

FORMAL NOTICE OF CRIMINAL ALLEGATION

Demand for Certified Bond Genealogy, Evidence Preservation, and Financial-Stability Verification

To	Scott Bessent, Secretary of the Treasury
From	Mitchell Vexler
Date	September 25, 2026
Re	Companion notice to the Advanced Evidence Verification Report and Treasury Data Verification Package
Requested response	Within 10 business days of receipt: identify the responsible Treasury office, the authoritative data custodians, and any factual, mathematical, or source-record disagreement.

Statement of posture. This document records the complainant's formal criminal allegations and the evidence he contends supports them. It does not represent a criminal adjudication, indictment, or finding by Treasury, DOJ, SEC, a court, or any other authority. Its purpose is to put the allegations, verification challenge, preservation demand, and requested government response in a precise, testable form.

Companion to: Advanced Evidence Verification Report; Treasury Data Verification Package; Federal Complaint Master Exhibit Index; and related court/public-record materials.

1. Formal Statement of Allegation

I am no longer presenting the circumstances described in the enclosed materials merely as administrative irregularities, poor judgment, software errors, negligence, or disagreements over appraisal methodology. I formally allege that persons and entities identified in my criminal complaints, amendments, federal pleadings, documentary evidence, depositions, public-record materials, and exhibit index participated, in differing roles and with differing levels of knowledge, in a coordinated scheme to create, certify, transmit, rely upon, protect, conceal, or prevent meaningful adjudication of materially false, non-reproducible, or otherwise unreliable property-valuation and tax-base information, and to permit tax-supported debt and related financial obligations to continue upon that foundation.

I further allege that persons who, after receiving actual notice of the evidence, knowingly participate in concealment, destruction or non-preservation of records, materially false transmission, obstruction of verification, or coordinated acts intended to perpetuate a fraudulent scheme should be investigated as potential participants or co-conspirators according to the evidence applicable to each individual.

Important legal distinction: Receipt of this notice establishes notice of the allegations and identified evidence. Notice, silence, delay, or nonresponse does not by itself establish guilt, criminal intent, conspiracy, or scienter. Subsequent conduct must be evaluated on its own evidence.

2. What I Am Asking Treasury to Do

- 1. Do not accept my conclusion on trust.** Test it against authoritative records.
- 2. Produce or identify the certified numbers.** Where Treasury possesses the data, provide it; where another custodian possesses it, identify the authoritative custodian and record set.
- 3. State the disagreement precisely.** If Treasury disputes an input, equation, source, debt balance, carrying-cost assumption, tax-base assumption, or conclusion, identify the disputed item and the authoritative contrary evidence.
- 4. Reconcile the bond genealogy.** Trace selected school-district obligations from original issuance through refundings, accretion, guarantees, current outstanding obligations, debt service, tax-base assumptions, and public disclosures.
- 5. Escalate only from verified facts.** If a discrepancy is confirmed and material, route it to the agency with jurisdiction over the specific issue rather than treating the entire package as an undifferentiated allegation.

3. The Challenge to Secretary Bessent

Secretary Bessent, I am not asking you to agree with me.

Treasury has been given a defined methodology identifying the data needed to determine the economically supportable value of the affected debt. The Bond Credibility Chain was designed to preserve the maximum supportable original principal, not to maximize destruction.

If my analysis is wrong, identify the error. If a Treasury data field is wrong, provide the authoritative field and source. If the debt, interest, rollover obligations, guarantees, tax-base assumptions, household-capacity inputs, or other fields are wrong, provide the certified numbers.

If X is not greater than Y, provide the certified data demonstrating it.

If the necessary genealogy cannot be produced, identify specifically which link cannot be produced, who should possess it, and why it is unavailable.

Silence is not a numerical rebuttal. Delay is not a reconciliation. Refinancing is not repayment. The issue can be tested with data.

4. Bond Genealogy Production Schedule

For each selected school-district issue or refunding chain, the requested production should identify the following fields and the authoritative custodian/source.

Block	Required genealogy	Primary source / custodian
Identity	Issuer, series, CUSIP(s), issue date, purpose, par amount	Official statement; EMMA; issuer records
Original economics	Original principal, coupon/yield, issue price, maturity, call terms	Official statement; underwriting records
Structure	CIB/CAB or other structure; capitalized interest; accretion assumptions	Official statement; debt-service schedule
Genealogy	Refunding/refinancing links; defeasance; prior CUSIPs; new CUSIPs	Official statements; escrow/refunding documents
Current obligation	Outstanding principal plus accreted/accrued amounts and future scheduled debt service	Issuer debt schedule; audited financials; trustee records
Guarantee / support	PSF or other guarantee, insurance, reserves, intercepts, collateral/support	Official statement; state/guarantor records
Tax-base support	Certified taxable value, tax rate, levy, collections, delinquencies, refunds	CAD; tax assessor-collector; issuer
Debt capacity	Coverage, debt-service tax rate, legal limits, overlapping debt	Issuer; state filings; official statement
Disclosure history	Original official statement plus material continuing disclosures	MSRB EMMA
Market history	Trade prices/yields and material repricing/refunding events	EMMA market data; dealer/market records
Federal tax data	Applicable Form 8038-series or related federal tax-exempt-bond records	Issuer / IRS as legally available
Reconciliation result	Any field that cannot be reproduced, with reason and custodian	Treasury-led verification table

5. The X > Y Test and the Cost of Delay

The core proposition is falsifiable: long-run obligations cannot sustainably require more cash than the underlying household, tax base, issuer, or support structure can produce. Refinancing can move the date of recognition; it does not itself create repayment capacity.

Current complainant estimate	Approximately \$698 million per day of school-district-bond carrying-cost accumulation. This figure is asserted by the complainant and is not independently verified in this notice.
Verification formula	Verified outstanding obligation × verified weighted carrying-cost rate ÷ 365 = verified daily carrying-cost clock.

Required response	Replace the estimate with certified balances and rates. The model should update from authoritative inputs.
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The point of the daily clock is not rhetorical. It is to prevent an unverified estimate from becoming a permanent talking point. The government can replace it with certified data. If the certified number is lower, the model should show the lower number. If it is higher, the model should show the higher number.

6. Potential Federal Legal Theories for Investigative Review

This section is a routing matrix, not a conclusion that statutory elements are satisfied. Applicability depends on evidence, intent, jurisdiction, materiality, use of mails/wires, connection to securities transactions, and other required elements.

Authority	Theory	Core investigative elements	Evidence family identified	What still must be proved
18 U.S.C. §§ 1341, 1343, 1349	Mail/wire fraud and conspiracy	Alleged scheme; intent to defraud; use of mails/interstate wires; agreement for conspiracy	Emails, certifications, electronic submissions, transmissions, notices, bond communications	Who said/sent what, when, with what knowledge and purpose
18 U.S.C. § 241	Conspiracy against rights	Agreement by two or more persons to injure, oppress, threaten, or intimidate in exercise/enjoyment of federal rights	Coordinated acts alleged to prevent exercise/adjudication of asserted federal rights	Specific protected right, agreement, participants, acts, intent
18 U.S.C. § 242	Deprivation under color of law	Willful deprivation of federal right under color of law	Official acts alleged in federal pleadings and complaints	Specific right, willfulness, official conduct, causation
Exchange Act §10(b) / Rule 10b-5	Municipal-securities antifraud	Material misstatement/omission; connection to securities; scienter for §10(b)/10b-5	Official statements, continuing disclosure, public issuer statements, tax-base/debt information	Materiality, falsity, scienter, connection to purchase/sale
18 U.S.C. § 1962, including §1962(d)	RICO / RICO conspiracy	Enterprise, pattern of qualifying racketeering activity; agreement for conspiracy	Only if independently established predicate acts and enterprise evidence exist	Enterprise, continuity, predicates, participants, causation

7. Evidence-Preservation Notice

Please preserve, and request preservation by the appropriate custodians of, all potentially relevant paper and electronic records for the years implicated by the complaints and exhibits, including predecessor/conversion data needed to reproduce those years. This request includes records in active systems, archives, backups, cloud storage, personal or agency devices used for official business, and third-party systems.

Record family	Preserve
Appraisal systems	CAMA and GIS databases; database snapshots; schema/field mappings; imports/exports; conversion files; audit/change logs; user-access logs; valuation engines; batch jobs.
Manual workarounds	Spreadsheets, macros, extracts, uploads, adjustment files, local databases, notebooks, workpapers, and instructions used outside the primary system.
Certification and tax roll	Certified and supplemental rolls; unresolved/protested-property files; notices; corrections; tax-roll transmissions; levy/collection/refund records.
PVS / oversight	Property Value Study inputs, working files, correspondence, ratio studies, complaints, referrals, audit/oversight records, and disposition records.
Bond and finance	Official-statement workpapers; debt schedules; refunding and escrow files; CAB/CIB schedules; accretion calculations; guarantees; PSF materials; underwriter/financial-advisor communications.
Communications	Email, text, Teams/Slack or similar messages, meeting notes, calendars, call records, and attachments concerning the identified issues.
Retention / deletion	Retention policies, deletion logs, backup schedules, litigation holds, data migrations, overwrite schedules, purge actions, and explanations for unavailable records.

Preservation instruction: Do not destroy, overwrite, rotate, purge, alter, migrate without a forensically reliable copy, or permit automatic deletion of potentially relevant material once a custodian has been placed on notice.

8. Evidence-to-Elements Working Matrix

Issue	Record family	Question to prove or disprove	Index / source path
Tax-roll certification	Certification / unresolved-account records; tax-roll transmission	Was information false, incomplete, misleading, or non-reproducible? Who knew what and when?	P-6 / P-7; certified/supplemental rolls
Valuation provenance	Multiple databases, conversions, change history	Can final values be reconstructed from retained records? Were changes attributable to identified users/processes?	P-12 / P-13; CAMA/GIS extracts and logs
Manual workarounds	Spreadsheet or off-system adjustments	Were off-system changes material? Were they retained, reviewed, authorized, and incorporated into the official record?	P-14; workpapers and deposition/board records
State oversight / PVS	Comptroller/PTAD correspondence and PVS working files	What was reported, what was tested, what did 'pass' mean, and what issues were known?	P-15; complaints/referrals; state records
Budget / taxing-unit relationship	Budgets and communications	Were valuations independently derived, or was there evidence of reverse engineering to a revenue target?	P-16; taxing-unit and CAD records
Bond / fiscal linkage	Official statements, debt schedules, tax-base disclosures	Were material tax-base/debt facts accurately described to investors?	P-20; EMMA and issuer records
Rights / adjudication	Court filings, orders, official actions	What federal right is alleged, what action prevented its exercise, and was any act willful or coordinated?	P-1 to P-5; federal/state pleadings
Replication evidence	Other CAD audits / ORRs / software evidence	Does the same control failure recur elsewhere, and under materially comparable facts?	P-17 and subsequent ORR package

9. Notice Has Now Become a Dated Record: September 11-24, 2026

Date	Event / significance
Sept. 11	Storm Summit presentations publicly integrated the tax-base, debt-capacity, Terminal Failure, Bond Credibility Chain, and Dynamic Contagion theories.
Sept. 14	Treasury Data Verification Package identified specific data fields requested for the Bond Credibility Chain and directed the verification request to the U.S. Treasury / Secretary Bessent.
Sept. 18	Complainant materials state that a federal action was filed in Sherman, Texas involving asserted deprivation-of-rights claims; the case number/docket should accompany any formal transmittal.
Sept. 11-24	Open-records work and evidence assembly continued regarding appraisal software, manual processes, state oversight, tax-roll transmission, and claimed replication across jurisdictions.
Sept. 24	Advanced Evidence Verification Report and this Companion Notice convert the allegations into a defined data-production, preservation, and verification challenge.
Official docket context	U.S. Supreme Court No. 26-179 was distributed on Sept. 9 for the Sept. 28, 2026 conference.

10. Requested Written Response

Within 10 business days of receipt, I request a written response addressing the following:

- 1. Responsible office.** Identify the Treasury office or official responsible for triaging the package and any interagency referral.
- 2. Data custodians.** Identify the authoritative custodian for each Bond Genealogy Production Schedule block.
- 3. Disputed facts.** Identify each material factual statement Treasury disputes and the authoritative contrary record.
- 4. Disputed equations.** Identify any Bond Credibility Chain equation or economic identity Treasury disputes and explain the alternative methodology.
- 5. Missing genealogy.** Identify any requested genealogy field that is unavailable, not maintained, or outside Treasury's access, and the person/entity believed to possess it.
- 6. Financial-stability assessment.** State whether the verified issue, if material and replicated, falls within an existing Treasury/FSOC monitoring process or should be routed to another member agency.
- 7. Preservation / referral.** Confirm whether a preservation or referral request will be made to relevant federal custodians where legally appropriate.

11. What This Notice Does Not Ask Treasury to Do

- **It does not ask Treasury to adjudicate individual property values.** The requested task is data reconciliation, genealogy, and financial-stability verification.
- **It does not ask Treasury to assume criminal guilt.** The criminal accusations are the complainant's allegations; investigators must prove elements with admissible evidence.
- **It does not ask Treasury to accept plaintiff-generated totals without replication.** The daily carrying-cost estimate, infection-rate calculations, and aggregate damage/overvaluation analyses should be replaced with verified source inputs wherever possible.
- **It does not ask Treasury to infer intent from silence.** A nonresponse can be documented as a nonresponse; criminal intent requires evidence beyond silence alone.
- **It does not ask Treasury to destroy principal.** The stated purpose of the Bond Credibility Chain is to identify the maximum supportable principal and distinguish economically supportable obligations from amounts that require reconciliation or restructuring.

12. Closing Challenge

This is no longer a request to discuss whether a problem might exist.

I have made a formal criminal allegation. I have identified the evidence categories. I have provided the mathematical framework. I have identified the data necessary to test it. I have repeatedly invited correction of anything that is wrong.

I am asking the United States Treasury to do one of two things:

- 1. Produce or identify the authoritative certified data necessary to complete the Bond Credibility Chain; or**
- 2. Identify specifically which facts, equations, source records, or conclusions Treasury disputes and provide the authoritative contrary evidence.**

If the certified numbers establish that the obligations are supportable, the model should show it. If they establish that the obligations are not supportable, the same model should show that.

What is no longer economically defensible is refusing to determine the answer while compound obligations continue to accumulate.

The objective is not destruction. The objective is to preserve the maximum supportable principal while there is still time to do so.

Secretary Bessent, the question is not whether you agree with me. The question is: what do the certified numbers say, and will Treasury produce or identify them?

Authorities and Source Notes

U.S. Supreme Court, Docket No. 26-179: [Official docket](#)

U.S. Treasury, FSOC meeting readout (July 15, 2026) - identifies Scott Bessent as Chairperson: [Treasury readout](#)

SEC Office of Municipal Securities, Staff Legal Bulletin No. 21 - municipal-issuer public statements and antifraud provisions: [SEC bulletin](#)

18 U.S.C. §1349 - attempt and conspiracy under Chapter 63: [U.S. Code §1349](#)

18 U.S.C. §241 - conspiracy against rights: [U.S. Code §241](#)

18 U.S.C. §242 - deprivation of rights under color of law: [U.S. Code §242](#)

18 U.S.C. §1962 - RICO prohibited activities: [U.S. Code §1962](#)

Public DCAD evidence portal: [Public repository](#)

Treasury Data Verification Package: [Verification package](#)