The DOJ’s Hostage Crisis: How the Feds Traded a 6-Month Trial for a Coerced Plea

Fellow Freedom Fighters,
We talk constantly about the two-tiered, weaponized justice system operating in our country today. But the reality of how these federal prosecutors operate behind closed doors is often far more sinister than we even realize.

This is not about glorifying anyone. Joseph LaForte is not asking to be put on a pedestal. But what happened to him is a chilling blueprint of how the government operates when they know they are going to lose in a courtroom. When they are staring down the barrel of a six-month trial they know they cannot win on the facts, they do not fight fair. They weaponize a man's family.

LaForte’s legal team filed a devastating 20-page motion to dismiss and suppress the government's case. It was a kill shot to the prosecution’s narrative. But Judge Mark Kearney—an Obama appointee—never had to rule on it, because AUSA Matthew Newcomer and his team effectively held LaForte’s wife, Lisa, hostage to bury the motion and extract a plea.

Here is the truth the DOJ desperately wanted to hide from a jury, told directly through the damning words of that untested motion and the undeniable financial reality of the business.

The Manufactured Charges:

The Wire Fraud Mirage and the Ciminelli Takedown
The government’s case relied on a completely manufactured theory of "wire fraud." But the defense brought the receipts, leaning on the recent Supreme Court decision in Ciminelli v. United States. The Supreme Court ruled that the DOJ's favorite trick—claiming fraud based on withholding economic information—is unconstitutional.

The motion laid this bare, stating that under the Ciminelli precedent, "the Supreme Court held wire fraud cannot be established by defrauding others out of economic information, the 'right to control' basis for wire fraud". To prove fraud, the government must prove actual financial loss of a tangible asset.

Let us look at real math. Anyone with a financial background knows how to read a balance sheet, and these numbers show a wildly successful enterprise, not a crime:

The Investment: Par Funding took in a total of $550,325,596 in investor capital.
The Repayment: Prior to the federal raids, the company had already paid back $300,108,117 to those investors.
Par Funding Debt: This left remaining notes in the form of loans to Par Funding of $250 million owed to investors over 7-years.
The Assets & Income: Against that $250 million, Par Funding had $28 million in cash on hand and was generating an astonishing $2 million per day in income.
The Collateral: The company owned $420 million in outstanding loans owed by merchants, which the investors had a rock-solid security agreement against.
The Valuation: As the motion noted, independent valuations placed Par Funding's worth between $359,201,320 and $507,640,488. Overall company equity stood at over $900 million versus the $250 million owed to note holders.

Any company in the world would kill to be in this healthy financial position. There were zero losses. The inescapable legal conclusion in the motion is clear: "Therefore, the investors were not defrauded out of any tangible assets".

The Phantom Assault and the Bogus Obstruction Charge
The DOJ's desperation really showed in their attempt to charge LaForte with Obstruction of Justice (Count 49) and Retaliation (Count 57) connected to a physical assault on a receiver's attorney, Gaetan Alfano.

Here are the facts the government conveniently ignored:
When this assault took place, Joe LaForte was sitting at home on a government-mandated ankle monitor. The feds knew exactly where he was. He was completely uninvolved, and he vehemently condones violence of any kind. How can you obstruct justice or retaliate when you are physically chained to your house by the government's own tracking device?

The motion destroyed the legal basis for the obstruction charge:
In fact, these charges were initially dropped in the plea negotiations because they were baseless. The AUSA did not even include the obstruction charge in the original plea agreement because they knew it never happened and LaForte was not involved. But then Newcomer reported to LaForte's defense counsel that Gaetan Alfano, the Receiver's attorney reportedly called his partner and buddy at the AUSA's office, upset that LaForte was not being charged for an assault he did not commit. The government kowtowed to

Alfano and slapped the obstruction charge back onto the plea agreement.

Government Overreach: Warrants & Perjury

Fourth Amendment Violations: Soviet-Style Warrants

To build this flimsy case, the FBI executed search warrants that read like they were drafted in a banana republic. They did not target specific evidence; they vacuumed up everything in sight.

The motion argued that "a warrant that authorizes the seizure of all electronic devices found on the premises, irrespective of whether they belong to non-suspects, is overbroad". When it came to Apple, the government demanded eight years of total data. The motion argued that allowing this "would essentially sanction the government's use of a modern-day general warrant, granting the government access to arguably some of the most sensitive pieces of information in an individual's life".

The Nevis Perjury: Feds Caught on Tape

Why didn't the government want this motion heard? Because their agents committed perjury in their sworn affidavits. An agent claimed that LaForte wanted to hide money in the Caribbean. But Joe's team had the audio tape.

The motion demanded a Franks hearing, noting that "the recording directly contradicts the law enforcement affiant's characterization of the conversation".

It was the federal informants who brought it up: "It was, in fact, one of the undercover witnesses who suggested to JOE LAFORTE that Nevis would be a good place to hide money, in response to which JOE LAFORTE stated, ***'You're crazy. I've never heard of the place'".***

Corrupt Processes and Fabricated Evidence

The only reason this company was targeted was because of a corrupt, perjurious Temporary Restraining Order (TRO) fueled by the perjury of individuals like Heskin and Amie Berlin. This corruption was then compounded by the AUSA's perjury in their search warrants. They fed these lies to judges ex parte to illegally induce them to sign those warrants. The evidence is as clear as day.

The Conclusion: A Coerced Plea

The Ultimate Coercion: Weaponizing a Wife

With a 6-month trial looming, the defense armed with a bulletproof motion, and LaForte refusing to sign a corrupted plea agreement that suddenly included an obstruction charge he did not commit, the AUSA panicked.

They explicitly threatened LaForte with a third superseding indictment—one that would drag his wife, Lisa, into a massive, life-destroying RICO case. AUSA Matthew Newcomer practically begged LaForte's attorney to get Joe to sign. AUSA Newcomer approached LaForte’s defense counsel offering to go down to FDC Philadelphia and "look LaForte in the eye" to personally promise that if LaForte took the fall, he would not hurt Lisa in her tax case.

Joe did not meet with Newcomer. But staring down the threat of his wife being thrown into a federal cage on trumped-up racketeering charges, he did what any man and husband would do. He signed the paper.

He did not sign it because the government had a good case. He signed it because the government was willing to destroy his wife if he did not. The motion was rendered moot, the trial was cancelled, and the Deep State got to chalk up another "win."

This is the reality of the justice system today. Stay vigilant, Patriots.