TOP SECRET BANKER'S MANUAL

FOR BANKERS ONLY

This manual is designed for
Bank Presidents and Vice presidents only.

Do not allow lower level bank employees to review.

TOPICS

SECRET LOAN AGREEMENT
COURT AND UCC SECRETS
HOW BANKERS CAN QUICKLY DOUBLE INVESTMENT MONEY
METHODS FOR CONTROLLING THE MEDIA, POLITICIANS AND JUDGES

TOP SECRET BANKER'S MANUAL VOL. III

Message to Bankers, Politicians and Law Enforcement

If any threats are made to Mr. Schauf or laws passed to attempt to stop Mr. Schauf–we have a legal plan. We have a plan to checkmate the bankers no matter what strategy is used to stop Mr. Schauf. Mr. Schauf has placed critical information in the hands of others that will be released, en mass, if bankers/politicians take certain actions. Mr. Schauf will act in a legal manner–act decisively–swiftly in a way that no banker will want to happen. If Mr. Schauf has problems he will presume it came from bankers and legal action will be taken. Mr. Schauf suggests that the bankers make certain that Mr. Schauf remains very happy.

Bankers may approach Mr. Schauf with a settlement offer. If Bankers try and go to a national ID/computer chip implant, use terrorism to force their hand, make threats against Mr. Schauf or use other methods–Mr. Schauf has a plan to legally checkmate these attempts and win against the bankers. Mr. Schauf believes that he was called by God to lead the nation out of Debt Bondage and Mr. Schauf fears God more than Man.

Mr. Schauf assures all Americans that every contingency has been considered, along with our response. WE WILL NOT FAIL. God is with us and no man can stop God.

My goal is to inform every American to the truth so they can then vote me in as president so I can correct the banking problem and return their rights and freedoms.

Contents

DISCLAIMER

People reselling the Top Secret Banker's Manual and books one and two may offer consulting services and/or other products. Please be aware that Tom Schauf has no partners and that anyone you contract with for consultations or other services is acting as an independent agent. Tom Schauf has no control over what other people offer you as consultations, comments, advice, information or products. Tom Schauf is not liable for what these others may offer or the results thereof.

This manual is for educational purposes only and not legal advice. Tom Schauf is educating you so you might vote him in as president to correct the problems.

Forward

In the forward to Tom's second book, The American Voters Vs. The Banking System, Tom says, "I know God called me to get the banking message out to the nation. I do not claim to do this from my power but rather from the authority, power and provision of God's anointing in my life." Since March of 1998, I began reading Tom's books and listening to his audio tapes, and frequently heard Tom on shortwave radio as I tried to get alternative news about what is really going on in this country. After confirming Tom's information by my own research, and participating in Tom's weekly conference calls, it became apparent that it was time for me to take an active part in assisting Tom in his calling.

In a recent phone call with Tom, he wondered why he had been missing some important financial exchanges in his most recent venture. He realized that God wanted this Manual completed first! It appears to me that God is ready NOW to begin the fulfillment of the Vision described in Habakkuk 2:

> **Then the Lord answered me and said, "Record the vision, and inscribe it on tablets, that the one who reads it may run. For it is yet for the appointed time; it hastens toward the goal, and it will not fail. Though it tarries, wait for it; for it will certainly come, it will not delay...**
>
> **Behold the proud one, his soul is not right within him...**
>
> **Will not all of these take up a taunt-song against him, even mockery and insinuations against him, and say, 'Woe to him who increases what is not his — for how long — and makes himself rich with loans? Will not your creditors rise up suddenly, and those who collect from you awaken? Indeed, you will become plunder for them. Because you have looted many nations, all the remainder [remnant] of the peoples will loot you — because of human bloodshed and violence done to the land, to the town and all its inhabitants." (Hab 2. 1-4, 6-8 NASV)**

Is the collapse the World Trade Center and the collapse of Enron — both major financial powers in America — just a coincidence? Or is the Living-Creator allowing these events to occur to prepare the way for His "Remnant" to spoil their financial "Slavemasters" — just as they spoiled the Egyptians before they left Egypt? Certainly the credibility of the certified public accountants and auditors has suffered a major blow. Americans are beginning to realize that they need to demand a "FULL DISCLOSURE" and a "COMPLETE ACCOUNTING" from those who are supposed to be protecting their financial, as well as political, interests.

So the timing of this "Secret Banker's Manual" from Tom could not have been better! Perhaps this is part of the fulfillment of Isaiah 41.15: "Behold, I have made you a new sharp threshing sledge ["instrument" - KJV] with double edges; you will thresh the mountains, and pulverize them, and will make the hills like chaff." (NASV) Since today's slavery is mainly accomplished by written contracts and laws of men (paperwork!), this "instrument" mostly likely is a "paperwork" solution — using Babylon's own paperwork system against them. "Thou shalt go to Babylon [its statutes - UCC, USC, CFR]; there shalt thou be delivered" (Micah 4.10, 16). "Thou didst pierce with his own spears the head of his throngs" Habakkuk 3.14 NASV).

Just how important is it that we act on this Manual, and tell our friends about it? Micah 6 shows that God is angry with us for not doing something about this financial caste system, and will strike us down with sickness and poverty unless we act to expose and correct this fraud and injustice. Notice Micah 6.1, 2, 10-16 (NASV):

> **Hear now what the Lord is saying... Listen, you mountains, to the indictment of the Lord... Because the Lord has a case against His People...**
>
> **Is there yet a man in the wicked house, along with treasures of wickedness, and a short measure that is cursed ["abominable" - KJV]? Can I justify wicked scales and a bag of deceptive weights? For the rich men of the city are full of violence ["unrighteous gain" - Strong's 2555], her residents speak lies ["breach contract" Strongs' 8267], and their tongue is deceitful in their mouth.**
>
> **So also will I make you sick, striking you down, desolating you because of your sins. You will eat, but you will not be satisfied [not enough to eat!] ... you will sow but you will not reap [slavery!] ... therefore, I will give you up for destruction...**

Let's put it this way... since the Remnant is prophesied to be doing this Work of "spoiling the moneymasters", if we are NOT involved doing this Work, then WE ARE NOT PART OF GOD'S REMNANT! So says Habakkuk 2.

"Arise and Thresh" (Micah 4.13) is the enlightened "battle cry" of this Remnant, consecrating the gain and substance to "the Lord of the whole earth"! Those who are part of the Remnant are not selfishly focused on "going to court to get out of their own loans". They are focused on God's end-time Work of correcting the system by removing the fraud, enabling everyone to have full disclosure and equal protection under the law, so that no one is damaged by theft or counterfeiting, which debases the currency. The Living-Creator cares for all peoples on the earth, and has no pleasure in the death of anyone (Ezekiel 18.32). Likewise, we need to care for everyone, and not be like Jonah, who only cared for himself and how he would look if God did not wipe out all of the people of Nineveh for their sins as Jonah had prophesied!

Isaiah 52.1-3 shows that it is time now to "Awake, Awake" (from being drugged and dumbed-down by TV), to "shake off the dust" (brainwash of mass media propaganda), to "rise up and sit down" (rule), and to "loose yourself from the chains around your neck" (fraudulent contracts). "You were sold for nothing, and you will be redeemed without money." If your promissory note was stolen, this Manual will set you free by exposing the truth of the loan agreement, and giving you "Notices" to demand full disclosure of the bookkeeping entries.

Some people of other faiths may be "turned off" by the Biblical references in this Foreword and in this Manual. This is understandable, given

the disinformation and misinformation that abounds in today's "civilized" and "enlightened" world about creation versus evolution, and the wars and exploitation that occurs in the name of "religion" (see article about this at http://freedomnews.com/evolution.html). I can only ask that you be open to the possibility that a Living-Creator does exist, and to be tolerant and respectful about our convictions about this, even as we believe in a Creator who is a God of Truth, Trust, Courage and Freedom, and who respects everyone's free moral agency.

Habakkuk 2 declares a Vision of a spiritual Remnant of God's People of all nationalities rising up suddenly as creditors to collect what was stolen from them by the deceitful international moneymasters of this end-time generation. It is a Vision "for an appointed time... that will certainly come; it will not delay." It is prophesied to occur before the Creator returns to the earth. Those who read it should "run" (not procrastinate). We believe the "appointed time" is now, and that, by your reading this Manual, you will have an opportunity to become a part of that Remnant, with all the glory and credit for what is accomplished going to the Living-Creator who makes all things possible.

Douglas-Raymond:Stehling

Acknowledgments

This manual will presume that you have read Tom's banking books Volume 1 and 2. Tom obtained a secret banker's manual from one of the heads of a major university who wanted to expose the bankers. Tom thanks this person who wishes to remain anonymous. To get this information could have cost the person their job. This person spent $1,000s to get this information to Tom and they made it a gift to Tom. So I ask everyone to thank this one person for making this sacrifice to the nation. May we use the information in a responsible way. No one was to obtain this secret banker's manual without written permission from a bank president. This manual will reflect what Tom has read in the secret banker's manual and expose the truth. Tom wants to make it very clear that the God of the Bible is the one who instructed Tom to expose the bankers and set the slaves free from debt and bondage. The Christian God is the one who gets the glory for the work that has been done. God is the one who brought the right people together to make all of this possible and to happen. This nation was founded under God and there are people who want to kick God off the throne. God will never be kicked off any throne. One day everyone will be judged by the God who created the universe and Tom believes there is a special hot place in hell for the bankers and their agents allowing the injustice. Tom sees clearly the hand of God in all of this and how God put it all together. Tom publicly thanks the Christian God for His mighty hand in putting all of this together to expose the truth about the real bank loan agreement. Tom wishes to acknowledge the people who developed the ID computer card in 1984 and exposed it to Tom. Tom wishes to thank the bankers for the secret bank manual explaining what to do in court. The secret manual let us know that if we do certain things in court, the bank has serious problems. Tom thanks some of the biggest bankers secretly working with Tom to expose their own banking system hoping for a change. Yes, they told Tom that if they publicly support Tom, they might be killed. Tom has had secret top government officials in top places helping Tom and Tom thanks these brave individuals. These bankers are scared of the ID and how it would control you. They want us to win and are scared to come public until we get the voters on our side. The government and bankers let Tom know that they need the support of the voters to make it happen; so let's help and make

it happen and save America from enslavement. We thank President Bush for confirming our rights of freedom of speech.

Tom also wishes to thank many others who have selflessly contributed research, time and money to this effort over the past 10 years, and kept the flame of "BankFreedom.com" alive. And special thanks to Doug at "FreedomNews.com" for helping with this Manual, and for creating "BankFreedom.Bravepages.com" — our new "replicated website" with its Member Forum so we can more easily protect, share and leverage the latest secret information among our group.

Introduction

In the early 1990s Tom Schauf learned that the European families privately owned the Federal Reserve Bank. When he heard this he knew that the bankers had to own and control the Congress, judges and the major media. He knew that they controlled the money supply, allowing the bankers to determine in advance what percent of the people would be foreclosed on, if the stock market would go up or down and what the interest rates would be. Tom did not want to get involved. Several people gave Tom a book on the FED and he did not want to read it. These people kept calling Tom to see if he had read the book. Finally, because of their persistence, he read the book. Tom felt that the God of the Bible had called him to get the truth out to all Americans. In one and a half years, he got out 2 million brochures exposing the bankers. These were brochures made on photocopy machines, not e-mails. Back then, few people even owned a computer.

Three months after he began getting out the brochures, he took a trip to the Smoky Mountains and the cook in the restaurant had received a brochure two weeks earlier. People were copying the brochures and giving them out to everyone. These brochures generated so many telephone calls Tom could not even work, so he had to stop the brochures. Then people told him that local banks created new money. He did not believe it because that would violate GAAP (Generally Accepted Accounting Principles) - the matching principle - and he knew that CPAs audited the banks and what standards of GAAS (Generally Accepted Auditing Standards) and ethics must be maintained. To prove to the world that local banks did not create new money, he asked his students that he taught CPA continuing education. All the bank auditors confessed and admitted that it was a secret. They even told him how it was done. Armed with this information, Tom showed a few people, resulting in about 20 people getting out of their house mortgages. Now the telephone calls began pouring into Tom's office requesting information. At this time people began using this information with credit card companies.

In 1996 Tom moved to Tucson to get away from all the telephone calls. He asked everyone to stop calling for a year so that he could write the banking books. It took nearly 3 years working 12 hours a day, 6 days a

week to write the books and make the cassette tapes. Now we have found a secret banking manual that is only for the internal bank officers explaining that, if the bank is sued, and if people see the secret laws in this secret banking manual, the bank will lose in court.

If we can get out 2 million brochures in one and a half years, think how easy it will be to get out emails and have 1,000's of websites exposing it. Voters are willing to become campaign workers if they know what the plan is and if they know that we can win. We can win and we are winning. It is now time to stand up and be counted and inform Americans about the truth. If we get 100 people to host a website, soon it will be 200, and then 400, and then 800, and then 1,600, and then over 3,000, and it keeps growing. If we have even 1,000 websites and each one gets out 1000 emails, one million voters will be informed. If everyone got out emails and their friends kept it going, soon millions of voters would join us. When we have ten percent of the voters, everyone will join us. The popular thing to do will be to join us.

We fought the Revolutionary War over the same banking issue. This fight will not be fought by bullets but by email, websites, books, the secret banking manuals and votes. If you do not join us in this fight for winning the vote, the bankers will go to a national ID card and enslave you all the more.

Tom talked to the people creating the ID card in 1994. These people were scared. They said that if they ever institute the ID, the government/bankers could track every money transaction, track you by satellite and have absolute total control over you. The Government will say, "If you have nothing to hide, why would you care?" They forget, America is the land of freedom, not Germany's Gestapo or Russia's KGB. Show me your papers... and if you do not, you go straight to jail. They are looking for excuses to implement the ID that they began research on nearly ten years ago. They planned to do it—now they just have to talk the population into it. Let us tell the voters about the banking and what they have done to us and the voters will vote out those who want to enslave us through the banking and ID. Time is running out and we need your help. Join us while there is still time to make the change for freedom.

The Arizona Daily Star, June 9, 2002, pg. A13 reported how Ronald Reagan used the CIA/FBI covertly, and unlawfully tried to stop political foes per federal judges. If the CIA/FBI attepmts to threaten political opponents, what would they do if they had a national ID card and you differed from them politically? CIA/FBI psychological warfare was used against political opponents. Imagine the control that they would have with an ID card, tracking you by satellite, knowing where you are 24 hours a day, everyone you talk to and everything you buy and sell. It is called total and absolute control, making people fearful of free speech. The KGB and Gestapo would be proud of our lawmakers. President Bush wants one million government informants. That is one informant for every 240 Americans. This would give the U. S. a higher percentage of informants than East Germany had using their dreaded STASI secret police. They'll be watching YOU.

On 9/11/01, they got us to wave the flag as President Bush took away our rights. How stupid are we? The mainstream media remained silent about the numerous eyewitnesses and experts, including news reporters on the scene, who, seconds before the World Trade Centers (WTC) collapsed, saw and heard explosions near ground level which brought the WTC down. The WTC was designed to withstand the size of a jet that hit it. Ask a demolition expert and they will tell you that a building like that should fall like a tree, and not straight down, without expert demolition teams. Demolition experts explain that it is very difficult to bring down such large towers without them falling like a tree. Not one, but two towers fell, as if expert demolition teams brought them down. The TV showed what appeared to be large explosions near the ground just before the towers collapsed. Van Romero, an explosives expert and former director of the Energetic Materials Research and Testing Center at New Mexico Tech, said on 9/11, "My opinion, based on the videotapes, is that after the airplanes hit the WTC there were some explosive devices inside the buildings that caused the towers to collapse." In May, 2002 we find that Bush was informed of the threat prior to 9/11. On May 23,2002, Bush opposes an independent investigation of the information Bush had on the terrorist threat prior to 9/11. If he has nothing to hide, why did he stop the independent investigation. Prior to 9/11, Bush's ratings were low. After 9/11, Bush's ratings went up.

Let us use our heads for one minute. If it were terrorists, wouldn't they want the building to fall like a tree destroying other buildings? Many of the top executives that had offices in the WTC did not come to work that morning. It is reported that 50,000 workers did not show up to work that day. One child in school announced the collapse of the WTC a few days in advance. Many people were shorting the stock market, especially airline stocks, betting that the stock market would go down that day. So what is the deal? There is a huge deposit of oil in Afghanistan. Did they have to change governments in Afghanistan to get the oil? Is it all about money, greed and control? Remember the oil fields in Kuwait? An American ambassador told Iraq just before the invasion that the U.S. would not help Kuwait, thereby giving Saddam the green light to invade. Then the United Nations was rallied to counter this invasion. Why? Was it to give validity to the United Nations?

Wars are very popular. They help get you elected. You need a War to take away American rights. They got us to wave the flag and say nothing as they took away our rights. You have to admit they are very slick. For them to pull it off, it takes Americans to believe everything the boob tube says to get the job done. This is why we must wake up Americans on banking. The thing we can prove and the one thing that everyone cares about, is MONEY. Nearly everyone is in debt and they want out of debt. When they wake up on the money issue, they will wake up on the health, United Nations, education, drugs, guns and the other issues.

There are people in government who have an agenda to take away your rights and your wealth. They are looking for excuses to get the job done. We need honest people in government. Please help us by getting out the emails, hosting the website and selling the books. The book sales help fund us to save this great wonderful nation and government. We just need honest people running the government. We need voters to switch from government employees representing the bankers, to representing honest freedom loving Americans. Saving America depends on you. CAN WE COUNT ON YOU TO HELP US GET THE JOB DONE? If yes, then contact us to get your website up and get out the emails and help us get the books sold. When people read the books, they get angry and join us. Thanks in advance for your help. Together, we will get the job done. This could be our last chance to get the job done so let's not waste time.

About the Author

Thomas Schauf has a diverse background. He has written two books revealing the banking secret from the viewpoint of a CPA court expert witness. He graduated from Northern Illinois University with a Bachelor of Science with double majors in accounting and finance. After graduation, he worked as a staff accountant for Motorola. He worked for a small Certified Public Accounting firm, owned and operated his own business brokerage firm and Certified Public Accounting practice. Over a period of nearly ten years, he has testified in a number of cases as an Expert Witness in business valuation, and has taught the arts of business valuation, business acquisition and negotiations to buyers, CPAs and lawyers on a national level in colleges and major universities. He has taught lawyers and thousands of CPAs the art of valuation and negotiations in his copyrighted course designed to meet continuing education requirements. He has been a controller and head of purchasing and personnel for a major manufacturing company. He has been a real estate broker and aircraft flight instructor (CFII).

About the Manual - Its Purpose

Tom has received telephone calls from many people claiming to have had credit card debts zeroed out or mortgages canceled. Some people have claimed that the bankers offered to cancel half the mortgage or all of it in an effort to settle while asking the borrower to sign an agreement not to tell anyone that a settlement was reached. Most all of this was done in secret. People and lawyers want a court case to fax around showing success and that might be the reason for the settlements. The bankers know that they cannot allow this on the public record. Proof is hard to come by.

This manual is designed to expose the information Tom read in the banker's secret manual and information obtained from bank auditors. The secret bank manual exposed laws that bankers fear - laws that, if used, might result in bankers losing in court. This manual is designed to show the laws and the questions bankers cannot explain about the agreement. It shows historically what has been happening in court. It explains Tom's theory of why he believes bankers have offered to cancel 50 percent of loans and up to 100 percent of some of the loans per telephone calls from people who have used the secret information in the banker's secret manual.

Bankers historically do not want to show the altered notes. Bankers cannot explain the bookkeeping entries showing if the borrower funded the loan. Bankers cannot explain if cash or notes are money or if owing money is money and if new money was deposited and created in the loan process and if GAAP was followed. They cannot explain in detail what money is, but they charge you interest for the use of borrowed money. History shows bankers fear you may claim stolen / forged note and fraud in the factum. This manual will show court strategies others have used and is not intended as legal advice. This manual only exposes information in the secret bank manual of what bankers fear, Tom's conversations with bank auditors discussing what they fear will be exposed, and laws and court strategy people have used.

Lastly, one of the purposes of this manual is to stop the copycats. Many people have signed confidentiality agreements with Tom to keep the information confidential, only to have these people charge others $1,000s for the same information in this manual. Many of the copycats changed things resulting in people losing $1,000s, paying for information, and then losing in court. This manual's purpose is to get the truth out to people and get voters to vote in the change.

Chapter 1 - Warning

This manual is not designed to give legal advice. This manual is only to give people historical information as to what Thomas Schauf has learned that has worked and not worked in court. Tom has learned that strategies in court can change every 30 to 90 days. If you are using old information, YOU WILL LOSE IN COURT. Before this manual was printed, strategies changed every 3 to 6 months. The old strategies failed in court. You have to presume that bankers and judges have read this manual and are waiting for you. On a regular occurrence people have called Tom and said, I want to order your books, my neighbor got your books and the banks agreed to cancel their debt. I want to do what my neighbor did. Tom usually warns people and tells them that just because your neighbor got out of their loan does not mean that you will get out of your loan. While they may understand court rules, you may not, setting you up for a failed court case. IN NO CASE SHOULD YOU ENTER INTO A CLASS ACTION COURT CASE. You cannot win fighting the banking system. If you win in court, it must be an individual lawsuit claiming that the bank did not perform, the bank breached the agreement and concealed material facts. The bankers fail when they cannot answer Tom's court admissions (statements that the bank must admit or deny). One person won three court cases in a row and lost the fourth court case. The bank bribed the judge and placed $150,000 cash in the judge's personal banking account. The judge might call it a political contribution but it is used to influence the judge like a bribe. Tom Schauf was watching the local news on TV. The TV explained how the local foreclosure judge amassed an $8 million real estate fortune in 3 to 4 years by working with the bankers in buying foreclosed homes. How can a judge go from no net worth to $8 million of net worth in 3 - 4 years without the bankers helping? The judge helps the bankers in court and the bankers make sure that the judge gets the best foreclosure victims with the most equity. One hand washes the other. It is all about profits. Going to court is risky. You are playing in their sandbox and they make the rules up as they play the money game.

Tom helped explain the bank secret to one person. They won in court. Within two weeks of winning the court case 1,500 people filed the identical lawsuit. The bankers went to Congress and said we must change the law or we will have everyone becoming debt free and that would shift

the money to the people that would change politics and vote out the banker-paid politicians and judges. Congress immediately changed the law and the 1,500 court cases got thrown out and the people lost. Remember that about one third of Congressmen are directly related to the bankers by birth or they receive money from the bankers. The big bankers have boasted to Tom that the bankers' money controls both sides of the election and also controls the major media through loans, advertising money and direct ownership. Bankers simply remind the politicians that if they do not cooperate with the bankers, the bankers will heavily fund the politician's opponent during the next election. The same big bankers told Tom that if we organize and get the American voter awakened to the truth, the American citizens would win the election and change the banking system. So it is up to you to join us in an organized way to win and we control the laws and who is elected. Congressman Traficant spoke out against the bankers. He called the IRS (the collection agency of the privately owned Federal Reserve Bank) a bunch of thieves. Now he is going to jail. He said it was selective prosecution and a conspiracy to put him in jail. On national TV juror Lee Glasr said, "No doubt government was out to get Traficant." Traficant was an example to the members of Congress not to speak out against the bankers. On Friday, 3/7/03, The Tucson Citizen had an article about how the FBI had a practice of misleading judges to get search warrants and arrest people. This is why it is so important to get out the brochures and wake up every American to what is going on. You can help by hosting a website, get out emails and wake up hundreds of Americans. As we get 1000s to host websites and work to save America, we will get everyone talking and wanting to be debt free. Going to court is not the solution. It costs money and takes time. Help us in waking up Americans to the truth so we can use the American way to change things. We have the best government even with all the flaws that need to be changed. We have the vote. It is up to us to create the fertile soil for change. CAN YOU TRUST ANY OF THE CURRENT GOVERNMENT LEADERS WHO KEEP THE SECRET, WHO FORCE US INTO DEBT, WHO FOLLOW THEIR MASTER - THE BANKERS - WHO WANT TO GO TO A NATIONAL ID CARD TO ENSLAVE YOU AND TOTALLY CONTROL YOU? Join us in saving this nation from the bankers' agenda before it is too late.

Instead of suing the bank in court and spending all that time and money, use your time wisely and get out the information, by helping us get the

books and manual sold so that voters understand the truth. Instead of suing the bank, use the banking system to your advantage using computer programs in investments to quickly increase your wealth. Some people know how to get 50 - 100 percent profit a year. Some can get that in one week. It is more profitable by using your time wisely making money or changing the laws by the vote instead of suing the bank. The sales help fund our organization so that we can save America. How can the judges and politicians go against 120 million voters? The money issue always wins the vote. It is up to you to help us reach our goal of having every American read Tom's books and use the vote to correct the problem. We need a clean sweep to sweep out the banker's politicians and judges and to vote in real freedom loving Americans who will honor our Founding Fathers quest for freedom and liberties. The voters must first learn what the real issue is and that is banking.

As Tom was writing this manual, a doctor who wrote another banking book took Tom's confidential information. This doctor signed an agreement to keep Tom's information confidential. This doctor took the confidential information, put on a seminar to about 100 people and charged them $600 each for the seminar plus $1,000 for other materials that were for sale. Several other organizations stole Tom's information after signing agreements to keep the information confidential and then breached these agreements only to charge $1,000s or more for the same information given in this manual.

Some of these same organizations give legal advice or paralegal help. One person, after signing an agreement to keep the information confidential, won a court case, breached the agreement and then began charging people $10,000 for the information. The people hosting the websites know who these people and organizations are. These same people and organizations lie to people in order to get their money. Please be careful before paying these people one cent. Please warn other Americans so that they do not get involved with these people. People who breach signed agreements cannot be trusted. Do not trust people who have a track record in using deception and lie, be it a politician or someone who is trying to make a fast dollar getting you out of your loan. Some deceivers even tried to claim that they were partners of Tom and they were not.

This manual is designed to stop those who breached past confidential agreement and from over-charging people. Information that was kept

confidential in the past that cost between $300 and $1,200 or more is now here in a manual. The idea is for people to buy this manual and not pay the deceivers who broke the agreements with Tom. Yes, there are a few honest people charging that get inside information from Tom. Yes, people need help. If the banker wrote the agreement, have them explain it. They refuse to explain it so how can there be an agreement? Let the voters know the truth so they can vote to fix the problem.

For the record, Tom never read the book DEBT VIRUS by Jacques S. Jaikaran, 1995. Tom understands that Jacques claims Tom read his book and got information from his book for Tom's book. The truth is that Doctor Jaikaaran signed an agreement to keep confidential the information that Tom developed. Tom has copies of the agreement and signature on-hand. The confidential information was on making an offer to discharge the debt with the condition that the original agreement was not altered and that the holder of the promissory note is the true owner and that the bank return the original promissory note unaltered plus other information. After this agreement was signed, this person gave the information at seminars. Tom challenges the author to prove otherwise. This information originated from Tom as proven by the signatures. The only point Tom is making in this case is that Tom never read his book, as some claimed, and that Jacques signed an agreement to keep information confidential that was developed by Tom. Later, this same derivative of information was sold at a seminar. Tom is not claiming wrongdoing of Jacques. Tom is claiming that Jacques got the information from Tom. The point is that Tom developed the information as proven by the signature. Tom wants to keep the record straight and stop those who are trying to use deception in this matter claiming that the opposite occurred. Compare that information to that in this manual and you will see additional information in this manual that is not taught at that seminar prior to this manual being printed. Tom thanks the author for exposing the bankers. Expatriation, changing court jurisdiction, is not new. Tom just wants people to know that he created the original information and did not copy it.

Sunday, March 23, 2003
The Arizona Daily Star reported that the House of Representatives passed a bankruptcy bill. Now you cannot easily write off your credit card debt in Chapter 7 bankruptcy. Now they want to garnish your wages over five

years to pay off your credit cards. You guessed it. The credit card companies wrote that law. I predict that credit card companies will be more bold to collect and tell you that if you have unpaid bills at three different credit card companies, they will force you into bankruptcy. So pay or else.

This is why you must learn to use investments to your advantage and earn more money. Earn more money and stay out of court.

Chapter 2 - Court Strategy

The bank-trained lawyers are experts in courtroom procedures. Remember, it was the bankers' U.S. Presidents who got through the "Trading With the Enemy Act" and the Emergency War Powers. The U.S. Government and its leaders declared the U.S. Citizen to be the enemy. This means you must have a license to trade with the enemy (you). The soldiers (police) require that you have a driver's license. The soldiers may argue that could be a good thing to get blind people and drunks off the road and keep people under control. The court has a military flag flying in the courtroom. The gold fringe flag makes it a military court. The war allows the victors, bankers and the government agents working for the bankers, to plunder the enemy (you). Now do you understand why they want to get all the guns? They want to disarm the enemy. You no longer have a right to own a gun under the Constitution. They turned the right into a privilege that they control by license. They fear that the enemy might communicate and realize that war has been declared on them and the war allows the bankers to create money to plunder the enemy. The secret weapon is the money creation in a silent war to plunder the enemy- you. They want to go to a national ID card so that they have total control over you. The ID card allows them to track you 24 hours a day by satellite. You cannot buy or sell without the ID so they can control you. Delete your ID card and you cannot buy food to eat. Get the idea of the terrorist talk. Using the terrorist police powers, the government has already abused the power against that people they do not like. They say if you have nothing to hide, then you do not care if we use the ID. It is all about power and control. Do you trust them after they did what they did with the banking? Do you trust anyone who wages war against you to plunder you? The propaganda media is there to talk you into willing going along with their agenda. They cannot fight 120 million voters who say NO. If you were a Congressman or judge and getting all that money from the bankers to get elected and personal investment money, why would you change the system unless the voters all wake up and say enough is enough? The key to winning in court is helping us inform every American voter and using the vote to correct the problem and end the war. Exposing the problem forces the problem to be corrected.

In court, you cannot use the Constitution, or say they lent you credit so you do not have to repay the money. The banker and judge will try and get you to agree that you have a signature on the agreement, that the bank lent money to you and therefore you must repay the money. If the judge says, is that your signature, some people say, "It looks like a masterful forgery. I do not understand what this document is. Can you stipulate if this promissory note acts like money or money equivalent used to give value to a bank check? Can you stipulate all of the material facts about the promissory note or what the agreement is so I know what it is that my alleged signature is validating as to the agreement. I do not understand in the agreement if I provide the capital or if the banker does to fund the check. I cannot testify if something is my signature if I do not know what is agreed to in the alleged document." When the judge demands that you say yes or no, some people say they will answer when you explain what the agreement is. How can you testify to something that you do not understand and they refuse to explain? Some respond saying it looks like a forged document to me with concealed materials. If you agree that it is your signature, you lost the court case. Your signature means you agree that the bank lent you their money and that you owe them your money. The judge may demand that you say that the bank lent you money that resulted in your purchase of a house or car. But, if you agree that the bank lent their money to "purchase" your promissory note, then you are testifying that the bank violated the law - GAAP. Per GAAP and Federal Reserve publications, two loans were exchanged. You lent the promissory note to the bank that funded the loan back to you. The loan from you to the bank is the deposit of the promissory note. GAAP requires that the bank "match" a new bank liability with your name on it showing that the bank owes you for the deposit they accepted from you just like they do when you deposit cash into your checking account. The banker knows as well as the judge that when you deposit cash into your checking account, you lent the bank your money. If you withdraw your money, the bank lent you nothing. The form - contract- says that the bank lent you money, but the substance - bookkeeping entries - say that the bank accepted your promissory note as new money as a deposit just like depositing cash into your checking account. Your signature cannot testify that the bank lent you the bank's money to purchase your promissory note, but the bookkeeping entries prove that they lent no money to purchase your promissory note. If you lent the bank

money as a deposit, the bank accepted money from you, the bank never gave up one cent of the bank's money. The bank accepted money from you and deposited it, which is the opposite of lending you money. If you lent the bank money and they returned the same value back to you, two loans were exchanged or they stole your money. The bank charter requires the bank to follow the law - GAAP. You can presume the bank must follow the law or the contract is an illegal contract. The contract said interest, which is defined as the charge for the use of borrowed money. We can presume that the party who funded the loan is to be repaid the money. The bank claims that the form says that the bank funded the loan and should be repaid the money but the bookkeeping entries prove the opposite. Did the agreement say that the bank was to steal the promissory note, alter it to become money, and then return the stolen money as a loan or did the bank use their money to purchase the promissory note from you without the economics similar to stealing and counterfeiting and swindling? The bankers hate it if you claim that the note was stolen and forged.

You have to have a damage in court to win. If it is stolen, you can claim a damage. If the bank violated GAAP, then the CPA audit is a fraud and the bank management and CPA will go to jail and the SEC can go after them so they cannot say that they did not follow GAAP. If they follow GAAP, we know what the bookkeeping entries are and they did the opposite to what you understood the agreement was to be. You only care about the agreement. You only care about GAAP. You only want them to explain the details of the agreement they wrote. You want the original promissory note back to see the stamps to see if you are paying the proper party endorsed on it. See UCC 3-302. Adequate assurance of due performance UCC 2-609 is for the sale or purchase. If you demand adequate assurance of due performance, the other party must give assurance in 30 days or the deal is off for purchases. The bank will try and demand that this does not apply to them. If they do this they admit that the original alleged lender never purchased the note from you.

Let us presume that they purchased your note using GAAP and did not steal it. It is not a gift to the bank without your knowledge. The UCC says that no title passes with theft. This is where people use this response to suggest that the bank knew that the note was stolen, with no

consideration given to purchase it from you. No consideration was given as required by the UCC. This has scared bank attorneys telling their bank client not to respond. The bankers' own secret, inside manual explained fraud in the factum, UCC 3-305. This means that the party who did not write the agreement had no reasonable opportunity to obtain the knowledge of the terms. This is why we write the bank notices requesting information on the terms. They refuse to tell us who was to fund the loan, the bank or the borrower? Did the bank follow GAAP? All major banks have an annual stock report that a stockbroker can get for you showing the CPA audit opinion stating that the management and CPA agree that GAAP was followed. Was it the intent of the agreement that the party who funded the loan is to be repaid the money? Do you see how the bank must conceal the truth? Imagine the bank advertise saying, "Let us steal your money and return it to you as a loan." Who would agree to this? They must make you believe that they lent you other depositors' money, making you feel that you have an ethical duty to repay the loan. Read UCC 3-302 to 3-308, Holder in Due Course - real defenses are fraud in the factum, material alteration and stolen notes. See personal defenses are want of consideration and fraud in the inducement. They may have changed the Holder in Due Course part of the UCC so be advised. The stolen / forged / concealment part of the UCC should remain the same. They exchanged one kind of money - promissory note - that was deposited for another kind of money called a check. The check acts like money per the UCC. The banker will say it is an exchange of which you must pay back 100 percent of the money exchanged plus interest. The banker will say that they do not have to pay one cent of their money lent to you to buy your promissory note. I ask what does the agreement say that they wrote? Why would the voters allow the exchange of money for money and then you have to repay the money plus interest? Ignorance is the answer. If voters knew the truth and understood how the bankers got nearly all the money and wealth for free and control the lawmakers, judges, police and media, we would change the banking system to follow Presidents John F. Kennedy, Abraham Lincoln, Thomas Jefferson, Andrew Jackson and James Garfield.

The banker has problems answering the admissions that we have. They cannot explain the agreement. The bank attorney will say, "Interesting theory, this is the way it works." They cannot explain if they followed

GAAP, nor if the intent of the agreement is that the party who funded the loan per GAAP (the bookkeeping entries) is to be repaid the money.

They cannot explain what is money per the agreement. Never ask for the legal definition of money. Only the judge can discuss that. Ask, "What is money per the agreement?" They call an exchange a loan. They call owing money, money, and then they say, "So what, you got the money." We return that argument and ask "According to the agreement, did the bank use the promissory note as money or money equivalent or capital to fund the loan?" If you deposit cash at the bank, how much money did the bank loan you when the cash was deposited? NONE. You lent the bank money. Replace the word cash with promissory note and you see the exchange; the bank merely acted as a moneychanger and charged you as if there were a loan. Two loans were exchanged. You must repay the loan and the bank never has to repay the loan from you to the bank. They conceal the loan from you to the bank, creating the economics similar to stealing, counterfeiting and swindling. An agreement means mutual understanding and no concealment.

We are always happy to repay the loan, just explain the details so that the voters will know how to vote. If voters believe the big lie, you will be enslaved in debt and your wealth goes to the bankers for free. It is our job to tell the truth to the voters. Have the judge admit that the economics are similar to stealing, counterfeiting and swindling and that is how it works. Let the voters vote out that judge next election or vote out the Congressmen and President who allow judges to deny us equal protection under the law and use concealment to keep the true economics of the bank loan a secret. Vote in Tom Schauf as President and he will put in honest judges and correct the problem.

If you were on the jury and someone claimed the bank stole the promissory note and returned the value of the stolen property as a loan, you would wonder when the banker cannot explain. The promissory note is believed to be forged and there is fraudulent concealment and fraud in the factum with unjust enrichment obtaining the promissory note for free, by violating GAAP. Fraud was committed by misrepresenting that they would follow the law and GAAP and they did not follow GAAP. The GAAP discussion forces them to disclose the actual bookkeeping

entries and that the borrower funded the loan to the same borrower. If the borrower provided the money, why are we paying back the principle and interest to a party who refused to loan the money that they advertised that they would loan and then refused to give the consideration promised? If I lent you my money, you should repay the loan. If I stole your money and returned the value of the stolen property to you as a loan, did I conceal the theft and did I perform as promised? This stolen action changes the cost and risk of the alleged loan. Lack of consideration is a personal defense. No title passes in a theft per UCC. Federal banking law GAAP was violated. Use a CPA expert witness to confirm GAAP. They cannot put up an expert CPA witness and answer our 600 questions. Then place in the admissions - admit or deny - which they are not likely to answer, which might allow you to go to summary judgment.

You had better really know law and courtroom procedures or you can expect to lose unless they do not answer the lawsuit. Even if they do not answer the suit, will the judge sign off and allow you to win? Sounds easy, but it is work. Do not expect the bank to let you off the hook that easily. Do not stop making payments or they will foreclose. Some people send a new promissory note in the amount of the original note payable in the same species of money or credit that the bank used to fund the loan per GAAP thus ending all interest and liens. Then they write loan payment checks payable to the new note. If the bank accepts the checks, then you can have fun. If they do not, you might claim breach of agreement. You tried to learn the facts of the agreement and they refused to explain.

We write notices to learn what is the real agreement. When they refuse to tell us, we look at it as breach of agreement - concealment.

People try and stay away from the word fraud. If you say fraud, you have a greater burden of proof. You should instead say breach of agreement, they stole the note and you want it returned or for them to fund the loan. When the stolen property funded the loan, that is a breach of agreement.

You need to show that the bank never performed and never was out one

cent and that the stolen property funded the alleged loan that was a breach of agreement. Let them tell you that the agreement allows them to steal and create new money. Fraud in the factum - you never agreed that your signature and promissory note was money to be stolen and returned as a loan.

Remember, we are defining stolen as the banker getting the promissory note without spending one cent to purchase it and violating GAAP - the matching principle.

The banker argues, "This is how it is done, you signed the agreement, you got the money." We ask, "Was the agreement altered after it was signed, was it forged?" We ask, "Did the borrower provide the capital for the loan to the same borrower per GAAP (standard bookkeeping entries)? Did you follow GAAP as required by law and the CPA audit opinion? Is it the intent of the agreement that the one who funded the loan per GAAP is to be repaid the money? Were material facts concealed? Mr. Banker, do you understand this agreement and who was to provide the money or funding for the loan?" They cannot explain the agreement that they wrote and that they are trying to enforce.

Please read and study Tom's two banking books for further training.

Bankers have told Tom that the American people are too stupid to understand the bank loan agreement and bookkeeping entries and no one can explain it in court to a jury. Tom agrees, you need a jury and Tom says that a jury can understand it.

Why do we keep talking about GAAP? It is the law. If they claim that GAAP was not followed, they violated the law and the CPA audit opinion. If they followed GAAP, they cannot claim that they do not know what the bookkeeping entries are. The bookkeeping entries prove who lent what to whom. Two loans were exchanged and we believe that all borrowers should repay all loans giving each party equal protection. We believe that all the facts should be disclosed in the loan and not conceal material facts as to who provided the money to fund the alleged loan. Who could argue with that? Why not tell the truth, the whole truth, and nothing but the truth? If there is nothing wrong with the banking system,

why not tell every voter? The fact is, bankers have been telling people that other depositors funded the loans and you must repay the loans so that the other depositors who funded the loans can be repaid the money. If this is true, then all loans should be canceled because the borrower funded the loan to the same borrower per GAAP and per the Federal Reserve Bank publications.

Remember - there is no guarantee of a court win. What worked last month is not a guarantee it will work today. If a friend won, it does not guarantee that you will win. It costs time and money to go to court. The bankers have the time, the money and the attorneys. The judge might be afraid to rule in your favor. The judge is not your friend. Tom believes that you should stay out of court and help us get the voters to join us. The voters are the sure way to fix the problem.

This is the key to winning. The best court strategy to stop the bank summary judgement against you is the CPA Report copyrighted by Tom Schauf and suing the bank using Tom's court admissions. You need the CPA Report regardless of whether you are sued or you sue the bank. Look at court procedures. The bank cannot sue without personal knowledge, and a copy of the note might not give legal knowledge. See the following court cases: Monmouth County Social Serve. v P.A.Q. 317 N.J. Super 187, 193-194 App. Div. 1998. See also: United States Bankruptcy Court N.J. Investors and Lenders/Debtors June 30, 1993 Bankruptcy no. 92-30754.

Supreme Court of Hawaii, Pacific Concrete Federal Credit Union, Plaintiff-Appellee v. Andrew J. S. Kauanoe, Defendant Appellant No 6362 July 17,1980 tells us that the bank must give us the bookkeeping entries with an affidavit or the bank's evidence is hearsay evidence. One cannot enter hearsay evidence into the court. Tom says with this and a CPA report talking about GAAP, the bank has a serious problem.

It is best to not be behind in debt payments if you sue. This way, they cannot foreclose and you can win. It is important to use a CPA expert witness using Tom's copyrighted CPA Report.

If you got 100 emails out and they emailed their friends and more and

more people put up our website and distributed the books, we could quickly win the nation before it is too late. If everyone stopped and went to court, we could lose the nation and government we love. We have the right to replace the employees called politicians using the vote but we need your help to get the job done. PLEASE JOIN US IN SAVING AMERICA AND THE REPUBLIC WHICH STANDS, ONE NATION UNDER THE CHRISTIAN GOD OF OUR FOUNDING FATHERS WITH LIBERTIES AND JUSTICE FOR ALL AND EQUAL PROTECTION WITH JUST WEIGHTS AND MEASURES. It is our job to get every American talking so America will be safe for all. AMERICA'S FUTURE IS IN YOUR HANDS.

They might be able to stop us in court but they cannot stop us from getting the voters organized and awakened, and vote them out of office and put in honest Americans. Help us make it happen.

The lawmakers and courts have been helping us with the following court cases demanding that the lender have possession of the promissory note before the banker can collect. See the following court cases confirming this. See Matter of Staff Mort. & Inv.Corp., 550 F.2d 1228 (9th Cir 1977). "Under the Uniform Commercial Code the only notice sufficient to inform all interested parties that a security interest in instruments has been perfected is actual possession by the secured party, his agent or bailee. See Bankruptcy Court followed by UCC In Re Investors & Lenders LTD 165 B.R. 389 BKRTCY D.N.J. 1994" Under the New Jersey Uniform Commercial Code (NJUCC) promissory note is "instrument," security interest in which must be perfected by possession..." Clearly the courts demand possession of the note before the bank can collect. Why is this so important? It is important because you have been paying the loan to bank #1. Bank #1 sells the note to bank #2. You keep paying the wrong party, Bank #1. Now bank #2 who bought the note from bank #1 demands that you pay the last 12 months of payments to bank #2. You claim that you paid, and bank #2 claims that you paid the wrong party. This is why you must be sure that you paid the correct party and must see the note to see who the note is sold too or you must pay twice. You would have to pay the wrong party and then again pay the correct party. Historically, the bank claims they lent you money. The bank bundles up the promissory notes in groups of about $2-3 million and uses the notes

as value to issue a bond and sells them to investors. The bank becomes the servicing agent. Now the bank sues you and tries to foreclose. Get the picture? The bank does not have possession, and is not the owner of the note so what legal standing does the bank have to sue you? People have demanded to see what contract allows the non-owner of the note to sue you. The servicing agent has 60 days to give you the owner's name after you request it (See title 12 under servicing agents). They usually sell it again when you request the owner's name and keep selling it so you cannot find out who owns it. People have demanded to know who owns the note, and what contract allows someone other than the owner to sue you. It is like you having a contract with your neighbor, Joe. Your neighbor Tom says you violated your agreement with Joe, so Tom sues you. Tom has no contract with you and cannot sue you. Replace the word Tom with the word bank and you see the picture. The bank works on presumption hoping that no one demands the original note or who owns the note. If you cannot find the note, some states allow one to reconstruct the note. How can they reconstruct it if the one doing the reconstructing has no personal knowledge and you are arguing the terms and conditions of the note. Only you have first hand knowledge, only you were there signing it. Some states allow the attorney to use a copy of the public record where the note was recorded in the country record and certify the copy as the original. Again the attorney has no personal knowledge and it could be forged, stolen and we still do not know who owns it. They still cannot explain our 6 - 7 terms in dispute in the back of this manual in the notices claiming breach of agreement. Tom Schauf received a telephone call from someone who used this information. The person wrote to the bank requesting a copy of the current note with the assignments (paid to the order of...) showing who is the current owner of the note. The bank refused to respond. He gave a second request. He did not give any arguments or dispute. He only requested a copy of the note. Now he sues the bank claiming that he is the holder in due course of the title of the home and the bank is not the holder of the note. The bank refused to answer the law suit and he got his home free and clear. Remember after one sues, you can amend the suit once. If the bank responded, you could claim that the terms were altered or breached. The bank did not want to get involved in answering the questions as to breaching the terms and 6-7 things concerning the terms that we want to discuss.

They never tell you who owns the note. They have been known to sell the notes, you pay off the entire note and the bank gives you a sheet of paper saying it is all paid off. Then 5 years later the owner of the note forecloses. Why? It is simple. You never got the original note back and you must prove that you paid off the note. People have been foreclosed on who paid off the note 5 years ago but lost the one piece of paper saying that it was paid off. They throw out their old bank statements showing that they paid it off and did not get back the original note. This is why it is important to see the original note and get it back. This is why it is important to follow the law and get the note, and see who owns it and get back the original.

Two people taught by Tom have been winning on credit cards. One person invoices the credit card, then sends an opportunity to cure and pay the invoice. Then he sends a default judgement. Next he sues the credit card company in small claims court. Results have been wins and the credit card companies have issued checks back to the victor in small claims court. Some small claims will not allow you to sue an out of state business. Check the agreement regarding jurisdiction, arbitration and court location.

One person uses a bill of particulars if sued by the credit card company, then enters a motion to dismiss the court case brought by the credit card company for not complying with the Fair Debt Collections Practices Act and giving verification/affidavit by someone with personal knowledge and he uses our CPA Report and our CPA expert. Results have been successes. As I write this it is not a 100% success. The week I wrote this one man had his mortgage cancelled on one house, but on his other house the mortgage was not cancelled.

There are a series of court cases on void and voidable judgments. The attorney foreclosing did not tell you that he is a debt collector per the supreme court ruling. You had no opportunity to demand verification, affidavit signed by the attorney, with personal knowledge, verifying the debt. The attorney forces you into court and wins. The attorney broke the law by not informing you that he is a debt collector. People have used court cases showing that the first court case is void or voidable and

reversed the first court decision because the first attorney violated the law.

God gave us a wonderful government and laws and court cases. You need to use what God gave us to protect your rights. Don't let some attorney violate your rights and get your property for free. We merely want to know the whole truth and nothing but the truth regarding the whole agreement and bookkeeping entries and follow the law. What is wrong with that? If the bank has nothing to hide, then let them explain all of the details. We simply believe that the party who funded the loan, per the bookkeeping entries, should be repaid the money. Who could argue with that unless you are a swindler. Only a swindler would try and suppress evidence proving who funded the loan. They cannot prove us wrong so now the attorneys resort to name calling. We see this in court. When an attorney cannot get a witness with personal knowledge to prove their case, the attorney tries to be the witness telling the judge that our arguments come from Google.com and are nonsense as the attorney cannot explain GAAP, the Federal law that they should know. So do we have another Enron, Arthur Anderson CPA firm on our hands? The jury convicted the CPA firm of Anderson on June 15, 2002 for obstruction of justice for impeding an investigation. Did you know that Anderson was a big bank auditor? How can we trust them or any other CPA firm auditing the banks? We have a number of CPA's now who agree that federal law GAAP was violated and this means that the audit is like the Enron situation. The bank attorneys do not know GAAP and cannot testify to GAAP. Only a CPA can testify to GAAP and now honest CPAs are exposing the truth.

See Appendix for "Suggested Court Admissions".

CPA Banking Report by THOMAS SCHAUF, CPA

July, 2002

This banking report is to expose the lies, misrepresentation, and use o
smoke and mirrors by bank auditors and CPA auditors.

To avoid repeating, one may go to the three books that I have written o
banking to find my background and location. I am an Illinois license
CPA. I have testified as a court expert witness for roughly ten years an
taught CPA continuing education classes for CPE over a period of abou
ten years. I have taught at major universities and nationally teaching CPA'
how to testify as a CPA court expert witness. I have been on a number of
radio and TV stations and have written information on the banking indus
try relating to this report over the last ten years.

We all know of the Arthur Anderson CPA firm, Enron and WorldCom
audit scandals. As I was teaching CPA, CPE classes to more than 2,000
CPAs over the past ten years, I asked my CPA students if any were bank
auditors. I talked to a number of those bank auditors and they admitted
the banking system was a fraud, but they could get away with it because
no one could explain it in court or they could use smoke and mirrors to
hide the truth. This report is to expose the smoke and mirrors and reveal
the truth.

For the record, I use Federal Reserve Bank publications and bookkeeping
entries as published by the Federal Reserve Bank to document every
material statement in this report. This report includes house, car and other
bank loans and credit card loans where the bank recorded the promissory
note or receivable as a bank asset as shown in the Federal Reserve Bank
publications.

Bank auditors have repeatedly told me that they claim that they credit
cash as they record the bank loan agreement promissory note as a bank

asset which is recorded under loan accounts. They told me that they redefine words to mean the opposite thereby significantly changing the meaning, cost, and risk of the alleged transaction and agreement. The auditors explained how they play with words to hide the truth of the real transaction and the real agreement.

According to Chicago Federal Reserve Bank publication Modern Money Mechanics, page six, the bank records the promissory note as a bank asset which is offset by a new bank liability called the borrower's transaction account (which is commonly called a checking account). Please note the word "borrower's" is possessive. Page three of the same report, second column and second paragraph, claims that the banks create new money as loans are granted. If you read the page, they redefine the word "money" to mean owing money which is the opposite of money. The idea is that if you deposit $100 of cash into a checking account, you can count the checking account (bank liability) as money because there is an equal amount of money, cash, deposited to match the bank liability. According to GAAP, generally accepted accounting principles, a bank liability means that the bank owes money and cash, money, is recorded as a bank asset. A check is not money, but acts like money, with the presumption that money is first deposited to make the check good. According to Black's Law Dictionary, a check contains an unconditional promise to pay a sum certain in money. The presumption is that if you present a check to the bank teller, the bank teller will give you cash.

Federal Reserve Bank of Texas publication Money, Banking and Monetary Policy explains on page 11, that banks create money when they lend it. The loan becomes a new deposit into the customer's checking account just like a payroll check does.

Federal Reserve Bank of Boston publication Banking Basics page one claims that the money deposited belongs to the depositors.

Federal Reserve Bank of New York publication The Story of Banks page ten claims that the bank first deposits the money and then uses that deposited money to make the loans. Then it claims that a lot of money is created when the banks, credit unions and saving and loans make new loans.

Federal Reserve Bank of Chicago publication ABC's of Figuring Interest page two claims that when you deposit money into a savings account, you make a loan to the bank. According to GAAP, the new bank liability proves a loan to the bank.

Black's Law Dictionary explains a deposit as placing money in the custody of a bank to be withdrawn at the will of the depositor.

Federal Reserve Bank of New York publication I Bet You Thought explains it very well on page twenty-seven that banks create new money whenever they grant loans by simply depositing the borrower's promissory note as a bank asset offset by a new bank liability. Page five explains that money does not have to be issued by the government or be in any special form.

Combine what the Federal Reserve Banks above have admitted in writing and you have the fact that the bank used the borrower's promissory note as money or like money, hereinafter called money, deposited or recorded it as a bank asset to give value to a check which the bank returns to the borrower as a loan. When the bank deposited the money (or promissory note), the money deposited was a loan to the bank. This is consistent with GAAP and the matching principle. Bank auditors repeatedly told me that they must hide the loan to the bank. If the loan to the bank is hidden, then you have the economics similar to stealing, counterfeiting and swindling. All we ask for is that the party who funded the loan, per the bank bookkeeping entries, be repaid the money. What honest person would argue otherwise?

If one argues that the one who funded the loan, per the bookkeeping entries, should not be repaid the money, then they are arguing that one of the parties has a right to swindle the other party. My question is "What law or agreement gives that party the right to swindle the other party?" Show me! Americans want to know. If the bank cannot answer, they lost the argument by their silence.
I will now explain what bank auditors have told me are some of the lies and smoke and mirrors and then I will try and expose the misinformation.

Bank auditors cannot give a complete answer as to what money is. To be a CPA, one must have the competence to complete the assignment and if they cannot answer what money is, they have no right to audit the books or testify. Typically, bank auditors will claim that the promissory note is not money and that the bank did not deposit money received from the borrower and that the borrower did not make a deposit at the bank or credit union. They then claim that two loans were not exchanged. Typically, at this time, they go through the motions that GAAP was followed and everything is in order just like Arthur Anderson did just before the audit fraud was exposed. Then the typical bank and credit union auditors use the following example that auditors have privately told Tom Schauf is a trick to deceive the judge and general population. Tom Schauf will first give the trick, and then expose the trick.

The trick goes like this. The bank does not deposit the promissory note. The bank or credit union records the promissory note or credit card purchase as an asset on the books of the bank or credit union and credits cash to balance the books. The borrower got cash. This is exactly what one bank auditor told Tom Schauf and admitted that this is a fraud and a lie. At this time, the typical bank and credit union auditor will try and avoid explaining that the cash earlier credited is now deposited. The deposit is a debit to cash and a credit to a bank liability like a checking account or demand deposit account or savings account. The new result is exactly what the Federal Reserve Banks have already admitted. There is a new bank asset and a new bank liability. The new asset came from the borrower and the bank liability means the bank owes money related to the new asset.

In the previous mentioned bookkeeping entries where bank auditors claim that they credit cash, they can replace the word cash with the word check and you have the same economics and bookkeeping entry on the typical loan. The trick they use is that a check and cash are similar because you can get cash for a check. As mentioned earlier, a check is not cash, but a promise to pay a certain sum of money. Thing is... few people use cash, most use checks and the auditor knows this. They can sell the promissory note for cash. Logic tells us that the auditor is wrong here, claiming that they gave you cash. The bank or credit union auditor must agree that the promissory note is recorded as a bank asset, typically recorded under

loan accounts. If the offset or credit is to cash or check, the typical borrower deposits the cash or check resulting in a debit to cash or check and an offset to a bank or credit union liability (typically called a checking account, demand deposit account or savings account). The result is exactly what the Federal Reserve Bank publications earlier stated; that is, a new bank asset and new bank liability and the economics are the same or similar to depositing new money. I challenge any bank or credit union auditor to prove this paragraph wrong. They either remain silent or try and get off on another subject to confuse the issue.

Now some auditors are stupid enough to keep the game going by foolishly claiming that no money was deposited to cover the check thus admitting to a criminal act of check kiting and a fraudulent audit. Some pretend that the promissory note is first sold for cash, the cash is deposited to give value to the check, and then the promissory note is recorded as a bank asset. This is a stupid argument because the result is a new bank asset and a new bank liability just as I said earlier. In all of the above cases, the bank or credit union got the promissory note for free, new money, credit or money equivalent was created. The party who provided the asset to give value to the check that is claimed to be lent to the alleged borrower was the same alleged borrower and the party who funded the loan, per the bookkeeping entries, is not repaid the money. This creates the economics similar to stealing, counterfeiting and swindling. This changes the cost and the risk of the loan compared to if the one who funded the loan is repaid the money. Tom Schauf challenges any auditor to prove that the economics are not similar to stealing, counterfeiting and swindling and that the GAAP principle of matching was not applied by matching the new asset with a bank liability showing that the bank owes money to the alleged borrower as indicated in the Federal Reserve Bank publications. The matching principle works like this. If you deposit $100 of cash at the bank, the bank must show a bank liability of $100 showing that the bank must return the $100 to you. If the bank accepts cash or a promissory note from you to give value to a check, should not the same economics apply to stop the economics similar to stealing, counterfeiting and swindling? Should not the party who funded the loan, per the bookkeeping entries, be repaid the money? The bank or credit union auditor cannot discuss this issue which is the heart of the whole discussion.

We have a right to know and understand the entire agreement and the economics and the bookkeeping entries. Thomas Schauf is looking to force a bank auditor into a court deposition and force the bank auditor to give all of the details of the bookkeeping entries, explain what is and is not money, money equivalent and credit and explain the economics of the transaction. The bank or credit union wrote the agreement, they executed the bookkeeping entries, and we have a right to know and understand what the agreement is and the economics of the agreement. One question remains. Is the party who provided the asset that gave value to the alleged bank loan check, per the bookkeeping entries, to be repaid an equal amount of value, for the value that was earlier provided to fund the loan check? If the answer is no, do you agree that it is a swindle? If the bank can get money or an asset for free from the borrower or steal it by knowingly hiding the full terms of the agreement and then return the money to the victim as a loan, they could own nearly everything in the nation similar to the economics of counterfeiting?

Demand the auditor produce the bookkeeping entries to prove the promissory note is not used to give value to the check and that other depositors' money was used to fund the loan. If this were the case, the bookkeeping entries would be a debit to a checking account or demand deposit account or savings account and a credit to cash. The promissory note would not be recorded as a bank asset. The depositors cannot spend the money taken out of their bank account which was lent to the borrower. The borrower repays the loan and the money is returned to the party who funded the loan. Economically speaking, everyone has equal protection. There are no economics similar to stealing, counterfeiting and swindling.

There is only one key issue. According to the bookkeeping entries, should the value of the money or asset that was used to fund or give value to the loan be returned to the original party who provided the money or asset? If the CPA auditor says no, then we have the economics of a swindle. If the CPA auditor says yes, then there is no disagreement and we all agree. Who could possibly argue that the one who funded the loan should not be repaid the money unless they are trying to create the economics similar to a swindle? They would have to hide the true bookkeeping entries if this were the case. If so, have the auditor give the complete details of the bookkeeping entries including who provided the asset to fund the loan.

If the bank CPA cannot explain or does not understand what we are ta
ing about, then he or she does not have the competence to take on
audit assignment and has broken the ethics of a CPA.

Have the bank or credit union CPA auditor give all examples of things ba
use as 1) money, 2) money equivalent, 3) things of value that give value
check. Is money recorded as a bank asset or liability? Is cash money? D
the bank use a note as money? Is the promissory note used to give value
check or similar instrument? Is it the intent and bank policy that the pa
who provided the asset to give value to the loan check, per the bookkeep
entries, have the money or value of the asset earlier described returned
them? If a CPA cannot answer these simple questions, then ethics dict
that they have no business auditing the bank or credit union. The CPA ba
auditor must have the competence to answer these simple questions if th
took on the assignment to audit the bank or credit union. If they claim th
they followed GAAP, have them give details and answer our questions. W
the CPA claim that the Federal Reserve Bank publications are wrong? E
amine what the CPA says and see if they refuse to answer our basic que
tions to determine bank policy, economics of a loan, and what the full boo
keeping entries of GAAP really are. If the bank CPA disagrees, have the
give the proof. If no proof, they have no credibility. One CPA auditor taki
a CPA class with Tom Schauf told Tom that these arguments are crazy un
Tom made him answer specific questions and then he admitted that the au
was a fraud. If no money was deposited to fund the bank loan check, h
can it be legal? Who provided the money to fund the loan?
Have the bank or credit union auditors prove that the Federal Reser
Bank publications are incorrect in that money is not first deposited a
then lent out. Have them prove that the intent of the agreement is that th
party who provided the asset to fund the loan, per the bookkeeping e
tries, is not to be repaid the money or value of the asset that funded th
loan.

There is only one real issue to be resolved. Ask the bank or credit unio
CPA auditors to answer the following questions. Is it the basic intent
the loan agreement that whichever party provided the asset to give valu
to the loan, according to the bookkeeping entries, is to be repaid back a
equal amount of value plus interest when the loan is repaid? This is a ve
simple and basic concept any competent CPA should understand. If th

borrower funded the loan to the borrower, the borrower should be repaid. If someone other than the borrower funded the loan, then the party who funded the loan should be repaid the money. Now we must decide, per the bookkeeping entries, if the borrower funded the loan.

If the borrower provided cash or a check or an asset that the bank deposited or used to give value to the loan, the bank assets and liabilities will increase. I challenge the bank auditor to prove me wrong. If the bank lent other depositor's money and did not accept an asset from the borrower to fund the loan or give value to the loan, the net overall banking assets and liabilities from this transaction would not increase. I challenge any bank auditor to prove me wrong. This just told you who funded the loan. According to GAAP and the Federal Reserve Bank publications, the net effect of the total transaction of the bookkeeping entries was that the net banking assets and liabilities increased. I challenge any CPA bank auditor to prove me wrong. The CPA can play with words, ignore the issues, beat around the bush and talk about nothing of importance, but if they do and refuse to prove me wrong, you know everything that you need to know and how to win.

Typically, the bank auditors will go into great detail on how they followed GAAP and belong to all the bank societies, organizations and even the AICPA. This is all a bunch of meaningless chatter if they cannot agree on one simple concept of GAAP called the matching principle. The matching principle means that if a bank accepts an asset from Joe, the bank must offset the asset by a bank liability showing that the bank owes Joe the money. The bank cannot accept the asset from Joe, refuse to show it owes Joe the asset that the bank received from Joe, and then claim that the bank owes Mike the equal value for the asset instead of Joe. The matching principle stops swindling. Have the bank or credit union CPA auditors prove Tom Schauf wrong concerning this. To end the discussion of the GAAP matching principle, the CPA auditors will try and claim that they credited cash and not a liability account. The net result, no matter how you cook the books, is a new bank liability once the promissory note is recorded as an asset or the credit union posts charges to the credit card holder's loan account. The Federal Reserve Bank publications show the matching principle claiming that two loans were exchanged as is correct per the GAAP matching principle. If two loans were not exchanged, then

there is a tax owed to the IRS for the stolen promissory note. Did the bank pay the IRS tax? The matching principle does not allow anyone to steal your asset, exchange it for something of equal value, and return the value stolen to the victim as a loan. The bank auditors who claims that cash or check was credited in exchange for the promissory note, which is recorded as an asset, got the promissory note for free and exchanged the value of the promissory note for a check and returned the check to the victim as a loan having the economics similar to depositing the promissory note like money which allows the bank to get the promissory note for free and create new money. The economics are like the bank is acting as a money changer and calling it a loan. If the bank took your cash or stole the cash and used the cash to fund a check and returned the check to you as a loan you can understand it is like stealing. Replace the word cash with promissory note and you have similar economics. Claiming that cash or a check was credited is only smoke and mirrors accounting and cooking the books, which gives the economics similar to stealing, counterfeiting and swindling. Have the bank CPA auditors prove me wrong.

If Joe signs a promissory note and it is agreed that Joe loans the promissory note to the bank, the following bookkeeping entries are recorded. The promissory note is recorded as a bank asset and the bank records a bank liability showing that the bank owes Joe money for the loan to the bank. This shows two loans were exchanged as proven by the new asset and new liability. Under the smoke and mirror method, the bank records the promissory note as an asset resulting in a new bank liability when everything is completed, but this time Joe's name is not on the bank liability. The bank CPA claims that two loans were not exchanged. The bank got the promissory note for free as the bank created new money and the party who funded the loan, per the bookkeeping entries, is not repaid the money. Have any bank CPA auditor prove me wrong. A bank auditor hiding this must claim they credited cash or check but when the cash or check is deposited you have the new asset and new liability. This temporary bookkeeping entry only hides the true transaction and economics. A check is a liability and who gets a hand full or bag of cash when they get a car or house loan? As the bank CPA auditors told Tom Schauf, it is a lie that cash was credited, it was only called cash to get everyone off track as to the true nature of the true economics. Bank auditors typically call cash things other than cash to hide the true meaning of the word. The bank

auditors admitted to Tom Schauf that it was a lie and that the true party who funded the loan, per the bookkeeping entries, is never repaid the money. The auditor told Tom that there is a new asset and liability and the liability means that the bank owes money for the asset it accepted as an asset. That is basic GAAP. The bank got the promissory note for free by creating new money and violating the GAAP principle of matching. Then, when you ask the bank or bank auditors for the truth, they typically misrepresent how it works or refuse to explain.

Please notice how I gave the Federal Reserve Bank publications and page numbers and bookkeeping entries. What proof does any CPA have to prove me wrong? The Federal Reserve Bank publications claim that new money was created in the loan process, the new money is deposited and there is a new asset and new liability and money is owed for the new liability, so what CPA bank auditor would be a big enough fool to claim that this is not true? What CPA bank auditor is foolish enough to claim that if you deposit $100 into your checking account that you did not loan the bank the $100 and that the bank assets and liabilities did not increase by $100? The problem is that the CPA bank auditors do not want to admit that the promissory note was used like or as money or value or money equivalent to give value to the bank loan check. The auditors must try and hide this fact or the secret is revealed that the borrower's asset, per the bookkeeping entries, gave value to the alleged loan and that the party who funded the alleged loan, per the bookkeeping entries, is never repaid the money giving the economics similar to stealing, counterfeiting and swindling, thus hiding the true elements of the alleged agreement. Any CPA bank auditor should have the competence to know the truth or they should stop taking on an assignment that they do not have the competence to finish.

Yes, the bank auditor typically will play with words to confuse the issue. They cannot explain what is money or money equivalent. They typically will say that cash and checks are deposited but that promissory notes are not deposited ignoring that the overall net effect of the bookkeeping entries in both cases have the same economic effect of having the cash and promissory note recorded as an asset and both giving value to a bank check. The bank is merely a money changer calling themselves a lender, hiding the fact that the promissory note increased the bank assets and liabilities creating new money or money equivalent or credit. They will

not allow the original party who provided the asset that funded the loan to be repaid the same value when the loan is repaid. As the CPA auditors told Tom Schauf, it is a trick that is very profitable and they were hoping that confusion and ignorance of the general population would allow them to continue this very profitable trick. Now the trick is exposed and Tom Schauf is challenging any CPA bank auditor to prove him wrong. Soon the general population will learn the trick and think the Arthur Anderson CPA firm, Enron and WorldCom audit scandals were insignificant compared to the lying and misrepresentations we have seen with the bank bookkeeping entries. If there is a loan agreement that the bank wrote and the bank used their bookkeeping entries, have the bank give the details telling the truth and nothing but the truth and stop the deception. We simply want the one who funded the loan check, per the bookkeeping entries, to be repaid the money. Who but a swindler could argue that we are wrong? Tom Schauf gave the proof, have the CPA bank auditors not use empty words but give solid proof that Tom Schauf is wrong in all areas of this report. Their silence proves Tom Schauf to be correct.

We need to keep a record of everyone involved in this misrepresentation forcing slavery upon the American people. The vote is the only sure way to correct the problem.... Vote out all who enforced this slavery upon us. The vote is the only real solution. After we vote and correct it, we will get justice the legal way. It is up to you to get out the truth to every voter so we can correct the problem.

In summary, a bank auditor using deception will say things like, it is not relevant to discuss who funded the loans, it is not relevant to discuss the bookkeeping entries, it is not relevant to discuss form (agreement) verses substance (bookkeeping entries), it is not relevant to discuss if the one who funded the loan should be repaid the money. They will argue it is not relevant to discuss what money is and what is or is not deposited. They typically say things like, it appears that the other side is making an argument claiming... as a way to get off track and not discuss the issues in this report. They typically argue that the borrower received a benefit to buy goods and deny that the bank or credit union received a benefit from the alleged borrower which was an asset from the borrower to fund or give value to the alleged loan check. Sometimes the auditors claim that all of the money is pooled and no one knows where the money came from as

they refuse to discuss the bookkeeping entries proving who funded the loan. At times, they claim that it does not matter who funded the loan. In any case, they are hiding the fundamentals of the agreement, bookkeeping and economics to get the promissory note for free and refusing to have the party who funded the loan to be repaid, thus creating the economics similar to swindling. I am not calling bankers, CPAs and auditors criminals, swindlers, counterfeiters and thieves. I am exposing the truth of just how smart they are in getting the promissory note for free and creating new money and hiding the true agreement as it is done. Tom Schauf simply believes that the one who funded the loan should be repaid the money. Who could argue that this should not be so? Who thinks that we should use the economics similar to a swindle? What honest person would say we are wrong? Which party has given the proof of the evidence? Why hide the real agreement and bookkeeping entries if it is honest? Why should one class of citizens create new money and loan it out to enslave the second class of citizens?

CONCLUSION: To prove Thomas Schauf wrong the bank CPA must prove that the Federal Reserve Bank publications used in this report are wrong. The bank CPA typically plays with words saying that the bank did not deposit the promissory note in the borrower's transaction account as claimed in the Federal Reserve Bank publications. What they did was use a short cut in bookkeeping entries by claiming that they credited cash or check as the promissory note was debited. The result has the same economics as depositing the promissory note and crediting a bank liability. In either case there is a new asset and new bank liability when the cash or check is deposited proving that the promissory note gave value to the bank loan check. The alleged borrower provided the money or asset that funded the alleged loan and the party who funded the loan is not to be repaid the money giving the economics similar to stealing, counterfeiting and swindling. It is important to know if the borrower or if the lender was to fund the loan. If you want me to lend you $5,000, it is important to know if I steal your $5,000 and return the stolen $5,000 to you as a loan or if I lend you my $5,000 and there is no stealing or swindling in the transaction. The bookkeeping entries prove who funded the loan. Interest is defined as a charge for the use of borrowed money. It is not for stolen money returned to the victim as a loan. Stealing or violating the matching principle of GAAP significantly changes the cost and risk. The bank CPA

might say it is insignificant and irrelevant who funded the loan until you steal the CPA's asset or money and return the stolen item to the victim as a loan and then it becomes significant and relevant.

Anyone with a high school education can see the flaw in the bank CPA's argument that cash was lent and the borrower did not fund the loan. Example: The bank makes 5 loans of $100,000 each. Each time the $100,000 promissory note is recorded as an asset and cash is credited. The one receiving the cash does not hide the cash in their bed sheets, they deposit it back in the bank and the bank assets and liabilities increase by $100,000 from the alleged transaction. According to the bank CPA a bank could lend out the same $100,000 cash five times as bank assets and liabilities increase 5 times. The math proves that you cannot have the same $100,000 cash in 5 places at the exact same time. Federal Reserve Notes (cash) are recorded as a bank asset and a bank liability shows that the bank owes Federal Reserve Notes. Money clearly is recorded as a bank asset. If the bank liabilities increase by $500,000 as assets increase by $500,000, it means that the bank owes $500,000 more money and the bank got the $500,000 in assets from the alleged borrowers. If you loan the bank a $500,000 asset, the bank assets increase by $500,000 and the bank liabilities increase by $500,000. I challenge the bank CPA to prove me wrong regarding the bookkeeping entries.

Where did the money come from to fund the $500,000 of new loans? The $100,000 cash is still in the bank and the bank assets and liabilities increased by $500,000 showing that the bank owed $500,000 more money. What exactly is money? Did the borrower or lender fund the loans according to the bank bookkeeping entries? Is the party who funded the loan to be repaid the money or is it a swindle? Which bank customer deposited the $500,000 to fund the loans? The CPA bank auditor must have the competence to answer this if he or she did the audit. The conclusion is that the bank wrote the agreement and the bank executed the bookkeeping entries and the bank CPA cannot give details and proof and answers to our questions regarding the economics of the true details. They typically just say pay the loan and do not ask any questions. How can there be an agreement if they refuse to give us details of how the agreement works and what the economics are? Did the agreement say interest, the charge for the use of borrowed money, did it indicate that the borrower or lender funds the loan and is the money returned to the party who funded the loan? Was the agreement breached? That is the key to everything.

Important: No one is to copy this report, anyone misusing this report in court without the express written permission of Thomas Schauf, that man or woman owes Thomas Schauf $100,000 Federal Reserve Notes in fees per each use or violation. Bankers please check with Thomas Schauf to see if authorization was given. Any plaintiff or defendant in court using this report MUST first get written permission from Thomas Schauf or pay a minimum of $100,000 Federal Reserve Notes, cash as a fee for use of this report and face criminal charges for copyright and trademark violations. Thomas Schauf is willing to reward you for informing Tom of violators upon Tom collecting the fee.

Sincerely,

Tom Schauf

Chapter 3 - Additional Laws & Strategies

You may want to look at the following laws: Fair Credit Billing Act and the Fair Debt Collection Practices Act. Look up the words "validation" and "verification" in the law dictionary - let them, by affidavit, tell you that you owe the money and what the terms and conditions are. Study the rules of evidence (they must show you each item charged that they claim you owe, not just a total debt, and no standard agreement is easy to prove). See UCC 8-315, Federal Rules of Evidence, Rule 1003 about not allowing a copy as evidence - argue the authenticity of the copy, demand the original, look up under state law for lost or missing notes. Study the Federal Rules of Civil Procedure, Rules 27 and 28 to get Depositions. Study Declaratory Relief/Judgment to invalidate the contract. Read UCC 3-308 about the proof of signature and status as the holder in due course - about denying signature in pleadings before trial or else the judge assumes it is your signature, giving authenticity to the promissory note - which means you agreed the bank lent you the money as agreed. Study "hearsay evidence". The debt collector who is an attorney uses hearsay evidence - what the credit card company (a third party) said - to collect. One person kept objecting in court as the debt collector talked, saying, "objection, this is hearsay evidence." The judge allowed the debt collector to testify. The judge asked if this was hearsay and the debt collector said yes. The judge threw out all of the evidence because it was hearsay. The debt collector has no evidence under the rules of evidence to collect, so the alleged borrower won by objecting to hearsay. The judge may say, "take judicial notice." This means the banker can bring in a copy of the note unless you object. Look for court cases that say that the party who wrote the agreement has the greater burden of proof explaining the agreement.

If you are not willing to do your job, and homework, do not expect the judge to help you. You have to help the judge help you. Do not expect the judge to rule against the banking system. He wants to keep his job. Only discuss breach of agreement and how they changed the cost and the risk and concealed material facts. Discuss GAAP.

These are the things that you might want to go over and discuss with your legal counsel.

Have fun. Get a group of people together for a seminar. Put together a mock trial with a mock jury and see how it sounds. What would the jury (voters) decide. Would they rule in your favor or the banker's favor?

One bank answered our "Admissions" document, admitting that they follow GAAP and that they follow Federal Reserve Banks policies and procedures. Another admission statement was "The intent of the alleged agreement was for the consumer to provide the money that the bank would use to fund the credit line or loan." The bank denied this.

What have the credit card companies been doing to stop lawsuits? They change the rules. They can change the policies and procedures by simply mailing you the changes. So they changed the rules requiring you to go to arbitration or sue them in a state court 1,000 miles from your home. One party told Tom that he signed an agreement forcing Tom into arbitration. Tom told the arbitrator that the alleged document agreeing to arbitration was a forgery so there is no agreement allowing the arbitrator to arbitrate. The arbitrator was told that if he did arbitrate that Tom would sue the arbitrator for damages. The arbitrator refused to arbitrate. The arbitrator knows that the bank is paying him and keeps getting money from the bank. So who do you think that the arbitrator will rule in favor of? The banker knows that the bank won before it got started. It is like hiring the fox to guard the chickens. The chickens are dead in that deal.

To win, to really win requires that we get the voters to agree with us. If not, the courts will not be the answer. They will just change the rules against us.

This is not intended as legal advice. This is only to show you the historical information per telephone calls to Tom from people claiming success. We cannot guarantee success.

The intent of this manual is to show you the law and allow you to be the judge and jury. If you agree with Tom, help us win our nation back to the truth. Not by going to court, but by helping us get the voters to join us so that we become the lawmakers so that we control the judges, sheriffs and bankers the legal way through the vote.

If you go to court, and get out of your loan but we do not use the vote to win the nation, the bankers' politicians will demand a National ID to enslave you. So, what good is it winning in court if we lose the nation to the bankers? You could get many others to join us who could help us get 10.000s. YES, YOU CAN MAKE A BIG DIFFERENCE.

If we do not do anything, they will go to a cashless society giving them total control over you. This is the time to win back a nation to the truth and stop slavery.

We expect the bank to change strategy in 2003. The new bankruptcy law will mean that you cannot cancel your credit card debt. They will simply garnish your wages and foreclose on your house after they force you into involuntary bankruptcy. Ask your legal counsel about demanding proof of the debt in bankruptcy. That might be your best defense.

For research please look up these court cases:

"Because the note in question was not payable 'to order or to bearer' the plaintiff payee did not hold in due course. Pascal v. Tardera, 1986, 123 A.D.2d 752, 507 N.Y.S.2d 225"

"Where an instrument is neither payable to order or bearer no one can qualify as a holder in due course. Key Bank of Southeastern N. Y. v. Strober Bros., Inc., 1988, 136 A.D.2d 604, 136 A.D.2d 604, 523 N.Y.S.2d 855"

Chapter 4 - What Bankers Fear

Tom taught over 2,000 CPAs nationally on appraising businesses and testifying in court as an expert witness. Tom owned and operated his own CPA firm and business brokerage business for about ten years. After one of the seminars in Pennsylvania at a Holiday Inn, Tom talked to a controller (top accountant) for a major bank. In a private conversation, Tom thought he would see if he could get a reaction out of this accountant. Tom said to the controller, " You know that all your bank loans are a fraud." Without hesitation the controller agreed. Tom said, " Aren't you afraid that you will go to jail." The controller responded, no. He then explained how banks create money and he who owns the money controls the judges, lawmakers and the media. He explained how advertising money, loans and direct bank ownership and how banker's political contributions control the politicians and the laws and how money controls the media. If a politician votes against the bank, the bank heavily funds their opponent next election so that the bank politician wins. All the politicians know that they need the bank's media and money to get elected. He even boasted how the bank controls the FBI (Get the idea of why they took away rights if they call someone a terrorist?). He then said, " If someone put together a brochure and passed it out in mass, I would immediately, permanently leave this country. If the American people ever figure out what we have done to them, they would put all of us bankers, judges, sheriffs, and lawmakers in jail." He then laughed and said, "The American people are too stupid to figure out what we have done to them, they will never be able to explain this in court." He let Tom know how foreclosures are very profitable and when the bank helps the judges, politicians, and sheriffs get the profitable foreclosures. The government agents in the bankers' pocket have very profitable investments. The bankers and politicians call it good business. They represent their personal investments, not the people that elected them. Currency trading is also very profitable. Some government agents helping the bankers get 100 percent profit a month on their investments. He explained how the government agents sold their souls to the bankers all for the love of money.

This is why it is critical to get as many websites set up and get out the

emails. Help us sell the books, and get the voter angry enough to talk to his/her friends. The book sales helps us raise the money needed to win the nation back to the truth.

As Tom conducted CPA continuing education seminars to CPAs and lawyers, a number of bank auditors told Tom that it was a fraud. The auditors tried to get Tom to swear to secrecy about the bank money creation and how it controls the government leaders and judges. Obviously, the bank concealed this part of the agreement.

From past telephone calls, people have let Tom know that in court, bankers hate it when you ask for adequate assurance of due performance by wanting assurance that the bank purchased the note from you and did not deposit the note. If they did, they were violating the GAAP matching principle requiring the new liability to show that the bank owes the depositor (you) money for depositing the note. I forgot to mention, per the banking law, if the bank deposits the note, they must give you a deposit receipt (See 12 USCA Sec 1813). Did they give you one? History shows that in court, bankers hate it if you claim there is no bona fide signature on the note, that the note is forged, the note was stolen and the value of the stolen property was returned as a loan breaching the agreement. Bankers knew that the stolen property funded the alleged loan. Any one in the banking industry buying the note knew what the agreement said and what the bookkeeping entries were. They knew and now they want to pretend that they do not know what you are talking about. The bank violated the banking law GAAP (GAAP is only required if there is a CPA audit opinion and if the bank is FDIC insured. See United States Code Annotated Title 12 Sec. 1831n (2) (A)). GAAP is proven by Federal Reserve Bank publications, showing the bookkeeping entries and confirming everything Tom has said. The bank is in trouble if they admit to following GAAP or not following GAAP. If they do not know what the bookkeeping entries are, they cannot prove that they performed under the agreement and funded the loan to you. They have no court evidence to prove they performed. The bank does not want to talk about the bookkeeping entries and if the borrower funded the loan. So that is what we want to talk about. The attorney/debt collector is to know the law - GAAP - and what the agreement is. State law says banks are to purchase the promissory note. They deposited the note and did not give you a

receipt. Per Federal Reserve Bank publication "Modern Money Mechanics", page 6, the bank opened up a checking account under your name and deposited the note. Then the bank withdrew the money from your account without your knowledge, permission or authorization and returned it to you as a loan. If they took your cash from your savings account and did this, you would call it a fraud. The economics are essentially the same using a note instead of cash. They made an exchange of money for money and charged you as if there was a loan. They performed the services of a moneychanger and claimed that they were a lender, charging you 100 percent for the transaction plus interest. That is why nearly every American is in debt up to their heads and sinking quickly. They cannot tell you if money is cash or a bank liability owing money. Look at the law for definitions of a deposit. A deposit is an unpaid balance of money that the bank owes. A negotiable instrument must be paid in a certain sum of money, so how can the Note be money and owing money at the same time? It cannot be the opposite of two definitions at the same time. The bank cannot explain what money is and the bookkeeping entries but they charged you interest for the use of borrowed money. They wrote the agreement; have them explain it.

The bankers' own secret manual that is truly for the bankers, shows that the bankers hate it when people claim "fraud in the factum" (fraud in the execution). Remember the law in USC Title 5 Administrative Procedures Act? The nation is bankrupt so we are under administrative law and that is the law of "notices". Remember how the IRS and the banks always give you a notice? You need to do the same. Notice them asking what the terms of the agreement are - the agreement that they wrote. When they refuse to tell you, the theory is that you can claim "fraud in the factum".

Obviously the banks fear Tom's court admissions. Admit or deny - forcing them to give you "FULL DISCLOSURE"!

Tom has a real concern. People want immediate gratification to become debt free. People want to sue, and wait 6 to 12 months hoping to win. Then people say, if I win, I will tell my friends about the bank. If they wait, we will never win the vote. The vote is more important than court. Please stay out of court and concentrate on getting hundreds of people to

join us before taking the time to consider court. Court is risky, time consuming and costs money to hire a CPA expert witness. You could spend thousands of dollars, waste 6 to 12 months and lose if you do not do the courtroom procedures correctly or if the judge is bribed. If we all concentrate on the vote, we are sure to all get out of debt. The vote is the only way to have assurance to reclaim a nation. If hundreds sue the bank, they might just change the law to keep you in debt. The vote is the solution, not court. When we get hundreds of CPAs and lawyers joining us, it will be easier for a judge to agree with us. The lawyers and CPAs will not join until we get the voters on our side. It is all about money, profit and control of the people.

This manual is not suggesting that you sue the bank. This manual only gives historical information on what has happened when people go to court. This manual gives the information on what the bankers have trouble answering in court. This manual is to show what Tom learned in the banker's secret manual to be only given out to bankers. This manual is only giving you Tom's theory. This manual is not intended as legal advice.

Chapter 5 - Notices

People have been sending out notices to the bank to create a controversy. They want to find out whether the bank or the borrower funded the loan. Was it the intent of the agreement that the party who funded the loan is to be repaid the loan? Did the bank follow GAAP? Was the note used as or like money to fund a check? Are the economics of the loan similar to stealing (the bank getting the note for free by depositing it), counterfeiting (creating new money based on the value of the note) and swindling (not following the law - GAAP)? People wait for the bank to respond or not respond. They then decide what to do with the bank on a legal basis. Whether the bank answers or does not answer helps people sue the bank. People are looking to prove fraud in the factum. The bank never bought the note from you and breached the agreement, and breached GAAP. The notices are designed to learn what happened and if the bank is hiding the truth.

If you go to the library and look for the book published by Thomas Polk Publications called "The American Financial Directory", it tells you the CEO, president, address and the servicing agent of the lender.

This manual has the typical types of notices people have sent. There is nothing wrong with learning the truth about the real loan agreement. Why would the bank want to hide the truth about the agreement that they wrote - unless they are afraid of full disclosure proving fraud.

See how the notice says that all past payments are considered extortion payments. If you do not say this, the bank attorney will say in court that past payments give evidence of a debt that you agreed to. The bank tells you that if you do not make the monthly payments, they will go to court to collect or foreclose. You had no choice. You are trying to solve the problem and the bank just says pay or else.

The county judge is involved. Why, since banking is federal? The answer is that you do not own the property. You have a certificate of title for your home and car. The government owns your car and home. That is how they get you to pay them a tax on your home and car. A foreclosure has to do with real estate tax and the local judge is there to be sure that

you will pay the tax. The real estate tax is one year behind in billing giving the local government ownership of your property. One person paid the tax in advance. It stopped the local judge from continuing the foreclosure.

When the bank responds to your notices, share the answers with the voters. Let the voters learn how the bank procrastinates and misdirects and does not tell you how the real loan agreement works.

If you are talking to a debt collector or an attorney, look up the court case CLOMAN V. JACKSON 988 Federal Reporter, 2nd Series. It explains that he is to tell you that he is a debt collector.

We told one debt collector to give, under oath, verification and validation of the terms and conditions of the loan, and explain and answer our questions. This bank attorney was told that he could be sued if he violated Fair Debt Collection Practices Act. When he would be sued, the first time the attorney commits perjury he would be disbarred. The attorney immediately dismissed the court case. He knew if he were sued, his professional insurance would offer $20,000 to settle out of court. We collect $20,000 for a $5,000 credit card bill. Looks like good business to us. The attorney figured collecting $5,000 was not worth losing his career. Would not this make a best selling book getting the attorney disbarred? Notice them. Let them know that you know the answer to the riddle.

On the notices you will see the word "assigns". People want to find out who the real holder (person holding the note) is. They like to hide. Would you not hide if you were one of them? With assigns, people demand to see the original note with all of the alterations and stamps on it. WHY? If you pay the wrong party, you have to pay the proper party again. You could be paying twice if you are not paying the correct party (see UCC 3-302). We know they sell these notes all the time. People want to see the original note to see the stamps to see who it is endorsed to who holds it so that the alleged borrower is not paying the wrong party and has to pay twice. The bank must show the chain of ownership. People want to see the stamps on the note, "pay to the order of....." History shows that when people ask to see the original, the bank cannot find it. This sounds

like the lawsuits alleging stolen, forged document and breach of agreement. Study UCC 3-302. People have been claiming forgery if the bank cannot come up with the original.

Please remember that there is a difference between a debt collector and a lender collecting their own debt. A debt collector normally tells you that they are a debt collector in their letter to you.

If a mortgage is involved, change the notices when writing to a servicing agent of the mortgage. See: West publishing 12 USCA 24 CFR 3500.21 Part 78978 2(Qualified written request. You can write to the servicing agents of the mortgage giving your name, alleged loan number and a statement of reasons you believe there is an error. Discuss GAAP - matching principle. You were the lender, they were the borrower. They repaid the loan and falsely called it a loan to you.

Chapter 6 - Two Kinds of Money

Article 1 Sec. 10 of the Constitution of the United States and 12 U.S.C. 152 refers to gold and silver coin as lawful money of the United States. The law at 12 U.S.C. 152 was repealed in 1994. Now legal tender is referred to in 31 U.S.C.A. 5103 stating, "United States coins and currency ... are legal tender for all debts, public charges, taxes and dues." The government issues legal tender and lawful money. Banks use two different kinds of money. They use legal tender and non-legal tender. Money issued by the government and money not issued by the government but created by the bank. Bank credit and deposits are money the bank owes. Owing money is the opposite of money. Federal Reserve Bank publications admit that when banks grant loans that new checkbook money is created; new money is deposited.

The Federal Reserve Bank of New York publication "I Bet You Thought..." explains that money does not have to be issued by the government or be in any special form. The borrower's promissory note is money that the bank accepts as money and is money that the bank deposits, creating a new bank asset and liability. Counterfeit money buys things just as checks buy things. Promissory notes can be sold for cash. Promissory notes, just like cash, can be exchanged for a check. Both can fund a check and both the cash and the promissory note have equal value. The cash is legal tender and the promissory note is newly created bank money when the bank deposits the promissory note creating a new bank asset and liability. The bank got your money (promissory note) for free, created new money as they deposited your money, and violated GAAP when they refused to credit your checking account and acknowledge the new deposit and liability that they are required to show that they owe you per GAAP. When this happened, the bank shifted your wealth to the bank. The bank got your wealth for free. Wealth is anything that you can sell. You can sell your home, car, gold, silver and your 40 hours a week for a payroll check. Labor produces roads, food and gas for your car. When the banker violates GAAP and gets your money for free and returns it to you as a loan, the bank created new money with the economics similar to stealing, counterfeiting and swindling. The banker gets your labor for free as you earn the money to repay the loan or he forecloses and gets your home, car or farm for free.

Pretend a counterfeiter created $100,000 of counterfeit money and lent it to you to buy your home. You have to repay the $100,000 plus another $300,000 of interest over the next 30 years. Pretend that the counterfeiter did this to every American and the only money in the country is the money that this counterfeiter printed. The counterfeiter created $100,000 of money but you have to repay him $400,000 to repay the loan. If $100,000 is the only money printed, it is impossible for $100,000 to repay the required $400,000 to end the loan. The counterfeiter controls the money supply. The counterfeiter can get nearly all the money back as loan payments, keep the money in a shoe box and there is no money available to repay the loan forcing everyone into foreclosure. The counterfeiter gets your labor for free or he forecloses and gets your property for free. He controls the money supply and at his wish he can force the economy into a recession or depression, forcing people into foreclosure. He always wins and you always lose. If the government printed the money, spent it, everyone had to work to earn it and deposited the money at banks, banks lent it out returning the money to the depositor who funded the loan, everyone would have equal protection with no economics similar to stealing, counterfeiting and swindling. GAAP that the law requires the bankers to follow ends the economics similar to stealing, counterfeiting and swindling.

If a counterfeiter counterfeits money and loans it out to you, can the counterfeiter force you to repay the loan? NO. It is illegal and he cannot enforce an illegal act. If someone stole your money and returned your money to you as a loan, do you have to repay the loan? NO. The thief cannot enforce an illegal act. A Corporation cannot violate the law, contracts or GAAP. If they do, the contract is ultra vires - void.

The counterfeiter will say, "But you got the money." You respond and say, "You violated the agreement and did something illegal." If someone stole your car and sold it for cash and returned the cash to you as a loan, do you have any ethical or moral or legal liability to repay the loan? NO. None. What is the difference if they stole your promissory note instead of a car? In both cases they got your wealth for free. It is just easier to get your wealth for free by getting your promissory note for free instead of your car for free. A suit and tie fools people. If they used a gun to get your wealth for free, you would know to call the police.

The banker is too intelligent to go to jail by counterfeiting cash. It is easier to just deposit the promissory note and violate GAAP and get the benefit of getting your promissory note for free and creating new money, getting a similar benefit like counterfeiting without going to jail.

Tom believes that all borrowers should repay all lenders. You were first the lender to the bank, per GAAP and per Federal Reserve Bank publications, when the bank changed the agreement and deposited your promissory note. The loan to the bank funded the loan back to you. Two loans were exchanged. If both borrowers repay both lenders, all loans are canceled giving both parties equal protection. Do you see why the banker cannot explain the details of the transaction or agreement? The banker cannot explain GAAP or what money is. The banker must use bank tokens (a substitute - a bank liability owing money) for money called checkbook money to get your wealth for free. The bank acted as a moneychanger exchanging your money (promissory note) for bank tokens (checkbook money) which is transferred by checks which fools most people. Your promissory note gave value to the bank tokens that the banker returned to you as a loan. A token is an IOU just as a bank liability (checkbook money) is an IOU. If you go to a casino and they exchange your $100 of cash for an equal amount in value of tokens, did the casino loan you anything? NO. So if the bank did exactly what the casino just did, then the bank lent you nothing. An exchange is not a loan. Tom believes that they breached the agreement. They changed the cost and risk of the alleged loan.

Chapter 7 - Credit Cards

All we want is to understand the agreement, bookkeeping entries, know if they followed GAAP (Generally Accepted Accounting Principles - standard bookkeeping entries) and if the economics of the alleged loan is similar to stealing, counterfeiting and swindling if we are to repay the loan. If they have nothing to hide, let them give the details. They wrote the agreement, they used their bookkeeping entries, they claim we owe them money, they claim there is an agreement, so have them explain and give the details.

You signed an application with the credit card company. They claim that this is the agreement. Typically, they copy it and destroy the original. If they sell it to a debt collector, the BULK sale stops them from being a "holder in due course", which helps you. Study this at the law library. They can change the agreement at any time simply by telling you what the changes are. Hundreds of people have gotten out of credit card loans in the past. The credit card companies got tired of the lawsuits with juries so they changed the rules. Now they want an arbitrator, paid by the credit card company, to pass judgment against you or you have to go to a state court 1,000 miles from your home. If there is no valid agreement, then no agreement can demand arbitration or jurisdiction in another state. The key to stopping the bank arbitrator is this website:
www.arbitration-forum.com
(Then delete the dash and look at this website. It exposes the arbitrators.) Deception is the name of the game. They will not reveal all the terms and conditions, only the part that you must repay. They conceal the deposit of the agreement, new money creation, GAAP and if you fund the loan to yourself. People begin writing notices to inquire about the agreement. Some people invoice the credit card company for payment of the deposit and for concealing the agreement, demanding details. Some people believe it is easier to go to court to collect on an invoice rather than directly go against the agreement. Notices are very important, especially the default notice. When they do not respond to the notice, some people send a default notice saying, because they did not disagree with the past notice sent, they agreed with the statements in the past notice. Typically, people give them 10 to 30 days to respond. Courts are administrative

courts and notices can be evidence. One banker took a person to court and the banker's victim told the judge, "I have not exhausted my administrative remedies". The judge made a comment that he was the only person in his court for the last 20 years that understood administrative procedures and gave him 6 months to send out his notices before court proceeded. One victim was constantly taken advantage of in bankruptcy court. He sent his notices and kept sending the notices all the way up the governmental agencies (if it is a banking dispute, send it up to the governmental agencies that govern banking), even up to the Treasury. The Treasury intervened, "let the judge and bank attorney have it", and corrected the problem. You have to help the governmental agencies and employees help you by using the law. We truly have a wonderful government. We need to follow the laws so we can get the help. Then we use the vote to replace the government employees working for the bankers and working against us.

Always be willing to pay if they can explain the agreemem and are willing to return the unaltered, original agreement when you pay the money. One person in court kept offering, through the mail, to repay the loan in the same specie of money/credit that the bank used to fund the loan thus ending all interest and liens (ie., another note payable in the same specie of money or credit the bank used to fund the loan per GAAP, thus ending all interest and liens). We simply asked the bank to sign a simple affidavit that they lent their money to purchase the loan agreement from the alleged borrower; that they followed the law of GAAP and did not accept money/credit from the alleged borrower in the loan transaction that funded a loan or similar instrument in approximately the amount of the alleged loan; that the economics of the loan were not similar to stealing, counterfeiting and swindling; and that the intent of the agreement is that the party who funded the loan is to be repaid the money. The alleged borrower kept telling the judge, "I will pay, just have the attorney sign this affidavit and I will pay". The judge kept saying, "Sign the bloody affidavit and get paid and get out of my courtroom". The bank attorney kept saying, "But judge, you do not understand..... I cannot sign it". If he is a debt collector, look up verification, validation, in the Fair Debt Collection Practices Act in the dictionary and find what it says under oath, affidavit. We want details of the agreement. Now get the attorney ethics from your state and get the attorney's oath of office. Research state laws

and the attorney might not be legally licensed to go after you in the first place. They cannot go after you without a valid agreement and if it is an attorney his/her ethics say that they must understand all the details of the agreement. They fail at this point. How can they take you to court if you are willing to pay? You just want details of the agreement and for them to follow the law and GAAP before tendering payment. The bankers' own secret manual, the manual that only bankers are to have, that Tom has read, says "Fraud in the Factum" is a real defense. That is what the bankers fear.

Remember - debt collectors are using hearsay evidence and you cannot use hearsay evidence in court unless you are an expert witness. We welcome their expert witness. We have 600 questions for them. Let them put it on the public record. I do not think they are that foolish.

From historical information, Tom has learned that if one claims that the agreement is stolen, forged and that one did not sign the standard agreement, then the banker has a problem. Under the rules of evidence, the banker has difficulty proving a standard agreement applies, especially when one claims that the agreement signed says it must follow GAAP. The intent of the agreement is that the one who funded the loan is to be repaid the money and that the borrower provided no money/credit or thing of value to fund a check or similar instrument in approximately the amount of the loan. The bank then uses their money to purchase the agreement from you. How can they claim that this is not part of the agreement? People presume the credit card company follows the law - GAAP - and the CPA GAAP audit says two loans were exchanged. Is not the one who funded the loan to be repaid the money? If not, is it a conversion of funds or a theft? How can they legally take you to court if you have been willing to pay as soon as they can explain the agreement? How can there be an agreement if they refuse to explain it? They know that they acted merely as a moneychanger and tried to make you believe they were lenders charging you as if there was a loan. If you go to an international airport and change U.S. Dollars for Japanese Yen, you pay one percent fee to the moneychanger, not 100 percent plus interest!

For example: Both parties sign an agreement for you to sell your apples for $100 cash. The agreement says you cannot use a court to enforce the

agreement, and instead, you must use an arbitrator. They get your signature and they get your apples, but then they refuse to give you the cash, and instead, they give you an IOU that they refuse to pay. They breached the agreement. They did not give you the agreed consideration, so how can they enforce the agreement demanding arbitration?

Study the Rules of Evidence. Rules of Evidence do not allow them to just say this is the total owed. The law allows anyone to demand to see the specific items charged and total bookkeeping entries regarding their agreement.

History shows that if you owe little money, it might not be worth while for the banker to sue you and collect. The more you owe, they more likely they will come after you. They know you are broke with no money to hire an expert witness CPA. They know you do not have the time and money to fight them. They figure that the bank attorney understands courtroom procedures and you do not. That is the strategy they use. This is why Tom says we must use the vote to get everyone debt free.

Tom estimates that in the last few years, thousands of his students have had credit card balances zeroed out by learning these secrets. Credit card companies have tried to reverse this trend by changing the agreements to arbitration. It appears that mortgages will be the next type of loans that the bankers will not fight and release debts. Tom has repeatedly told people that if the banker offers to cancel half the debt with an agreement that you will not disclose to anyone that he canceled half the debt, take the deal. Many people have called Tom saying that the bank offered to cancel half the debt if they sign a bank agreement of confidentiality not to talk or disclose to anyone that the bank agreed to cancel the debt. Just take the deal. The bankers fear that you will talk and the next day everyone will demand the same deal.

Go to www.sec.gov and put in the name of the bank. You will see how they bundled the credit card agreements as a bulk sale. The credit card company is merely a servicing agent. So who owns the contract? How can anyone sue you if they do not legally own the agreement?

Chapter 8 - Credit Card Bookkeeping Entries

This chapter was written by Todd Swanson, CPA

I would like to briefly discuss the bookkeeping entries that occur when a person makes a purchase by credit card. I am assuming that the reader has already read Tom Schauf's first two books or has a basic understanding of accounting principles. If not, I highly recommend reading them. This past summer when Tom Schauf was taking the annual Continuing Professional Education courses that all CPAs are required to take, he asked those in the classroom if anyone knew anything about banks. A couple people spoke up and Tom ended up talking with two American Express CPAs and a Senior Bank CPA VISA Auditor. Tom told them he was curious as to how the "loan" process worked with the credit cards. I will present the information exactly as the auditors gave it to Tom.

The following journal entries are recorded on the books of American Express:

1.Account Receivable $100
Vendor Payable $100
To record purchase made by cardholder

2.Cash $100
Account Receivable $100
To record payment by cardholder

3.Vendor Payable $100
Cash $100
To record payment to merchant

The following journal entry is recorded on the books of VISA when a person makes a purchase with their VISA card:

1.Receivable from VISA cardholder $1000
Due to/from VISA $1000
To record purchase made by cardholder

The following journal entry is recorded at the merchant bank:

1.Due to/from VISA $1000
Demand Deposit Account $1000
To record deposit of VISA transaction

Think of the above journal entries like this. They are like making a deposit. The transaction receipt (slip of paper) you sign when you make a purchase with a credit card is taken (either physically or by Electronic File Transfer, EFT for short) to the merchant's bank and deposited into the merchant's account. At that point the merchant has been paid. The only question now is where does the money that VISA transfers to the merchant bank come from? This is the crucial question. The answer determines in my mind whether the cardholder actually owes VISA anything of value. Whose Demand Deposit Account was debited at the VISA bank? Which VISA banking customer no longer has the use of the money that was just transferred to the merchant's Demand Deposit Account? If a VISA customer has lost the use of the money transferred to the merchants account then the VISA cardholder has a liability to pay the VISA bank/banking customer back the money. But, if VISA simply debited and credited asset accounts to pay the merchant bank then the credit to a VISA asset is offset with a debit to a merchant bank asset. The credit and debit wash and we are left with a new asset and a new matching liability.

We challenge VISA and American Express to prove if a bank records a new asset from the alleged loan transaction that no new money/credit has been created. We are not saying this is how the transactions are done. We are simply saying that so far no one has stepped forward with the information and documentation to prove us wrong. It is my belief that when questions are not answered, requested documentation is not produced and production of something as simple as a bookkeeping journal entry is denied, then someone has something to hide. Clearly, when one has the truth on their side, they step forward into the light with that truth.

Prof. Carroll Quigley's Tragedy and Hope on page 48 admits that new money was created by a new bank asset and liability. Tom Schauf asks, did the money for the loan come from the borrower or from the bank? The bookkeeping entries prove that the money came from the borrower.

Chapter 9 - Debt Collectors

Typically debt collectors will tell you someplace in the written notice that they are debt collectors, though they may occasionally try to pretend that they are not debt collectors. The Fair Debt Collection Practices Act (FDCPA) only applies to Debt Collectors. Heintz v. Jenkins, 514 U.S. 291, 115 S. Ct. 1489, 131 L. Ed.2d 395 (1995) explains how the United States Supreme Court has ruled that attorneys who regularly engage in the activity of collecting consumer debt fall within the definition of a debt collector under FDCPA.

Study state court procedures. The witness filing the complaint, or foreclosing on your home, or collecting on a credit card, must have personal knowledge to file an affidavit or complaint and win in court. If the bank witness only sees a copy of the loan agreement, the copy can be alleged as hearsay evidence which cannot be entered into court. Banks can use the U.C.C. to claim that they can use a copy. The other party can claim that the copy is a "cut and paste" with parts missing or is a forgery. A competent witness must have personal knowledge and a copy is heresay. If they only have a copy and not an original, unaltered loan agreement, then they have no personal knowledge with which to answer our questions as to what the terms and conditions of the agreement are, and cannot explain the agreement. A court has no jurisdiction without a competent witness. Now you see why the bankers have tried to foreclose without going to court and use arbitration to get around the law. They know that they have a weakness. You have personal knowledge as to what was signed. The banker, who bought the agreement from someone else, does not. If you argue the agreement, they have a problem.

Historically, if you pay the court the monthly payments, or have the debt paid up to date so the bank cannot foreclose, and sue the bank for breach, not fraud, they must now explain the agreement. If you, additionally, argue the agreement (including the 5 or 6 things in the notices as part of the agreement)

-and you can repay in the same specie of money or they must repay the party who funded the loan - you

-and the bank did the opposite of the agreement - changed the cost and risk

-and attach the CPA report,

the bank may not answer the lawsuit or may ask to settle per history. Experience has shown us that you want to put the bank president, or accountant, on the witness stand, or depose them. They will fight to stop it and only supply a bank teller to testify. The bank teller will say that they do not know the law or bookkeeping and claim that they are not a lawyer and cannot explain the agreement. They will say you got a loan. Historically, the alleged borrower typically wants to know if the 5 or 6 things are part of the agreement or not. Who funded the loan, borrower or lender?

The following is an important court case about requiring the debt collector to give verification before the attorney can collect in court: U.S. Bankruptcy Court, S.D. Florida. Pablo Martinez, debtor, plaintiff, v. Law Offices of David J. Stern P.A., Defendant Bankruptcy No. 99-42274-BKC-RAM. May 30, 2001. The plaintiff won this court case and this information is very important to win against attorneys, and when filing a lawsuit against the bank or bank attorney.

The Supremacy Clause is important. State law is void if it conflicts with Federal law. Supreme Court of U.S. James Edgar, appellant v. Mite Corporation and Mite Holdings, Inc. No 80-1188. Argued Nov. 30, 1981 – Decided June 23, 1982. See Chicago and North Western Transportation Company v. Kalo Brick and Tile Company 450 US 311. See State of Maryland et al., v. State of Louisiana 451 US 725.

Chapter 10 - Doubling Money

Bankers, politicians, judges, CPAs and attorneys know the secret. Money gives you power. Computer-generated buying and selling signals for stocks have generated 50 to 100 percent profits per year. Call Indigo, Micro Star 800-315-5635. Foreclosures can be profitable. Many times, people that are in foreclosure have substantial equity and if you help save the property, the owner agrees to sell it and split the equity with you. This helps them save the property and you get a very large return. As you build up capital, you have more money to save more people.

Some people trade currency. If done correctly, it can be very profitable. Many of the politicians make 100 percent profit a year doing this. Some get 100 percent a month. Some investors even get about 100 percent or more a week. Tom believes in not suing the bank and using your time and money to get a local investment club to pool your resources and time and concentrate on using the banking system to your advantage in getting very good returns.

Another great source is the Investor's Business Daily, www.investors.com 310-448-6150. Omega 888-279-8101 is also valuable. Trade Station has great stock buy-sell indicators. The phone number is 1-800-805-9488 and the website is at www.tradestation.com. Call (866) 455-3863 for Fund X or visit www.fundxfund.com. They have averaged about 20 percent a year. This might help your IRA.

Indigo's software helps you to buy or sell stocks and make money if the stock market goes up or down. Omega uses slow stochastics to tell you if stock is over-bought or over-sold using 200-day averages with support and resistance lines.

Look at www.channelingstocks.com for stocks that historically keep hitting the same support and resistance price levels. For example, a stock is "channeling" when it repeats a pattern of going from a $10 support level to a $15 resistance level, and then back to $10, and then back to $15, and keeps repeating a similar pattern. The website tells you when

to buy and sell certain stocks, resulting in nice profits. Results can be 50 to 100 percent or more a year. If you start with $5000 and double it every year, in 7 years it becomes one million dollars. No one can guarantee profits; we can only show you the possibilities.

Currency trading is 24 hours a day starting Sunday night ending Friday at 3 P.M. Eastern time. Typically the currency (Yen, Euro) moves at 9 A.M. Eastern time plus or minus 3 hours and again at 6 P.M. Eastern time plus or minus 3 hours and again in the middle of the night. Typically, one trades in blocks of about $1,000 which is called a "lot". If you make a mistake, you can lose $200 or $300 on the $1,000 investment depending where you put your "stop". The typical trade lasts between 30 minutes to 8 hours. In 2001, most weeks had one or more trades of 50 to 100 percent profit. If you do it correctly, you can make substantial profits. Currency trading takes time, work, education and experience with patience waiting for the right time to trade. You would have a currency broker like people have their stockbroker. There are classes that teach currency trading. All classes require you to sign an agreement of confidentiality. People have taken several of these very expensive classes and did not think they offered much. The best information on currency trading comes from the traders themselves and the indicators that they use. Computer-generated indicators tell the trader which direction the currency is moving. A currency trader may wait for several hours for the indicators to line up before trading. There are expensive emails that tell you when to buy and sell. Traders have found that the indicators work far better than any email. The indicators can tell you within 10 minutes or 30 minutes when to trade. The email publications are far less accurate and you could miss the trade by hours by relying on the email. For the serious players, currency trading is definitely something one should consider. Currency indicators/values can tell you in advance what will happen in the stock markets. Currency indicators in March, 2002 showed that traders would begin selling US dollars, forcing the US stock market down for the next several months. Tom Schauf accurately predicted this stock market decline in advance. If you trade stocks, you need to know and understand currency.

Bankers and politicians make substantial profits with currency trading. Instead of fighting the bankers in a biased court, why not join them in

making huge profits? Why swim up stream fighting them in court? It is easier to swim down stream, and use the vote and sound investments to gain the upper hand. Do it the easy way, not the hard way. You would do far better spending the time to change things using the vote and putting money in your pocket through investments than spend time and money going to court. Would you be better off going to court or learning to get 50 percent returns in a short time?

Chapter 11 - Changing the System

People fail because they do not do their homework; they are lazy. You need to look up all these words in the law dictionary. Look up the following words: holder in due course, interest, borrower, offer, agreement, contract, fraud and the other words in this manual and Tom's book. Study the banking laws. People lose because they use the wrong arguments or do not get the court handbook for court procedures. Investments take work as well. If it is worthwhile, it takes work.

You cannot expect the judge, lawmaker or sheriff to change the law unless you do your job and join us to get the voter awakened to the truth about banking. Why should the government agents be willing to stop taking all that bribe money from the bankers just because you think it is wrong? They will not stop unless the voters can vote them out of office. We cannot let them remain in office. If they did this to us in banking, we cannot trust them ever again. If they stay in office, they can be bribed again to take away our rights and our wealth. They already let us know that money will buy the vote to pass the laws that the wealthy elite want passed. They let us know that your vote means nothing. You were just voting for banker candidate #1 or banker candidate #2. Banker wins - you lose. They set up a system to keep you in debt, to get your wealth for free and to keep the banker in power in a government run by the bankers. WE MUST CHANGE THE SYSTEM FROM THAT WHICH HAS ENSLAVED US, BACK TO THE CONSTITUTION THAT OUR FOUNDING FATHERS INTENDED FOR US - WITH EQUAL PROTECTIONS, LIBERTIES AND FREEDOMS FOR ALL, WITH NO NATIONAL IDENTIFICATION NUMBER TO ENSLAVE AMERICANS.

Chapter 12 - Ultimate Fear of Bankers

The banker can only say that there is an agreement and that you owe money. The banker cannot show you the original promissory note after it was altered. The banker fears that the borrower might claim that the agreement says that the borrower can repay using another IOU - promissory note payable in the same specie of money, money equivalent or credit or funds or capital that the bank or financial institution used per GAAP to fund the loan, thus ending all interest and liens. This would allow the borrower to discharge the loan, and all interest and liens.

The banker knows that if this is claimed, then you could repay not with cash or a check, but with a promissory note also payable in the same specie of money the bank used to fund the loan, per GAAP, thus ending all interest and liens. If the banker insists that you pay the note, you ask the banker to sign the back of the note, and you replace it with another note.

The banker fears that you will claim that the original contract was altered and stolen and that there was an addition to the agreement with the following items: 1) The intent of the agreement is that the original party who funded the alleged loan per the bookkeeping entries is to be repaid the money, 2) The bank or financial institution involved in the alleged loan will follow GAAP, 3) the lender or financial institution involved in the alleged loan will purchase the promissory note from the borrower, 4) The borrower does not provide any money, money equivalent, credit, funds or capital or thing of value that a bank or financial institution will use to give value to a check or similar instrument, 5) the borrower is to repay the loan in the same specie of money or credit that the bank or financial institution used to fund the loan per GAAP, thus ending all interest and liens, and 6) the written agreement gives full disclosure of all material facts.

Do you see the banker's fear? If the banker claims item number 1 is false, then it is a swindle. If item number 2 is false, then it is illegal. If item number 3 and 4 is false, the bank invested nothing, it was stolen or paid nothing for it and you funded the loan. If number 5 is false, then the bank admits it is only a moneychanger and charged as if there was a

loan. If number 6 is false, then they agree that they concealed material facts. How can the bank claim that these items are not part of the agreement? The banker knows that if this is claimed, the banker must show the original note. If the banker claims that he only has a copy, the borrower could claim that the additional part of the agreement is missing with items 1 to 6. Now one is only arguing the agreement - not the banking system. The banker must discuss GAAP and bookkeeping entries and items 1 to 6 are the last thing that the banker wants to talk about.

Imagine the banker's fear if the borrower sent a promissory note to repay the loan, claiming that the agreement allows it. Imagine sending in a check to repay the mortgage to be applied to the last note you sent. Imagine the potential lawsuit for the banker breaching the agreement and the banker cannot claim that items 1 to 6 are not part of the agreement.

The borrower says, "How can I claim this?" The bank is incorporated, and claims that they follow the law - GAAP - with full disclosure in their agreements and without false and misleading advertising. They claim that they lend you their money - how can they claim differently?

Bankers fear that they will have to explain the agreement, GAAP and who funded the loan. The banker wants you to argue the banking system, which means you will lose in court. They do not want you to claim breach of agreement and claim items 1 to 6 are part of the agreement and they would have to claim items 1 to 6 are not part of the agreement. Bankers understand that if they refuse to show the original agreement, the borrower may claim that the copy is forged because it leaves out items 1 to 6. Bankers fear that borrowers may say "fraud in the factum", claiming that the items 1 to 6 are concealed or there is a forged document leaving the items out. Who cares who funded the loan? You care because it changes the cost and risk of the loan. If there is nothing wrong with stealing and counterfeiting, then why do we send those kind of people to jail?

After you send all the notices, ask for a closing statement to discharge the debt. Then offer to discharge the debt with cash or same specie of money, as discussed earlier, providing that the bank returns the original, unaltered note at time of payment. They will refuse. This allows you to sue. This has led to many wins.

Chapter 13 - The Threat to the Economy

Historically, when the stock market falls to half its level, many people stop spending and a recession or depression follows. Today people are at historical records of high debt. As of January 2002 over 6 percent of credit card holders cannot pay the debt. The Federal Reserve Bank has been repeatedly cutting interest rates. They can only cut so much before increasing interest rates. So far, we only discussed the traditional boom and bust created by today's banking system. The new recession or depression could be both spouses working and not having the money to pay the bills with most households having little or no savings and huge debts.

People increase spending until age 45. After age 45 spending drops. The bell curve of 45 year olds says that US consumer consumption will drop off significantly in two to five years, creating a recession. Don't forget the Social Security problem of more and more older people and fewer and fewer younger people. The Elliott Waves have five legs. We are on the last legs, indicating a coming recession or depression. The Elliot Waves have been very reliable over the last 300 years. For details, buy the book *Conquer the Crash* by Robert Prechter.

As of Sept. 11, 2001, we have to consider a new calculation in determining the future economy. Investors Business Daily, Jan. 25, 2002, page A20, discussed how terror could destroy the U.S. economy. The newspaper discussed what happens if a mass destruction weapon or biological weapon was put into a shipping container. About 90 percent of the world's shipping is done by containers. Shipping containers are the size of a large semi truck. Containers are 48 by 8 by 9.5 feet. Some ships carry over 7,500 containers. Most of shipping is done using containers that are transferred to trains. Often, shipping containers also smuggle people into the country along with drugs and illegal items. Most all of it goes undetected by customs. Over 50,000 shipping containers arrive each day. Custom officers inspect only 2 percent of containers. Homeland security head, Kay said, " The container is so scary in terms of being a rational way of delivering a weapon of mass destruction, you almost hate to discuss it." U.S. Customs Service Commissioner Richard Bonner

said, "One of the most lethal terrorist scenarios... is the use of ocean going container traffic as a means to smuggle terrorists and weapons of mass destruction into the United States. And it is by no means far fetched. Imagine the devastation of a small nuclear explosion at one of our seaports." Osama bin Laden announced that it was his goal to destroy the U.S. economy. We have many enemies who might follow Osama bin Laden's advise. The article explained that it would be difficult to inspect all the containers entering into this country. To inspect them would be nearly impossible and if you tried, it would create a bottle neck and nearly stop imports. The containers could be shipped to a midwest city and through global positioning by satellite, a terrorist can determine exactly where the container is before releasing the weapon. Every American should understand the danger. The government would not shut down all the airports for a week as on 9/11. The government would stop all containers. All imports would stop. Trains with containers would stop for weeks. This would have a significant impact with the economy. Think of all the Americans with huge debts being laid off of work and filing bankruptcy. Having debt is very dangerous. Adding the danger of debt with the danger of stopping the economy, gives you serious potential problems. We need to pray and ask God to prevent such a problem.

Let us switch topics to the currency. Many Arabs hate Jews. Arabs know that in America, there are a high percentage of Jews heading up our media, judges, lawyers, CPAs, bankers, and government. America helps Israel, the archenemy of the Arabs. What would happen if the Arabs turn against America and tell us that they want oil payments to be made not in U.S. dollars but payment must be made in Euro dollars. Some of the Arabs have already been pushing for this. Europe would love it. Europe has about 50 percent more population than the United States. If this happens, everyone will dump our dollars, creating inflation, and forcing the Federal Reserve Bank to increase interest rates. This would create serious problems. The Arabs could make a huge profit in the stock market knowing ahead of time what will happen. This could force oil prices to go up. If you were a currency trader, you could make a fortune, as the rest of Americans would be significantly hurt. The Arabs could make a huge profit on stocks, currency, and oil by simply changing the world currency to Euro dollars as they achieve their political agenda.

The current banking system of forcing people into debt creates booms and busts. The more debt and the significant possible changes of terror, oil or world changes can significantly change our economy. If you do not understand investments, currency and the economy, you are asking for problems. You determine if you will profit or lose from today's banking system.

Chapter 14 - Title 12 U.S.C., The Banking Law

If you sue the bank, you must first read all of the banking law. United States Code Title 12 part 84 (b) discusses loans and extensions of credit, which makes it appear that a bank liability is now money or funds loaned. The law also says that the bank must follow GAAP and according to GAAP a bank liability is not money but owing money. By law, a deposit is money the bank owes. The bankers wrote the law and the agreement. They still cannot explain what money is. Is money equivalent to owing money or not owing money? They cannot explain if you or they fund the loan. Under Title 12, read about the servicing agent (also see 12 USCA, 24 CFR 3500.21), HUD (who can foreclose), foreclosures and obtaining information. Read 12 USCA, Sec 3754, Chapter 38a, Single Family Mortgage Foreclosure and read how the person foreclosing might have to live in your state and how the Secretary (HUD) may give written designation of a commissioner. Requesting this information has stopped foreclosures. You can write up your own notice pertaining to this. If you have trouble getting information from the bank, look at 5 USCA 552, since banks are believed to be an agency of the government. Government sponsored enterprises are agencies subject to Freedom of Information Act (FOIA) requests - see agencies within section 47, "Federal Home Loan Mortgage Corporation, was "agency" subject to disclosure and reporting requirements of this section (47)", Rocap v. Indiek C.A.D.C. 1976, 539 F 2nd 174, 176 U.S. App. D.C. 172.

Look up state laws regarding contracts, banking, foreclosures, lost and stolen or forged promissory notes, the trust deed sale and how to stop it (some states have an administrative remedy to stop the sale or you might have to file a lawsuit to stop it), and UCC pertaining to your situation. If you look up these things, you will find some real interesting facts. Go to the local library or law library (some colleges or universities have one) and do your homework. Few attorneys study law; they study courtroom procedures. Your research can win against an attorney who does not know law. Get other people to join you and study together saving everyone time and energy. Typically, the one who sues first wins. History shows that if you ask for money damages, the banker is more likely to fight in court. History shows that if you only ask for the alleged loan to be canceled, they might just accept a settlement with no extra money to be

given to you. If you do not do your homework and look up these laws and know court room procedures, you have no business suing the bank.

For example, look up California's state laws about instruments (CUCC § 3104(e)), material alteration (CUCC § 3407), and unauthorized alteration (California Civil Code § 1700). Look up comparable laws for your own state and include these in the Notices that you send to the Lenders. The issue is FULL DISCLOSURE of the TERMS and EXECUTION of the agreement. Was your promissory note converted into something of value by the Lender and deposited by them into an account? To find out, you must see the original promissory note! If it has been stamped or had an "allonge" affixed to it to accommodate endorsements, then that is prima facie evidence that it was converted into a negotiable instrument. Did the Lender inform you of this? Does the Lender have written authorization for this from you? If not, that is "fraud in the factum" (fraud in the execution), which is a real defense - even against alleged "Holders in Due Course" of a promissory note!

Chapter 15 - Auditors and Attorneys

Enron stock collapses to less than one percent of its earlier value. Arthur Anderson CPA firm for Enron destroys key documents, e-mails, memos that could incriminate Anderson for violation of auditing standards as outside investigation was imminent anticipating the onslaught of lawsuits from Enron investors, SEC investigation and possible criminal violations. Anderson's head auditor David Duncan heading up the Enron audit refuses to answer Congressional questions on 1-24-02 by invoking his 5th amendment right. Duncan admitted to receiving orders to destroy documents. Former SEC chairman said accounting firms are hopelessly compromised by fees they received by audit clients. Tom has cassette tapes on how he believes the auditors violated GAAP and GAAS in bank audits. Many bank auditors have told Tom that the bank audit is a fraud. The SEC is right. In the name of profit, you can compromise an auditor even to blatant destruction of documents and refusal to answer Congress in the investigation. See Investor's Business Daily 1-25-02 for details.

Bank attorneys commonly claim that you got a benefit by the bank loan. You got the money so no harm was done and now your signature on the promissory note requires you to repay the loan. We should use the same argument and say that if someone counterfeits money and lends it to you, what does the law say. The law says, if someone counterfeited the money, you have no legal liability to repay the counterfeited money lent to you. It was illegal. No rights can be acquired by the illegal operation.

The same situation applies if the bank violated GAAP as it does for counterfeiting or stealing. Attorneys arguing against Tom on this issue do not know the law, GAAP or the matching principle on GAAP. The CPA auditor told everyone signing the promissory note that there can be no economics similar to stealing, counterfeiting or swindling. In fact, the attorney cannot explain what money is. Is money "owing money"? Is a bank liability the evidence of money that the bank owes? Is cash the only money or are the notes used as money? If the notes are not money, is it check kiting? What is the definition of check kiting? If cash is the only money, then no consideration was given to purchase the note from the alleged borrower. If the note is money, then the lender/bank accepted money from the borrower that funded the loan, so why are we repaying

the loan to the one who stole our money and returned it to us as a loan? Why are we repaying the party who refused to lend one cent to purchase the note from the borrower? Did not the thief get a benefit by stealing?

The attorney tries to reverse the argument and make it look like you got a benefit by having wealth stolen from you and returned to you as a loan. If you stole the attorney's money and returned it as a loan, he would have you put in jail. Did the note fund the loan check? If yes, the borrower funded the loan. Was the loan check used to purchase the note from the borrower? If yes, the note cannot be used to fund the loan. Which was it?

The answer tells us if there is equal protection or if the economics are similar to stealing, counterfeiting and swindling. Get the idea? Can a counterfeiter or thief answer the specific questions of their trade? Do they have to use deception to get you to do business with them? If he tells you the truth, he is exposed. The banker wrote the agreement. If the banker has nothing to hide, have him explain it. If they claim that there is not fraud in the factum or fraudulent concealment, then have them explain all of the details. You have a right to understand the details of the agreement.

This only tells you how incredibly intelligent the moneychangers, bank auditors, bank attorneys, government agents are to fool Americans. Like one bank auditor told Tom, there are incredible profits in creating money and lending it out. Tom thinks the professionals are not as stupid as they may want you to think that they are. Tom is not calling bankers, attorneys, CPAs and government agents criminals. Tom is just showing you how smart and intelligent they are to get your wealth for free without you having a clue how they did it. Tom thinks it is criminal for the voter to allow this to go on. The voter is the one responsible for this. The voter has the ability to end it very quickly by helping us win the vote. We win the vote by doing it one vote at a time and angering the voter into telling his/her friends to join us. Otherwise the bankers and their professional friends and government cronies will keep on doing it to Americans.

Do you not see how moneychangers, to keep the deception going, use the auditors and attorneys? Do you see how we need the vote to change

the system that is designed to keep you in debt, broke, and enslaved to the banker? Angry Americans will think it is their duty to wake up the voters, so help us and join with us in this great and noble task.

Chapter 16 - Introduction to Preliminary Judicial Procedures

This chapter was written by Richard Dale Hollis, D.O.

The purpose of this chapter is to supplement ones education and to introduce you to the various shortcomings we find when others request our help. I was asked by Tom to write this chapter to help clarify some aspects of procedures. My experience is limited but hopefully invaluable. Nothing in this chapter may be construed as giving legal advice though I routinely request suggestions from my own legal counsels. Once you have read, studied, and confirmed all the laws, Federal Reserve Bank supplements and various types of Notices, you may begin to wonder where to start first as it pertains to your personal situation. Perhaps you will find that seeking private assistance is more to your advantage but in no way does this avoid your responsibility to learn the material.

Most people will not seek help until they are in deep trouble. They require assistance because they are being sued, received a summons and complaint, and only have a few days to answer. You must review the complaint and answer it with specificity, or generally deny all its allegations, demand written proof via sworn affidavit, and demand an evidentiary hearing under the rules of civil procedure for the production of all original documents. You must attend all hearings on the matter. Occasionally, the adverse party will deem your answer as non-contesting and move for a default judgment for failure to answer properly or failure to attend a hearing.

Though you are involved in an action, you must continue to write Notices. The Notices can be filed in as evidence to exhaust your administrative remedies. Normally, the adverse counsel will avoid any reference to the Notices because they are paid to publicly perpetrate a commercial transaction while you are attempting to settle the matter privately. You will find the "admissions document" also outlined in this manual very helpful as well. You may serve the adverse party both publicly and privately.

Of course the adverse counsel will refuse to admit or deny most questions

in the admissions document because it exposes the truth about the banking system. Therefore, you can submit a "Motion to Determine the Sufficiency of Admissions, then a Motion to Compel Admissions to force the adverse party to answer or in the alternative, have all admissions deemed admitted. You must look up the various motions in your local court rules to apply them.

At this point, you may be wondering, how is it that you have been unable to expose the truth concerning the bank loan agreement? Remember, lawyers for the bank are master manipulators. Many are clueless as to the banking laws and their only contention is that you benefited. Did the bank benefit? Would 100% pure profit plus interest be a benefit? Hmmmm, sounds like counterfeiting, enslavement, unjust enrichment, unconscionable contract, lack of disclosure, total failure of adequate consideration to me!

The fact remains, you cannot prevent discovery of the facts, admissions, production of original documents, bill of particulars, depositions, or any other proof and at the same time grant the court "subject matter jurisdiction." The court can only have its jurisdiction if you submit to it and it is impossible to be denied due process of law and discovery and at the same time grant the court subject matter jurisdiction to hear a case, though the adverse counsel would have you believe differently. The judge's first responsibility before any hearing or trial is to determine whether the Court has subject matter jurisdiction, if not, the judge looses immunity and herein lays their power to rule over the matter or surrender their immunity and be personally liable. Your appearance in court is not to argue. You only declare the facts, demand proof and if you have been denied administrative due process of law, then declare it to the judge. Do not create any controversy or disputes. There are none. You simply object to any of their contentions because they amount to nothing more than hearsay. You are not the one who brought the claim; so stop your testimony against yourself. The bank must provide the burden of proof.

The judicial system is a trial of the facts that are in controversy, but first we must present the facts... period. How can you defend yourself if you do not know the facts? The bank's job is to hide the facts and your job is to expose them. The bank has no defense and that is why they hire the

master manipulators, the "debt collectors."

If you obtain all the material referenced in Volume 1, Volume 2 and this manual, you will be well prepared to give yourself plenty of tools that will help you win against the bank. Below, is a short list of essential items but in no way is it an exhaustive list.

1. Tom Schauf's Volume 1, 2, and this Banker's Manual 2. Tom Schauf's audio series: "Argue Like a Bank Loan Expert Witness" 3. The Court Rules for your State 4. Federal Rules of Civil Procedure, the State Rules follow these rules 5. The Dictionary of Banking Terms, by Thomas Fitch 6. A UCC textbook, or the practice series if you can afford it, the annotations are important because they provide the case law 7. A good Law Dictionary 8. A textbook for Business Law, an Anderson's works well 9. The Federal Reserve Bank publications, and save the envelope, they are evidence 10. An Intermediate Accounting Text

When time is short, we suggest you seek proficient help but you still must learn the material. I have found that using local attorneys well indoctrinated into the system to be of little help in representing your interests. No matter how you plan to obtain relief from the banking system, you must understand all the principles taught in these books and references. Never accept the idea that someone else is going to win your case. We are not magicians, and any illusions you may have will soon end in disappointment if you refuse to do your homework.

The business of "cut and paste" using someone else's form notices, and duplicated to the letter is futile. My experience has been that people who use this shortcut "copy and paste," usually end up in trouble and are named as a defendant in a lawsuit. Learn to rewrite these examples and simply use the examples as a guide. If you elevate your procedure to an art, you will definitely be more successful. Another problem exists when you take what others say and use it as if it were true. I live and practice by this caveat. "Just because someone says so, does not make it so." When you have confirmed the information for yourself, and you know truth about what you are doing, your confidence and ability to deliver any presentation will increase by a hundred fold.

Writing notices is truly an art form, but if you know the principles taught in these books, you will be much more successful. The affidavit authored by Tom is a gold mine. Use it because it has tremendous value. The affidavit needs to be formed with a line space between each asseveration. First request the credit card company to swear on the facts stipulated in the affidavit. Your next response to their refusal is: "I am unsure as to why you refuse to sign the Affidavit proving I am mistaken" thus they have no proof that you in fact owe anything, the truth is, they owe you. When they refuse to sign the Affidavit, this goes a long way to prevent being named as a party in a lawsuit. How can they swear out a complaint and refuse to sign the affidavit in your first notice. Continue to send the Affidavit in the second notice while you update yourself on the laws given as examples for your homework.

You can even add the actual wording from the U.S.C., the C.F.R. and the U.C.C. to your notices. The wording gives your notices bite and makes them meaningful. The U.C.C. is not subject to change by the judicial system so use it. A violation of the law or procedure or hearsay evidence is what overturns or vacates judgments against you. I have never read a case where there were not violations of the law and procedure, and hearsay evidence. Most attorneys do not know what the law says and this goes for judges as well. Attorneys are sworn to uphold the Rules of Court as well as the law. We have personally seen a case where we had to deliver a copy of the Fair Debt Collections Practices Act to the judge because he did not know what this vital Act of Congress said. So sometimes you even have to educate the judge.

Now let's review some titles for Notices. Do not reprint general titles exactly as they appear in the appendix of this manual. Change the titles to fit your situation for example:

1. DEMAND FOR ADEQUATE ASSURANCE OF DUE PERFORMANCE 2. NOTICE OF DISPUTE (this does not mean that a controversy exists, it is simply a title used to inform the credit company to invoke your claim under the Fair Credit Billing Act, a Truth in Lending provision) 3. SECOND NOTICE OF DISPUTE, or FINAL NOTICE OF DISPUTE 4. NOTICE OF BREACH OF AGREEMENT 5. SECOND NOTICE OF BREACH OF AGREEMENT...etc. 6. INVOICE 7. SECOND INVOICE...etc.

These Notice titles work well for most bank loans and collateralized debt

1. ACTUAL NOTICE OF FULL DISCLOSURE 2. ACTUAL NOTICE OF FAULT 3. ACTUAL NOTICE OF DEFAULT 4. SECOND ACTUAL NOTICE OF DEFAULT IN DISHONOR 5. ACTUAL NOTICE OF BREACH OF AGREEMENT 6. NOTICE OF BREACH AND ANTICIPATORY REPUDIATION OF CONTRACT 7. NOTICE OF DEFENSE AND CLAIM IN RECOUPMENT

The title of the Notice pertains to the subject of the notice, nothing more, and has unlimited possibilities. Keep it simple. Sometimes you must add two or even three titles to a notice. I have even sent a "Notice of Lost Instrument' just to find out who has the original Note for physical inspection.

Now let's review items of discovery. The admissions document must be specific. You must actually name the parties in your request for admissions. Do not use general terms. A production of documents must always request original documents, everything else is hearsay evidence and is not based on facts. Remember, courts make judgments not based on fact, but rather your agreement to hearsay evidence, and we collaterally attack it. The art of writing up pleadings, notices or any other contention is based on merit and your understanding of the subject.

A demand for "Bill of Particulars" is a request for specific information and documents like account ledgers, bookkeeping entries, and each and every transaction with particularity even the original promissory note. Inform the adverse party in your pleading that failure to provide this information or documents will preclude them from using them at a trial and that they only have twenty days to provide them. Look up your specific local court rules for time limit, type of forms to be used, etc.

Failure to provide discovery is an abrogation of due process of law. You are always entitled to see the original document, examine the evidence or any witness for that matter. Failure to state a claim upon which relief may be granted is an answer on the initial Answer to a Summons and Com-

plaint or even a dismissal of the claim. The bank has a claim and they want you to believe they have been damaged. The truth is, you are the one who has been damaged by deception, misrepresentation, fraud, inflation and deflation of the economy, fiat paper, Federal Reserve Bank notes and their private script constantly damage our country. It is worthless and has little or no intrinsic value.

Non-judicial foreclosures are lawful because the Supreme Court said so and you gave the bank the right to foreclose on you in the original promissory note agreement. This little clause is written in the Note and the bank knows it. In this case, you need a "Verified Complaint." A "Summons" a "Motion to Vacate a Void Judgment" with a brief in support of your Motion and sometimes an "Injunction" or a "Stay," and a "Liz Pendens" filed at the county recorder to cloud the title. If time is short, title your "Motion to Vacate.... as "Emergent Motion to Vacate...." as these must be heard with seventy-two hours. Also, make up the actual "Order" for the judge to sign. It is called a proposed form of order and must be filed with all Motions.

Judicial foreclosures require all the routine answers, discovery, etc. They are done in open court. As long as you work fast and respond appropriately, you will do fine. Never overestimate the adverse counsel. I have found most 'debt collectors' to be vindictive, manipulators, well versed in court procedure, rarely utilize anything more than hearsay evidence, and never very intelligent. I am not sure as to why 'debt collectors' have small intellectual capacities but this has been my experience. If time is so short, and your home will be auctioned in the morning, we usually encourage a Chapter 13 filing the very day before the auction. Bankruptcy gives you an automatic stay of any action or judgment and allows you time to organize your material. However, you still continue writing Notices and remind the CREDITOR about filing false "Proof of Claims." If they file one, object to their claim and demand production of the original unaltered Note, and all the other discovery you can get. Most all debt security instruments can be discharged inside the bankruptcy if they fail to provide the proof. If you never demand the proof, as you are entitled, you will not get it and you will lose.

One final word of interest needs to be stated. It is never over until you say

it's over. As long as you speak and expose the truth, you will better defend and protect your life, liberty, and freedom, and you will win! Every time the adverse party files an affidavit or some erroneous claim of personal knowledge or "verification," it must be rebutted with your own affidavit of the truth. Learn to write affidavits that plainly state the facts. Affidavits do not draw conclusions of law, or assume any information. Simply state the facts. Negative averments work very well, example; I am not in possession of any original document with my bona fide signature that purports to perfect a claim against me (Copies are not competent evidence and I did not sign a copy). So, you must learn to write Affidavits.

I am confident if you do your homework and learn the information you will be successful. We have had many, many successes in our work simply because we do our homework. Knowledge has value. Credit reports have no value and are useless as far as I am concerned. Learn what real value and wealth is and accumulate it. Then you can teach others the same information especially our children.

I know this chapter does not tell you every aspect needed to win a judicial complaint, but it will get you headed the right direction and is only a guide. Remember, there is always life after judgment in any court and you will find post-judgment remedies as well. My sincere thanks are given to Tom Schauf for this opportunity to supplement this Banker's Manual.

Richard Dale Hollis, D.O.

Chapter 17 - The Bible and Today's Banking

Christians can use the following Bible verses to help believers and preachers to follow the Bible's view on banking. The American Revolutionary War was fought over the two banking systems. At that time 98 percent of Americans claimed to be Christian. The Constitution only allowed gold and silver, prohibiting credit, forcing equal protection. The following verses tell us what God says.

Exodus 18:21 (chapter 18 verse 21), 20:4, 20:13-17, 23:1-3. Leviticus 6:1-5, 19:11-15 and verse 36, 25: 23-34. Deuteronomy 5:19-21, 18:15-20, 19:18-19, 20:1-4, 23:19, 25: 13-16, 27: 18-25, chapter 28 (If you obey Gods law, you are blessed. If you disobey, you are cursed.). 2 Kings 17:19-20. 2 Chronicles 24:20. Nehemiah chapter 5. Psalms 1:1-3, 7:14-16, 10:7, 15:1-5, 17:1, 24:1-4, 26:4, 27:12, 32:2, 35:10-11, 35:27, 36:3, 37:1-11, 40:4, 43:1, 50:10-11, 53:1-3, 64:5-6, 78:36, 81:15, 84:11-12, 94:15-16, 101:7, 106:5, 107:1-2, 107:11-12, 109:2, 115:14, 117:2, 118:25-26, 119:97-98, 119:104, 119:118, 119:121, 119:163, 120:2, 146:7. Proverbs 1:32-33, 3:9-10, 3:32, 4:24, 6:16-19, 6:30-31, 8:13, 8:17-21, 8:35-36, 10:3-4, 10:6, 10:9, 10:22-24, 11:1, 11:5-6, 11:20, 11:24-25, 12:17, 12:22, 13:5-6, 13:21, 14:5-9, 14:25, 15:5-6, 15:9-10, 15:26-29, 16:1-3, 16:11-12, 19:5, 19:9, 19:28, 20:23, 21:3, 22:7-8, 22:12, 22:22-23, 24:28, 28:16, 29:2. Ecclesiastes 3:13. Isaiah 5:23, 9:15-17, 10:1-3, 16:4-5, 31:1, 33:15-16, 41:11-14 (God gave this verse to Tom), 42:24, 48:17-18, 48:22, 51:4, 54:17, 55:8-9, 56:11, 57:17, 59:4, 59:15-17, 63:10, 64:7, 66:4. Jeremiah 5:28, 5:30-31, 7:23-24, 9:3, 9:6, 9:12-13, 10:21, 11:1-5, 12:17, 13:25, 14:13-22, 15:7, 17:5-11, 21:11, 22:3, 22:13-14, 22:17, 23:14, 24:7-8, 29:11-14, 29:32. Lamentations 3:35-36. Ezekiel 3:18, 6:9-10, 7:21-22, 13:2-3, chapter 18, 33:1-9, chapter 33 and 34. Hosea 4:2, 6:6, 6:11, 10:12-13, 12:7, 14:9. Joel 2:12-13. Amos 2:4-6, 3:7, 7:7-9, 8:5. Jonah 3:10 to 4:2. Micah 2:1-4, 3:11, 6:8-16. Habakkuk 2:9. Zephaniah 2:7, 3:12-13, 3:20. Haggai chapter 1, 2:8. Zechariah 5:1-4, 8:17, 11:17.

In Malachi Chapter 1, Esau means red head child and Rothchild the banker was a red head child. Esau (Edomites) settled by the Black Sea where the Rothchilds , the bankers of today, came from Edom and changed

their names to Jewish names claiming to be Jews but were not. See Revelation 2:9, 3:9. The Bible claims that today's bankers are of the synagogue of Satan. See Genesis 25:30-34, 27: 30-46. Esau is trying to get back his birthright.) Christians worship a Hebrew (Jew) called Jesus. Satan uses counterfeits.

Malachi 1:14, 2:1-2, 2:9, 3:5-7. The church, trying to get money, makes a contract with the banker - IRS (collection agency of the privately held Federal Reserve Bank) bringing the church under the curse by disobeying God's laws. Love of money by the church brings on the curse by only teaching partial instruction of God's word. Love for IRS contributions to get your money, debt to build a big building today, and big preacher's salary brings on the curse. By contract, the IRS controls the church. That can be idolatry. The IRS can be the idol, placing the IRS first and God's law second. Idol worship is a curse to the members of the church — the curse of debt and little wealth. Matthew 6:3-4 (IRS violates this verse), 6:24, 6:33, 7:6, 7:15-16, 7:21, 7:24-27, 12:18-21, 15:13-20, 17:24-32, 21:13, 22:37-40, 23:1-4, 23:25, 23:28, 24:11, 24:24, 25:14-30 (We did not bury the talent, we gave it away to be given back as a loan, which is a greater sin.), Mark 4:19, 7:6-9, 7:20-23, 10:17-19, 12:31, 14:1, 14:11, 14:56, Luke 3:12-14, 4:5 (God created it and when man disobeyed, the devil got it by deception and by creating money and loaning it out.), 4:18-19, 7:29-30, 10:30-37 (Help those who have been robbed.), 11:39, 11:42-44, 11:46-52, 13:23-28, 16:11-15, 18:20, 19:8 (If the banker repents, he needs to repay us the note he deposited.), John 3:19-21, 8:44-47, Acts 13:10, 20:27, Romans 1:28-32, 2:21, 12:9-11, 16:17-20 (contrary to the teaching).

The next verse uses the New American Standard Bible - 1 Corinthians 5: 11-13 (A swindler will go to hell and is not a Christian and if they claim to be a Christian, have nothing to do with them. The church should stay away from swindlers.), 6:9-11, 10:26. 2 Corinthians 13:8. Galations 1:6-8. Ephesians 4:14-15, 4:24-28, 5:7, 5:11-13 (even let the preacher's salary be visible in light), 6:10-20 (truth and righteousness), Colossians 2:8-10. 1 Thessalonians 4:6-8. 2 Thessalonians 3:14-15. 1 Timothy 1:9-10, 3:1-15, 6:3-10. 2 Timothy 3:25-26, 3:26-17, 4:1-8. Titus 3:9-11. Hebrews 1:9, 6:18. James 3:13-18, 5:12. 1 Peter 3:15. 2 Peter 2:1-5. 1 John 1:6, 2:21, 3:7-10. 2 John 1:4 and 1:9-11 (Do not participate with

the bankers.). 3 John 1:2. Jude 4. Revelation 2:8-9, 3:9, 13:11-19 (banker's cashless society), 14:5, 15:4, 18:4, (Babylon is commerce - banking sins), 21:26-27, 22:15. (God does not change) Malachi 3:6. Hebrews 13:8.

Now you are armed with the truth and can talk to the leader of your church. Why tithe to a church that will not follow the Bible? Many churches are merely businesses designed for the preacher to accumulate gold and silver in direct opposition to the teaching of Jesus in Matthew 10:9, 1 Peter 5:1-2, Ephesians 5:7-11 and Philippians 2:20-21. The preacher says tithe but violates the law of God when they get a loan. The preacher is teaching a different doctrine so why participate in the preacher's sin by tithing? Tithes/contributions in the New Testament was for the needs of the saints. Leviticus 19:10, Acts 4:32-37, Acts 11:29, Acts 20:33-35, Acts 20:29, 2 Thessalonians 3:6-9, 3:8-14, Corinthians 4:16 and 11:1, Matthew 6:3-4, 19:21, 26:9, Mark 14:5, Romans 12:13, 15:26, 2 Corinthians 8:4-5, 9:12, James 1:27. Regarding Old Testament Law (tithe) see Acts chapter 15, verses 1,5,8-10,19-20 and 28-29. Christians who need financial help-tithe was to be eaten before the Lord. See Leviticus chapter 19 and Deuteronomy 14:22-29. Does your church eat the tithe as a group? Why not? If they are a prosperity preaching preacher saying tithe and they do not tell you about the truth about the Bible saying bank loans are a curse, they are not telling you the whole truth. If people stopped funding preachers who refuse to tell the truth, those preachers would go out of business and the one's who preach the truth will keep preaching. Every time you give to someone deceiving people, you participate in their sin. Stop sinning and they will stop concealing the truth.

Before tithing to a church, you should ask a few questions. Is the preacher building the preacher's kingdom (big salary and big buildings) or is be building God's kingdom God's way as the Bible tells us to do? Can the preacher look you in the eye and tell you that he will follow God's way concerning tithe, money, bank loans and using talents? If he will not follow God's way, why are you following him and giving him your money? Tithe is designed to put God first and God says it is better to obey than sacrifice. If you do not obey God's way, your tithe means little if anything in God's eyes. If all the churches did it God's way and stopped

preaching in partiality and told the whole truth, everyone would have more money and the church would use the vote to bring back godly government.

Have the preacher read Tom's first banking book, Volume 1, and read this part of the manual concerning the Bible. After he knows the truth, see if he will follow it with his whole heart or not want to tell the whole truth. Tell everyone in your church. Have them read the website. Help those who embrace the truth. Some preachers will say that they do not want to get involved. They are afraid they might offend the banker or are afraid they might lose tithe money by upsetting members of the church. See Galatians 1:10-11 and then Galations 1:6-9. This means that they are more interested in their salary, putting money first instead of God first- than preaching the truth. If your preacher is guilty of this, then he is in violation of Matthew 6:33. Per 1 Timothy chapter 3, the preacher is to be free from the love of money, and to support the truth, not be part of sordid gain. It is like the Congressmen and judges who take the banker's bribe money. Money is given to buy their silence when they should be speaking out the truth. See 1 Timothy 6:10. By doing so, the preacher is representing his interests and not your best interests. "For they all seek after their own interests, not those of Christ Jesus." Philippians 2:21. If he loves his people, he will tell them the truth and end the slavery. "You were bought with a price; do not become slaves of men.", per 1 Corinthians 7:23. Have your preacher end the slavery by telling the truth or find a preacher who will tell the truth and follow the Bible. If they tell you to give money to the church, then have them tell the whole truth or stop giving. Give to someone who will tell the truth.

Should you leave a church that will not obey the Bible? Yes, per 2 Thessalonians 2:10, 3:6 and 14. Also see 2 John verse 9 - 11 and Romans 16:17. Tom's organization is looking for churches and Christians who want to learn how to use the banking system to our advantage and get huge returns on investments so we have the money to bring this nation back to a Christian nation.

We are hoping that you will join us in this great venture. One church Tom attended had huge debt. The first $5 everyone gave weekly went to the banker to pay the interest. If the church did it God's way and stayed

out of debt and doubled money quickly, there would be an overflow of money before any weekly offering operating under the blessing and not the curse. Does your church operate under the blessing or the curse? Some preachers will argue to follow the government. Peter answered this in Acts 5:29 and Romans 13:1. The governing authority is our Constitution — prohibiting today's banking system denying us equal protection.

Here are some fun verses: Matthew 18:3, and 7:21, John 3:16, Romans 3:23-31, 10:9-13. Ephesians 2:8-9, Titus 3:5, Galations 3:11, John 1:12-13.

Why did Jesus die? Read: 1 Corinthians 15:3-4, Romans 5:6, Mark 10:45, Colossians 1:14, Hebrews 9:22, Revelation 7:14, 1 Peter 1:18-19. His blood redeems us spiritually from Satan's claim on us. Once we are redeemed, then Jesus wants us to prosper, just as the Israelites were redeemed by blood on Passover, and then were freed from Egypt to prosper in their own land. Notice John 10:10 "The thief cometh not, but for to steal, kill and destroy: I am come that they might have life, and that they might have it more abundantly." God wants us to prosper and to have an abundant life so that we can, in that condition of prosperity and freedom - not out of necessity - freely choose to agree with His way of life for all eternity. God lives in awesome splendor and wealth. We must experience that same wealth to enough degree in this human training ground first in order to make a legitimate CHOICE for that way of life. Satan's strategy is to steal our wealth and prosperity so we can never experience and choose God's way of life! God is angry about our complicity with Satan's money system based on debt, counterfeiting and swindling! Just before the end of this age, God will have a Remnant of people who will awaken to this fraud and suddenly arise to collect from, spoil and plunder this money system (Hab 2.6-8; 3.12-14; Isa 23.18; 52.1-3; Zech 2.7-11; Micah 4.6-13) so that God can use this Remnant to form a very prosperous nation as an example of the prosperous way of life that God wants all people to have -- so we can choose to escape this world, just as He provided the people in Noah's days with a witness of His way of life and chance to escape. Read Micah 6 and see how God strongly indicts His people for allowing this financial caste system (Micah 6.2, 10-13) to go on, and how the punishment will be sickness for those

who do not do something about it! However, the awakened Remnant will be delivered and their fortunes restored (Zeph 3.12-20)!

Who is Jesus? The Son of man through the virgin Mary and God was His Father through the Holy Spirit, for God is Spirit per John 4:24 and the first few chapters of Matthew, Mark, Luke and John. Read 2 Peter 1:17, Matthew 3:16-17, Luke 4:8, 1:35, Isaiah 43:10-11, 44:6, Revelation 1:8, 1:17, 2:8, 22:8-9, John 8:58, 1 Timothy 4:10, John 4:42, 1 John 4:14, Hebrews 1:5-6, John 20-28, Acts 4:12, 5:3-4, 13:2, Matthew 10:20, Acts 3:26, John 2:19, Romans 8:11, 1 Timothy 2:5, Matthew 28:19, John 14:9-10, John 10:30-33, Galations 1:8, 1 Timothy 4:1, 2 Corinthians 11:13-15, Colossians 2:7-10, 3:16, 1 Timothy 3:15, 2 Timothy 3:16, 2 Peter 1:20-21 and Matthew 4:4. These verses tell you who has authority to make the rules.

Does your church follow the Bible or change the Bible? In the Day of Judgment, you will have to answer this question. God wants us to prosper and be blessed, see Isaiah 48:15-17, 3 John verses 1 and 2. God just wants you to put Him first place in your life and Him before money, (Matthew 6:33) not after the IRS tax deduction and debt. Build the church and your home using God's ways, not the banker's ways. God gave us the Bible so we would be blessed and not cursed. God created the earth and the devil tried to steal it through creating money and loaning it out, getting the mortgages for free, so that you pay more tribute (money) to the devil than to God by tithing. So who is first place in your life, God or the devil? It does not honor God to give God's money to the devil. We must obey God. Tithing is all about putting God first. Where your money goes tells you who is first in your life and in your church.

God's banking system is explained in Deuteronomy 15:1-14. You are not to remain in debt or lose your inheritance through foreclosure. You are to be the lender, not the borrower.

Summary

Those going to court arguing the banking system will lose. If you tell the judge that the bank lent credit or did not follow the Constitution, you also lose. A class action lawsuit will fail. If you do not show that the capital for the loan came from you, you lose. If the bank can show that the bank lent you the bank's money, the judge will force you to repay the money regardless if you deny it is your signature or not. The bank will use the form - agreement - with your signature to claim that the bank lent money to you. To be successful you must show that the substance, bookkeeping entries (GAAP), were the opposite of the form, substantially changing the cost and risk.

It is very helpful to have a CPA expert witness trained by Tom Schauf using Tom's copyrighted CPA report. The notices are used to create an argument to find out what the terms and conditions are of the agreement. They cannot explain it, yet they wrote it. They claim that there is an agreement, so let them explain. You are always willing to repay the loan in the same specie of money/credit they used to fund the loan per GAAP, thus ending all interest and liens, if they can show you the original, unaltered note, not a forgery, and that they purchased it from you (not stolen) and followed GAAP.

They are moneychangers, so they refuse the same kind of money. They do not want you to do to them as they have done to you. There are two kinds of money. Money issued by the government and money created by the bank by depositing your money - the promissory note. Did your signature agree that the note is money to be deposited? How could it, if you had no knowledge? Signature means that you agree to the validity of the document/transaction. The bank cannot explain the policy or bookkeeping entries. Bankers hate it when someone claims the note is a stolen/forged document. The bankers' secret manual that Tom obtained shows how the bankers hate it when someone using a real defense of fraud in the factum, claims that the bank is not a holder in due course. If one does not challenge that the bank is a holder or holder in due course, the judge will presume that the bank legally owns the note and you must pay. To win, history shows that one must show breach of agreement since the bank never paid one cent to purchase your note from you. A trick to get

your note and not pay for it is unjust enrichment. A borrower has the right to believe the bank followed the law per GAAP, and purchased the note from the borrower. No title passes with a theft or a forged document. They will try to get you to say that it is your signature. If you ever say it is your signature, you admitted to the validity of the document. Look up the word "signature" in the law dictionary.

Ask for help. Ask to see if someone can help you with the courtroom procedures and paperwork. Remember, historically the banking strategy has changed every 30 to 90 days. Old strategies fail. We believe that all borrowers should repay all lenders per GAAP. We believe in equal protection. We believe that the intent of the agreement is that, per GAAP, the one who funded the loan should be repaid the money. We believe that there should be no concealment of the agreement or its material bookkeeping entries. So far, no banker has answered Tom's admissions. Study court admissions and summary judgment if they do not answer the admissions.

If no new money was created as if it was a loan from a friend, there is no breach of agreement.

If you want to win in court, you must help the judge help you without asking the judge to directly go against the banking system. Judges have secretly met with us to help us. Many of them secretly want you to win. They have asked us to present a case in the proper way so that they can help us. If you claim it is stolen and forged, the judge can ask the bank to explain. When the bank cannot, then the judge can help you. The bank does not want to talk about GAAP and that is exactly what you want to discuss in detail with a jury listening. Per the agreement, is the promissory note money or to be used like money to give value to a check or similar instrument? If yes, you funded the loan; so why are you repaying interest and principle to a party who refused to pay you one cent to purchase the promissory note from you? Anyone buying the promissory note from the original lender knew the bookkeeping entries were the opposite from what you understood the agreement to be. If they cannot tell you what the bookkeeping entries were, how can they prove they lent you one cent of their money to purchase your promissory note from you, proving it was not stolen?

Even if you win, you have nothing if they go to a national ID card. We must wake up Americans and do it now. The vote is the answer. They can always change the laws to keep you in debt unless we can vote in a true change with government employees passing laws and judges that represent us and not the bankers. Use the law and the vote to change the system and use the banking investment method to reap huge investment profits.

Tom has shown you the history of past courtroom arguments. This does not guarantee that you will win. Bankers have changed strategies and borrowers have changed strategies every few months. You can expect this manual to change every few weeks or months to keep up with the latest changes. Tom expects to only print small quantities of the manual at a time to keep printing the latest information. Watch for the latest manuals with the changes to be announced on the website:

bankhonesty.com

Pray to the God of the Bible. Ask the Christian God who this nation was founded on for wisdom, guidance, direction and protection and that God would grant us favor and blessing everywhere we go. We must learn to live for God and country. Tom requests that you pray for him on a daily basis. Pray that God would give him protection, favor, blessing and guidance in all of Tom's activities and that Tom hear the voice of God and quickly obey. Pray that Tom would be pure and holy before God. Tom believes that we will win this nation on our knees before a holy God, the Christian God of the Bible.

The bankers have tried to take God out of our schools, government, and way of life. They must try and do this before going to a cashless society, knowing that real Christians would object, per Revelation 13. They are fighting against God and they will lose. God repeatedly tells us to keep the faith and not to fear. Do not fear them, only fear Jesus. The battle is the Lords. We simply will obey the King of Kings. Tom Schauf has put Jesus first in his life. Jesus is the King and we simply obey Him. Tom says that God is the one who put the banking books together and this manual and websites. God is the one behind all of this and He will not allow it to fail. One day, Tom may give the details of how God did so many things to put all of this together. Tom gives God the glory for all of

this information, books, and manuals. Ask your church members to join us in living for God and country and bring this nation back to the God of our Founding Fathers. When the churches join in with us, we will have won.

Remember that you can make a difference. When 100 becomes 200 and then 400 and 800 becomes 1,600 and that turns into 3,000 websites and everyone gets out over 100 emails and people read the books and get angry and follow us, we then decide who is elected into office and we will have won the nation. People will join us when they see we have a plan that will work. The book sales will fund us in saving the nation. Time is running out so do not delay in helping us save the nation.

Nearly anyone in the country trying to get people out of debt learned and copied from Tom. Two law clubs or schools signed agreements with Tom to keep the information confidential and then violated the agreements. They lost nearly every court case simply by changing a few things. Tom met with a group in Florida claiming to eliminate debt. Their manual says that they learned about it through a CPA. Yes, it was Tom. They signed an agreement of confidentiality in front of a witness. Tom refused to work with them after this. They have been telling people to send the credit card company $5 marked paid in full. If you read the UCC, you will see that the credit card company is correct and you cannot use this strategy per the UCC for credit card companies. People gave these people in Florida over $1,000 for something per the UCC that does not work. It did work in limited cases with low credit card balances because it was a low enough balance owed it was not worth pursuing.

Tell everyone to be careful of the people who copy Tom's work. The copiers do not understand what and why people win or lose in court. This manual was put together so that people can get the information for $275 and not spend $1,000s. Yes, Tom has special friends that he gives the latest inside information to. Please just be sure that no one is taking advantage of you and your friends. We ask you to forward the latest good information to Tom so that everyone can benefit. Thanks for everyone's help that has been helping Tom in saving the nation, the government we love, helping us use the vote to change things the American way, and replacing the government employees that represent the bankers interest with freedom loving Americans.

It is very simple. If you stop making loan payments, they will come after you. If you give them a second promissory note, claiming that the agreement allows this as a payment and send them monthly checks applied to the second note, they cannot sue you but you can sue them for breach of agreement and force them to reveal the true agreement. On a mortgage, the title or escrow company has the records as to what bank funded the loan. If you're nice, they might tell you.

There are three ways to return the wealth to you. The vote allows you to win without going to court. Investments using the banking system to your advantage return the wealth to you. Last is the most risky method– which is court. The vote is the only lasting solution. A major political party will join us if we have enough websites up, emails out and books sold. Help us win the vote and save America.

The End

Appendix

The following documents are examples of what has been used by others to obtain FULL DISCLOSURE of all information about the bookkeeping entries associated with the loan agreement for credit cards, auto loans and home mortgages. These are not legal documents. For legal advice, you should always consult with competent legal counsel. These examples are only for your education and reference. You must learn how to look up your own state statutes and regulations and use them as necessary. It would be a good idea to start up a local study group of friends in your area to help share the costs and time for doing this type of research.

Suggested Court Admissions

The following are Admissions... admit or deny the following. One needs to modify admissions to fit their court case. Example: The lender or bank involved in the alleged loan followed GAAP. If it is a credit card, you can change the term "promissory note" to "loan agreement" or "credit card agreement and purchase". If it is a mortgage broker, make sure you say, "alleged lender or financial institution involved in the alleged loan".

1) The lending bank follows the Federal Reserve Bank's policies and procedures.
2) The lending bank accepts all specie of money mandated by the Federal Reserve Bank.
3) The lending bank follows Generally Accepted Accounting Principles, or GAAP.
4) The lending bank claims that they lent money to Joe Smith.
5) The terms and conditions of the alleged agreement disclosed that the bank or financial institution involved in the alleged loan was to use the borrower's promissory note like or as money or credit which resulted in increasing the assets and liabilities of a bank(s) and/or financial institution(s).
6) The terms and conditions of the alleged agreement disclose that the original lender never lent one cent of money as adequate consideration to purchase the promissory note from the alleged borrower.
7) The terms and conditions of the alleged agreement disclose that the economics of the alleged loan were that the borrower's promissory note was exchanged for something of equal value like money or a bank check or bank draft or similar device that was returned to the borrower as a loan.
8) The terms and conditions of the alleged agreement disclose that a bank or financial institution was to accept the borrower's promissory note like banks accept money and use the value of the promissory note to create new money or credit.
9) The terms and conditions of the alleged loan agreement allow the bank to record the promissory note as an asset of a bank or financial institution resulting in a new liability of a bank or financial institution.
10) The bookkeeping entries of the promissory note shows that the bank

or financial institution recorded the promissory note as an asset of the bank(s) or financial institution(s) resulting in a new liability of the bank(s) or financial institution(s).

11) According to the terms and conditions of the alleged loan, GAAP was to be followed, including the matching principle as outlined in GAAP. (Matching principle means if a customer deposits money at a bank, the bank must credit the same customer's checking account showing a bank liability, showing that the bank owes money to the same customer.)
12) The lending bank ____(write in lender's name), agrees that the intent of the agreement requires that the party who provided the money that funded the loan is to be repaid the money plus interest.
13) According to the loan agreement, the bank or financial institution involved in the alleged loan is to use the borrower's promissory note as money, money equivalent, or thing of value to give value to bank checks or bank drafts or bank wire transfers.
14) According to GAAP bookkeeping entries, regarding the alleged loan and promissory note, bank or financial institutions' assets and liabilities increased by approximately the amount of the alleged loan.
15) The alleged borrower is allowed to repay the loan using the same specie of money or credit that the bank used to fund the alleged loan, thus ending all liens and interest.
16) The intent of the alleged agreement is that all borrowers must repay all lenders.
17) The intent of the alleged agreement was for the borrower to provide the money or money equivalent or capital that the lender would use to fund the loan to the borrower.
18) The intent of the alleged loan agreement was for the one who provided the money to fund the loan is to be repaid the money.
19) It was agreed in the alleged loan agreement that the economics of the alleged loan was to be similar to stealing, counterfeiting and swindling.
20) According to the terms and conditions of the alleged loan agreement, money is regarded as cash, Federal Reserve Notes and any other money that banks accept as money that is recorded as a bank asset.
21) The intent of the alleged loan agreement is for the lender to follow GAAP regarding the promissory note as required by law or CPA audit opinion.
22) The so called lender wrote the alleged loan agreement.
23) The current party holding the alleged loan agreement understands the terms of the loan agreement including the terms of which party who was to provide money to fund the alleged loan.

STRATEGY OF NOTICES

Notices are used as evidence that the bank will not tell us the details of the agreement. People must create their own notices depending on the situation and circumstances and how the credit card company responds. Copying a notice does not cut it. You must adapt the notice to your situation. Look up the words "tacit procuration, tacit, tacit admissions, and stare decisis" in the law dictionary. People use these words with breach of agreement and the following 18 questions in the form of a notice. People send out a notice with the 18 questions and using tacit procuration and stare decisis, then send a second notice to cure the breach, and then a third notice of default. People usually give the bank 10 to 30 days to respond. People call the questions "inquiries" in the notice. The following are 18 inquiries for a credit card company (people change it for mortgages).

1) Does Mr. Debt Collector have a contract with Mr. Your Name to collect the alleged debt? Please respond with a Yes or No in writing.
2) Is it true that when a credit card holder signs a purchase receipt, that the receipt is used as a bank asset to give value to a check or similar instrument or credit to a bank account, resulting in a new bank asset and new bank liability? Please respond with a Yes or No in writing.
3) Is it true that the credit card company follows GAAP, generally accepted accounting principles? Please respond with a Yes or No in writing.
4) Was full disclosure given regarding if the credit card holder was to provide the funding for the credit card loan per bookkeeping entries? Please respond with a Yes or No in writing.
5) Does the credit card company accept something of value from the credit card holder that is recorded as an asset on the books of a financial institution resulting in a new liability on the books of a financial institution? Please respond with a Yes or No in writing.
6) Did the credit card company lend the credit card holder the credit card company's money. Please respond with a Yes or No in writing.
7) Is it the intent of the credit card loan agreement that the party who funded the loan, per the bookkeeping entries, is to be repaid the money lent to borrowers? Please respond with a Yes or No in writing.
8) According to the bookkeeping entries of the credit card company or

financial institution involved in the alleged loan, when a credit card holder purchases merchandise with the credit card, does the credit card company or financial institution involved in the alleged loan accept a new asset from the credit card holder that funds the loan to the credit card holder in the same transaction? Please respond with a Yes or No in writing.
9) Does the credit card company or financial institution involved in the credit card loan record an asset showing that the credit card holder owes money to the credit card company or financial institution involved in the alleged loan? Please respond with a Yes or No in writing.
10) Did the credit card company follow the Federal Reserve Bank's policies and procedures in the credit card transactions? Please respond with a Yes or No in writing.
11) Is it true that, according to the bookkeeping entries, the credit card holder funds the loan to the same credit card holder? Please respond with a Yes or No in writing.
12) Is it true that, according to the bookkeeping entries of the credit card company, the credit card holder is the lender to the credit card company? Please answer with a Yes or No in writing.
13) Is it true that, according to the bookkeeping entries of the credit card company or financial institution involved in the alleged loan, new money or credit is created when the credit card holder uses the credit card to make a purchase? Please answer with a Yes or No in writing.
14) Is it true that, according to the agreement, you received permission from the credit card holder to deny the credit card holder equal protection under the loan agreement? Please answer with a Yes or No in writing.
15) Is it true that, according to the agreement, the credit card holder agreed to economics similar to stealing, counterfeiting and swindling against the credit card holder? Please answer Yes or No in writing?
16) Is it true that the credit card company violated GAAP, generally accepted accounting principles, thus making the agreement null and void? Please answer Yes or No in writing.
17) Is it true that the credit card company converted the credit card agreement and/or credit card purchase receipts by using the agreement and/or credit card purchase receipts as value to give value to a check or similar instrument as proven by the bookkeeping entries, thus proving that the credit card holder funded the credit card purchases and proving

that the credit card company used false statements that the credit card company's money funded the credit card purchases? Please answer Yes or No in writing.
18) Is it true that the credit card company violated the matching principle of GAAP in that if the credit card company accepted an asset from the credit card holder, the credit card company did not credit a liability account showing that the credit card company owed money to the credit card holder for the asset received from the credit card holder? Please answer Yes or No in writing.

People use the notices to give details how the credit card company breached the agreement and then ask the credit card company to either answer these questions and sign the affidavit or zero out the credit card balance. People then use fraudulent concealment, tacit procuration, tacit admissions, and stare decisis to win the argument. When you use notices like this, you are using administrative procedures. People use the same strategy for mortgages.

Non-Negotiable

Notice of Adequate Assurance of Due Performance

Certified Mail # _____

To: XYZ Company, hereinafter "Lender"

From: I. Ben Robbed, hereinafter "Borrower"
999 Hill Ave

Date: Fri, Feb 15, 2002

RE: Alleged credit card number _____, this debt is disputed. Before I pay, I want to know the details of what the entire agreement is, and if you performed according to the agreement.

Dear officers and/or agents for Lender,

It has come to the attention of the alleged Borrower, after consulting with Borrower's CPA and researching the United States Code, the corresponding Code of Federal Regulations, the Uniform Commercial Code, and certain Federal Reserve Bank Publications, that there is reason to believe that the alleged Lender is not the Holder in Due Course of the Borrower's promissory note and/or may have breached the agreement concerning the above-referenced, alleged loan or loan of credit.

Since the Borrower paid money in the form of a promissory note to the Lender to perform according to a loan agreement, the Borrower is now hereby requesting Adequate Assurance of Due Performance pursuant to UCC 2-609 that the Lender has performed according to the loan agreement and that the original lender used their own money to purchase the Borrower's promissory note and did not accept the Borrower's promissory note as money or like money to fund the check or similar instrument that the Lender then lent to the Borrower - which would have an economic effect similar to stealing, counterfeiting and swindling - and that the Lender has followed the Federal Laws 12 USC Sec. 1831n (a)(2)(A) and/or 12 CFR 741.6(b) regarding **Generally Accepted Accounting Principles and Generally Accepted Auditing Standards** concerning this loan.

The Borrower is hereby requesting that an authorized officer or agent of the Lender sign and return the attached affidavit within 15 days of the date of this notice. Also attached is an affidavit signed by the Borrower stating the Borrowers personal knowledge of the terms of the agreement. This is the Borrower's good faith attempt to settle this matter and clear up any confusion about the terms of the loan agreement prior to an Administrative Hearing on the matter. Failure to respond will be deemed a dishonor of this Notice. The affidavits are evidence that may be used according to the Federal Rules of Evidence to prosecute or enforce any default by you in this matter. My CPA is prepared to offer Expert Witness testimony should court proceedings be necessary.

NOTICE TO PRINCIPAL IS NOTICE TO AGENT AND NOTICE TO AGENT IS NOTICE TO PRINCIPAL.

Sincerely,

_____

County of_____)
) ss.
State of _____)

AFFIDAVIT of I. Ben Robbed

The undersigned affiant, being duly sworn on oath, deposes and says: That he or she understands that an exchange is not a loan. _XYZ Bank, hereinafter called "alleged lender" claims that they lent their money to me. Alleged lender claimed to me that the alleged lender would charge interest as compensation for lending me the alleged lender's money. Financial institution's CPA audit opinions claim that financial institutions involved in issuing alleged loans or loans follow Generally Accepted Accounting Principles, GAAP. There is a dispute regarding who loaned what to whom regarding the alleged loan. The alleged lender claims that they lent me their money. The alleged lender claims that the alleged lender has loan papers with the affiant's name on it as evidence of a debt. The bookkeeping entries show the opposite and that the affiant was the lender and that the alleged lender was the borrower. According to GAAP, this is what happened: The alleged lender and financial institution involved in the alleged loan never lent one cent to the affiant as adequate consideration to purchase the affiant's promissory note. The affiant first became the lender to the alleged lender and the alleged lender was the borrower. According to GAAP, the bank recorded the promissory note as a bank asset offset by a bank liability. The promissory note was recorded as a bank asset in exchange for credits in the affiant's transaction account or to give value to a check or similar instrument. The matching principle in GAAP requires that there be a matching liability offsetting the promissory note recorded as an asset and that the liability shows that the bank/alleged lender owes the alleged borrower money for the promissory note that was lent to the bank or alleged lender. The promissory note was deposited in a similar manner as cash is deposited into a checking account. Depositing cash or a promissory note into a checking account or a transaction account is the same or similar to loaning the alleged lender the cash or promissory note. According to GAAP, the promissory note was deposited as a bank asset offset by a bank liability with

the bank liability showing that the alleged lender owed the affiant money for the promissory note that was received from the affiant and deposited. When the bank deposited the promissory note and credited the affiant's transaction account, the alleged lender, the one who claims they own the promissory note, recorded a loan from the affiant to the alleged lender, making the affiant the lender and the alleged lender the borrower. The alleged lender returned the equivalent in equal value of the loan to I. Ben Robbed, the lender per GAAP. When the money was repaid to I. Ben Robbed, the true lender per GAAP, the alleged lender claimed that the repaid money was a loan to a borrower named I. Ben Robbed and ignored the bookkeeping entries which proved the money trail of who lent what to whom. The alleged lender claims to be the lender using a promissory note to claim they lent money to the affiant but GAAP shows that the opposite happened. The alleged lender did the opposite of what the affiant, I. Ben Robbed, understood and believed was to happen, creating an economic effect similar to stealing, counterfeiting and swindling against the affiant, I. Ben Robbed.

The cost and risk of the agreement changed. If the true lender lent $100 to a borrower and the borrower repays the loan, there is equal protection under the law and agreement. There is no economic effect similar to stealing, counterfeiting and stealing and swindling. If the alleged lender steals $100 from the borrower and returns the $100 to the borrower as a loan, the cost and risk changes and the economics of the alleged loan is similar to stealing and swindling.

Signed under penalty of perjury.

_____

Affiant

(Notice to Reader – Be careful before signing this affidavit. You must be sure that they really created new money.)

County of_____)
) ss.
State of _____)

AFFIDAVIT (Bank)

The undersigned affiant, being duly sworn on oath, deposes and says:

That he/she is an officer of XYZ Bank that claims to hold the promissory note of I. Ben Robbed in the original, principal amount of $_____.

That he/she, as an officer of XYZ Bank holding said note, has the authority to execute this affidavit on behalf of the company and to bind the same to its provisions.

The loan agreement has the following terms:

XYZ Bank follows GAAP (Generally Accepted Accounting Principles). The intent of the loan agreement is that the party who funded the loan, per bookkeeping entries, is to be repaid the money loaned. According to the bookkeeping entries, XYZ Bank used their money as adequate consideration to purchase the promissory note of I. Ben Robbed. The promissory note was not used as value to give value to a check or similar instrument or checking account. I affirm that I understand the terms and conditions of the loan agreement.

Signed under penalty of perjury.

_____
Signature of Officer

John Doe, officer of
XYZ Bank

Sworn to and subscribed before me this _____ day of _____

My commission Expires _____

County of_____)
) ss.
State of _____)

AFFIDAVIT (Credit Union)

The undersigned affiant, being duly sworn on oath, deposes and says:

That he/she is an officer of the below named financial institution, a Federally Insured Credit Union, hereinafter called credit union.

That, as an officer of the credit union, he/she has the authority to execute this affidavit on behalf of the credit union and to bind the credit union to its provisions. It is understood that an exchange is not a loan. The credit union loans to borrowers cash or other depositors' money to legally obtain possession of the promissory notes.

The credit union affirms it does not act like a moneychanger, receiving a negotiable instrument or commercial paper, hereinafter "funds", from the borrower. The credit union exchanges funds received from the borrower for an equal amount of funds returned to the borrower, calling the transaction a loan to the borrower.

The credit union does not deny borrowers' equal protection under the law, money, credit, and agreement.

The credit union complies with and follows all Federal Reserve Bank rules, policies and procedures. The credit union complies with Generally Accepted Accounting Principles (GAAP) as stated in Title 12, Chapter VII of the U.S. Code of Federal Regulations (12 CFR 741.6) dealing with the National Credit Union Administration requirements for insurance.

The credit union fully discloses to each and every borrower all material facts with respect to all loan agreements as to who is to loan exactly what to whom and whether the borrower or the credit union funds the loan check.

The borrower does not provide funds to the credit union which are used to fund a check or similar instrument.

I also affirm that all material facts are stated in the written loan agreement.

Signed under penalty of perjury.

_____
Signature of Officer

John Doe, officer of
XYZ Credit Union

Sworn to and subscribed before me this _____ day of _____

My commission Expires _____

Non-Negotiable

NOTICE and DEMAND

From: John Doe, hereinafter "Borrower"
Street
City, State 99999

To: XYZ Collection Agency, hereinafter "Lender"
Street
City, State 99999

Date: _____

RE: Notice and Demand to Cease and Desist Collection Activities Prior to Validation of Purported Debt

Dear Account Manager:

Pursuant to the Fair Debt Collection Practices Act. 15 U.S.C. § 1601-1692 et. seq., this constitutes timely written notice that I dispute the entire amount of the alleged loan and that I decline to pay the attached, erroneous, purported debt Notice which is unsigned and unattested and which I discharge and cancel in its entirety, without dishonor, on the grounds of breach of contract, false representation, and fraud in the inducement.

You have refused to answer my Notice of Adequate Assurance of Due Performance, thus ending the alleged agreement and giving me evidence that the you did not follow GAAP. According to the bookkeeping entries, the borrower provided the money or credit, a thing of value, to fund the alleged loan or check or similar instrument in question. Failure to answer my Notice of Adequate Assurance of Due Performance tells

me that you acknowledge the I funded the alleged loan and the loan agreement was stolen and forged, thus ending any claim you have against me.

15 U.S.C. § 1692 (e) states that a "false, deceptive, and misleading representation in connection with the collection of any debt." includes the false representation of the character or legal status of any debt and further makes a threat to flag any action that cannot legally be taken as a deceptive practice.

Such agreement omits information, such as vital citations, which should have been disclosed, disclosing the agency's jurisdictional and statutory authority. Said agreement further contains false, deceptive, and misleading representations and allegations intended to intentionally pervert the truth for the purpose of inducing one, in reliance upon such, to part with property belonging to them and to surrender certain substantive legal and statutory rights. To act upon this agreement would divest one of his/her property and their prerogative rights, resulting in a legal injury.

Pursuant to 15 U.S.C. § 1692 (g) (4) Validation of Debts, if you have evidence to validate your claim that the attached presentment of yours does not constitute fraudulent misrepresentation and that one owes this alleged debt, this is a demand that, within thirty (30) days, you provide such validation and supporting evidence to substantiate your claim. Until the requirements of the Fair Debt Collection Practices Act have been met and your claim is validated, you have no authority to continue any collection activities.

This is Actual Notice that absent the validation of your claim within thirty (30) days, you must cease and desist any and all collection activity and are prohibited from contacting me, through the mail, by telephone, in person, at my home, or at my work. You are further prohibited from

contacting my employer, my bank, or any other third party. Each and every attempted contact, in violation of the Fair Debt Collection Practices Act, will constitute harassment and defamation of character and will subject your agency and/or board and any and all agents in his/her/their individual capacities who take part in such harassment and defamation, to a liability for statutory damages, of up to $1,000, and possibly a further liability for legal fees to be paid to any counsel which I may retain. Further, absent such validation of your claim, you are prohibited from filing any notice of lien and/or levy and are also barred from reporting any derogatory credit information to any credit reporting agency, per the Fair Credit Billing Act, regarding this disputed, purported debt.

Further, pursuant to the Fair Debt Collection Practices Act, 15 U S.C. § 1692 (g) (3), as you are merely an "agency" or board, acting on someone else's behalf, this is a demand that you provide the name and address of the original "principal" or "holder in due course" for whom you are attempting to collect this debt together with your affidavit of assignment, power of attorney, and certification of your license.

Again, pursuant to The Fair Debt Credit Collection Practices Act § 809. Validation of Debts [15 USC 1692g] subsection (b) attached), and as referenced in your correspondence verification within 30 days to the address below: Verification requires "Confirmation of correctness, truth, or authenticity by affidavit, oath or deposition. In accounting, [it is] the process of substantiating entries in books of account" (Black's Law Dictionary, Sixth Edition see attached). This verification should include, but not be limited to, signing the enclosed affidavit verifying the terms and conditions of the alleged loan and answers to the following list of questions:

1. According to your understanding of the alleged agreement, is the written agreement, by the terms used within it, defining terms of a loan or an exchange of equal value for equal value?

2. According to your understanding of the alleged agreement, if I charge $400 to the credit card, does the credit card company loan me other people's $400?

3. According to your understanding of the alleged agreement, if I charge $400 to my credit card, does the credit card company not lend me other people's money, record the $400 charged on the credit card company as a $400 asset with a newly created $400 liability on the credit card company's accounting books, and then transfer this liability to the store that I charged the $400 to so I receive $400 of merchandise?

4. If $400 was loaned to the credit card company, would the credit card company's assets and liabilities increase by $400?

5. If the credit card company stole $400 from me and recorded the stolen $400 on the accounting books and records of the credit card company, would the credit card assets or liabilities or capital increase by $400?

6. According to your understanding of the alleged agreement, if I charged $400 to my credit card, does the credit card company receive a $400 asset from me for free and return the value of this same $400 asset back to me as a loan from the credit card company, and this loan pays for the merchandise I bought using my credit card?

7. According to your understanding of the alleged agreement, does the credit card company charge interest to me for the use of an asset that the credit card company loaned to me and that existed before I charged the $400 to the credit card?

8. According to your understanding of the alleged agreement, if John Doe uses his credit card to charge $400, according to the credit card

company's bookkeeping entries, is John Doe also, at the same time, the lender or creditor to the credit card company in the amount of $400?

9. Does the credit card company comply to the Federal Reserve Bank's policies and procedures when issuing credit and charging interest to customers of the credit card company when the customer uses the credit card to buy merchandise?

10. Is it the credit card company's policy to deny equal protection under the law, money, credit, agreement or contract to the users of their credit cards?

11. According to the credit card company's bookkeeping entries, if the credit card company paid its debt associated with granting loans, could it pay the debt that the Borrower allegedly owes the credit card company?

12. According to your credit card company's policy, did the Borrower provide the credit card company with an asset and the credit card company returned the value of that asset back to the same Borrower calling it a loan?

13. According to the credit card company's policy, does the credit card company act like a moneychanger, receiving an asset from the Borrower and returning the value of the asset back to the same Borrower and charging the borrower as if there was a loan?

14. What are all of the bookkeeping entries related to, and associated with, the credit card transactions for this credit card account?

15. According to the alleged agreement, was the Borrower to loan anything to the credit card company?

16. According to the written agreement, was the Borrower to give the credit card company anything of value of which caused the credit card company's liabilities to increase by the amount of what the credit card company received?

17. According to your understanding of the alleged agreement, was there to be an exchange of equal value for equal value between the credit card company and the Borrower?

18. According to your understanding of the alleged agreement, was there to be an exchange from the Borrower?

19. If the credit card company is complying with the Federal Reserve Bank's policies and procedures when issuing credit and charging interest, is the borrower's transaction account credited for the amount borrowed and is that the matching liability for the amount that is debited to the bank's asset account? (Federal Reserve Bank of Chicago, Modern Money Mechanics, p. 6, and Two Faces of Debt, pp 17-19)

20. If "A deposit created through lending is a debt that has to be paid on demand of the depositor, just the same as the debt arising from a customer's deposit of checks or currency in the bank" (Federal Reserve Bank of Chicago, Two Faces of Debt, p 19), does that mean that the credit card company owes the Borrower for the deposits made in connection with credit card loan transactions? [Emphasis added]

21. When granting loans, if the credit card company's liabilities did not increase, would the bank be in violation of the Federal Reserve Bank's policies and procedures? (Federal Reserve Bank of Chicago, Modern Money Mechanics, p. 6, and Two Faces of Debt, pp 17-19)

22. If the credit card company does not repay "a deposit created through lending", would it be in violation of the Federal Reserve Bank's policies and procedures? (Federal Reserve Bank of Chicago, Modern Money Mechanics, p. 6, and Two Faces of Debt, pp 17-19)

23. When a loan is not repaid, is the one who funded the loan damaged?

24. When the credit card company does not repay, upon demand, the deposit made by the Borrower, does it show that the policy and intent of the credit card company is to deny equal protection of the agreement, law, and credit to the Borrower?

25. When the credit card company does not reveal the substance of the transaction in the loan agreement to the Borrower, does it show that the policy and intent of the credit card company is to deny full disclosure of the terms of the loan agreement to the Borrower?

26. Do the Generally Accepted Accounting Principles (GAAP), the Generally Accepted Auditing Standards (GAAS), the Audit Reports, the Auditor's Working Papers, the Call Reports, and the credit card company's financial statements (that are related to and associated with the loan transaction) reveal the substance of the loan agreement?

27. If the substance of the alleged loan agreement does not match the written form of the agreement, does it significantly change the cost and the risk of the written agreement?

28. Is full disclosure of material facts essential to a valid contract in order to have a mutual agreement?

29. In your opinion, is it material or important to know which party is to fund the loan in order to know who is damaged if the loan is not repaid?

30. In your opinion, do you believe the Borrower intended to provide the consideration to fund the credit card loan?

31. If the credit card company did not risk any of its assets at any time regarding the written agreement, was this material fact ever disclosed to the Borrower?

32. In your opinion, if "An unconscionable bargain or contract is one which no man in his senses, not under delusion, would make, on the one hand and which no fair and honest man would accept on the other...[It is] usually held to be void as against public policy." (Blacks Law Dictionary, 6th Edition), would a loan agreement that takes the Borrowers assets as the funding for a loan back to the Borrower, then requires that the Borrower pay back that loan with interest to a third party, and then does not require the repayment of the Borrower's funds back to the Borrower, be an agreement that is unconscionable?

33. According to your understanding of the alleged agreement, if the Borrower was to provide the funds for the loans for the credit card account, would the alleged agreement, in your opinion, be unconscionable as defined in Blacks Law Dictionary?

34. In your opinion, if a signature is "the act of putting one's name at the end of an instrument to attest to its validity" (Blacks Law Dictionary, 6th Edition), then could that signature be valid if the instrument itself is an unconscionable bargain or contract?

35. Did the credit card company actually gain title to any debt instrument (credit card slip) that the Borrower signed and gave to the merchant for the merchandise received?

36. Do you have personal knowledge that the credit card company provided 'full disclosure' of all of the terms of the agreement?

37. Do you have personal knowledge that the credit card company disclosed to the Borrower the requirements of Federal Reserve Policies and Procedures and the Generally Accepted Accounting Principles (GASP) imposed upon all Federally-insured (FDIC) banks by Title 12 of the United States Code, section 1831(n) (a), that prohibit them from lending their own money from their own assets or from other depositors? Was it disclosed where the money for the alleged loan was coming from?

38. Do you have personal knowledge that the credit card company disclosed that the contract the Borrower signed (the promissory note) was going to be converted into a 'negotiable instrument', by the credit card company and become an asset on the credit card company's accounting books? Did the credit card company disclose this information to the Borrower including that the signature on that note made it 'money', according to the Uniform Commercial Code (UCC), sections 1-201(24) and 3-104?

39. Do you have personal knowledge that the credit card company disclosed that the Borrower's contract or promissory note (money) would be taken and recorded as an asset of the credit card company without '**valuable consideration**' given to obtain the note?

40. Do you have personal knowledge that the credit card company gave the Borrower a deposit slip as a receipt for the money the Borrower gave them, just as a bank would normally provide when making a deposit to a bank?

41. Since, pursuant to UCC 3-308, the burden of proof is on the party claiming under the signature, do you have personal knowledge of the validity of the signature on the alleged agreement if it is denied

in the lawsuit pleadings based upon answers to above questions?

42. Since, pursuant to UCC 3-602(b)(2), the obligation of a party to pay an instrument is NOT discharged if the person making the payment knows that the instrument is stolen, do you have personal knowledge that the instrument is or is NOT stolen?

You should be aware that sending unsubstantiated demands for payment through the United States mail system might constitute mail fraud under federal and state law. You may wish to consult with a competent legal advisor before your next communication with me.
Your failure to respond on-point within 30 days to satisfy this request within the requirements of the **Fair Debt Collection Practices Act** will be construed as your absolute waiver of any and all claims against me and your tacit agreement to compensate me for costs and legal fees.

Sincerely,

_____

John Doe

enclosures: The Fair Debt Collection Practices Act
"Verification" definition in Blacks Law Dictionary, Sixth Edition
"Unconscionable" definition in Black's Law Dictionary, Sixth Edition
Federal Reserve Bank off Chicago, Modern Money Mechanics, p.6,
Federal Reserve Bank of Chicago, Two Faces of Debt, pp. 17 &19

Non-Negotiable

NOTICE OF ALLEGED LOAN DISPUTE

From: I. Ben Robbed, hereinafter "Borrower"

To: XYZ Credit Card Company, hereinafter "Alleged Lender"

Date: Fri, Feb 15, 2002

RE: Alleged credit card account and balance

Notice to the principal is notice to the agent and notice to the agent is notice to the principal.

I, I. Ben Robbed, hereby give Notice of Alleged Loan Dispute to the Alleged Lender.

Alleged lender advertised to me that they would lend me their money if I agreed to repay their loan. The alleged lender advertised to me that they had money deposited that they would lend the deposited money to borrowers, and that borrowers must repay the money so that the money can be returned to the depositors who funded the loan. Now I have evidence from the bookkeeping entries per GAAP, that the alleged lender did the opposite of what they claimed they had done, creating economics similar to stealing, counterfeiting and swindling.

There are two totally different kinds of loans. The first example gives equal protection and the one who funded the loan is to be repaid the money. Example number one: If Joe deposits $100 at the bank, the bank lends Joe's $100 to Mike. Mike repays the bank the $100 and the bank returns the $100 to Joe. The second example is quite different. In the second example the bank claims that they will lend Joe $100. Through concealment, the bank steals $100 from Joe, deposits the $100 and returns the stolen $100 to Joe as a bank loan. This has the economics similar to stealing, counterfeiting and swindling, totally changing the cost and risk of the alleged loan. In both cases the banker declares that Joe received a $100 loan. All Borrower asks is that the one who funded the loan is to be repaid the money. In example number one, the bank funded the loan. In example number two, Joe funded the loan. When the bank conceals the bookkeeping entries and the economics are similar to stealing, counterfeiting and swindling, Joe lost $100 of wealth and the bank gained $100 of wealth before Joe ever received the alleged $100 bank loan. Under example number two, the bankers would end up owning nearly everything in America and force the average American into more and more debt every time the bank stole the money and returned the stolen money as a loan. If there is an agreement, then there is to be mutual understanding and consideration, money paid, to buy Joe's promissory note. When the bank stole Joe's $100, the bank never paid one cent for the stolen money and the theft was concealed and never agreed to by Joe. The bank told me that they operated under example number one but the bookkeeping entries now show that the bank operates under example number two of which I never agreed too.

I am defining the word theft or stealing as the lender obtaining the borrower's promissory note without paying one cent as consideration to buy the promissory note from the borrower or as recording the promissory note as a loan from the alleged borrower to the bank or alleged lender and concealing this loan. I am defining counterfeiting as altering the promissory note after it was allegedly signed and/or creating new money or credit or bank liabilities. I am defining swindling as the same or similar economics and or bookkeeping entries as stealing $100 from Joe and then returning the value of the stolen property to Joe as a loan. I am defining money as money, money equivalent, capital, funds, negotiable instruments, promissory notes or anything of value that the banks use as or like money to fund checks or drafts or wire transfers or similar instruments.

There is a difference between money and wealth. Money is used to buy things. Wealth is things you can sell like real estate, gold, silver, cars and labor. Many Americans work 40 hours a week and sell their time for a payroll check. If the bank/lender steals a promissory note, deposits the promissory note like new money and creates new money and returns the value of the stolen money to the victim as a loan, the banker received and benefited with similar economics like or similar to stealing, counterfeiting and swindling and receiving the alleged borrower's wealth for free. The alleged borrower must work for the banker for free to repay the alleged loan or the banker forecloses and gets the property for free. If every American stopped working and stayed home counterfeiting money, like the bankers, there would be no food or gas for your car because everyone stopped working. This is why thieves and counterfeiters go to jail. If the thief and counterfeiter is not stopped, the criminal would end up owning everything for free. The counterfeiter or thief

needs the average American to produce wealth, homes, cars, boats, gas, food so that the thief and counterfeiter can live in luxury, obtaining wealth for free without producing anything of value other than new money. If you claim that there is an agreement, then I demand to know the details of what you claim is the agreement. Remember, there is no agreement if there is no mutual understanding or fraudulent concealment of material facts. I demand to know if the economics of the alleged loan agreement is similar to stealing, counterfeiting and swindling. I demand to know the bank bookkeeping entries regarding the promissory note.

The bookkeeping entries prove the following: The alleged lender or financial institution involved in the alleged loan accepted the alleged borrower's loan papers (promissory note) as a bank asset offset by a bank liability. The financial institution exchanged the promissory note for credit in the borrower's transaction account. This means that the bank or alleged lender recorded the promissory note as a loan from the alleged borrower to the bank and the bank (alleged lender) first became the borrower. Example: If Joe goes to the bank and deposits $100, the bank credits Joe's checking account (transaction account) for $100. This credit means that the bank recorded a bank liability account showing that the bank recorded a loan from Joe to the bank and that Joe was the lender and that the bank was the borrower. The bank agrees that Joe is the lender to the bank and that the bank is the borrower because Joe can walk up to the bank teller and get his $100 or Joe can write a check for $100 and spend the money. This means the financial institution accepted the promissory note like money as a deposit just like banks accept cash or checks like money and credit a checking account or transaction account. Banks accept legal tender money called cash and banks accept promissory notes like money, which is non legal tender money because promissory notes pay interest, investors will pay cash for the promissory notes giving the promissory notes equal value to cash. According to Federal Reserve Bank publications and Generally Accepted Accounting Principles - the standard bookkeeping entries banks are required to follow- the promissory note was recorded as a loan from me to the alleged lender or financial institution involved in the alleged loan. I was first the lender and you were first the borrower. When you repaid the loan and returned the money to me, you claimed that the money that you returned to me was not repaying the money that you borrowed from me, but that the money you returned to me was a loan from you to me. I think we all agree in the principle that the one who funded the loan should be repaid the money. According to the bookkeeping entries using GAAP, I was the one who provided the money or funds that created the money that you claim was lent to me. At this time you are concealing the true economics and facts of what you are claiming is a loan. The promissory note is not proof of a loan. The bookkeeping entries will prove who loaned what to whom. If you claim that you did not follow GAAP, then the management of the financial institution issuing the CPA audit report claiming that they followed GAAP will, by law, be committing a fraud. I have every reason to believe the CPA audit report and that they followed GAAP. If you claim that there is an agreement and a loan, then you must stop concealing material facts, answer my questions, and tell me if the alleged promissory note was recorded as a loan from me to the original alleged lender or financial institution involved in the alleged loan or if the promissory note was stolen. According to my records, the promissory note was stolen or recorded as a loan from me to the original alleged lender and that the alleged lender never paid one cent as adequate consideration to purchase the promissory note from me creating the economics similar to stealing, counterfeiting and swindling.

I am now demanding that you either stop concealing material facts and answer my questions if you claim that there is an agreement or that you return the stolen promissory note. If you claim that the promissory note was a loan from me to you, I demand that you immediately repay the loan by returning the promissory note and stop the damage to me.

If a thief stole my property or wealth and exchanged the stolen goods for cash and returned the cash to me as a loan, the thief concealed the theft, the thief breached the agreement and I have no legal obligation to repay the alleged loan. If a counterfeiter counterfeits money and lends me the counterfeited money which was used to buy my house, I have no legal obligation to repay the alleged debt because the alleged lender was engaged in a criminal act giving me illegal consideration and breached the agreement. As far as I am concerned, you breached the agreement by doing the opposite of what you advertised and agreed to, creating the economics similar to stealing, counterfeiting and swindling, and then refused to give me specific details of the alleged agreement and concealed material facts. A promissory note does not prove that there was a loan of the lender's money as adequate consideration to purchase the promissory note from the alleged borrower and that no theft or counterfeiting or swindling took place.

Past payments are considered extortion payments and do not ratify any alleged loan agreement. At this time the alleged lender has refused to answer questions and give details of the alleged agreement and has refused to zero out the alleged loan or cancel the lien as the alleged lender demands payment or declares they will use legal means to collect.

Just so that there is no confusion, money, that is cash, is recorded as a bank asset and a bank liability and means the bank owes money. Checks are not money, checks simply transfer a bank liability - checking account balance indicating money the bank owes a customer who earlier deposited money- to another bank customer's checking account balance. The bank still owes money that was earlier deposited.

I am hereby offering to discharge the alleged debt provided that you give specific answers to my questions regarding the alleged debt and I will

payoff or discharge the alleged debt using the same specie of funds or money or money equivalent that the financial institution used to fund the alleged loan check or similar instrument using Generally Accepted Accounting Principles thus ending all liens and interest

If you claim that there was an agreement, then explain the details of the agreement by answering the following questions or sign the enclosed affidavit giving answers to the following questions:

1) According to the alleged loan agreement, was the alleged lender or financial institution involved in the alleged loan to lend their money as adequate consideration to purchase the promissory note (loan agreement) from the alleged borrower? YES or NO.

2) According to the bookkeeping entries of the financial institution involved in the alleged loan, did the alleged lender or financial institution involved in the alleged loan lend their money as adequate consideration lent to purchase the promissory note (loan agreement) from the alleged borrower? YES or NO.

3) According to the alleged loan agreement, was the alleged borrower to provide anything of value that a financial institution would use to give value to a check or similar instrument in approximately the amount of the alleged loan? YES or NO.

4) According to the bookkeeping entries of the financial institution involved in the alleged loan, did the lender or financial institution involved in the alleged loan accept anything of value from the alleged borrower that was used to give value to a check or similar instrument in approximately the amount of the alleged loan? YES or NO.

5) Did the alleged lender and financial institution involved in the alleged loan follow generally accepted accounting principles, GAAP? YES or NO? Did the financial institution involved in the alleged loan have an audit done by a CPA with the CPA audit stating that the financial institution followed generally accepted accounting principles, GAAP? YES or NO.

6) Do you have any information or evidence that the lender or financial institution involved in the alleged loan did not follow GAAP? YES or NO.

7) Was it the intent of the alleged loan agreement that the one who funded the loan is to be repaid the money? YES or NO.

8) Are the economics of the alleged loan similar to stealing, counterfeiting and swindling against the borrower? YES or NO?

9) Are all material facts disclosed in the written loan agreement? YES or NO.

10) According to the alleged loan agreement, was the alleged borrower to lend the borrower's promissory note to another party such as the alleged lender or financial institution? YES or NO.

If you refuse to answer these questions with detailed specific answers, we will presume that there is a concealment of material facts and that the promissory note has been altered and stolen and that the alleged borrower provided the money that the alleged lender claims was lent to the alleged borrower. If you refuse to answer these questions, then please return a zero balance and return the promissory note. If there is a theft and if an attorney answers without giving specifics to these questions, the attorney may be added to a future lawsuit. We will then have the attorney become a witness in court and explain what this agreement is all about. Remember, if there is an agreement, the attorney will have to answer these questions in a deposition or in court under oath. If the attorney commits perjury, he or she will be disbarred. I further understand that if I sue an attorney, the attorney's professional insurance will automatically offer between $10,000 to $20,000 to settle this out of court and drop the attorney from the lawsuit.

Be advised, I will not accept telephone calls. Only respond in writing with an officer of your corporation signing your presentment.

At this time, I believe you are in possession of stolen, forged property that looks like a promissory note with my name on it. Please return the stolen forged property or give specific answers to my questions.

Sincerely,

_____

I. Ben Robbed

Non-Negotiable

NOTICE OF HOLDER IN DUE COURSE STATUS

From: I. Ben Robbed, hereinafter "Borrower"

To: XYZ Credit Card Company, hereinafter "Alleged Lender"

Date: Fri, Feb 15, 2002

Notice to the Principal is Notice to the Agent. Notice to the Agent is Notice to the Principal.

I, I. Ben Robbed, hereby give notice that the bank is not a Holder in Due Course of a promissory note with the name of I. Ben Robbed on it. This is in regards to the alleged loan number # .

Previous notices to the XYZ Credit Card Company for adequate assurance of due performance have not been properly and legally responded to. Previous notices requesting specific terms and conditions regarding if the promissory note was used to fund the bank loan check have gone unanswered. Also unanswered were previous notices requesting if the terms and conditions of the alleged loan agreement intended to have the economics similar to stealing the promissory note, depositing the promissory note, using the promissory note as or like money or as a substitute for money that was used to fund a check or similar instrument that was returned to the Borrower as a loan. Requests to know if GAAP, Generally Accepted Accounting Principles were followed, have also gone unanswered. I am of the belief that XYZ Credit Card Company has intentionally attempted to conceal the true terms and conditions of the alleged loan and the Borrower had no opportunity to obtain the knowledge of the true terms that are similar to stealing, counterfeiting and swindling. The original alleged lender and financial institution involved in the alleged loan never paid one

cent to obtain the promissory note and thereby violated federal laws regarding GAAP. I now believe I have the evidence that the terms and conditions of the alleged agreement are concealed, the promissory note was stolen, forged, and/or altered. No good title can pass with a theft. There was no meeting of the minds or mutual assent regarding these questions and you have refused to explain the terms and conditions by answering these questions. Therefore, there is no valid agreement.

The alleged lender and financial institution is not a holder in due course for the following reasons. The alleged lender and financial institution knows or should have known the standard bookkeeping entries called GAAP, and the money trail, bookkeeping entries show that the opposite happened compared to what the alleged agreement said was to happen.

One of the requirements of a negotiable instrument is that the instrument must be payable for a fixed amount of money. My question is, from your view point according to your understanding of the agreement, is money deposited recorded as a bank asset or as a bank liability? Please list all forms of money or negotiable instruments you and the alleged lender and financial institution you are involved in, issuing the alleged loan, use as or like or as a substitute as money or credit used to fund checks or bank drafts. Specifically, did you or the alleged lender and financial institution use my promissory note as a bank asset which was offset by a bank liability? Specifically was my promissory note used to fund a check or bank draft? If my promissory note was used to fund a check, then I provided the money to fund the so called loan and you never lent me one cent of your money to purchase the note from me. Therefore, the economics are similar to stealing, counterfeiting and swindling against me, which I never agreed to and which is not part of the agreement. According to GAAP, if you used my promissory note to fund a check, you stole my promissory note or you recorded it as a loan from me to you and you still owe

me money that you never lent me. Stealing changed the cost and the risk of the transaction. I want to know specifically did you intend to create the economics similar to stealing my promissory note as part of the agreement? Please answer yes or no. If you refuse to tell me, then we have fraud in the factum, which makes you no longer the holder in due course. No good title passes with a theft.

Since the promissory note is forged, and no good title passes with a forged document, you are not the holder. I demand that the stolen forged promissory note now be returned or you answer all of my questions in this notice and previous notices explaining the terms and conditions of the alleged agreement concerning the economics similar to stealing, counterfeiting and swindling.

Fraud has been committed when a false statement is made with the maker having knowledge that the statement would be relied upon with the intention that the other party will believe it and act upon it and the party having justifiable reliance on the truth of the statement incurs a damage. Anytime you have a theft, you have a damage. This is why counterfeiters and thieves are put in prison. Criminals damage people. You claim the lender lent their money as consideration to purchase the promissory note from the borrower. You claim that you follow the federal laws of GAAP. You claim that the one who funded the loan is to be repaid the money. The bookkeeping entries prove that I funded the alleged loan and you never gave any money to purchase the promissory note from me. The bookkeeping entries prove the economics are similar to stealing, counterfeiting and swindling and I want you to tell me if this was the intent of the alleged loan agreement and if you refuse to answer and reveal the true terms and conditions of the alleged loan agreement.

All past payments are considered to be extortion payments and are not in any way considered as validation of any allegeddebt owed. You

told me that if I do not pay the payments, that you would use legal means to collect. I am trying to resolve this matter by notices before filing court action.

All I have asked you to do is answer specific questions regarding the terms and conditions of what you claim is a loan, whether the promissory note was used to fund a check or similar instrument, and if you followed GAAP. This would tell me if the terms and conditions of the alleged loan have the economics similar to stealing, counterfeiting and swindling. So far, you have refused to claim that you followed federal law following GAAP and you have refused to deny that the economics are similar to stealing, counterfeiting and swindling.

To be a holder in due course you must perform the following 3 deeds: 1) purchase the promissory note from the borrower, 2) take the promissory note in good faith using honesty, absence of malice and the absence of design to defraud or to seek an unconscionable advantage (See Blacks Law Dictionary for good faith), and 3) have no notice of any defenses against payment of other claims on the promissory note. The alleged lender never paid one cent of consideration to purchase the promissory note from the alleged borrower, GAAP was violated, and material facts of the alleged agreement were concealed concerning the economics similar to stealing, counterfeiting and swindling. You are not a holder in due course and I demand that you return the stolen promissory note or answer all of my questions to reveal the true terms and conditions of the alleged loan. If you refuse to answer, then it proves fraud in the factum, which is a real attack against the alleged holder in due course.

Sincerely,

_____

I. Ben Robbed

Non-Negotiable

NOTICE FOR REQUEST OF CONFIRMATION (1)

OF TERMS AND CONDITIONS OF AGREEMENT
AND ADEQUATE ASSURANCE OF DUE PERFORMANCE
THAT CREDIT CARD COMPANY DID NOT BREACH AGREEMENT

From: I. Ben Robbed, hereinafter "Borrower"

To: XYZ Credit Card Company, hereinafter "Alleged Lender"

Date: Fri, Feb 15, 2002

Notice to the Principal is Notice to the Agent. Notice to the Agent is Notice to the Principal.

I, I. Ben Robbed, Borrower, hereby give notice to Alleged Lender for request of confirmation of terms and conditions of agreement and adequate assurance of due performance that Alleged Lender did not breach agreement.

Alleged Lender agreed to the following general terms and conditions of the credit card alleged agreement: 1) Alleged Lender must use their money or credit as adequate consideration to purchase the agreement from Borrower to repay the loan. 2) Alleged Lender involved in the alleged loan did not accept anything of value from Borrower that would be used to fund a check or similar instrument in approximately the amount of the alleged loan. 3) Alleged Lender must follow generally accepted accounting principles as required by CPA audit opinions.
4) The intent of the agreement is that the party who funded the loan is to

be repaid the money. 5) All material facts are to be disclosed in the written agreement. 6) The card holder must repay the loan in the same specie of money or credit or thing of value the financial institution involved in the loan used to fund the loan check or similar instrument, thus ending all interest and liens. 7) The loan transaction does not create the economics similar to stealing, counterfeiting and swindling.

The agreement that I entered into has the above seven elements in it. According to the bookkeeping entries, Alleged Lender breached all seven basic elements of the alleged agreement and then Alleged Lender concealed material facts of the alleged agreement. I am demanding adequate assurance of due performance that the above seven elements are part of the alleged loan agreement or I demand that Alleged Lender return a zero loan balance. The proof that Alleged Lender breached the agreement is that both your assets and liabilities increased, proving that Alleged Lender recorded a loan from Borrower to Alleged Lender and then returned the loaned money from Alleged Lender back to Borrower, falsely claiming the money returned to Borrower is a loan from Alleged Lender to Borrower. Alleged Lender did the opposite of what was advertised and agreed to and then concealed the fact that Alleged Lender accepted money or credit or thing of value from Borrower that funded a check or similar instrument in the amount of the alleged loan.

This notice will remain as fact of the elements of the alleged agreement and the breach of Alleged Lender unless Alleged Lender disputes this notice within 10 days.

Signed,

_____

I. Ben Robbed

Non-Negotiable

NOTICE FOR REQUEST OF CONFIRMATION (2)

OF TERMS AND CONDITIONS OF AGREEMENT
AND ADEQUATE ASSURANCE OF DUE PERFORMANCE
THAT CREDIT CARD COMPANY DID NOT BREACH AGREEMENT

From: I. Ben Robbed, hereinafter "Borrower"

To: XYZ Credit Card Company, hereinafter "Alleged Lender"

Date: Fri, Feb 25, 2002

Notice to the Principal is Notice to the Agent. Notice to the Agent is Notice to the Principal.

Your response to my NOTICE FOR REQUEST OF CONFIRMATION OF TERMS AND CONDITIONS OF AGREEMENT AND ADEQUATE ASSURANCE OF DUE PERFORMANCE THAT CREDIT CARD COMPANY DID NOT BREACH AGREEMENT, sent Feb. 15, 2002, appears that you do not agree to the seven elements of the alleged agreement as contained in my previous notice, a copy of which is enclosed. It appears from your response that you agree that you know that you never lent me one cent of your money as adequate consideration to purchase what you claim is an agreement that I signed agreeing to repay a loan. According to your response, you claim that I provided the money, money equivalent, credit, capital, funds, or thing of value, hereinafter called money, to fund the check that you claim was a loan to me. According to your response, you do not follow generally accepted accounting principles, thus agreeing that you committed a felony regarding SEC and securities fraud. According to your response, the economics of the alleged loan is similar to stealing, counterfeiting and swindling and the party who funded the loan is not to be repaid their money. If you deny what I have said, then I demand that you show me your standard bookkeeping entries regarding your alleged loans in a response to me and

prove me wrong. If you refuse to give me proof, then your refusal to admit if you agree or disagree to the seven elements of the alleged agreement and refusal to give bookkeeping entries proves concealment on your part.

I will only give you proof of my accusations when you confirm or deny the seven elements of the alleged agreement that I requested now and in the previous notice with a signed signature from your company. If you claim that there is an agreement, then explain if you agree or disagree with the seven elements and answer each statement directly without changing the subject.

Signed,

_____

I. Ben Robbed

Non-Negotiable

NOTICE OF BREACH OF AGREEMENT

From: I. Ben Robbed, hereinafter "Borrower"

To: XYZ Credit Card Company, hereinafter "Alleged Lender"

Date: Fri. Feb 15, 2002

Notice to the Principal is Notice to the Agent. Notice to the Agent is Notice to the Principal.

Our records show a completely different loan agreement than what you claim is the agreement. The loan agreement that I understand was agreed to had the following terms and conditions. 1) The original lender or financial institution involved in the alleged loan is to use their money, money equivalent, capital, funds or thing of value hereinafter called money, to purchase the promissory note - (loan papers -) from the alleged borrower. 2) The alleged lender or financial institution involved in the alleged loan was to receive no money from the borrower that would be used to fund the alleged loan check or similar instrument. 3) The lender and financial institution involved in the alleged loan must follow generally accepted accounting principles, GAAP, as described in CPA audit opinions and the law. *4)* The intent of the alleged loan agreement is that the party who provided the money to fund the alleged loan check or similar instrument is to be repaid the money. 5) All material facts are disclosed in the alleged loan agreement 6) The borrower must repay the loan using the same specie of money, money equivalent, funds, capital, credit or thing of value, hereinafter called money, that the financial institution, involved in the loan process, used to fund the loan check or similar instrument according to generally accepted accounting principles, thus ending all interest and liens.

It appears that you have violated all six elements of the alleged loan agreement and thus breached the agreement using false statements.

These six elements of the alleged loan agreement stand as the basic elements of the agreement unless you write back in ten days and state otherwise.

Signed,

_____

I. Ben Robbed

Non-Negotiable

NOTICE and DEMAND FOR FULL DISCLOSURE

Date: Fri, Feb 15, 2002

From: I. Ben Robbed, hereinafter "Borrower"
102 Hill Ave
City, State xxxxx

To: XYZ Company, hereinafter "Lender"

ATTN: MORTGAGE LOAN DEPT

Re: Loan Account #: _____,
hereinafter "Loan", dated _____

For property listed as:

_____

Notice to the Principal is Notice to the Agent and Notice to the Agent is Notice to the Principal.

It has come to the Borrower's attention, after checking the records for the Loan, that there appears to be a material omission in the Loan agreement concerning the deposit and disposition of the Borrower's promissory note during the execution of the Loan.

Pursuant to Federal and State laws and regulations (see attached), the Borrower is hereby giving the Lender Notice and Demand for Full Dis-

closure of the terms and execution of the Loan. Please mail to the Borrower, certified and verified copies, or schedule an opportunity for the Borrower or his CPA to make a physical inspection of the following documents within twenty (20) days of the receipt of this Notice:

1. the original promissory note, front and back, associated with the Loan
2. any allonge, front and back, affixed to the Borrower's promissory note for indorsements
3. all bookkeeping journal entries associated with the Loan
4. the deed of trust associated with the Loan
5. the insurance policy on Borrower's promissory note associated with the Loan
6. the Call Reports for the period covering the Loan
7. the deposit slip for the deposit of the Borrower's promissory note associated with the Loan
8. the order authorizing the withdrawal of funds from Borrower's promissory note deposit account
9. the account number from which the money came to fund the check given to the Borrower
10. verification that Borrower's promissory note was a free gift to the Lender from the Borrower
11. the name and address of the current holder of the Borrower's promissory note
12. the name and address of the Lender's CPA and Auditor for the period covering the Loan execution

This is the Borrower's good faith attempt to clear up any confusion in this matter before taking any further actions. Failure to respond within

twenty (20) days of receipt will be deemed a dishonor of this Notice and Demand for Full Disclosure.

Sincerely,

_____

I. Ben Robbed

encl:

Acts, Statutes, Regulations, Terms

Fair Debt Collection Practices Act (Public Law 104-208, 110 Stat. 3009 (Sept 30, 1996)
Section 809
Fair Credit Billing Act
Truth in Lending Act
Regulation Z - Full Disclosure
RESPA - Real Estate Settlement Procedures Act
Administrative Procedures Act
1917 Trading with the Enemy Act amended in 1933 to include U.S. Citizens as "enemies of the state"
16 Am Jur 2D. 71 - American Jurisprudence
("The Constitution does not authorize emergency powers or a suspension of itself.")
Securities Act of 1933-34
Section 11
Section 12(2)
Section 17(a)
Section 24
Securities and Exchange Act of 1994
Section 10(b), Rule 10b-5
Section 18(a)
Section 32(a)
FCPA - Foreign Corrupt Practices Act of 1977

UCC - Uniform Commercial Code
Section 1-201 General Definitions
Section 2-609 Right to Adequate Assurance of Due Performance
Section 3-104 Negotiable Instrument
Section 3-204 Indorsement
Section 3-302 Holder in Due Course
Section 3-203 Transfer of Instrument-Rights Acquired by transfer
Section 3-303 Value and Consideration
Section 3-305 aliii Claims and Defenses and Recoupment

Section 3-308 Proof of Signatures
Section 3-407 Alteration
Section 3-602 Payment
Section 3-603 Tender of Payment
Section 9-105 Definitions {Secured Transactions}
Section 9-107 Request for Accounting

USC - United States Code
Title 5 Section 556 Hearings
Title 12 Section 1831n (a)(2)(A) - GAAP required for banks
Title 12 Section 2601 Disclosure
Title 12 Section 2605(e) Dispute a claim of debt
Title 15 Section 1601 Fair Debt Collection Practices
Title 15 Section 1692 Fair Debt Collection Practices

CFR - Code of Federal Regulations
Title 12 Section 226.17(b) Full Disclosure
Title 12 Section 226.17(c)(1) Basis of Disclosure
Title 12 Section 308 FDIC Rules of Practices and Procedures
Title 12 Section 741.6(b) - GAAP required for credit unions

FRCP - Federal Rules of Civil Procedure
Rule 27 - Depositions before action
Rule 34 - Production of documents
Rule 36 - Admissions
FRE - Federal Rules of Evidence
Rule 1003 - Admissibility of Duplicates
FDIC - Federal Deposit Insurance Corporation
GAAP - Generally Accepted Accounting Principles
Matching
Representational Faithfulness
GAAS - Generally Accepted Auditing Standards

Federal Reserve Bank Publications
Modern Money Mechanics
Two Faces of Debt