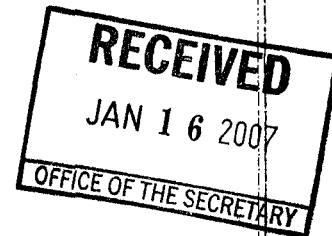


S71206-378



January 14, 2007

President George W. Bush
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e-mail: president@whitehouse.gov

Director, Rob Portman and OIRA Administrator
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Re: My June 8, 2006 letter and this Whistleblow on Office of Management and Budget; OIRA; Securities Exchange Commission for Gross Waste, Gross Fraud and Gross Abuse of Power through promulgating/approving the Grandfather Clause contained in Regulation SHO, published July 28, 2004; with Comments to eliminate the Grandfather Clause File No. S7-12-06. This clause aids and abets counterfeiting and is in NON-COMPLIANCE with Title 5 at Section 601 Executive Order No. 12866

Dear Mr. President, and Honorable Commissioner and Secretary:

The "Grandfather Clause" is incorporated in REG SHO and "covers" all short sales prior to the effective date of January 5, 2005 for any counterfeit shares that were sold prior to January 5, 2005, which is illegal. Counterfeiting is illegal at common law, the penalties for counterfeiting as discussed in my June 8, 2006 letter are found at U.S.C.A. Section 471.

Recently, the Securities and Exchange Commission, (SEC) asked for comments to eliminate the Grandfather Clause by File No. S7-12-06; wherein comments had to be made prior to sometime around September 30, 2006. As of Friday, after talking to Jack Hardy, SEC and leaving a message for Josephine Tao, SEC, I learned that the SEC has no intentions of acting on eliminating the Grandfather Clause in the immediate future.

I am blowing the whistle on the Securities and Exchange Commission for promulgating this Grandfather Clause, and the President's Office of Management and

Budget's office that has oversight responsibility to review and approve agency regulations to ensure they comply with applicable laws.

As it clearly states in Title 5, at Section 601, Executive Order No. 12866(12)(a) **The Agencies.** Because Federal agencies are the repositories of significant substantive expertise and experience, they are responsible for developing regulations and ASSURING that the REGULATIONS ARE CONSISTENT WITH APPLICABLE LAWS, THE PRESIDENT'S PRIORITIES, AND THE PRINCIPLES SET FORTH IN THIS EXECUTIVE ORDER. (The Grandfather Clause is illegal at common law, laws put in effect by our forefathers to ensure credibility of legal tender. The Grandfather Clause stands in opposition to and is outlaw to applicable common law aiding and abetting counterfeiting.)

(b) **The Office of Management and Budget.** Coordinated review of agency rulemaking is necessary to ensure that regulations are CONSISTENT WITH APPLICABLE LAW, THE PRESIDENT'S PRIORITIES AND THE PRINCIPLES SET FORTH IN THIS EXECUTIVE ORDER. (The Office of Management and Budget is accused of GROSS waste, Fraud and Abuse of Power for NOT carrying out their responsibility thereby PREVENTING the GRANDFATHER CLAUSE from ever being incorporated into any agency regulation. (To include the responsibilities of OIRA as defined in this executive order.)

Therefore, I claim the Security and Exchange Commission was not granted the power to make a rule or regulation that conflicts with applicable law. (See U.S.C.A. Section 471). The Grandfather Clause in Reg SHO also conflicts with our well-established well-seated common laws against counterfeiting. Therefore, I request President Bush take immediate, corrective action to eliminate the Grandfather Clause from Regulation SHO, as tho it never existed, and force payment of the counterfeit shares as restitution for the shareholders' of CMKX wherein market makers/hedge funds were allowed to create trillions of counterfeit "air shares" and sell them to innocent investors who believed they were purchasing a real/legitimate shares of stock, and they were not. The "Short Sale" rule was never regulated by the DTCC nor the SEC wherein they never kept track of the authorized to issue shares of CMKX thereby ex-cleared whatever amount of shares were presented to the DTCC /NSCC to ex-clear (as previously submitted to you by my prior letters on this subject), affording .37 per transaction in commissions to the DTCC/NSCC. The DTCC over the whole market reaped trillions in commissions from "counterfeit" naked shorted shares. Now, it's time to pay it back. Now it's time to end this corruption before we have a crash worse than the one in 1929.

Again, in this nation, no where in the law and at no time in this country has it been legal to sell something you do not own, which is exactly what hedge funds/ online brokerage houses did in the security of CMKX. So, as to not cause a panic on wall street, I request non publicly, and quietly, the DTCC be required to make total restitution of \$10.56 per share with interest from June 2004; with an immediate, frontload pay-out, today, of \$1.56/share with interest from June 2004 to the certificate holders listed here:

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The Cert Pull has been extended until May 15th 2006.

Total Received Fax's: 42723
Total Fax's Filed: 42723
Number of Certs: 55495
Total Shares: 634,983,934,884
Number of Shareholders: 39863
www.cmkmtaskforce.com

with interest and subsequent quarterly payments of \$.60/quarterly on the same day as the up-front pay-out, the first month of each quarter; over the next 16 quarters; to be paid by a government check, mailed first-class mail to each certificate holder of CMKX, as address recorded by First Global Transfer Agent and the CMKM TASKFORCE.

The shareholders who are excluded from this restitution payment are those shareholders who received free share certificates (whom may have registered their certificates with the taskforce) by showing up at weekend races and putting their name on a paper tablet list to receive free shares; or by passing out t-shirts at the races; or by serving drinks and hotdogs at the races, these pay it forward shares were in increments of \$3,000,000 share certificates and are not to be included in this payment, since they did not pay money for the 3 million shares and received a certificate through the system as in the DCCC NSCC. Those certificate shareholders hold "S" share certificates and are denoted in the PAY IT FORWARD Shareholder List found here:

<http://www.bonesgfx.com/acct.pdf>

The shareholder base is like an army 42,700 strong who believe in the moral values of America and respect our laws. The OBO/NORO lists 60,000 shareholders. It is presumed the other 20,000 or so shareholders who refused to get a certificate and record it with the cmkmtaskforce could, in fact, be brokerage firms, hedge funds, or bashers (employees of hedge funds who post 24/7 on message boards to discourage investors about the stock so they sell back the "air shares" into the market. These people are in violation of our RICO laws and should not be paid in this payout, since they probably own shares and will not claim them through CMKM certificate pull for obvious reasons.

The 42,700 certificate holders look to the government to also adhere to our laws. This is what one very large shareholder wrote about this situation, whom like most of us, have held our shares for 3 years or more, I present here his comment in closing:

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It's about time our nation correct many monumental wrongs that have been imposed on people who never had a clue that it was happening. Yes we have one of the greatest if not the greatest country in the world. Our democracy towards all symbolizes the ultimate in freedom

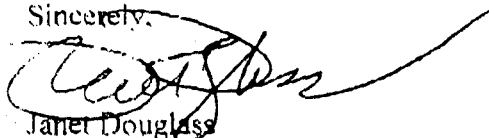
No one questions that and it has been documented for years. It is now the **time to stand steadfast and be what we say that we are.** It doesn't matter what political party one assigns themselves too. What is important is doing the right, correct and just thing in all circumstances. What man or woman of character that would not want such. Just think how great a country we really could become through out the world if that became the norm!

Unfortunately we live in a world that many only want what is best for themselves and not for the whole. If the whole is good then all is good. Granted greed and corruption have always been a part of the system. Yes even when Christopher Columbus arrived. Can we solve past mistakes? No. But we can learn from them and move forward for the greater good. Its not nice if I want to see someone suffer while I profit. Nor is it wise vice versa. So often major occurrences happen for a reason. Many times it is done to show who is omnipotent.

We have a major financial situation that has to be corrected and it must be corrected now. If it is not corrected now then the young folks that are on the horizon are going to have a very bad ideology about our government. They will learn it from the baby boomers generation, which is now, who will share their viewpoints based on what they have seen thus far. Maybe when their parents were coming up during World War 1 and 2 when respect meant something, to this younger generation; it will fall on deaf ears. That's not good for the totality of our country existence. **Therefore, this situation has got to turn itself around or anarchy is just around the corner!"**

Thank you for your immediate attention to this matter. A strong America is in the cross-hairs of the enemies of our financial market place. We learned from 9/11/2001 that the enemy wants to destroy Americans through the market place. Please prevent the SEC from aiding and abetting counterfeiting, which aids the enemy in the war on terror; and which helps the enemy to achieve their goals.

Sincerely,



Janet Douglass

Federal Whistleblower FAA/1988

A Founding Father and my Address has not changed in 32 years