

Dear Mr. Gulde:

Attached is the Texas Supreme Court Filing in the Vexler case. This was filed yesterday afternoon.

As you know, more evidence has been discovered since the initial filing of the case in 2023. Attached in both PDF and xlsx is the shortest method we could think of to show Who Benefited, The Roles Played, How the crimes were committed, and the Ramifications. The links in these 2 documents are live to the evidence as shown on www.mockingbirdproperties.com/dcad

As you are extraordinarily familiar with the Crosby Case, the attorneys copied above, and myself thought you should see the attached Comparison SEC Criminal Complaint Crosby ISD alongside Vexler and ask if the SEC would write an Amicus Brief to the SCOTX?

Also attached hereto is a letter from Mr. Mashburn (Crosby ISD Breakdown for SEC Investigators), outlining the history and beginning of the bond fraud which in combination with all the evidence herein and on www.mockingbirdproperties.com/dcad , wraps the sordid fraud into a cohesive presentation.

This case and the facts herein lead to the irrefutable conclusion that the bonds cannot be paid back and the entities involved are insolvent and that leads to any bonds being compiled and or applied for today and or agreed to and not yet funded, (including the approx. \$2.3 Billion in Celina Texas with a household population of approx. 8,700) needing to be immediately terminated by the Supreme Court of Texas until the matters as shown herein are fully investigated by the SEC, FBI, and Office of the Postal Inspector (mail fraud).

The Texas Supreme Court exists for Constitutional Issues and there is no more important an issue to be dealt with than this case as it touches the lives of every single Texan, and the Patel Case is the precedent. The prior Court's agreement that the argument of the fraud stands. The Supreme Court of Texas should recognize that the mechanism resulting in inflated appraisals violates Federal Securities Laws.

With regard to the critical issues and as assistance:

Systemic Municipal Fraud is Not an “Administrative Dispute”

The Texas Supreme Court need not speculate about the consequences of insulating systemic municipal fraud from judicial review.

In 2022, the U.S. Securities and Exchange Commission filed criminal complaints against Crosby Independent School District (“Crosby ISD”) **and its advisors for knowingly falsifying municipal bond disclosures.** *SEC v. Crosby ISD, Criminal Complaint* (S.D. Tex. 2022).

Just as alleged, Crosby ISD's misconduct was not an isolated valuation dispute but a pattern of fraudulent misrepresentations that reached the federal securities markets.

The SEC found that local administrative mechanisms — school boards and internal audits — **were wholly incapable of remedying systemic fraud with bond market consequences. Federal intervention was therefore necessary.**

So too here. Appellee's deliberate, fraudulent inflation of property values to sustain tax base projections directly impacts billions of dollars in municipal bonds and mortgage-backed securities.

To classify such conduct as a “valuation dispute” within the exclusive jurisdiction of appraisal boards ignores both reality and constitutional principle.

Patel’s “As Applied” Exception Controls.

Under *Patel v. Texas Department of Licensing & Regulation*, 469 S.W.3d 69 (Tex. 2015), the Court held that facially valid statutory schemes must yield when their application “forecloses all meaningful remedies” for constitutional or systemic violations.

The administrative exclusivity doctrine cannot apply where the challenged conduct itself constitutes racketeering activity and securities fraud — **domains explicitly outside an Appraisal Review Board’s remedial scope.**

As Patel recognizes, judicial review is not optional in such circumstances; it is constitutionally required. The appellate court’s dismissal below, **which immunized fraud of the very type prosecuted by the SEC in Crosby ISD, squarely conflicts with the precedent established by the Texas Supreme Court.**

RICO Predicate and Federal Securities Harm

The SEC’s prosecution of Crosby ISD further illustrates why administrative exclusivity cannot apply. Securities fraud is not only a federal offense but an enumerated RICO predicate act. ***The allegations here — fraudulent valuations disseminated into municipal and federal securities markets — likewise fall within that category.***

By treating Appellee’s conduct as a mere “appraisal” dispute, the lower court ignored both the federal statutory overlay and this Court’s constitutional mandate in Patel. **The result is an unprecedented shield for racketeering activity by local government entities — a result this Court should be very reluctant to allow to stand.**

Recognizing the constitutional defect does not require this Court to adjudicate fraud allegations in the first instance. **Rather, consistent with Patel, the narrow holding is simply that dismissal on grounds of administrative exclusivity was improper where the allegations concern systemic municipal fraud with federal securities implications.**

The appropriate remedy is remand for judicial review on the merits, with the Court reaffirming that administrative exclusivity doctrines may not insulate racketeering or securities fraud from constitutional review.

The Texas Supreme Court does not have to wade into fraud factfinding; it simply should recognize, via Patel + Crosby ISD, that jurisdictional dismissal was constitutionally improper.

“Consistent with this Court’s decision in *Patel v. Texas Department of Licensing & Regulation*, 469 S.W.3d 69 (Tex. 2015), we hold that the doctrine of administrative exclusivity does not bar judicial review where, as here, the challenged governmental conduct is alleged to constitute systemic fraud with direct constitutional and federal securities implications. Because dismissal on exclusivity grounds foreclosed all meaningful remedy, the judgment of the court of appeals is reversed, and the cause is remanded to the district court for proceedings consistent with this opinion.”

You will see that I copied Texas Attorney General Mr. Ken Paxton in this email, as a courtesy and hope that The Texas Attorney General and the SEC via the U.S. Attorney General will work together quickly to determine a viable solution and in the meantime I am herein asking the Texas Attorney General for an Amicus Brief in support of everything outlined herein.

As a matter of public record, it is very disheartening and incredibly concerning that no comprehensive investigation into the bond oversight process and the specific statutory duties under the Texas Education Code has been commenced, especially given the last 15 years of compound cumulative fraud. I will point you to a very interesting report. ELIMINATING THE PROPERTY TAX IN TEXAS: A DETAILED FISCAL ANALYSIS by Richard D. Cunningham, attorney, TEXAS CENTER FOR ECONOMICS, LAW & POLICY in SEPTEMBER 2010. When you understand the compound cumulative effect of the bond fraud, the Rule of 72, plus the addition of more bond fraud in the creation of new bonds (more SEC violations), it is quite easy to understand that all these years later the revenue does not exist to pay for the compound cumulative fraud and thus the insolvency.

The Crosby ISD case is more proof of a systemic failure. The lack of oversight, the lack of oversight of the Attorney General's bond procedures and failures, specific remedial actions, real audits by outside firms, enhanced due diligence and independent verification of district financial data all of which could have and should have been executed upon during the past 15 years, has put the State of Texas on an imminent collision course with the financing requirements of the United States of America.

Collectively, we must recognize that time is running out. I would hope that it is not necessary to proceed with filing a mandamus petition in Travis County District Court. We will respectfully work with the Texas Attorney General and or the Governor. However, as clearly stated, there is no time for any nonsense wherein thought is given or lip service paid to "we will start behaving now and look for new oversight procedures". It has not happened in the last 15 years, with full knowledge by attorneys who are officers of the court and we don't have time for any kick the can games.

Can the SEC interject via Amicus, and or is there a mechanism for the SEC to quickly have this case remanded under Federal Authority as a result of the fraud and the tentacles related to the fraud ending in RICO both at the State and Federal Level in addition to money that does not exist to pay the interest on the fraudulent debt? The Federal Government must be involved quickly before a liquidity crises and or credit crises arises.

One can pray that no Court in the land would ever ignore the facts and sanction fraud of any kind at either the State or Federal level.

The attorneys (Texas [Dallas] and Washington [Federal]), Mr. Mashburn and myself are all available at your convenience.

Sincerely

M.

Mitchell Vexler, President G.P.
Mockingbird Properties LLC
1913 Justin Road
Suite 117
Flower Mound, TX.
75028
214-725-9013
mitch@mockingbirdprop.com
www.mockingbirdproperties.com