



Black and White Justice - Denver Federal Judge Applies Race-based Standards to Identical Allegations

Black Executives Harshly Imprisoned While White Executives' Case Dismissed

Denver federal judge Christine M. Arguello applies a different standard of justice for black businessmen then she does for white ones. According to an October 2, 2013 Law360 article, Judge Arguello dismissed a case against top white Delta Petroleum executives who were accused of defrauding investors by misrepresenting Delta's financial position to artificially inflate stock prices. (Dist. Colo. nos. 1:12-cv-01038 & 1:12-cv-01521). But just a year earlier Judge Arguello imposed harsh prison sentences of 7 to 11 years to corporate executives of the IRP Solutions Corporation (known as the "IRP6") who were accused of misrepresenting their contract status with staffing companies to receive unsecured credit for hourly wages paid to temporary contract employees to work on law enforcement-related software projects (Dist. of Colo. case no. 09-CR-00266-CMA). Bear in mind that the staffing companies provided their own staffing services contract (with their payment terms) to IRP executives who signed the contract to receive services.

"I don't know if race played a part but if you put all the connections together, I don't know that there's any other conclusion," prominent former federal appeals judge H. Lee Sarokin told the Washington Post about the IRP6 case and the harsh sentences (www.wapo.st/29jXqSC). One of those connections comes directly from trial records where Judge Arguello used racially coded language with the only white executive of the IRP6 (David Zirpolo) to reference his five black codefendant executives.

"And instead of using your God-given talents to advance yourself legally...you got involved with THIS GROUP, [choosing] to use those talents in a way that was fraudulent and criminal," said federal judge Christine M. Arguello in addressing David Zirpolo during his sentencing hearing. Arguello didn't use the THIS GROUP reference during the sentencing of the five black codefendants. "I have to be blunt," says Zirpolo. "Judge Arguello was clearly telling me that if I hadn't got involved with this group of blacks/n-word's I wouldn't be a criminal," adds Zirpolo. "I wasn't even a target of the investigation until I brought a binder of evidentiary documents proving our innocence to the grand jury on vague, optimistic statements in making investment decisions," added Arguello. , " adds Zirpolo. "During the grand jury, prosecutors were incensed when I raised a binder of evidentiary documentation of our innocence and grand jurors asked to see it," says Zirpolo. "Subsequently, I was indicted, wrongly convicted in a fraudulent trial and imprisoned for 10 years by Judge Arguello--all for supporting the truth and standing by my decades-long friends who just happened to be black," adds Zirpolo.

Judge Arguello said that the case against Delta failed to specifically identify how statements made by Delta executives were false or could have misled a reasonable investor. "A

corporation's self-praise about its business strategy plays no serious role in market participants' evaluation of potential investments," said Arguello. "Reasonable investors do not normally rely

How would optimistic statements by IRP executives about believing they're on the verge of gaining government contract mislead a reasonable creditor? Certainly, reasonable creditors wouldn't rely on optimistic statements to make credit or investment decisions. Creditors check credit reports and bank references to determine creditworthiness prior to extending credit. Prior to trial two staffing experts willing to testify for the IRP6 at trial sent letters to then Colorado U.S. Attorney John Walsh discussing staffing industry business practices, making it clear that the staffing companies were not forced to do business with IRP and that the IRP executives had done nothing untoward. One expert pointed out that he had previously worked closely with the FBI to help assist them in investigations of staffing related fraud (See letters at <http://bit.ly/33PuSbV> & <http://bit.ly/2f7mFZ3>).

Trial transcripts repeatedly show staffing company witnesses confirming what the experts told Walsh in their letters, admitting that they were not induced into doing business, but relied on customary credit checks. Some high-level staffing executives stated they considered doing business with IRP as an investment and took risks for potential future business and revenue. Irrespective of these admissions by virtually ALL the government's twenty (20) staffing company witnesses, Judge Arguello refused to dismiss the case against the African American company and the government plowed ahead to win a wrongful conviction.

To show the public, members of Congress, and other legal professionals that the government's entire case was a complete fraud, and Arguello was a dishonest, racially-biased judge in the IRP6 case, A Just Cause has posted on the Internet actual trial transcripts of testimony from seventeen (17) of the government's twenty (20) staffing witnesses--all of which totally disprove the government's charges of criminal conduct. Here are a few:
Cross Examination of Vice President Scott Tait from (Adecco North America) about his interaction with COO David Banks (IRP6):

Q. What factors came into play when your group was discussing whether to enter into this relationship [with IRP6 company]?

A. Mr. Banks...put on a good show. He made a believer out of me.

Q. Can you elaborate on what you mean by "he put on a good show"?

A. He is very good at articulating where he was going to go, what was going to happen, and the possibility of us all making money.

Q. What was part of the good show as you call it?

A. Produced Magazine Articles. Threw names around; Mayor Webb at the time. And said he had contacts within the FBI, within state and local governments.

Q. And so the statement that he had contacts with the people, was made. Did he infer that that somehow constituted a contract with the agency?

A No.

Q. And in considering the proposition that Mr. Banks was making to you, what thought -- did you get into the risks in a company you knew very little about?

A. Everything is a risk. This was a little riskier. But I felt at the time, the information given, and the ending payout, that was worth the risk.

Donald Crockett with CTG said he treated doing business with IRP as an "investment" and expected the relationship would "lead to more profitable business." Crockett also said IRP Vice President Clinton Stewart talked about IRP "supporting applications for criminal justice systems," "didn't mention companies in specific" but said they were "PURSUING" business with New York.

Ms. Stephens from Spherion said they "strongly rely" on "Dun & Bradstreet" credit reports in determining whether to do business with IRP and confirmed that she told the FBI that Banks told her that IRP is "TRYING TO SECURE A CONTRACT WITH THE NYPD."

Transcripts show other staffing companies testified that other statements made by the IRP6 were that "they had a great project with the NYPD," "they anticipated closing business any day," "working with the NYPD," and "did software stuff with the NYPD." Inducement was impossible given that virtually every staffing company witness admitted they were not involved or personally responsible for approving credit for IRP but that was left up to their credit/accounting departments who made those decisions strictly based on Dun & Bradstreet credit reports and bank references, yet the government still put them on the stand to promote its false inducement allegation (View transcripts online at (<http://bit.ly/2q7Kpmy>)).

"As the transcripts clearly show, the government presented zero evidence we made false statements about having a 'current or impending contract' which was the central charge in the indictment," says David Banks (IRP6). "Furthermore, if we had actually made those statements, they couldn't possibly induce a staffing company to extend doing business because as the transcripts show and common business practices dictate, those decisions are based on creditworthiness," adds Banks. "We did not commit a crime. These charges were manufactured by the government as part of the New Jim Crow," contends Banks. The IRP6 were "indicted and imprisoned for not paying their bills," Sarokin told the Post. "The government's contention that their business was a scam defies reality. All the proof in the case goes the opposite way," asserted Sarokin.

Judge Sarokin did everything he could to get justice for the IRP6, including sending President Obama a letter seeking clemency, sending letters to the DOJ (AG Loretta Lynch) and Senator Corey Booker (now a presidential candidate). "President Obama, Booker and other officials totally disregarded Judge Sarokin and left us in prison because we provided no political benefit to them," says Banks (IRP6). "Their inaction in our case shows that their talk about implicit racial bias in the criminal justice system was nothing but lip service," adds Banks (IRP6). "When will someone from our government or media take our horrible injustice serious and hold these government officials accountable for maliciously depriving us of our freedom for over 7 years and counting, bringing pain and suffering to our families and for the destruction of our business and livelihood," concludes Banks (IRP6).

For more detailed facts and documents about the IRP6 case, view the online dossier (<http://bit.ly/2wBaCyJ>) compiled by A Just Cause.

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