

I, Lorraine Woods, would like to make a declaration to The Bankruptcy Court concerning the above case, in which I am a creditor.

I would like to address the subject of filing claims in this case on deadline. I spoke to Deputy Clerk Cynthia Hardy (whose name appears on the bottom of the notice to file proof of claim) on September 29, 2008, to inquire whether the claim deadline may be extended, as the next court date I was aware of had been moved to December 16, 2008. Ms. Hardy informed me “the deadline IS the deadline!” I hope that The Court would not give Kai Moldskred any latitude in filing his claim, either.

I am a former student of the Court Reporting Institute. I attended for approximately two years and withdrew from the school in 1996. I believe that the former students should have first claim and priority to any recovered assets of Alen Janisch/CRI since our formal complaint to the WTECB (Workforce Board) originated in 1996. (The WTECB is in charge of licensing private vocational schools in Washington.)

In 1996, I and six other students filed our complaint against CRI (precisely the same complaints that eventually led to the schools closure in 2005, after defrauding thousands of other students).

My primary contacts at the Workforce Board were Charles A. Johnson and Peggy Rudolph who would be investigating our complaint. At the onset of my first conversation with Charles Johnson, Mr. Johnson informed me that he was well-acquainted with Alen Janisch on a personal level through their meetings at a businessman’s organization and had the highest opinion of Alen Janisch, both personally and professionally. At the end of the story, I had another conversation (11/08/1996) with Charles Johnson and requested that our complaint be taken seriously. He yelled at me, stating that I “had better not go after Alen Janisch or CRI because their reputation was impeccable, and if you try, you will lose!” Notice the conflict of interest here? Needless to say, they found no merit to our claim after an inquiry.

Fortunately, our group has retained our original correspondence with the complaint and subsequent investigation by the WTECB, since they now seem to have no record of it ever having happened! To my knowledge, the WTECB is required by law to retain and provide information about every complaint/investigation made against a school, but our complaint does NOT exist in the WTECB files when records are provided in response to inquiries about Alen Janisch/CRI. This is further evidenced by the fact that Peggy Rudolph, who is still there and now in charge of investigating complaints, has stated in public records that the first complaint about CRI came to light in 1999 with a student by the name of Blair Mitchell – at least three years after I and the six other students complained.

At this time, I owe in excess of \$85,000 on my student loan (which went into default status earlier this year). Interest is accruing at approximately \$1,000.00 per month. The Department of Education and the collection agency they use (Diversified Collection Services) are aggressively pursuing me for repayment. This may include garnishment of wages and withholding any tax refunds I would ordinarily be entitled to, and negative reports to the credit agencies.

Would The Court please consider transferring the outstanding student loans to Alen Janisch/CRI, as it's been established that he/CRI are the ones who fraudulently benefited from those monies and the students were the ones victimized. Let HIM deal with the Department of Education!

The fallout from the damage Alen Janisch /CRI hasn't been simply a financial one, but he took years out of my life (as a single parent), as well as me basing my divorce agreement on being able to enjoy the future benefits of ready employment after my course at CRI – which of course, was impossible from the outset – unbeknownst to me at the time. It has created enormous hardships and stresses in my life that have been a constant to this day!

I want to thank The Court and The Honorable Judge Overstreet for taking the time to look at this man and the devastation he has left in his greedy wake, and request you do everything in your power to see to it that this case is adjudicated as judiciously as possible for the real victims here – the ex-students. Corporations who lost money doing business with CRI can take a write-off for it. Students cannot. While I understand you are not a criminal court, would it not be appropriate for the court to further this along to some authority that could look at this case from that angle?

I hereby state that under the laws of perjury, this declaration is true and correct to the best of my knowledge.

Lorraine E. Woods