STATE OF SOUTH CAROLINA
IN COURT OF APPEALS

Anderson Brothers Bank
Plaintiff-respondent,

Vs.

Dazarhea Monique Parson, aka Dazarhea D Parson, a/k/a Dazarhea Monique Daniels

Parson, A. Tyrone, Jr. a/k/a Arnold Tyrone)Parson, Jr., South Carolina Department of

Revenue and South Carolina Department of Motor Vehicles, Defendants,

Defendant-appellants.

Appellant's Petition for Permanent Injunctive Relief
Appeal number 2013-001824
Marion County Case number 2013-CP-33-306

Appeal from order granting summary judgment
Marion County Special Referee,
Haigh Porter, presiding

Arnold Jr. Dazarhea Parson
3546 Quail Roost Road
Mullins, South Carolina [29574]

All officers of the court are hereby placed on notice under authority of the supremacy and equal protection clauses of the United States Constitution and the common law authorities of Haines v Kerner, 404 U.S. 519, Platsky v. C.I.A. 953 F.2d. 25, and Anastasoff v. United States, 223 F.3d 898 (8th Cir. 2000) relying on Willy v. Coastal Corp., 503 U.S. 131, 135 (1992), "United States v. International Business Machines Corp., 517 U.S. 843, 856 (1996), quoting Payne v. Tennessee, 501 U.S. 808, 842 (1991) (Souter, J., concurring). Trinsey v. Pagliaro, D.C. Pa. 1964, 229 F. Supp. 647, American Red Cross v. Community Blood Center of the Ozarks, 257 F.3d 859 (8th Cir. 07/25/2001).

In re Haines: pro se litigants (Plaintiff is a pro se litigant) are held to less stringent pleading standards than BAR registered attorneys. Regardless of the deficiencies in their pleadings, pro se litigants are entitled to the opportunity to submit evidence in support of their claims. In re Platsky: court errs if court dismisses the pro se litigant (Plaintiff is a pro se litigant) without instruction of how pleadings are deficient and how to repair pleadings. In re Anastasoff:

Litigants' constitutional rights are violated when courts depart from precedent where parties are similarly situated. All litigants have a constitutional right to have their claims adjudicated according the rule of precedent. See Anastasoff v. United States, 223 F.3d 898 (8th Cir. 2000). Statements of counsel, in their briefs or their arguments are not sufficient for a motion to dismiss or for summary judgment, Trinsey v. Pagliaro, D.C. Pa. 1964, 229 F. Supp. 647

Corporate alter ego, doctrine of:

> **Means that courts, in ignoring form and looking to substance, will regard stockholders as owners of corporation's property, or as the real parties in interest whenever it is necessary to do so to prevent fraud which might otherwise be perpetrated, to redress a wrong which might otherwise go without redress, or to do justice which might otherwise fail.**

Comes now the natural man/woman as Arnold Jr., Dazarhea Parson will be presenting themselves before the court as The Real Party in Interest and Paramount Interest Holder in the matter of Anderson Brothers Bank vs. Arnold Jr. Dazarhea Parson hearing held on July 29, 2013 Nunc Pro Tunc.(newly discovered evidence.)The natural man/woman as Arnold Jr. Dazarhea Parson herein after Petitioners. Anderson Brothers Bank, Nexsen Pruett's Suzanne Taylor Graham Grigg dba attorney for Anderson Brothers Bank, Haigh Porter dba Master in Equity/Special Referee for Florence/Marion County, South Carolina, River Anderson dba ABB's commercial loan officer and special asset administrator herein after Respondents.

Petitioner would respectfully show unto this court that: Anderson Brothers Bank, fictitious plaintiff, commenced a foreclosure and sale of real property based on fraud, lack of consideration, lack of standing, fail to give full disclosure, and a claim filed in which relief cannot be granted. Anderson Brothers Bank by and through its attorney induced an erroneous judgment against the Petitioner covering the following described real property(the "Subject Property"):

> All that certain piece, parcel of lot of land lying and being situate on the southeast side of Quail Roost Drive near the City of Mullins, Marion County, South Carolina. Said lot being shown and designated as Lot No. 34 on a map of Quail Roost Subdivision, Phase 1, by Pittman- Lesson Survey Company dated January 24, 1999, and recorded on lat Book 282, Page 7, Office of Clerk of Court for Marion County. Reference is hereby made to said plat for a more details metes and bounds description collectively the land. ALSO, that 2000 Dynasty Mobile Home VIN # H801260GL&R located on subject property.
>
> This property is conveyed to Arnold Jr. Dazarhea Parson deed from FBSA 1, LLC dates March 28, 2012, recorded April 4, 2012, in Book 195 at Page 239.
>
> TMS:034-00-00-255-000
>
> ADDRESS: 3546 Quail Roost Road, Mullins, South Carolina [29574]

The Court issuance of the Special Referee's Order and Judgment of Foreclosure and Sale on August 5, 2013 was granted in error. The proceedings in regard to the foreclosure action are preserved in the Office of Clerk of Court for Marion County in Civil Action No. 2013-CP-33-306 preserves not only an erroneous judgment, as well as officers of the court acting outside of their oath.(newly found evidence) It also preserves a record of the pleadings entered into the lower court dating back to May 2, 2013 by Petitioner's. Petitioner's filed a Notice of Appeal on August 26, 2013. On September 10, 2013 Marion County Clerk of Court received a fax copy of Petitioner's Bond in accords with S.C. Code Ann Subsection 18-9-170 and advised Anderson Brothers Bank attorney Suzanne Taylor Graham Grigg on September 5, 2013 that if Anderson Brother Bank wanted to continue with the sale they would have given an undertaking or bond to the defendant pursuant to S.C. Code Section 18-9-130a (2).

The Petitioner through due diligence believes that Anderson Brothers Bank, had the duty to know, should have known, or knew that they received the Equity in said property for free. (Newly found evidence) Anderson Brothers Bank purported to give a loan of $20,900 to Petitioners in consideration of a promissory note for $20,900. Evidenced in the Mortgage of Real Estate Anderson Brothers Bank purported to give three dollars consideration of a note for $20,900.(newly found evidence) When in fact Anderson Brothers Bank gave nothing in consideration. To give a lawful consideration, the lender must prove that he gave the borrower lawful money such as coins or currency. Failing that, he can have no claim for relief in a court at law against the borrower as the lender's actions were ultra vires or void abinitio prima facie. (See Mandatory Judicial Notice # 65 Barnsdall Refining Corn. v. Birnam Wood Oil Co. 92 F 26 817,

66 " Leonard v. Springer 197 Ill 532. 64 NE 301, # 67 Menominee River Co. v. Augustus Spies L & C Co.,147 Wis 559-572; 132 NW 1122, and # 68 ." Guardian Agency v. Guardian Mut. Savings Bank, 227 Wis 550, 279 NW 83.)

Anderson Brothers Bank failed to disclose that the purported borrower was funding their own loan. (See Quotes from Federal Reserve Publication, Federal Reserve Act, UCC 3-102c and disclosure violation S.C. Ann Subsection 37-5-302 in Mandatory Judicial notice) Anderson Brother Bank had a duty to disclose all pertinent information to Petitioners of which Petitioner were to rely upon in making their determination. USC 83 (a) "General prohibition. No national bank shall make any loan or discount on the security of the shares of its own capital stock." [The National Banking Act of 1864 Sections 27, 28 & 53 states banks can't loan their own, or their depositor's money. Or own property. (Newly found evidence)

Anderson Brothers Bank lacks standing to bring suit being that their fictitious plaintiff. (Newly found evidence)"It is a contempt of court to sue in the name of a fictitious party." (See Black's Law Dictionary 6th ed. Pg. 624 fictitious plaintiff) Rule 17a (1) SCRCP "Designation in General. An action must be prosecuted in the name of the Real party in interest.(newly found evidence) Anderson Brothers Bank being a fictitious entity, fictitious plaintiff can only bring a fictitious action and can never be The Real Party in Interest also in accords with The Corporate Alter Ego Doctrine. Therefore Anderson Brothers Bank lacks standing to bring suit for they, cannot speak on its own, think on its own, make contract move on its own, see or hear on its own, cannot give consent on its own, cannot rebut on its own, nor sustain a physical injury. Anderson Brothers Bank is not natural.. (Newly found evidence)"Generally, a party must be a real party in interest to the litigation to have standing." Hill v. S.C. Dep't of Health & Envtl. Control, 389 S.C. 1, 22, 698 S.E.2d 612, 623 (2010) . "Standing is a fundamental requirement

for instituting an action." Brock v. Bennett, 313 S.C. 513, 519, 443 S.E.2d 409, 412 (Ct. App. 1994).

The Petitioners will respectfully show this court that Suzanne Taylor Graham Grigg attorney for Anderson Brothers Bank knew, should have known, or had the duty of knowing that her client was not the Real Party in Interest due to the fact that they were fictitious entities, they can only be fictitious plaintiffs and any action brought would only be a fictitious action. Ms. Suzanne Taylor Graham Griggs being an officer of the courts should have known that she was acting outside of her oath of office by filing a suit in the name of a fictitious party. She was also stating a claim in which relief could not be granted. Nexsen Pruetts Suzanne Taylor Graham Grigg attorney for Anderson Brothers Bank was nothing more than a third party interloper who had no firsthand knowledge of any bona fide agreements, or of any bona fide signatures contained therein. (See Trinsley vs Paglario and South Carolina Rules of Evidence) Therefore anything she entered into the record can only be considered as hearsay and not direct evidence in support of material facts. (newly found evidence) She also should have known that River Anderson was not a competent fact witness. Also, there have been several unrebutted affidavits entered by purported Petitioners. Where the maxims of law clearly states: An unrebutted affidavit is not only truth in commerce, but also a judgment. For one who does not deny admits.

Haigh Porter The Master in Equity not only Erred in his Judgment, but entered a judgment without having an oath of office allowing Nexsen Pruett Suzanne Taylor Graham Grigg attorney for Anderson Brothers Bank a 3rd party interloper with no firsthand knowledge to enter hearsay on the record and not direct evidence. (Trinsley vs Paglario) Only after allowing the Attorney to bring suit in the name of a fictitious party. In Re Rum Natura.(Black's Law Dictionary 1st edition. page 608) The master had a duty

to literally construe the Petitioner's writings for substance and not the form being that the Petitioners were not professionals, or schooled in law.(Haines v Kerner, rule 8(f) of South Carolina Rules of Civil Procedure all pleadings shall be so construed as to do substantial justice to all parties.) During the course of the hearing the Petitioner's asked if the note was a gift to the bank. The Master interrupted the witness of which was not a competent fact witness and along with the Anderson Brothers Bank and its attorney purported, " The loan was given as consideration for the note. So, instead of giving Petitioner's the money the bank paid the seller. When in fact through due diligence new evidence found in the mortgage of real estate clearly show/purports to of given three dollars to said Petitioner in hand well and truly paid by Anderson Brothers Bank, at and before the sealing and delivery of these Presents.(newly found evidence)(See Mandatory Judicial Notice # 67 Menominee River Co. v. Augustus Spies L & C Co.,147 Wis 559-572; 132 NW 1122) The Master in Equity had a duty to take an oath of office to uphold, protect, and defend the Constitution. (South Carolina Unannotated 14-11-20) As well as invoke the laws of Equity for the question with equitable intent using substance over form. (See SCRCP 8f and Haines vs. Kerner) The master did not have the file containing pleas on the issues to be raised by both parties, when the master had a duty to make a determination on all issues of all parties. (See Corpus Juris Secundum Volume 49 Subsection 43 pg. 101 Determination of all issues)(Newly found evidence). Master in Equity did not act impartially do to the fact his wife benefited from the sale of said property and appeared on behalf of Anderson Brothers Bank at the sale.

When Anderson Brothers Bank attorney Suzanne Taylor Graham Grigg submitted a copy of the purported note the Petitioner's raised questions on the

authenticity. According to South Carolina Rules of Civil Procedure RULE 1003: A duplicate is admissible to the same extent as an original unless (i) a genuine question is raised as to the authenticity of the original or (ii) in the circumstances it would be unfair to admit the duplicate in lieu of the original. (Newly found evidence)

South Carolina Rule of Civil Procedure Rule 1002 corresponds to the common law best evidence rule. See Hera v. McCormick, 425 Pa. Super. 432, 625 A.2d 682 (1993) Reasons justifying SCRCP rule 1002 see Mandatory Judicial Notice.(newly found evidence)

The Petitioner's entitled to an Injunctive Relief, forever barring Anderson Brothers Bank and its attorney Suzanne Taylor Graham Griggs from any present or future advances causing irreparable harm on a note and mortgage that's void abitinio prima facie.

Wherefore, the Petitioner's prays that this court grants its Injunctive Relief, clearing any clouds on title, award damages threefold for pain, suffering, duress, fraud, lack of consideration, violation of Petitioner's inalienable Constitutional Rights, as well monetary money damages that was paid on the purported note unlawfully, and 11% down payment. Petitioner's also prays that this court allows Tort Claims to be filed for injuries incurred by Petitioner's through Respondents negligence.

FORM 7

PROOF OF SERVICE OF PETITION FOR PERMANENT

INJUNCTIVE RELIEF & MANDATORY JUDICIAL NOTICE

THE STATE OF SOUTH CAROLINA

In The Court of Appeals

APPEAL FROM MARION COUNTY

Court of Common Pleas

The Honorable Haigh Porter, Master in Equity Special Referee Judge

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Case No. 2013-CP-33-306

Appellant's Number 2013-001824

Suzanne Grigg as,
Attorney of Anderson
Brothers Bank, Respondent

v.

Arnold Jr. Dazarhea Parson, Appellants

PROOF OF SERVICE

We certify that we have served the Petition for Permanent Injunctive Relief and Mandatory Judicial Notice on Anderson Brothers Bank by depositing a copy of it in the United States Mail, postage prepaid, on June 2, 2014, addressed to Anderson Brothers Bank attorney of record, Suzanne Grigg, 1230 Main Street, Suite 700 (29201) Post Office Drawer 2426 Columbia, South Carolina 29202.

May 15, 2014

UCC 1-308 (old 1-207)
By: Arnold Parson Jr. Dazarhea Parson

Arnold Jr., Dazarhea Parson
Post Office Box 776
Mullins, South Carolina 29574
In Propria Persona Sui Juris

STATE OF SOUTH CAROLINA
IN COURT OF APPEALS

Anderson Brothers Bank
Plaintiff-respondent,

Vs.

Dazarhea Monique Parson, aka Dazarhea D Parson, a/k/a Dazarhea Monique Daniels Parson, A. Tyrone, Jr. a/k/a Arnold Tyrone)Parson, Jr., South Carolina Department of Revenue and South Carolina Department of Motor Vehicles, Defendants,

Defendant-appellants.

Appellant's Mandatory Judicial Notice
Appeal number 2013-001824
Marion County Case number 2013-CP-33-306

Appeal from order granting summary judgment
Marion County Special Referee,
Haigh Porter, presiding

Arnold Jr. Dazarhea Parson
3546 Quail Roost Road
Mullins, South Carolina [29574]

May 15, 2014

Mandatory Judicial Notice

Defendants, is unschooled in law and notices the court of enunciation of principles as stated in Haines v. Kerner, 404 U.S. 519, wherein the court has directed that those who are unschooled in law making pleadings and/or complaints shall have the court look to the substance of the pleadings rather than in the form, and hereby makes the following pleadings/notices in the above referenced matter without waiver of any defenses. With this fact in mind, Defendants requests this Honorable Court to consider their pleadings in substance.

SOUTH CAROLINA UNANNOTATED CODE SECTION

14-11-20:

Pursuant to the provisions of Section 2-19-110, masters-in-equity must be appointed by the Governor with the advice and consent of the General Assembly for a term of six years and until their successors are appointed and qualify. No person is eligible to hold the office of master-in-equity who is not at the time of his appointment a citizen of the United States and of this State, has not attained the age of thirty-two years upon his appointment, has not been a licensed attorney for at least eight years upon his appointment, has not been a resident of this State for five years immediately preceding his appointment, and has not been found qualified by the Judicial Merit Selection Commission.

Each master-in-equity of this State qualifies by taking the oath required by the Constitution of this State before a justice of the Supreme Court, a judge of the Court of Appeals, the President of the Senate, the Speaker of the House of Representatives, a circuit judge, the Clerk of the Supreme Court, a clerk of the court of common pleas, or a probate judge of the county and immediately enters upon his duties. The oath must be filed in the office of the Secretary of State.

A full-time master-in-equity is prohibited from engaging in the practice of law. A part-

time master-in-equity may practice law but is prohibited from appearing before another master-in-equity. A standing master-in-equity may not serve as the probate judge of any county.

HISTORY: 1962 Code Section 15-1808; 1952 Code Section 15-1808; 1942 Code Section 3680; 1932 Code Section 3687; Civ. C. '22 Section 2224; Civ. C. '12 Section 1375; Civ. C. '02 Section 968; G. S. 784; R. S. 838; 1898 (22) 694; 1899 (33) 85; 1901 (26) 675; 1979 Act No. 164, Part II Section 3, eff July 1, 1979; 1988 Act No. 678, Part II, Section 4, eff January 1, 1989; 1996 Act No. 391, Part V, Section 5, eff June 4, 1996; 1997 Act No. 35, Section 5, eff May 21, 1997.

SOUTH CAROLINA UNANNOTATED CONSTITUTION

Article I- Declaration of Rights

SECTION 3. Privileges and immunities; due process; equal protection of laws.

The privileges and immunities of citizens of this State and of the United States under this Constitution shall not be abridged, nor shall any person be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of the laws. (1970 (56) 2684; 1971 (57) 315.)

SECTION 14. Trial by jury; witnesses; defense.

The right of trial by jury shall be preserved inviolate. Any person charged with an offense shall enjoy the right to a speedy and public trial by an impartial jury; to be fully informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining witnesses in his favor, and to be fully heard in his defense by himself or by his counsel or by both. (1970 (56) 2684; 1971 (57) 315.)

SECTION 22. Procedure before administrative agencies; judicial review.

No person shall be finally bound by a judicial or quasi-judicial decision of an administrative agency affecting private rights except on due notice and an opportunity to be heard; nor shall he be subject to the same person for both prosecution and adjudication; nor shall he be deprived of liberty or property unless by a mode of procedure prescribed by the General Assembly, and he shall have in all such instances the right to judicial review. (1970 (56) 2684; 1971 (57) 315.)

SECTION 23. Provisions of Constitution mandatory.

The provisions of the Constitution shall be taken, deemed, and construed to be mandatory and

prohibitory, and not merely directory, except where expressly made directory or permissory by its own terms. (1970 (56) 2684; 1971 (57) 315.)

SOUTH CAROLINA ANN CODE 37-5-302. Disclosure violations.

A person is guilty of a misdemeanor and upon conviction may be sentenced to pay a fine not exceeding five thousand dollars, or to imprisonment not exceeding one year, or both, if he willfully and knowingly

(1) Gives false or inaccurate information or fails to provide information which he is required to disclose under the provisions of the Federal Truth in Lending Act,

(2) Uses any rate table or chart, the use of which is authorized by the provisions of the Federal Truth in Lending Act, in a manner which consistently understates the annual percentage rate determined according to those provisions; or

(3) Otherwise fails to comply with any requirement of the provisions on disclosure of the Federal Truth in Lending Act.

(4) The criminal liability of a person under this section is in lieu of and not in addition to his criminal liability under the Federal Truth in Lending Act; no prosecution of a person with respect to the same violation may be maintained pursuant to both this section and the Federal Truth in Lending Act.

RULE 1002

This rule corresponds to the common law best evidence rule. See Hera v. McCormick, 425 Pa. Super. 432, 625 A.2d 682 (1993).

Reasons justifying the rule:

1. The exact words of many documents especially operative or dispostive documents, such as deeds wills, or contracts, are so important in determining a party's rights accruing under these documents.
2. Secondary evidence of contracts of documents, whether copies or testimony, is susceptible inaccuracy.
3. The rule inhibits fraud because it allows the parties to examine the original document to detect alterations and erroneous testimony about the contents of the documents.
4. The appearance of the original may furnish information as to its authenticity.

RULE 1003:

A duplicate is admissible to the same extent as an original unless (i) a genuine question is raised as to the authenticity of the original or (ii) in the circumstances it would be unfair to admit the duplicate in lieu of the original.

79th Congress Administrative Procedures Act which states that all courts operate in administrative capacity only against themselves, are corporations and foreign to the living man/woman who can only appear as the plaintiff

The U.S. government/corporation (USC Title 28 Part VI Chapter 176 Subchapter A Statute 3002 (15) "United States" means (A) a Federal corporation") and all its sub-corporations charged through their Fiduciary Duty

Most all contracts (mortgage, car loan, credit cards) are one sided/unilateral as there was no two party signatures, no meeting of the minds and are therefore, null and void. They are unconscionable and fraudulent and one has the legal right to rescind, revoke and cancel one's signature and demand one's promissory note back, deposit it in the bank and write checks against

look like a catalog of ships." [Emphasis added] Norton Grocery Co. v. Peoples Nat. Bank, 144 SE 505. 151 Va 195.

5."In the federal courts, it is well established that a national bank has not power to lend its credit to another by becoming surety, indorser, or guarantor for him."' Farmers and Miners Bank v. Bluefield Nat 'l Bank, 11 F 2d 83, 271 U.S. 669.

6. Bank of New York v. SINGH - Judge KURTZ 14Dec2007

7. Bank of New York v. TORRES - Judge COSTELLO 11Mar2008

8.Bank of New York v. OROSCO - Judge SCHACK 19Nov2007 Citi Mortgage Inc. v. BROWN - Judge FARNETI 13Mar2008

9. "The doctrine of ultra vires is a most powerful weapon to keep private corporations within their legitimate spheres and to punish them for violations of their corporate charters, and it probably is not invoked too often.... Zinc Carbonate Co. v. First National Bank, 103 Wis 125, 79 NW 229. American Express Co. v. Citizens State Bank, 194 NW 430.

"It has been settled beyond controversy that a national bank, under federal Law being limited in its powers and capacity, cannot lend its credit by guaranteeing the debts of another. All such contracts entered into by its officers are ultra vires . . ." Howard & Foster Co. v. Citizens Nat'l Bank of Union, 133 SC 202, 130 SE 759(1926).

10. ". . . checks, drafts, money orders, and bank notes are not lawful money of the United States ..." State v. Neilon, 73 Pac 324, 43 Ore 168.

11. American Brokers Conduit v. ZAMALLOA - Judge SCHACK 11 Sep2007 Countrywide Mortgage v. BERLIUK - Judge COSTELLO 1 3Mar2008

12. Deutsche Bank v. Barnes-Judgment Entry

13. Deutsche Bank v. Barnes-Withdrawal of Objections and Motion to Dismiss
Deutsche Bank v. ALEMANY Judge COSTELLO 07Jan2008
Deutsche Bank v. Benjamin CRUZ – Judge KURTZ 21May2008
Deutsche Bank v. Yobanna CRUZ - Judge KURTZ 21May2008
Deutsche Bank v. CABAROY - Judge COSTELLO 02Apr2008
Deutsche Bank v. CASTELLANOS / 2007NYSlipOp50978U/- Judge SCHACK 11May2007

14. Deutsche Bank v. CASTELLANOS/ 2008NYSlipOp50033U/ - Judge SCHACK 14Jan 2008

15. HSBC v. Valentin - Judge SCHACK calls them liars and dismisses WITH prejudice **

16.Deutsche Bank v. CLOUDEN / 2007NYSlipOp5 1 767U/ Judge SCHACK 1 8Sep2007

17. Deutsche Bank v. EZAGUI - Judge SCHACK 21Dec2007
Deutsche Bank v. GRANT - Judge SCHACK 25Apr2008
Deutsche Bank v. HARRIS - Judge SCHACK 05Feb2008

18. Deutsche Bank v. LaCrosse, Cede, DTC Complaint

19. Deutsche Bank v. NICHOLLS - Judge KURTZ 21May2008
Deutsche Bank v. RYAN - Judge KURTZ 29Jan2008
Deutsche Bank v. SAMPSON - Judge KURTZ 16Jan2008

20. Deutsche v. Marche - Order to Show Cause to VACATE Judgment of Foreclosure – 11 June2009

21. GMAC Mortgage LLC v. MATTHEWS - Judge KURTZ 10Jan2008
GMAC Mortgage LLC v. SERAFINE - Judge COSTELLO 08Jan2008

HSBC Bank USA NA v. CIPRIANI Judge COSTELLO 08Jan2008
HSBC Bank USA NA v. JACK - Judge COSTELLO 02Apr2008
IndyMac Bank FSB v. RODNEY-ROSS - Judge KURTZ 15Jan2008
LaSalleBank NA v. CHARLEUS - Judge KURTZ 03Jan2008
LaSalleBank NA v. SMALLS - Judge KURTZ 03Jan2008
PHH Mortgage Corp v. BARBER - Judge KURTZ 15Jan2008
Property Asset Management v. HUAYTA 05Dec2007

22.Rivera, In Re Services LLC v. SATTAR / 2007NYSlipOp5 1 895U/ - Judge SCHACK 09Oct2007

23. USBank NA v. AUGUSTE - Judge KURTZ 27Nov2007
USBank NA v. GRANT - Judge KURTZ 14Dec2007
USBank NA v. ROUNDTREE - Judge BURKE 11Oct2007
USBank NA v. VILLARUEL - Judge KURTZ 01Feb2008

24. Wells Fargo Bank NA v. HAMPTON - Judge KURTZ 03 Jan2008

25. Wells Fargo, Litton Loan v. Farmer WITH PREJUDICE Judge Schack June2008

26. Wells Fargo v. Reyes WITH PREJUDICE, Fraud on Court & Sanctions Judge Schack June2008

27. Deutsche Bank v. Peabody Judge Nolan (Regulation Z) Indymac Bank,FSB v. Boyd - Schack J. January 2009

28. Indymac Bank, FSB v. Bethley - Schack, J. February 2009 (The tale of many hats)

29. LaSalle Bank Natl. Assn. v Ahearn - Appellate Division, Third Department (Pro Se)

30. NEW JERSEY COURT DISMISSES FORECLOSURE FILED BY DEUTSCHE BANK FOR FAILURE TO PRODUCE THE NOTE

31. Whittiker v. Deutsche (MEMORANDUM IN OPPOSITION TO DEFENDANTS' MOTIONS TO DISMISS*)* Whittiker (PLAINTIFFS' OBJECTIONS TO REPORT AND RECOMMENDATION) Whittiker (DEFENDANT WELTMAN, WEINBERG & REIS CO., LPA'S RESPONSE TO PLAINTIFFS' OBJECTIONS TO REPORT AND RECOMMENDATION) Whittiker (RESPONSE TO PLAINTIFFS' OBJECTIONS TO MAGISTRATE JUDGE PEARSON'S REPORT AND RECOMMENDATION TO GRANT ITS MOTION TO DISMISS)

32. Novastar v. Snyder * *(lack of standing)* Snyder *(motion to amend w/prejudice)* Snyder *(response to amend)*

33. Washington Mutual v. City of Cleveland *(WAMU's motion to dismiss)*

34. 2008-Ohio-1177; DLJ Mtge. Capital, Inc. v. Parsons (*SJ Reversed for lack of standing*)

35. Everhome v. Rowland

36. Deutsche - Class Action (RICO) Bank of New York v. TORRES – Judge COSTELLO 1 1Mar2008

37. Deutsche Bank Answer Whittiker
38. Manley Answer Whittiker
39. Justice Arthur M. Schack
40. Judge Holschuh- Show cause

41. Judge Holschuh- Dismissals

42. Judge Boyko's Deutsche Bank Foreclosures

43. Rose Complaint for Foreclosure | Rose Dismissals

44. O'Malley Dismissals

45. City Of Cleveland v. Banks

46. Dowd Dismissal

47. EMC can't find the note

48. Ocwen can't find the note

49. US Bank can't find the Note

50. US Bank - No Note

51. Key Bank - No Note

52. Wells Fargo - Defective pleading

53. Complaint in Jack v. MERS, Citi, Deutsche

54. GMAC v. Marsh

55. Massachusetts : Robin Hayes v. Deutsche Bank

56. Florida: Deutsche Bank's Summary Judgment Denied

57. Texas: MERS v. Young / 2nd Circuit Court of Appeals - PANEL: LIVINGSTON,

DAUPHINOT, and MCCOY, JJ.

58. Nevada: MERS crushed: In re Mitchell

59. "Neither, as included in its powers not incidental to them, is it a part of a bank's business to lend its credit. If a bank could lend its credit as well as its money, it might, if it received compensation and was careful to put its name only to solid paper, make a great deal more than any lawful interest on its money would amount to. If not careful, the power would be the mother of panics, . . . Indeed, lending credit is the exact opposite of lending money, which is the real business of a bank, for while the latter creates a liability in favor of the bank, the former gives rise to a liability of the bank to another. *I Morse. Banks and Banking* 5th Ed. Sec 65; *Magee, Banks and Banking*, 3rd Ed. Sec 248." American Express Co. v. Citizens State Bank, 194 NW 429.

60. "It is not within those statutory powers for a national bank, even though solvent, to lend its credit to another in any of the various ways in which that might be done." Federal Intermediate Credit Bank v. L 'Herrison, 33 F 2d 841, 842 (1929).

61. "There is no doubt but what the law is that a national bank cannot lend its credit or become an accommodation endorser." National Bank of Commerce v. Atkinson, 55 E 471.

62. "A promise to pay cannot, by argument, however ingenious, be made the equivalent of actual payment ..." Christensen v. Beebe, 91 P 133, 32 Utah 406.

63. "A bank is not the holder in due course upon merely crediting the depositors account." Bankers Trust v. Nagler, 229 NYS 2d 142, 143.

64. "A check is merely an order on a bank to pay money." Young v. Hembree, 73 P2d 393

65. "Any false representation of material facts made with knowledge of falsity and with intent that it shall be acted on by another in entering into contract, and which is so acted upon, constitutes 'fraud,' and entitles party deceived to avoid contract or recover damages." Barnsdall Refining Corn. v. Birnam Wood Oil Co. 92 F 26 817.

66. "Any conduct capable of being turned into a statement of fact is representation. There is no distinction between misrepresentations effected by words and misrepresentations effected by other acts." Leonard v. Springer 197 Ill 532. 64 NE 301.

67. "If any part of the consideration for a promise be illegal, or if there are several considerations for an unseverable promise one of which is illegal, the promise, whether written or oral, is wholly void, as it is impossible to say what part or which one of the considerations induced the promise." Menominee River Co. v. Augustus Spies L & C Co.,147 Wis 559-572; 132 NW 1122.

68. "The contract is void if it is only in part connected with the illegal transaction and the promise single or entire." Guardian Agency v. Guardian Mut. Savings Bank, 227 Wis 550, 279 NW 83.

69. "It is not necessary for recission of a contract that the party making the misrepresentation should have known that it was false, but recovery is allowed even though misrepresentation is innocently made, because it would be unjust to allow one who made false representations, even innocently, to retain the fruits of a bargain induced by such representations." Whipp v. Iverson, 43 Wis 2d 166.

70. "Each Federal Reserve bank is a separate corporation owned by commercial banks in its region ..." Lewis v. United States, 680 F 20 1239 (1982).

71. *LYNN E. SZYMONIAK, Plaintiffs, vs. AMERICAN HOME MORTGAGE SERVICING et al.,Defendants. September 20th, 2013*

72. *Carpenter v. Longan*, 83 U.S. 271, 16 Wall. 271, 21 L.Ed. 313 (1872

According to the Federal Reserve Banks' own book of Richmond, Va. titled "YOUR MONEY" page seven, **"...demand deposit accounts are not legal tender..."** If a promissory note is legal tender, the bank must accept it to discharge the mortgage note. The bank changed the currency from the money deposited, (mortgage note) to check book money (liability the bank owes for the mortgage note deposited) forcing us to labor to pay interest on the equity, in real property (real estate) the bank received for free. This cost was not disclosed in **NOTICE TO CUSTOMER REQUIRED BY FEDERAL LAW, Federal Reserve Regulation Z.**

When a bank says they gave you credit, they mean they credited your transaction account, leaving you with the presumption that they deposited other depositors money in the account. The fact is they deposited your money (mortgage note). The bank cannot claim they own the mortgage note until they loan you their money. If bank deposits your money, they are to credit a Demand Deposit Account under your name, so you can write checks and spend your money. In this case they claim your money is their money. Ask a criminal attorney what happens in a fraudulent conversion of your funds to the bank's use and benefit, without your signature or authorization.

What the banks could not win voluntarily, through deception they received for free. Several presidents, John Adams, Thomas Jefferson, and Abraham Lincoln believed that banker capitalism was more dangerous to our liberties than standing armies. U.S. President James A. Garfield said, "Whoever controls the money in any country is absolute master of industry and commerce."

The Chicago Federal Reserve Bank's book,"Modern Money Mechanics", explains exactly how the banks expand and contract the checkbook money supply forcing people into foreclosure. This could never happen if contracts were not violated and if we received equal protection under the law of Contract.

LOGIC AS EVIDENCE

The check was written without deducting funds from Savings Account or Certificate of Deposit

allowing the mortgage note to become the new pool of money owed to Demand Deposit Account, Savings Account, Certificate of Deposit with Demand Deposit, Savings Account, and/or Certificate of Deposit increasing by the amount of the mortgage note. In this case the bankers sell the mortgage note for Federal Reserve Bank Notes or other assets while still owing the liability for the mortgage note sold and without the bank giving up any- Federal Reserve Bank Notes.

If the bank had to part with Federal Reserve Bank Notes, and without the benefit of checks to hide the fraudulent conversion of the mortgage note from which it issues the check, the bank fraud would be exposed.

Federal Reserve Bank Notes are the only money called legal tender. If only Federal Reserve Bank Notes are deposited for the credit to Demand Deposit Account- Savings Account, Certificate of Deposit, and if the bank wrote a check for the mortgage note, the check then transfers Federal Reserve Bank Notes and the bank gives the borrower a bank asset. There is no increase in the check book money supply that exists in the loan process.

The bank policy is to increase bank liabilities; Demand Deposit Account, Savings Account, Certificate of Deposit, by the mortgage note. If the mortgage note is money, then the bank never gave up a bank asset. The bank simply used fraudulent conversion of ownership of the mortgage note. The bank cannot own the mortgage note until the bank fulfills the contract.

The check is not the money; the money is the deposit that makes the check good. In this case, the mortgage note is the money from which the check is issued. Who owns the mortgage note when the mortgage note is deposited? The borrower owns the mortgage note because the bank never paid money for the mortgage note and never loaned money (bank asset). The bank simply claimed the bank owned the mortgage note without paying for it and deposited the mortgage note from which the check was issued. This is fraudulent conversion. The bank risked nothing! Not even one penny was invested. They never took money out of any account, in order to own the mortgage note, as proven by the bookkeeping entries, financial ratios, the balance sheet, and of course the bank's literature. The bank simply never complied with the contract.

If the mortgage note is not money, then the check is check kiting and the bank is insolvent and the bank still never paid. If the mortgage note is money, the bank took our money without showing the deposit, and without paying for it, which is fraudulent conversion. The bank claimed it owned the mortgage note without paying for it, then sold the mortgage note, took the cash and never used the cash to pay the liability it owed for the check the bank issued. The liability means that the bank still owes the money. The bank must return the mortgage note or the cash it received in the sale, in order to pay the liability. Even if the bank did this, the bank still never loaned us the bank's money, which is what 'loan' means. The check is not money but merely an order to pay money. If the mortgage note is money then the bank must pay the check by returning the mortgage note.

The only way the bank can pay Federal Reserve Bank Notes for the check issued is to sell the mortgage note for Federal Reserve Bank Notes. Federal Reserve Bank Notes are non-redeemable in violation of the UCC. The bank forces us to trade in non-redeemable private bank notes of

which the bank refuses to pay the liability owed. When we present the Federal Reserve Bank Notes for payment the bank just gives us back another Federal Reserve Bank Note which the bank paid 2 1/2 cents for per bill regardless of denomination.

What a profit for the bank!

The check issued can only be redeemed in Federal Reserve Bank Notes, which the bank obtained by selling the mortgage note that they paid nothing for.
The bank forces us to trade in bank liabilities, which they never redeem in an asset. We the people are forced to give up our assets to the bank for free, and without cost to the bank. This is fraudulent conversion making the contract, which the bank created with their policy of bookkeeping entries, illegal and the alleged contract null and void. The bank has no right to the mortgage note or to a lien on the property, until the bank performs under the contract. The bank had less than ten percent of Federal Reserve Bank Notes to back up the bank liabilities in Demand Deposit Account, Savings Account, or Certificate of Deposit's. A bank liability to pay money is not money. When we try and repay the bank in like funds (such as is the banks policy to deposit from which to issue checks) they claim it is not money. The bank's confusing and deceptive trade practices and their alleged contracts are unconscionable.

SUMMARY OF DAMAGES
The bank made the alleged borrower a depositor by depositing a $100,000 negotiable instrument, which the bank sold or had available to sell for approximately $100,000 in legal tender. The bank did not credit the borrower's transaction account showing that the bank owed the borrower the $100,000. Rather the bank claimed that the alleged borrower owed the bank the $100,000, then placed a lien on the borrower's real property for $100,000 and demanded loan payments or the bank would foreclose.

The bank deposited a non-legal tender negotiable instrument and exchanged it for another non legal tender check, which traded like money, using the deposited negotiable instrument as the money deposited. The bank changed the currency without the borrower's authorization. First by depositing non legal tender from which to issue a check (which is non-legal tender) and using the negotiable instrument (your mortgage note), to exchange for legal tender, the bank needed to make the check appear to be backed by legal tender. No loan ever took place.

Damages exist in that the bank refuses to loan their money. The bank denies the alleged borrower equal protection under the law and contract, by merely exchanging one currency for another and refusing repayment in the same type of currency deposited. The bank refused to fulfill the contract by not loaning the money, and by the bank refusing to be repaid in the same currency, which they deposited as an exchange for another currency. A debt tender offered and refused is a debt paid to the extent of the offer. The bank has no authorization to alter the alleged contract and to refuse to perform by not loaning money, by changing the currency and then refusing repayment in what the bank has a written policy to deposit.
The seller of the home received a check. The money deposited for the check issued came from the borrower not the bank. The bank has no right to the mortgage note until the bank performs by loaning the money.

In the transaction the bank was to loan legal tender to the borrower, in order for the bank to secure a lien. The bank never made the loan, but kept the mortgage note the alleged borrower signed. This allowed the bank to obtain the equity in the property (by a lien) and transfer the wealth of the property to the bank without the bank's investment, loan, or risk of money. Then the bank receives the alleged borrower's labor to pay principal and Usury interest. What the people owned or should have owned debt free, the bank obtained ownership in, and for free, in exchange for the people receiving a debt, paying interest to the bank, all because the bank refused to loan money and merely exchanged one currency for another. This places you in perpetual slavery to the bank because the bank refuses to perform under the contract. The lien forces payment by threat of foreclosure. The mail is used to extort payment on a contract the bank never fulfilled.

If the bank refuses to perform, then they must return the mortgage note. If the bank wishes to perform, then they must make the loan. The past payments must be returned because the bank had no right to lien the property and extort interest payments. The bank has no right to sell a mortgage note for two reasons. The mortgage note was deposited and the money withdrawn without authorization by using a forged signature and; two, the contract was never fulfilled. The bank acted without authorization and is involved in a fraud thereby damaging the alleged borrower.

Excerpts From "Modem Money Mechanics" Pages 3 & 6

What Makes Money Valuable? In the United States neither paper currency nor deposits have value as commodities. Intrinsically, a dollar bill is just a piece of paper, deposits merely book entries. Coins do have some intrinsic value as metal, but generally far less than face value.

Then, bankers discovered that they could make loans merely by giving their promises to pay, or bank notes, to borrowers, in this way, banks began to create money. More notes could be issued than the gold and coin on hand because only a portion of the notes outstanding would be presented for payment at any one time. Enough metallic money had to be kept on hand, of course, to redeem whatever volume of notes was presented for payment.

Transaction deposits are the modem counterpart of bank notes. It was a small step from printing notes to making book entries crediting deposits of borrowers, which the borrowers in turn could "spend" by writing checks, thereby "printing" their own money.

Notes, exchange just like checks.

How do open market purchases add to bank reserves and deposits? Suppose the Federal Reserve System, through its trading desk at the Federal Reserve Bank of New York, buys $10,000 of Treasury bills from a dealer in U.S. government securities. In today's world of Computer financial transactions, the Federal Reserve Bank pays for the securities with an "electronic" check drawn on itself. Via its "Fedwire" transfer network, the Federal Reserve notifies the dealer's designated bank (Bank A) that payment for the securities should be credited to (deposited in) the dealer's account at Bank A. At the same time, Bank A's reserve account at the Federal Reserve is credited for the amount of the securities purchased. The Federal Reserve System has added $10,000 of securities to its assets, which it has paid for, in effect, by creating a

liability on itself in the form of bank reserve balances. These reserves on Bank A's books are matched by $10,000 of the dealer's deposits that did not exist before.

If business is active, the banks with excess reserves probably will have opportunities to loan the $9,000. Of course, they do not really pay out loans from money they receive as deposits. If they did this, no additional money would be created. What they do when they make loans is to accept promissory notes in exchange for credits to tile borrower's transaction accounts. Loans (assets) and deposits (liabilities) both rise by $9,000. Reserves are unchanged by the loan transactions. But the deposit credits constitute new additions to the total deposits of the banking system.

PROOF BANKS DEPOSIT NOTES AND ISSUE BANK CHECKS. THE CHECKS ARE ONLY AS GOOD AS THE PROMISSORY NOTE. NEARLY ALL BANK CHECKS ARE CREATED FROM PRIVATE NOTES. FEDERAL RESERVE BANK NOTES ARE A PRIVATE CORPORATE NOTE (Chapter 48, 48 Stat 112) WE USE NOTES TO DISCHARGE NOTES.

Excerpt from booklet Your Money, page 7: Other M1 Money
While demand deposits, traveler's checks, and interest-bearing accounts with unlimited checking authority are not legal tender, they are usually acceptable in payment for purchases of goods and services.

73. In a Debtor's RICO action against its creditor, alleging that the creditor had collected an unlawful debt, an interest rate (where all loan charges were added together) that exceeded, in the language of the RICO Statute, "twice the enforceable rate." The Court found no reason to impose a requirement that the Plaintiff show that the Defendant had been convicted of collecting an unlawful debt, running a "loan sharking" operation. The debt included the fact that exaction of a usurious interest rate rendered the debt unlawful and that is all that is necessary to support the Civil RICO action. Durante Bros. & Sons, Inc. v. Flushing Nat 'l Bank. 755 F2d 239, Cert. denied, 473 US 906 (1985).

74. The Supreme Court found that the Plaintiff in a civil RICO action need establish only a criminal "violation" and not a criminal conviction. Further, the Court held that the Defendant need only have caused harm to the Plaintiff by the commission of a predicate offense in such a way as to constitute a "pattern of Racketeering activity." That is, the Plaintiff need not demonstrate that the Defendant is an organized crime figure, a mobster in the popular sense, or that the Plaintiff has suffered some type of special Racketeering injury; all that the Plaintiff must show is what the Statute specifically requires. The RICO Statute and the civil remedies for its violation are to be liberally construed to effect the congressional purpose as broadly formulated in the Statute. Sedima, SPRL v. Imrex Co., 473 US 479 (1985).

DEFINITIONS TO KNOW WHEN EXAMINING A BANK CONTRACT

BANK ACCOUNT: A sum of money placed with a bank or banker, on deposit, by a customer, and subject to be drawn out on the latter's check.

BANK: whose business it is to receive money on deposit, cash checks or drafts, discount commercial paper, make loans and issue promissory notes payable to bearer, known as bank notes.
BANK CREDIT: A credit with a bank by which, on proper credit rating or proper security given to the bank, a person receives liberty to draw to a certain extent agreed upon.
BANK DEPOSIT: Cash, checks or drafts placed with the bank for credit to depositor's account. Placement of money in bank, thereby, creating contract between bank and depositors.
DEMAND DEPOSIT: The right to withdraw deposit at any time.
BANK DEPOSITOR: One who delivers to, or leaves with a bank a sum of money subject to his order.
BANK DRAFT: A check, draft or other form of payment.
BANK OF ISSUE: Bank with the authority to issue notes which are intended to circulate as currency.
LOAN: Delivery by one party to, and receipt by another party, a sum of money upon agreement, express or implied, to repay it with or without interest.

CONSIDERATION: The inducement to a contract. The cause, motive, price or impelling influences, which induces a contracting, party to enter into a contract. The reason, or material cause of a contract.
CHECK: A draft drawn upon a bank and payable on demand, signed by the maker or drawer, containing an unconditional promise to pay a certain sum in money to the order of the payee. The Federal Reserve Board defines a check as, *"...a draft or order upon a bank or banking house purporting to be drawn upon a deposit of funds for the payment at all events of, a certain sum of money to a certain person therein named, or to him or his order, or to bearer and payable instantly on demand of."*

JUDGE MARTIN MAHONEY DECISION AS FOLLOWS

"For the Justice's fees, the First National Bank deposited @ the Clerk of the District Court the two Federal Reserve Bank Notes. The Clerk tendered the Notes to me (the Judge). As Judge my sworn duty compelled me to refuse the tender. This is contrary to the Constitution of the United States. The States have no power to make bank notes a legal tender. Only gold and silver coin is a lawful tender." (See American Jurist on Money 36 sec.13.)

"Bank Notes are a good tender as money unless specifically objected to. Their consent and usage is based upon the convertibility of such notes to coin at the pleasure of the holder upon presentation to the bank for redemption. When the inability of a bank to redeem its notes is openly avowed they instantly lose their character as money and their circulation as currency ceases." (See American Jurist 36-section 9). "There is no lawful consideration for these Federal Reserve Bank Notes to circulate as money. The banks actually obtained these notes for cost of printing - A lawful consideration must exist for a Note. As a matter of fact, the "Notes" are not Notes at all, as they contain no promise to pay." (See 17 American Jurist section 85, 215) "The activity of the Federal Reserve Banks of Minnesota, San Francisco and the First National Bank of Montgomery is contrary to public policy and contrary to the Constitution of the United States, and constitutes an unlawful creation of money, credit and the obtaining of money and credit for no valuable consideration.

Activity of said banks in creating money and credit is not warranted by the Constitution of the United States." "The Federal Reserve Banks and National Banks exercise an exclusive monopoly and privilege of creating credit and issuing Notes at the expense of the public which does not receive a fair equivalent. This scheme is obliquely designed for the benefit of an idle monopoly to rob, blackmail, and oppress the producers of wealth. "The Federal Reserve Act and the National Bank Act are, in their operation and effect, contrary to the whole letter and spirit of the Constitution of the United States, for they confer an unlawful and unnecessary power on private parties; they hold all of our fellow citizens in dependence; they are subversive to the rights and liberation of the people." "These Acts have defiled the lawfully constituted Government of the United States. The Federal Reserve Act and the National Banking Act are not necessary and proper for carrying into execution the legislative powers granted to Congress or any other powers vested in the Government of the United States, but on the contrary, are subversive to the rights of the People in their rights to life, liberty, and property." (See Section 462 of Title 31 U. S. Code).

"The meaning of the Constitutional provision, 'NO STATE SHALL make anything but Gold and Silver Coin a legal tender ' payment of debts' is direct, clear, unambiguous and without any qualification. This Court is without authority to interpolate any exception. My duty is simply to execute it, as and to pronounce the legal result. From an examination of the case of Edwards v. Kearsey, Federal Reserve Bank Notes (fiat money) which are attempted to be made a legal tender, are exactly what the authors of the Constitution of the United States intend to prohibit. No State can make these Notes a legal tender. Congress is incompetent to authorize a State to make the Notes a legal tender. For the effect of binding Constitution provisions see Cooke v. Iverson. This fraudulent Federal Reserve System and National Banking System has impaired the obligation of Contract promoted disrespect for the Constitution and Law and has shaken society to its foundation." (See 96 U.S. Code 595 and 108 M 388 and 63 M 147)

"Title 31, U.S. Code, Section 432, is in direct conflict with the Constitution insofar, at least, that it attempts to make Federal Reserve Bank Notes a legal tender. The Constitution is the Supreme Law of the Land. Section 462 of Title 31 is not a law, which is made in pursuance of the Constitution. It is unconstitutional and void, and I so hold. Therefore, the two Federal Reserve Bank Notes are Null and Void for any lawful purpose in so far as this case is concerned and are not a valid deposit of $2.00 with the Clerk of the District Court for the purpose of effecting an Appeal from this Court to the District Court." "However, of these Federal Reserve Bank Notes, previously discussed, and that is that the Notes are invalid; because of a theory that they are based upon a valid, adequate or lawful consideration. At the hearing scheduled for January 22, 1969, at 7:00 P.M., Mr. Morgan appeared at the trial; he appeared as a witness to be candid, open, direct, experienced and truthful. He testified to years of experience with the Bank of America in Los Angeles, the Marquette National Bank of Minnesota and the First National Bank of Minnesota. He seemed to be familiar with the operation of the Federal Reserve System. He freely admitted that his Bank created all of the money and credit upon its books with which it acquired the Note and Mortgage of May 8, 1964. The credit first came into existence when the Bank created it upon its books. Further, he freely admitted that no United States Law gave the Bank the authority to do this. This was obviously no lawful consideration for the Note.

The Bank parted with absolutely nothing except a little ink. In this case, the evidence was on January 22, 1969 that the Federal Reserve Bank obtained the Notes for this seems to be conferred by Title 12 USC Section 420. The cost is about 9/10th of a cent per Note regardless of the amount of the Note. The Federal Reserve Banks create all of the money and credit upon their books by bookkeeping entries by which they acquire United States Securities. The collateral required to obtain the Note is, by section 412 USC, Title 12, a deposit of a like amount of bonds. Bonds which the Banks acquire by creating money and credit by bookkeeping entry."

"No rights can be acquired by fraud. The Federal Reserve Bank Notes are acquired through the use of unconstitutional statutes and fraud." "The Common Law requires a lawful consideration for any contract or Note. These Notes are void for failure at a lawful consideration at Common Law, entirely apart from any Constitutional consideration. Upon this ground, the Notes are ineffectual for any purpose. This seems to be the principal objection to paper fiat money and the cause of its depreciation and failure down through the ages. If allowed to continue, Federal Reserve Bank Notes will meet the same fate. From the evidence introduced on January 22, 1969, this Court finds that as of March 18, 1969, all Gold and Silver backing is removed from Federal Reserve Bank Notes." "The law leaves wrongdoers where it finds them. (See I Mer. Jur 2nd on Actions Section 550)."Slavery and all its incidents, including Peonage, thralldom, and debt created by fraud is universally prohibited in the United States. This case represents but another refined form of Slavery by the Bankers. Their position is not supported by the Constitution of the United States. The People have spoken their will in terms, which cannot be misunderstood. It is indispensable to the preservation of the Union and independence and liberties of the people that this Court, adhere only to the mandate of the Constitution and administer it as it is written. I, therefore, hold these Notes in question void and not effectual for any purpose." (4) January 30, 1969

Judge Martin V. Mahoney
Justice of the Peace Credit River Township

CREDIT LOANS AND VOID CONTRACTS PERFECT OBLIGATION AS TO A HUMAN BEING AS TO A BANK

Furthermore, this Memorandum of law is offered in order to advance understanding of the complex legal issues, present and embodied in the Common Law, with authorities, law and cases in support of, which will constitute the following facts:

Privately owned banks are making loans of "credit" with the intended purpose of circulating "credit" as "money". Other financial institutions and individuals may "launder" bank credit that they receive directly or indirectly from privately owned banks. This collective activity is unconstitutional, unlawful, in violation of Common Law, U.S. Code and the principles of equity. Such activity and underlying contracts have long been held void, by State Courts, Federal Courts and the U.S. Supreme Court. This Memorandum will demonstrate through authorities and established common law, that credit "money creation" by privately owned bank corporations is not really "money creation" at all. It is the trade specialty and artful illusion of law merchants, which use old-time trade secrets of the Goldsmiths, to entrap the borrower and unjustly enrich the lender through usury and other unlawful techniques. Issues based on law and the principles of equity, which are within the jurisdiction of this Court, will be addressed.

THE GOLDSMITHS

In his book, *Money and Banking* (8th Edition, 1984), Professor David R. Kamerschen writes on pages 56 -63: "The first bankers in the modern sense were the goldsmiths, who frequently accepted bullion and coins for storage ... One result was that the goldsmiths temporarily could lend part of the gold left with them . . . These loans of their customers' gold were soon replaced by a revolutionary technique. When people brought in gold, the goldsmiths gave them notes promising to pay that amount of gold on demand. The notes, first made payable to the order of the individual, were later changed to bearer obligations. In the previous form, a note payable to the order of Jebidiah Johnson would be paid to no one else unless Johnson had first endorsed the note ... But notes were soon being used in an unforeseen way. The note holders found that, when they wanted to buy something, they could use the note itself in payment more conveniently and let the other person go after the gold, which the person rarely did . . .The specie, then tended to remain in the goldsmiths' vaults. . . . The goldsmiths began to realize that they might profit handsomely by issuing somewhat more notes than the amount of specie they held. . . These additional notes would cost the goldsmiths nothing except the negligible cost of printing them, yet the notes provided the goldsmiths with funds to lend at interest . . . .And they were to find that the profitability of their lending operations would exceed the profit from their original trade. The goldsmiths became bankers as their interest in manufacture of gold items to sell was replaced by their concern with credit policies and lending activities . . .

They discovered early that, although an unlimited note issue would be unwise, they could issue notes up to several times the amount of specie they held. The key to the whole operation lay in the public's willingness to leave gold and silver in the bank's vaults and use the bank's notes. This discovery is the basis of modern banking. On page 74, Professor Kamerschen further explains the evolution of the credit system: "Later the goldsmiths learned a more efficient way to put their

credit money into circulation. They lent by issuing additional notes, rather than by paying out in gold. In exchange for the interest-bearing note received from their customer (in effect, the loan contract), they gave their own non-interest bearing note. Each was actually borrowing from the other ... The advantage of the later procedure of lending notes rather than gold was that . . . more notes could be issued if the gold remained in the vaults ... Thus, through the principle of bank note issuance, *banks learned to create money in the form of their own liability*." [Emphasis Added]

MODERN MONEY MECHANICS

Another publication which explains modern banking as learned from the Goldsmiths is *Modern Money Mechanics* (5th edition 1992), published by the Federal Reserve Bank of Chicago which states beginning on page 3: "It started with the goldsmiths ..." At one time, bankers were merely middlemen. They made a profit by accepting gold and coins brought to them for safekeeping and lending the gold and coins to borrowers. But the goldsmiths soon found that the receipts they issued to depositors were being used as a means of payment. 'Then, bankers discovered that they could make loans merely by giving borrowers their promises to pay, or bank notes... In this way, banks began to create money ... Demand deposits are the modern counterpart of bank notes . . . It was a small step from printing notes to making book entries to the credit of borrowers which the borrowers, in turn, could 'spend' by writing checks, thereby printing *their own* money." [Emphasis added]

Walker F Todd Affidavit, 20 years as attorney and legal officer of Federal Reserve Bank

of New York and Cleveland supported the facts contained in Modern Money Mechanics.

HOW BANKS CREATE MONEY

In the modern sense, banks create money by creating "demand deposits." Demand deposits are merely "book entries" that reflect how much lawful money the bank owes its customers. Thus, all deposits are called demand deposits and are the bank's liabilities. The bank's assets are the vault cash plus all the "IOUs" or promissory notes that the borrower signs when they borrow either money or credit. When a bank lends its cash (legal money), it loans its assets, but when a bank lends its "credit" it lends its liabilities. The lending of credit is, therefore, the exact opposite of the lending of cash (legal money).

At this point, we need to define the meaning of certain words like "lawful money", "legal tender", "other money" and "dollars". The terms "Money" and "Tender" had their origins in Article 1, Sec. 8 and Article 1, Sec. 10 of the *Constitution of the United States*. 12 U.S.C. §152 refers to "gold and silver coin as lawful money of the United States" and was unconstitutionally repealed in 1994 in that Congress **can not delegate** any portion of their constitutional responsibility without Amendment. The term "legal tender" was originally cited in 31 U.S.C.A. §392 and is now re-codified in 31 U.S.C.A. §5103 which states: "United States coins and currency . . . are legal tender for all debts, public charges, taxes, and dues." The common denominator in both "lawful money" and "legal tender money" is that the United States Government issues both.

With Bankers, however, we find that there are two forms of money - one is government- issued, and privately owned banks such as WASHINGTON MUTUAL, and JP MORGAN CHASE, issue the other. As we have already discussed government issued forms of money, we must now scrutinize privately issued forms of money.

All privately issued forms of money today are based upon the liabilities of the issuer. There are three common terms used to describe this privately created money. They are "credit", "demand deposits" and "checkbook money". In the Sixth edition of Blacks Law Dictionary, p.367 under the term "Credit" the term "Bank credit" is described as: "Money bank owes or will lend a individual or person". It is clear from this definition that "Bank credit" which is the "money bank owes" is the bank's liability. The term "checkbook money" is described in the book *"I Bet You Thought"*, published by the privately owned Federal Reserve Bank of New York, as follows: "Commercial banks create checkbook money whenever they grant a loan, simply by adding deposit dollars to accounts on their books to exchange for the borrowers IOU . . . ." The word "deposit" and "demand deposit" both mean the same thing in bank terminology and refer to the bank's liabilities.

For example, the Chicago Federal Reserves publication, *"Modern Money Mechanics"* states: "Deposits are merely book entries ... Banks can build up deposits by increasing loans ... Demand deposits are the modern counterpart of bank notes. It was a small step from printing notes to making book entries to the credit of borrowers which the borrowers, in turn, could 'spend' by writing checks. Thus, it is demonstrated in "Modern Money Mechanics" how, under the practice of fractional reserve banking, a deposit of $5,000 in cash could result in a loan of credit/checkbook money/demand deposits of $100,000 if reserve ratios set by the Federal Reserve are 5% (instead of 10%).

In a practical application, here is how it works. If a bank has ten people who each deposit $5,000 (totaling $50,000) in cash (legal money) and the bank's reserve ratio is 5%, then the bank will lend twenty times this amount, or $1,000,000 in "credit" money. What the bank has actually done, however, is to write a check or loan its credit with the intended purpose of circulating credit as "money." Banks know that if all the people who receive a check or credit loan come to the bank and demand cash, the bank will have to close its doors because it doesn't have the cash to back up its check or loan. The bank's check or loan will, however, pass as money as long as people have confidence in the illusion and don't demand cash. Panics are created when people line up at the bank and demand cash (legal money), causing banks to fold as history records in several time periods, the most recent in this country was the panic of 1933.

DIFFERENT KINDS OF DOLLARS

The dollar once represented something intrinsically valuable made from gold or silver. For example, in 1792, Congress defined the silver dollar as a silver coin containing 371.25 grains of pure silver. The legal dollar is now known as "United States coins and currency." However, the Banker's dollar has become a unit of measure of a different kind of money. Therefore, with Bankers there is a "dollar" of coins and a dollar of cash (legal money), a "dollar" of debt, a "dollar" of credit, a "dollar" of checkbook money or a "dollar" of checks. When one refers to a dollar spent or a dollar loaned, he should now indicate what kind of "dollar" he is talking about, since Bankers have created so many different kinds.

A dollar of bank "credit money" is the exact opposite of a dollar of "legal money". The former is a liability while the latter is an asset. Thus, it can be seen from the earlier statement quoted from *I Bet You Thought*, that money can be privately issued as: "Money doesn't have to ... be issued by a government or be in any special form." It should be carefully noted that banks that issue and lend privately created money demand to be paid with government issued money. However, payment in like kind under natural equity would seem to indicate that a debt created by a loan of privately created money can be paid with other privately created money, without regard for "any special form" as there are no statutory laws to dictate how either private citizens or banks may create money.

BY WHAT AUTHORITY?

By what authority do state and national banks, as privately owned corporations, create money by lending their credit --or more simply put - by writing and passing "bad" checks and "credit" loans as "money"? Nowhere can a law be found that gives banks the authority to create money by lending their liabilities.

Therefore, the next question is, if banks are creating money by passing bad checks and lending their credit, where is their authority to do so? From their literature, banks claim these techniques were learned from the trade secrets of the Goldsmiths. It is evident, however, that money creation by private banks is not the result of powers conferred upon them by government, but rather the artful use of long held "trade secrets." Thus, unlawful money creation is not being done by banks as corporations, but unlawfully by bankers.

Article I, Section 10, para. 1 of the *Constitution of the United States of America* specifically states that no state shall "... coin money, emit bills of credit, make any thing but gold and silver coin a Tender in Payment of Debts, pass any Bill of Attainder, ex post facto Law, or Law impairing the Obligations of Contracts . . "[Emphasis added]

The states, which grant the Charters of state banks also, prohibit the emitting of Bills of credit by not granting such authority in bank charters. It is obvious that "We the people" never delegated to Congress, state government, or agencies of the state, the power to create and issue money in the form of checks, credit, or other "bills of credit." The Federal Government today does not authorize banks to emit, write, create, issue and pass checks and credit as money. But banks do, and get away with it! Banks call their privately created money nice sounding names, like "credit", "demand deposits", or "checkbook money". However, the true nature of "credit money" and "checks" does not change regardless of the poetic terminology used to describe them. Such money in common use by privately owned banks is illegal under Art. 1, Sec.10, para. 1 of the Constitution of the United States of America, as well as unlawful under the laws of the United States and of this State.

VOID "ULTRA VIRES" CONTRACTS

The courts have long held that when a corporation executes a contract beyond the scope of its charter or granted corporate powers, the contract is void or "ultra vires".

In *Central Transp. Co. v. Pullman* 139 U.S. 60, 11 S. Ct. 478, 35 L. Ed. 55, the court said: "A

contract *ultra vires* being unlawful and void, not because it is in itself immoral, but because the corporation, by the law of its creation, is incapable of making it, the courts, while refusing to maintain any action upon the unlawful contract, have always striven to do justice between the parties, so far as could be done consistently with adherence to law, by permitting property or money, parted with on the faith of the unlawful contract, to be recovered back, or compensation to be made for it. In such case, however, the action is not maintained upon the unlawful contract, nor according to its terms; but on an implied contract of the defendant to return, or, failing to do that, to make compensation for, property or money which it has no right to retain. To maintain such an action is not to affirm, but to disaffirm, the unlawful contract."

"When a contract is once declared ultra vires, the fact that it is executed · does not validate it, nor can it be ratified, so as to make it the basis of suitor action, nor does the doctrine of estoppel apply." *F& PR v. Richmond*, 133 SE 898; 151 Va 195.

"A national bank ... cannot lend its credit to another by becoming surety, indorser, or guarantor for him, such an act ; is ultra vires . . ." *Merchants' Bank v. Baird* 160 F 642.

THE QUESTION OF LAWFUL CONSIDERATION

The issue of whether the lender who writes and passes a "bad" check or makes a "credit" loan has a claim for relief against the borrower is easy to answer, providing the lender can prove that he gave a lawful consideration, based upon lawful acts. But did the lender give a lawful consideration? **To give a lawful consideration, the lender must prove that he gave the borrower lawful money such as coins or currency. Failing that, he can have no claim for relief in a court at law against the borrower as the lender's actions were ultra vires or void from the beginning of the transaction.**

It can be argued that "bad" checks or "credit" loans that pass as money are valuable; but so are counterfeit coins and currency that pass as money. It seems unconscionable that a bank would ask homeowners to put up a homestead as collateral for a "credit loan" that the bank created out of thin air. Would this court of law or equity allow a counterfeiter to foreclose against a person's home because the borrower was late in payments on an unlawful loan of counterfeit money? Were the court to do so, it would be contrary to all principles of law.

The question of valuable consideration in the case at bar, does not depend on any value imparted by the lender, but the false confidence instilled in the "bad" check or "credit" loan by the lender. In a court at law or equity, the lender has no claim for relief. The argument that because the borrower received property for the lender's "bad" check or "credit" loan gives the lender a claim for relief is not valid, unless the lender can prove that he gave lawful value. The seller in some cases who may be holding the "bad" check or "Credit" loan has a claim for relief against the lender or the borrower or both, but the lender has no such claim.

BORROWER RELIEF

Since we have established that the lender of unlawful or counterfeit money has no claim for relief under a void contract, the last question should be, does the borrower have a claim for relief against the lender? First, if it is established that the borrower has made no payments to the lender, then the borrower has no claim for relief against the lender for money damages. But the borrower has a claim for relief to void the debt he owes the lender for notes or obligations unlawfully created by an ultra vires contract for lending "credit" money.

The borrower, the Courts have long held, has a claim for relief against the lender to have the note, security agreement, or mortgage note the borrower signed declared null and void.

The borrower may also have claims for relief for breach of contract by the lender for not lending "lawful money" and for "usury" for charging an interest rate several times greater than the amount agreed to in the contract for any lawful money actually risked by the lender. For example, if on a $100,000 loan it can be established that the lender actually risked only $5,000 (5% Federal Reserve ratio) with a contract interest rate of 10%, the lender has then loaned $95,000 of "credit" and $5,000 of "lawful money". However, while charging 10% interest ($10,000) on the entire $100,000. The true interest rate on the $5,000 of "lawful money" actually risked by the lender is 200% which **violates Usury laws of this state.**

If no "lawful money" was loaned, then the interest rate is an infinite percentage. Such techniques the bankers say were learned from the trade secrets of the Goldsmiths. The Courts have repeatedly ruled that such contracts with borrowers are wholly void from the beginning of the transaction, because banks are not granted powers to enter into such contracts by either state or national charters.

ADDITIONAL BORROWER RELIEF

In Federal District Court the borrower may have additional claims for relief under "Civil RICO" Federal Racketeering laws (18 U.S.C. § 1964). The lender may have established a "pattern of racketeering activity" by using the U.S. Mail more than twice to collect an unlawful debt and the lender may be in violation of 18 U.S.C. §1341, 1343, 1961 and 1962.

The borrower has other claims for relief if he can prove there was or is a conspiracy to deprive him of property without due process of law under. (42 U.S.C. §1983 (Constitutional Injury), 1985 (Conspiracy) and 1986 ("Knowledge" and "Neglect to Prevent" a U.S. Constitutional Wrong), Under 18 U.S.C.A.§ 241 (Conspiracy) violators, "shall be fined not more than $10,000 or imprisoned not more than ten (10) years or both."

In a Debtor's RICO action against its creditor, alleging that the creditor had collected an unlawful debt, an interest rate (where all loan charges were added together) that exceeded, in the language of the RICO Statute, "twice the enforceable rate". The Court found no reason to impose a requirement that the Plaintiff show that the Defendant had been convicted of collecting an unlawful debt, running a "loan sharking" operation. The debt included the fact that exaction of a usurious interest rate rendered the debt unlawful and that is all that is necessary to support the Civil RICO action. Durante Bros. & Sons, Inc. v. Flushing Nat 'l Bank. 755 F2d 239, Cert. denied, 473 US 906 (1985).

The Supreme Court found that the Plaintiff in a civil RICO action, need establish only a criminal "violation" and not a criminal conviction. Further, the Court held that the Defendant need only have caused harm to the Plaintiff by the commission of a predicate offense in such a way as to constitute a "pattern of Racketeering activity." That is, the Plaintiff need not demonstrate that the Defendant is an organized crime figure, a mobster in the popular sense, or that the Plaintiff has suffered some type of special Racketeering injury; all that the Plaintiff must show is what the Statute specifically requires. The RICO Statute and the civil remedies for its violation are to be liberally construed to effect the congressional purpose as broadly formulated in the Statute. Sedima, SPRL v. Imrex Co., 473 US 479 (1985).

Aside from any legal obligation, there exists a societal and moral obligation enure to both the Plaintiff and the Defendant in that if you were to defuse a Bomb, and you completed the task 99% correct, you are still dead. Grantor believes that his position on the law is sound, but fears grievous repercussions throughout the financial community if he should prevail. The credit for money scheme is endemic throughout our society and could have devastating effects on the national economy.

Grantor believes that another approach may be explored as follows:

PERFECT OBLIGATION AS TO A HUMAN BEING

That which is borrowed is wealth. Labor created that wealth, so it is money notwithstanding its form. Consideration is promised in advance by the Promissor of the Note, in the nature of principal and interest payments for the consideration provided by the lender, which is his personal wealth created by his labor.

A Mortgage Note or Promissory Note secures the position of the lender and if there is default on the promise to pay then the borrower has agreed to accept the strict foreclosure remedy provided by state statutes.

Then the borrower obligated themselves to pay back the principal and pay for the use of it, in the form of interest for the years over which the principal is to be paid back. **When payments stop there is a prima facie injury to the lender**. When payments stop the lender has strict foreclosure procedure in state court to remedy the pay back of the balance of the principal.

Judgment to foreclose on the property is granted upon the mere proof that payments have ceased as promised. The property is sold to cover the unpaid balance; deficiency judgment may be needed. All is right with the world. Here the lender would be prejudiced if complete and swift remedy were not available. Absent such remedy the government would be party to placing the lender into a condition of involuntary servitude to the borrower.

PERFECT OBLIGATION AS TO A BANK

In years past banks and savings and loans institutions enjoyed the remedy outlined above. The reason was they were lending out money belonging to their depositors and there was prima facie injury to the depositors upon the mere proof that payments had ceased.
Thereby the bank as well as the government would be party to creating a condition of involuntary servitude upon the depositors if strict foreclosure remedy were not available. Today depositors are not in jeopardy of being injured when a person borrows money from a bank. The bank does not lend their money, only their credit in the amount of the loan (paper accounting). Hence no prima facie injury exists to either the depositors or the bank upon the mere proof that payments cease. Injury is based upon the payments made as to the credit line.

PERFECT OR IMPERFECT OBLIGATION

A perfect obligation is one recognized and sanctioned by positive law; one of which the fulfillment can be enforced by the aid of the law. But if the duty created by the obligation operates only on the moral sense, without being enforced by any positive law, it is called an "imperfect obligation," and creates no right of action, nor has it any legal operation. The duty of exercising gratitude, charity, and the other merely moral duties are examples of this kind of obligation. Edwards v. Keaney, 96 U.S. 595, 600, 24 L.Ed. 793.

Government approved the Federal Reserve Bank, Inc., as the Central Banking system for the United States, and it's policy is reviewed by Congress albeit, in a haphazard manner. The Federal Reserve authorizes its "private money" "Federal Reserve Bank Notes" to be used by lending

institutions such as member banks, to operate upon a system of fractionalizing. The nature of which is that they do not lend either their money or the money of the depositors, the money is created out of thin air, by the mere stroke of a pen. When there is no consideration in jeopardy of being returned, then the obligation is to make the bank injury proof, to the extent of the obligation, which would be to make them whole.

The only legal obligation is based upon the moral issue, which under the law is an Imperfect Obligation, to return to them their property, which isn't wealth, but credit. A Promissory Note is signed under "economic compulsion" when, the "loan" will not be consummated unless and until the borrower signs it. Thus, performing the act of signing a Promissory Note cannot be considered voluntary.

The discharging of the credit is based upon social, economic, and moral standards to make the bank whole, if injury is claimed, in any court action where default on the Promissory Note is on record and where the bank fails to verify an injury, the bank cannot enforce a promise to pay consideration where they provided no consideration. For the bank to be able to force upon the defendant an amount over and above the credit, is to force upon the defendants a debt that goes to the control of their labor against their will. This condition would be Peonage, which has been abolished in this country.
(42 U.S.C. § 1994, and 18 U.S.C. §1581.)

The question then arises as to when is the obligation discharged, to put the bank in a position, where there is no record of injury to it?

THE CASE IS CLEAR

Conspiracy against rights: If two or more persons conspire to injure, oppress, threaten, or intimidate any person in any State, Territory, Commonwealth, Possession, or District in the free exercise or enjoyment of any right or privilege secured to him by the Constitution or laws of the United States, or because of his having so exercised the same; or If two or more persons go in disguise on the highway, or on the premises of another, with intent to prevent or hinder his free exercise or enjoyment of any right or privilege so secured - They shall be fined under this title or imprisoned not more than ten years, or both; and if death results from the acts committed in violation of this section or if such acts include kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill, they shall be fined under this title or imprisoned for any term of years or for life, or both, or may be sentenced to death. [18, USC 241]

Deprivation of rights under color of law: Whoever, under color of any law, statute, ordinance, regulation, or custom, willfully subjects any person in any State, Territory, Commonwealth, Possession, or District to the deprivation of any rights, privileges, or immunities secured or protected by the Constitution or laws of the United States, or to different punishments, pains, or penalties, on account of such person being an alien, or by reason of his color, or race, than are prescribed for the punishment of citizens, shall be fined under this title or imprisoned not more than one year, or both; and if bodily injury results from the acts committed in violation of this section or if such acts include the use, attempted use, or threatened use of a dangerous weapon,

explosives, or fire, shall be fined under this title or imprisoned not more than ten years, or both; and if death results from the acts committed in violation of this section or if such acts include kidnapping or an attempt to kidnap, aggravated sexual abuse, or an attempt to commit aggravated sexual abuse, or an attempt to kill, shall be fined under this title, or imprisoned for any term of years or for life, or both, or may be sentenced to death. [18, USC 242]

Property rights of citizens: All citizens of the United States shall have the same right, in every State and Territory, as is enjoyed by white citizens thereof to inherit, purchase, lease, sell, hold, and convey real and personal property. [42 USC 1982]

Civil action for deprivation of rights: Every person who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory or the District of Columbia, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress, except that in any action brought against a judicial officer for an act or omission taken in such officer's judicial capacity, injunctive relief shall not be granted unless a declaratory decree was violated or declaratory relief was unavailable. For the purposes of this section, any Act of Congress applicable exclusively to the District of Columbia shall be considered to be a statute of the District of Columbia. [42 USC 1983]

Conspiracy to interfere with civil rights: Depriving persons of rights or privileges: If two or more persons in any State or Territory conspire or go in disguise on the highway or on the premises of another, for the purpose of depriving, either directly or indirectly, any person or class of persons of the equal protection of the laws, or of equal privileges and immunities under the laws; or for the purpose of preventing or hindering the constituted authorities of any State or Territory from giving or securing to all persons within such State or Territory the equal protection of the laws; or if two or more persons conspire to prevent by force, intimidation, or threat, any citizen who is lawfully entitled to vote, from giving his support or advocacy in a legal manner, toward or in favor of the election of any lawfully qualified person as an elector for President or Vice President, or as a Member of Congress of the United States; or to injure any citizen in person or property on account of such support or advocacy; in any case of conspiracy set forth in this section, if one or more persons engaged therein do, or cause to be done, any act in furtherance of the object of such conspiracy, whereby another is injured in his person or property, or deprived of having and exercising any right or privilege of a citizen of the United States, the party so injured or deprived may have an action for the recovery of damages occasioned by such injury or deprivation, against any one or more of the conspirators. [42 USC 1985(3)]

Action for neglect to prevent: Every person who, having knowledge that any of the wrongs conspired to be done, and mentioned in section 1985 of this title, are about to be committed, and having power to prevent or aid in preventing the commission of the same, neglects or refuses so to do, if such wrongful act be committed, shall be liable to the party injured, or his legal representatives, for all damages caused by such wrongful act, which such person by reasonable diligence could have prevented; and such damages may be recovered in an action on the case; and any number of persons guilty of such wrongful neglect or refusal may be joined as

defendants in the action; and if the death of any party be caused by any such wrongful act and neglect, the legal representatives of the deceased shall have such action therefore, and may recover not exceeding $5,000 damages therein, for the benefit of the widow of the deceased, if there be one, and if there be no widow, then for the benefit of the next of kin of the deceased. But no action under the provisions of this section shall be sustained which is not commenced within one year after the cause of action has accrued. [42 USC 1986]

COURT: The person and suit of the sovereign; the place where the sovereign sojourns with his regal retinue, wherever that may be. [Black's Law Dictionary, 5th Edition, page 318.]

COURT: An agency of the sovereign created by it directly or indirectly under its authority, consisting of one or more officers, established and maintained for the purpose of hearing and determining issues of law and fact regarding legal rights and alleged violations thereof, and of applying the sanctions of the law, authorized to exercise its powers in the course of law at times and places previously determined by lawful authority. [Isbill v. Stovall, Tex.Civ.App., 92 S.W.2d 1067, 1070; Black's Law Dictionary, 4th Edition, page 425]

COURT OF RECORD: To be a court of record a court must have four characteristics, and may have a fifth. They are:

a. A judicial tribunal having attributes and exercising functions independently of the person of the magistrate designated generally to hold it [Jones v. Jones, 188 Mo.App. 220, 175 S.W. 227, 229; Ex parte Gladhill, 8 Metc. Mass., 171, per Shaw, C.J. See, also, Ledwith v. Rosalsky, 244 N.Y. 406, 155 N.E. 688, 689] [Black's Law Dictionary, 4th Ed., 425, 426]

b. Proceeding according to the course of common law [Jones v. Jones, 188 Mo.App. 220, 175 S.W. 227, 229; Ex parte Gladhill, 8 Metc. Mass., 171, per Shaw, C.J. See, also, Ledwith v. Rosalsky, 244 N.Y. 406, 155 N.E. 688, 689] [Black's Law Dictionary, 4th Ed., 425, 426]

c. Its acts and judicial proceedings are enrolled, or recorded, for a perpetual memory and testimony. [3 Bl. Comm. 24; 3 Steph. Comm. 383; The Thomas Fletcher, C.C.Ga., 24 F. 481; Ex parte Thistleton, 52 Cal 225; Erwin v. U.S., D.C.Ga., 37 F. 488, 2 L.R.A. 229; Heininger v. Davis, 96 Ohio St. 205, 117 N.E. 229, 231]

d. Has power to fine or imprison for contempt. [3 Bl. Comm. 24; 3 Steph. Comm. 383; The Thomas Fletcher, C.C.Ga., 24 F. 481; Ex parte Thistleton, 52 Cal 225; Erwin v. U.S., D.C.Ga., 37 F. 488, 2 L.R.A. 229; Heininger v. Davis, 96 Ohio St. 205, 117 N.E. 229, 231.] [Black's Law Dictionary, 4th Ed., 425, 426]

e. Generally possesses a seal. [3 Bl. Comm. 24; 3 Steph. Comm. 383; The Thomas Fletcher, C.C.Ga., 24 F. 481; Ex parte Thistleton, 52 Cal 225; Erwin v. U.S., D.C.Ga., 37 488, 2 L.R.A. 229; Heininger v. Davis, 96 Ohio St. 205, 117 N.E. 229, 231.] [Black's Law Dictionary, 4th Ed., 425, 426]

48 stat. 7 , Title IV, Section 401.

Agent of Treasurer or Comptroller of the Currency

"When required to do so by the Secretary of the Treasury, **each Federal reserve agent shall act as agent of the Treasurer of the United States or of the Comptroller of the Currency, or both,** for the performance of any of the functions which the Treasurer or the Comptroller may be called upon to perform in carrying out the provisions of this paragraph."

SEC. 403. Section 13 of the Federal Reserve Act, as amended, is amended by adding at the end thereof the following new paragraph

"Subject to such limitations, restrictions and regulations as the Federal Reserve Board may prescribe, **any Federal reserve bank may make advances to any individual, partnership or corporation on the promissory notes of such individual,** partnership or corporation **secured by direct obligations of the United States**. Such advances shall be made for periods not exceeding 90 days and shall bear interest at rates fixed from time to time by the Federal reserve bank, subject to the review and determination of the Federal Reserve Board."

48 stat. 162 Chapter 89 SEC. 12B.

" (e) Every bank which is or which becomes a member of the Federal Reserve System on or before July 1, 1934, shall take all steps necessary to enable it to become a class A stockholder of the Corporation on or before July 1, 1934; **and thereafter no State bank or trust company or mutual savings bank shall be admitted to membership in the Federal Reserve System until it becomes a class A stockholder of the Corporation**, **no national bank in the continental United States** shall be granted a certificate by the Comptroller of the Currency **authorizing it to commence the business of banking until it becomes a member of the Federal Reserve System** and a class A stockholder of the Corporation,

([NOTE] SEC. 12B (e) is where EVERY State bank or trust company or mutual savings bank and every national bank (within the "continental United States") became REQUIRED to become admitted to membership of the Federal Reserve System and a class A stockholder of the Corporation, which placed every bank into being regulated by a federal reserve bank.)

12 U.S. Code § 95a - Regulation of transactions in foreign exchange of gold and silver; property transfers; vested interests, enforcement and penalties

(2) Any payment, conveyance, transfer, assignment, or delivery of property or interest therein, made to or for the account of the United States, or as otherwise directed, pursuant to this section or any rule, regulation, instruction, or direction issued hereunder shall to the extent thereof be a full acquittance and discharge for all purposes of the obligation of the person making the same;

and no person shall be held liable in any court for or in respect to anything done or omitted in good faith in connection with the administration of, or in pursuance of and in reliance on, this section, or any rule, regulation, instruction, or direction issued hereunder.

USC 83 (a) "General prohibition. No national bank shall make any loan or discount on the security of the shares of its own capital stock." [the National Banking Act of 1864 Sections 27, 28 & 53 states banks can't loan their own, or their depositor's money. Or own property.

Established in 1933 under HJR 192 and exercised by actors, agents, and fiduciaries of every commercial transaction by commercial banking institutions since that date with the "Abrogation of the Gold Clause".
**Damages equal to double the amount of the Negotiable Debt Instrument (under civil action) or triple the amount of the Negotiable Debt Instrument (under Admiralty Jurisdiction).

In 1938-39 Public Law was officially replaced with Public Policy, the bankruptcy of the United States was codified and the Secretary of the Treasury guaranteed all of the people's debts. Misprision of Felony, 18 U.S.C. 4 states:

Whoever, having knowledge of the actual commission of a felony cognizable by a court of the United States, conceals and does not as soon as possible make known the same to some judge or other person in civil or military authority under the United States, shall be fined not more than $500 or imprisoned not more than three years, or both.

18 U.S.C. 1001 states:

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statement or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

18 U.S.C. 1002 states:

Whoever, knowingly and with intent to defraud the United States, or any agency thereof, possesses any false, altered, forged, or counterfeited writing or document for the purpose of enabling another to obtain from the United States, or from any agency, officer or agent thereof, any sum of money, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

18 U.S.C. 1017 states:

Whoever fraudulently or wrongfully affixes or impresses the seal of any department or agency of the United States, to or upon any certificate, instrument, commission, document, or paper or with knowledge of its fraudulent character, with wrongful or fraudulent intent, uses, buys, procures, sells, or transfers to another any such certificate, instrument, commission,

document, or paper, to which or upon which said seal has been so fraudulently affixed or impressed, shall be fined not more than $5,000 or imprisoned not more than five years, or both.

18 U.S.C. 1018 states:

Whoever, being a public officer or other person authorized by any law of the United States to make or give a certificate or other writing, knowingly makes and delivers as true such a certificate or writing, containing any statement which he knows to be false, in a case where the punishment thereof is not elsewhere expressly provided by law, shall be fined not more than $500 or imprisoned not more than one year, or both.

We pray that this court takes judicial notice of the laws, codes, regulations, case laws above, and take into consideration all of the documentation contained herein it is abundantly clear that no foreclosure action is warranted, justified or lawful. There is no injury to the purported lender. A court of record should decide what actions should and must be taken as a result of the unlawful actions of the Plaintiff.

UCC 1-308 (OLD 1-207)

By: Arnold Parson Jr. Dazarhea Parson

Arnold Jr. & Dazarhea Parson In Propria Persona Sui Juris

FROM:

Arnold Jr & Dazarhea Parson
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Mullins, SC 29574

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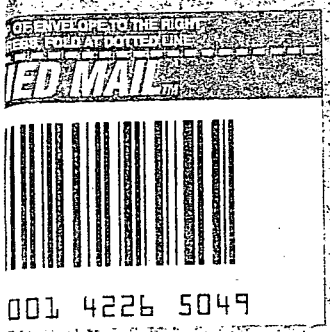

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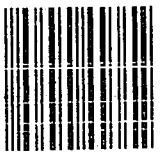

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