE: Well, it is undisputed between  
19 Mr. Pietz and myself, and if your Honor also agrees that  
20 Mr. Pietz has simply not served me with any documents --

21 THE COURT: I took you at your word. It was  
22 undisputed. You had not been served with those  
23 documents, and I went through them. I found it  
24 completely irrelevant one way or the other. It was  
25 undisputed. So, now, you have come up with further

1 factual support of this undisputed irrelevant issue.

2 How does that entitle you to reconsideration?

3 MR. STEELE: Well, your Honor, at the time you  
4 stamped declined within minutes of me filing that  
5 original document, I certainly had no knowledge that you  
6 agreed with my position. I had no idea about that. But  
7 the important thing to remember is you are asking me to  
8 explain why I need to have my rights, why I need to have  
9 my Fifth Amendment. I get them no matter what. You  
10 don't have --

11 THE COURT: Stop. I asked you quite clearly. Why  
12 are you entitled to a second hearing on this motion?

13 MR. STEELE: As I stated, there is additional new  
14 evidence showing that Mr. Pietz has engaged in a pattern  
15 of conduct, a fraud. He has admitted that he never  
16 served anybody at any time that was pro se.

17 THE COURT: It is undisputed. So you find some  
18 more evidence on something that is undisputed and  
19 irrelevant, how does that entitle you -- give me the  
20 legal citation for how that entitles you to  
21 reconsideration.

22 MR. STEELE: You are asking me to find a citation  
23 as I am sitting here in court?

24 THE COURT: You filed a motion. Now, you devoted  
25 an entire 17 lines of text none of which did you spell

1 out why you are entitled to reconsideration.

2 MR. STEELE: I believe I did.

3 THE COURT: But you are getting all the due  
4 process you can stand. All right. So you are permitted  
5 to come out here and argue your position to the court.  
6 Now, tell me what entitles you to this opportunity?

7 MR. STEELE: Well, as I stated, the information  
8 from Mr. Pietz's gloating e-mail to me was written after,  
9 after the court order came back.

10 THE COURT: It confirms an undisputed fact.

11 MR. STEELE: I didn't know it was undisputed. I  
12 didn't know that Mr. Ranallo --

13 THE COURT: He never disputed it, has he?

14 MR. STEELE: Well, he didn't dispute it in his  
15 e-mail to me but prior to that.

16 THE COURT: When has he disputed it to this court?

17 MR. STEELE: He has never --

18 THE COURT: Thank you. He has never disputed it.

19 MR. STEELE: Your Honor, I need to finish my  
20 sentence. If your Honor wants me to come to this court  
21 and argue my position --

22 THE COURT: No. I want you to just answer my  
23 questions. All right?

24 MR. STEELE: Okay.

25 THE COURT: Okay. As succinctly as you can. And

1 I won't detain you. Okay. When has he disputed in any  
2 filing in this court your assertion that you and the  
3 other pro se parties were not served?

4 MR. STEELE: I don't understand how that is even  
5 relevant to this proceeding. He has --

6 THE COURT: Tell you what.

7 MR. STEELE: He is alleging --

8 THE COURT: No. No. You have got to understand  
9 the ground rules. I put a question to you, your response  
10 is you don't see how that is relevant, I won't detain  
11 you. You can leave if you can't tell me how this e-mail  
12 which addresses an undisputed issue which is also  
13 irrelevant, an undisputed issue entitles you to  
14 reconsideration of a motion that has already been argued,  
15 heard and decided.

16 MR. STEELE: It wasn't argued. It wasn't heard.  
17 And you decided it minutes after I filed it.

18 THE COURT: You argued it on paper.

19 MR. STEELE: Your Honor, Mr. Pietz never agreed or  
20 disagreed refused or refuted it, didn't do anything with  
21 that until the e-mail.

22 THE COURT: Is it disputed, "yes" or "no?"

23 MR. STEELE: As we stand here today, no.

24 THE COURT: All right. So you have got  
25 information on an undisputed issue. How does that --

1 show me. Show me. Is it Rule 60? How does that entitle  
2 you to reconsideration, a second bite?

3 MR. STEELE: Because I get entitled to  
4 reconsideration under this -- well, first of all, besides  
5 the constitution --

6 THE COURT: Where in the constitution gives you a  
7 second bite?

8 MR. STEELE: When my due process rights are  
9 violated.

10 THE COURT: When you are deprived of life, liberty  
11 or property without due process of law.

12 MR. STEELE: Right.

13 THE COURT: How is that applied here? You filed a  
14 motion. The motion was decided. So you get to come back  
15 and do it again?

16 MR. STEELE: No. No.

17 THE COURT: And you get that entitlement from the  
18 Fifth Amendment?

19 MR. STEELE: Yes.

20 THE COURT: This is absurd.

21 MR. STEELE: Because the effect of this order that  
22 was entered against me ex parte makes me have to pay a  
23 lot of money and comply with onerous conditions. It is  
24 simply a burden upon me and a taking of my property  
25 without me getting an opportunity to be heard.

1 THE COURT: Stop. Stop. Stop. Number one, that  
2 order did not involve any taking of your property. You  
3 had asked for sanctions to be levied by this court  
4 against that law firm. Your request was denied. How did  
5 that deprive you of property?

6 MR. STEELE: No. Your Honor, the motion was  
7 referring to the ex parte behavior of Morgan Pietz, the  
8 fact that I don't get to address that in front of this  
9 court.

10 THE COURT: You addressed it. You addressed it in  
11 your motion papers. It was decided.

12 MR. STEELE: If your Honor is on the record as  
13 saying he doesn't care that I didn't receive notice from  
14 Morgan Pietz and Ranallo or Gibbs for that matter, then I  
15 guess there is nothing I can do and it is an appellate  
16 issue. I don't know what else to say.

17 THE COURT: Believe me, they have got a reserved  
18 parking space for you down at the Ninth Circuit dealing  
19 with all these appeals that you filed. No.

20 What I am saying is you filed your motion.  
21 You made some pretty bold assertions that scores of  
22 documents have been filed, and, clearly, I have gone  
23 through the docket.

24 MR. STEELE: There have been scores.

25 THE COURT: Scores of documents have not been

1 filed wherein you have not received service. That is  
2 simply not true.

3 MR. STEELE: I respectfully disagree this court.  
4 I get documents --

5 THE COURT: Count them. Tell me where they are.  
6 Because I have them in front of me. You tell me where  
7 they are.

8 MR. STEELE: Your Honor, every document that has  
9 been filed without due process, notice to the pro se  
10 person is a violation -- is wrong.

11 THE COURT: Six.

12 MR. STEELE: What?

13 THE COURT: Six documents. One of them is an  
14 amended document.

15 MR. STEELE: One document is a violation of my due  
16 process.

17 THE COURT: It is not scores.

18 MR. STEELE: Scores in total because there is  
19 other pro se people, and this is a pattern of fraudulent  
20 misconduct by Mr. Pietz, but to me personally --

21 THE COURT: I find it laughable that you use the  
22 word fraud.

23 MR. STEELE: I do too.

24 THE COURT: But we will put that aside for a  
25 second. All right. Tell me how you have been hurt by

1 not getting served with a copy of Pietz's report to the  
2 court.

3 MR. STEELE: I don't know. I would have to review  
4 the document, I would have to consult with an attorney,  
5 and if I had an opportunity to come back before this  
6 court and finally get the chance to object timely prior  
7 to an order being issued, I am sure that I would have  
8 plenty of objections to it. But it is unfair of this  
9 court to say, okay, I want your -- I want every  
10 objection. I want every legal basis you have for every  
11 document you have ever not received timely. I believe  
12 the correct response is, wait, Mr. Steele, you didn't get  
13 this document, oh, shoot, I can't believe I issued an  
14 order based upon an ex parte pleading filing and not even  
15 getting notice. And you should have an opportunity,  
16 Mr. Steele, to properly respond. These are allegations  
17 that are being made about every facet of misconduct  
18 imaginable, and, your Honor --

19 THE COURT: Actually, in point of fact, what these  
20 six documents deal with is the bond issue, and none of  
21 these documents are initiating anything. These are  
22 responses by this law firm to Mr. Duffy's motions.

23 MR. STEELE: It wasn't just a response.

24 THE COURT: Oh. You do know about that?

25 MR. STEELE: Yes. As I sit here today.

1 THE COURT: You knew about them contemporaneously  
2 with the filing of these documents too; right?

3 MR. STEELE: I don't understand your question,  
4 your Honor.

5 THE COURT: When did you learn about these  
6 documents?

7 MR. STEELE: Which documents?

8 THE COURT: Are you saying just now?

9 MR. STEELE: Which documents, your Honor?

10 THE COURT: These six documents that I think are  
11 at issue.

12 MR. STEELE: Well, I would have to depend on each  
13 particular document. I learned about some of them  
14 one day, some of them a different day, but I can tell you  
15 that the date that I learned about the order based on  
16 Mr. Pietz's ex parte pleading was June 10th, I believe.

17 THE COURT: Okay.

18 MR. STEELE: And that was the original order that  
19 I got mailed to me at Lincoln Road. And it looked  
20 strange to me because it had Morgan Pietz's name across  
21 the top, and there was weird italics in the order, and I  
22 thought it was a request order or whatever. And,  
23 eventually, the corrected order came out because it looks  
24 like the court just copied whatever Mr. Pietz asked for.  
25 And then I said, wow, this is really interesting. I got

1 the e-mail from Mr. Vineyard, attorney for Prenda Law. I  
2 read it on the 14th, immediately responded.

3 Quite frankly, it doesn't matter if it was the  
4 10th, 14th, 11th, as long as it was after the 6th, I did  
5 not have an opportunity to object to the order, object to  
6 the document filed by Mr. Pietz that led to an order  
7 depriving me of a lot of things. The order that you  
8 issued, your Honor, is pretty extensive, and the fact  
9 that your Honor, I would hope, would feel a little  
10 concerned if one of the people that is the prime targets  
11 of that order had not received it prior to issuing the  
12 order, I would imagine this court is very concerned about  
13 that.

14 THE COURT: If I thought that was indeed the case,  
15 I probably would be. But I know that you are deeply,  
16 intimately involved in every aspect of this case, aren't  
17 you?

18 MR. STEELE: Well, no, I am not. And I object to  
19 that as -- I haven't heard anything here today or at any  
20 time to indicate that I did not, or that I did receive --  
21 apologize. There is no evidence that I have seen or that  
22 anyone has ever been able to present that I did receive  
23 that notice. And there is no -- it is common sense is  
24 that how could I have received it since Morgan Pietz  
25 himself says he didn't serve it on me. There is no

1 disagreement that I didn't get served in accordance with  
2 Federal Rule of Civil Procedure, No. 5.

3 THE COURT: Everything has been served.  
4 Everything has been filed online. You periodically check  
5 this docket, don't you?

6 MR. STEELE: No, I do not.

7 THE COURT: You just said. You know, in some of  
8 your papers, you indicate that a recent examination of  
9 the docket has disclosed. Now, you don't check the  
10 docket. Which is it? Or are you just having trouble  
11 keeping them together?

12 MR. STEELE: I can answer that question if you  
13 would like.

14 THE COURT: I don't really care.

15 MR. STEELE: Well, your Honor, if you don't  
16 care --

17 THE COURT: I don't care what the answer is  
18 whether you check the docket occasionally or whether you  
19 are willing to admit that you check the docket or you are  
20 going to deny that you check the docket.

21 MR. STEELE: I don't believe I have actually gone  
22 on ECF and checked any docket in any court case in well  
23 over a year or two. So that is just ridiculous.

24 THE COURT: By the way, you gentlemen want  
25 anything?

1 MR. HELLER: I would like to make a couple of  
2 points.

3 THE COURT: Go.

4 MR. HELLER: First, I would like to note that  
5 Mr. Steele said that I guess there was some form of error  
6 of putting the Lincoln Road, Miami Beach address on the  
7 substitution of attorney, the request for it. I would  
8 note for the court that that same address appears on all  
9 of the motions which are the subject of this hearing  
10 today, both the original emergency motion, the motion for  
11 reconsideration and the amended motion for  
12 reconsideration.

13 THE COURT: I am well aware.

14 MR. HELLER: A number of months past. I think I  
15 need to -- past the substitution of attorney. I think I  
16 also need to make the point Mr. Gibbs and Mr. Pietz have  
17 never filed anything together other than a stipulation  
18 which I understand -- and I am somewhat the new boy on  
19 the block -- was a stipulation dealing with Mr. Gibbs and  
20 his obligation under the bond. And that is really the  
21 only thing.

22 There is an envelope that was produced from  
23 Mr. Ranallo who I also represent, and I understand from  
24 conferring with my client now that that is in, in fact,  
25 another case.

1 THE COURT: No. There was an envelope that was  
2 waved.

3 MR. HELLER: Waved. Correct, your Honor. Hasn't  
4 been put into evidence, and I don't know what is in it.

5 THE COURT: Nor do I.

6 MR. STEELE: Neither do I, Judge.

7 MR. HELLER: As the court has correctly, I think  
8 noted, this is not a proper motion for reconsideration.  
9 The fact that the e-mail is not what Local Rule 7-18 or  
10 more pertinently, the Federal Rules of Civil Procedure  
11 59(e) require which is that there be some form of an  
12 emergence of new material facts in evidence.

13 And, as your Honor stated, there was no  
14 opposition to the original order for motion for emergency  
15 relief. It is presumed that your Honor read it, that  
16 your Honor took it as all being true and nevertheless  
17 denied it because your Honor, as we said, found it to be  
18 irrelevant.

19 So this is not a proper motion to begin with,  
20 and among other things, we have asked for sanctions or  
21 that an OSC because, in state court, reconsiderations  
22 have in their statute automatically a sanctions provision  
23 if it is not brought properly procedurally. In federal  
24 court 59(e) which is to amend an order or a motion does  
25 not have that. So we have asked for the issuance of an

1 order to show cause why sanctions should not be levied  
2 against Mr. Steele for the filing of the motion for  
3 reconsideration and the filing of the amended motion.

4           Secondly, there is a -- well, your Honor has  
5 noted a number of local rules that Mr. Steele has  
6 violated by not putting his fax number and otherwise,  
7 and, of course, in our papers, our response, we noted  
8 Local Rule 41-6 and 83-2.4 which requires Mr. Steele to  
9 provide to the court, even though he is in pro per, his  
10 e-mail address, his phone number and his fax number which  
11 we assume he has. Certainly, the e-mail address and the  
12 phone number are listed on the Illinois bar site so we  
13 know that he has that.

14           Next, we get to this e-mail which is the basis  
15 of the motion for reconsideration which I note was not  
16 attached to the original motion for reconsideration but  
17 indeed showed up in an amended motion for  
18 reconsideration. As we pointed out in the response, that  
19 e-mail is highly suspicious. It is quite clear that  
20 something was cut off on the top of it because you could  
21 actually see the lines and the reason that this becomes  
22 relevant is because when the e-mail was sent by  
23 Mr. Pietz, it bounced back to Mr. Pietz as is evidenced  
24 by Mr. Pietz' declaration and Exhibit 1.

25           So although Mr. Steele says he is not in

1 contact with any of the other pro se defendants, clearly  
2 he got it from someone and --

3 MR. STEELE: I never said I am not in contact with  
4 the other pro se people. I never once said that.

5 THE COURT: Settle down. Do they actually do that  
6 in Florida?

7 MR. STEELE: I don't know. I am not licensed in  
8 Florida. Never practiced law in Florida or California.

9 THE COURT: I just need you to stay quiet. You  
10 don't interrupt one another; all right?

11 MR. STEELE: So, your Honor, I am not allowed to  
12 object to anything?

13 THE COURT: No.

14 MR. STEELE: Okay.

15 THE COURT: Go ahead.

16 MR. HELLER: I'm sorry. More relevantly, it looks  
17 like this is a doctored document. And that would explain  
18 why it was not attached to the original motion for  
19 reconsideration. And, of course, we put it in our  
20 response.

21 And what we would like to ask as well, your  
22 Honor, is that there be a preservation order on the Gmail  
23 account for johnlsteel@gmail.com, so that we can make a  
24 determination if this e-mail was received, when it was  
25 received as well as some of the other representations

1 that have been made by Mr. Steele both in his papers and  
2 here in open court.

3 Thirdly, the original motion that this motion  
4 seeks to reconsider, Mr. Steele starts by saying he  
5 recently reviewed the docket in this matter and was  
6 shocked to learn that attorneys Pietz and Ranallo have  
7 been submitting scores of paper to the court for the past  
8 month without serving him.

9 Well, just to clarify -- and the court did see  
10 this -- Mr. Pietz has filed two oppositions which were  
11 not, admittedly not served, if indeed he did not access  
12 the ECF account, on Mr. Steele and perhaps the other pro  
13 se defendants. There were not scores of documents.  
14 However, this is also false because if you look at  
15 Exhibit 2 of Mr. Pietz' declaration, you will see an  
16 e-mail chain. And Page 14 of 21 of that e-mail chain --

17 THE COURT: I have that one marked.

18 MR. HELLER: Yes.

19 -- shows that, indeed, the draft of the appeal  
20 on the bond motion was sent to Mr. Steele for his review.  
21 One might ask why. It is almost a moot point because  
22 Mr. Vineyard does not represent Mr. Steele as I  
23 understand it, but, nevertheless, he received it.

24 And if you go to Exhibit 3 which is that  
25 draft, and you take a look at Page 6 and 7. And, of

1 course, Mr. Steele wrote an e-mail back in Exhibit 2  
2 saying that he has looked at that draft appellate brief  
3 and asked that there be a change. So he clearly read it.  
4 And if you look at Pages 6 and 7, you see that, in fact,  
5 there is a recitation of all of the documents which were  
6 filed by Mr. Pietz.

7 So this idea -- the first document. Excuse  
8 me, your Honor. So this idea that there are scores of  
9 documents, of course is not true in the original motion.  
10 And, secondly, that he was unaware of it is not true. He  
11 was quite aware of it. As the court I think has  
12 indicated, it does strain credulity to think that  
13 Mr. Steele does not regularly monitor the ECF docket in a  
14 manner which is so integrally important to him.

15 I think that covers, your Honor, the points  
16 that I wanted to cover. I am not going to get into the  
17 Fifth Amendment argument. I just don't think that is  
18 worthwhile, but I would ask that there be a preservation  
19 of Mr. Steele's e-mail account as part of the court's  
20 order here and that there be an OSC set for sanctions  
21 because Mr. Pietz did have to hire me as outside counsel  
22 in order to represent him. And he did consider it, as he  
23 says in his declaration, a serious matter when there are  
24 multiple motions brought against him for sanctions and  
25 the hearing is set.

1 THE COURT: As to your first request, no. As to  
2 your second request, yes. I really don't want to learn  
3 that there has been another forged document submitted to  
4 this court. I just don't want to know that.

5 MR. STEELE: Your Honor, can I respond?

6 THE COURT: To what?

7 MR. STEELE: To all the statements made.

8 THE COURT: I have a question of you.

9 MR. STEELE: Your Honor, can I please at least  
10 have the opportunity to respond in court to false  
11 allegations and insinuations?

12 THE COURT: I want you to answer a question that I  
13 have. All right. Everything that one lawyer says to the  
14 court isn't necessarily relevant. It is not necessarily  
15 important, and I may not necessarily care. So I really  
16 don't want it. I don't care about you rebutting  
17 something I don't care about. All right.

18 I will let you know what I care about, and I  
19 will give you an opportunity to respond or assert the  
20 Fifth. All right. My question is this: In looking at  
21 your papers -- well, who typed your papers? Your motion  
22 for reconsideration?

23 MR. STEELE: This was mine. I prepared this  
24 motion.

25 THE COURT: You prepared this motion. And I asked

1 who typed it. Did you type it?

2 MR. STEELE: I typed part of it. I asked for  
3 help, suggestions from -- but I am responsible for  
4 pleadings that I signed, I am responsible for. Pleadings  
5 I did not sign, I am not responsible for.

6 THE COURT: I couldn't help but notice, holding up  
7 Peter Hansmeier's notice to the court, Paul Hansmeier's  
8 notice to the court, Mark Lutz' notice to the court and,  
9 of course, your motion for reconsideration, that they  
10 were all, they all followed the exact same format. They  
11 have the exact same footers down at the bottom. They are  
12 almost indistinguishable. They are all typed by the same  
13 person, weren't they?

14 MR. STEELE: No, your Honor. Your Honor, can I  
15 finish my answer?

16 THE COURT: There is no way. There is no way that  
17 these documents were not typed by the same person. They  
18 are identical.

19 MR. STEELE: Your Honor, would you like me to  
20 answer or --

21 THE COURT: You know what. No. You know what.

22 MR. STEELE: If I get the right to answer.

23 THE COURT: You reach a point where an attorney, a  
24 witness, an individual has lost so much credibility, it  
25 becomes a waste of time.

1 MR. STEELE: Your Honor.

2 THE COURT: First of all --

3 MR. STEELE: It is called cutting and pasting.

4 People do it all the time.

5 THE COURT: First of all, first of all, there is  
6 no justification to this hearing. I have given you  
7 plenty of time to tell me the legal justification for  
8 this motion for reconsideration. None has been provided.

9 Now, I am setting an order to show cause why  
10 you should not be sanctioned and pay the attorney's fees  
11 necessarily incurred by Morgan Pietz, but I will do that  
12 in writing. This hearing is over.

13 MR. STEELE: Am I going to get to respond to  
14 counsel? Your Honor does not allow me to ever respond  
15 to --

16 THE COURT: Raise your voice again, and I am going  
17 to introduce you to the United States Marshals. Get out.

18 (Proceedings concluded.)

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CERTIFICATE

I hereby certify that pursuant to Section 753, Title 28, United States Code, the foregoing is a true and correct transcript of the stenographically reported proceedings held in the above-entitled matter and that the transcript page format is in conformance with the regulations of the Judicial Conference of the United States.

Date: July 30, 2013

/s/ Katie Thibodeaux, CSR No. 9858, RPR, CRR