NORFED NEWSLETTER: VOL. 3 NO. 4 APRIL 2001

TABLE OF CONTENTS:

- 1. Is Money Moral?
- 2. List of Merits for Businesses that Accept the Liberty Dollar
- 3. Machine Gun Shoot was a Hoot!
- 4. NORFED Banned in Delaware
- 5. Payment system for 3PGold.com
- 6. Current Calendar: All dates are tentative
- 7. Redemption Center of the Month
- 8. Quote of the Month
- 9. Question of the month
- 10. Self help: How to use the Currency ...
- 11. NCCS National Center for Constitutional Studies
- 12. FAME Foundation for the Advancement of Monetary Education
- 13. No \$100 ALCheck...No 2001 Silver Liberty
- 14. Parker Bradley article by Wired
- 15. Personal

1. Is Money Moral?

It doesn't have to be, but it can be immoral, as is the case right now with the Federal Reserve Notes. On the other hand, some people feel that money should BE moral. In either case, money has come to symbolize civilizations and act as a silent sentinel as they fail. These are some opening thoughts to an article that is in the works. If you wish to add a line or two, a favorite quote, or your ideas please email them to me: <u>bernard@libertydollar.org</u> and they may end up in the article.

2. List of Merits for Businesses that Accept the Liberty Dollar

Here is a quick check list of important points for businesses to consider accepting the Liberty Dollar:

- 1. 100% Legal US Treasury
- 2. 100% Backed by gold and silver
- 3. 100% Redeemable in gold and silver
- 4. 100% Voluntarily negotiable
- 5. 100% Counterfeit proof
- 6. 100% Constitutional
- 7. Moral and represents value
- 8. Convenient to use
- 9. Exchanges at 1 to 1 with FRN
- 10. Circulates at 1 to 1 with $\ensuremath{\mathsf{FRN}}$
- 11. Available at a discount

- 12. Profitable for businesses to use
- 13. Independent physical audit
- 14. Insured and guaranteed
- 15. Easy accounting unit to use
- 16. Traffic builder for more business
- 17. Minimum downside exposure
- 18. Protection from devaluation
- 19. Supports the local community
- 20. Embodies your business culture

3. Machine Gun Shoot was a Hoot!

Were you brainwashed to think that "machine guns" i.e. fully automatic weapons were illegal to own? Well I was but not any more! Just like so many other patriotic issues, the Machine Gun Lie died as I plunked down some dreaded FRNs and had my choice of about a dozen machine guns. I finally decided on the historic Thompson, the Russian AK47, the Vietnam M16 and the Street-fighting Uzi. After just one blast from the Uzi, it is easy to see why this is the choice of the street. Now, do machine guns have any legitimate "hunting" use? Hell no. Nor does the Second Amendment, which is solely there to provide people the means to protect themselves from the government. Thank God for the Constitution and its Bill of Rights. The Knob Creek Machine Gun Shoot in Kentucky is held twice a year. There is also a Machine Gun Shoot in Maine this June. Please call NORFED for more info.

4. NORFED - Banned in Delaware

Now that I have your attention...NORFED is not really "Banned in Delaware" nor have our efforts stopped to find one patriotic soul in our Nation's first state. Please call whenever you have a RC lead in good ole Delaware.

5. Payment system for 3PGold.com

3PGold has launched its payment system. Now you can pay businesses and friends in total privacy with gold. This is another step towards a global, non-bank monetary system that is built on the 3P's of Privacy, Protection, and Profit. Please visit <u>www.3pgold.com</u> for the latest monetary system that continues where NORFED ends. Be sure to read, "Digital Money" by Richard Rahn at <u>www.gold.org</u> for an easy to understand explanation of why digital money will lead to the end of central banking!

6. Current Calendar: All dates are tentative!

This calendar is published to aid all RCs to have greater access to Bernard's National Tour and to use it to grow their RC. As many of you know, Bernard's sole mission is to assist RC in identifying "the choir" - who already know about the F*R* and want to do something about it. Please bear in mind that ALL DATES ARE TENTATIVE. Please contact Bernard or the NORFED office if you want to be involved in the Tour...

If you don't ask...you don't get. Please call and be part of the NORFED Solution.

MAY 2001

- 1 Nevada
- 2 Nevada
- 3 Northern California
- 4 Northern California
- 5 Northern California
- 6 Northern California
- 7 Central California
- 8 Central California
- 9 Southern California
- 10 Southern California
- 11 Southern California
- 12 Southern California
- 13 Southern California
- 14 Southern California
- 15 Southern California
- 16 Southern California
- 17 Hawaii
- 18 Hawaii
- 19 Hawaii
- 20 Hawaii
- 21 Hawaii
- 22 Hawaii
- 23 Southern California
- 24 Southern California
- 25 Southern California
- 26 Arizona

- 27 Arizona
- 28 Arizona
- 29 New Mexico
- 30 New Mexico
- 31 Texas

7. Redemption Center of the Month

NORFED is very pleased to welcome Dick Simkanin, President of Arrow Plastics in Texas, and a person friend as a Redemption Center. Dick has already distinguished himself as one of the brave employers who refused to be brainwashed and duped into withholding the illegal income tax from his employees. Dick is an example and role model of a moral man who practices his faith. Thank you Dick for your support for a moral currency.

8. Quote of the Month

"This year will go down in history. For the first time, a civilized nation has full gun registration! Our streets will be safer; our police more efficient, and the world will follow our lead into the future!" Adolph Hitler, 1935.

Now I know where the US gets its leadership.

9. Question of the month

QUESTION: How will our ALCs be extinguished and used against us at the banks? In particular, Chad Bouldin's concern in Colorado is: "As The Liberty Dollar become more popular, businesses will have to use them to pay bills. At that time they will turn them in to the banks. The banks will not pass them back out to others. They will redeem them for the silver and create more fractional inflation using Federal Reserve Tokens. This will extinguish the ALCs."

ANSWER: First, they can are not be extinguished and used against us. This is simply impossible. Second, there is no "fractional inflation". Third, when the current banks accept the Liberty Dollar then that represents the system has changed so no problem. If the banks continue to not accept the Liberty Dollar then other institutions that would not want to be called "banks" will rise up to the occasion and begin to provide the financial services that the market demands. As it is impossible to drink all the water in the ocean, it is impossible for the banks to hoard all the silver. If the banks tried, we would take their FRNs and buy more silver, issue more ALDs and use them against them and their immoral monetary system. Simple. The end of the F*R* may not be near, but the end is now conceivable. Thanks for your question, Chad.

10. Self help: How to use the Currency

As I travel around, the single most impressive feature that never ceases to impress me is the effort that the Redemption Centers put into NORFED and the depth of material that they create from their passion. One of the more outstanding is Tom Curtis in Southern California. Another is James Jaeger with Matrixx Entertainment who recently sent me his "How to:" For those who are unsure as to how best to find interested parties (i.e. the Choir) please read <u>Appendix A</u> at the end of this newsletter.

11. NCCS - National Center for Constitutional Studies

I am constantly amazed at how many patriotic organizations there are. They seem as prolific as spring flowers and hopefully longer lasting. Every once in a while, I am impressed by an organization that deserves all of our support. Certainly, one of the best-kept secrets must be Zeldon Nelson and the NCCS - National Center for Constitutional Studies. Have you ever heard of it? Now about "The Naked Communist"? Or "The Naked Capitalist"? Both are by Dr. Cleon Skousen, a legend, whose work in the 60's and 70's gave rise to much of the movement of today. Now in its 30th year, NCCS continues to provide outstanding constitutional study materials based on Dr. Skousen's brilliant work. Please join with me in acknowledging Dr. Skousen's life long efforts and the NCCS' 30th anniversary of providing educational material by visiting them at <u>www.nccs.net</u> and getting some of their material. Dr. Skousen's work is as pertinent today as it was 30 years ago. The NCCS material is equally valuable for children and seniors. As an old fan of Dr. Skousen's work and a new member in NCCS, I urge all RCs to become aware of this patriotic treasure with extremely reasonable prices. Call toll free: 800.388.4512. Be sure to mention that you learned of the NCCS from the NORFED Newsletter.

12. FAME - Foundation for the Advancement of Monetary Education

Recently, I had the good fortune to lunch with Dr. Lawrence Parks, the Executive Director for FAME -Foundation for the Advancement of Monetary Education. Larry turned out to be a very interesting and dedicated patriot who holds very similar views on the lack of morality of our current monetary system. If you are not aware of FAME, please visit it at <u>www.fame.org</u> and support this fine institution. You can contact Dr. Parks at: <u>lparks@fame.org</u>. Phone: 212.818.1206. Please tell him you heard about FAME from the NORFED Newsletter.

13. No \$100 ALCheck...No 2001 Silver Liberty

In response to the weak demand for a \$100 American Liberty Check and the high cost to create and launch such an item, it has been tabled until market demand dictates. Likewise, no Silver Liberty dated 2001 will be issue. Although a few collectors have requested a 2001 Silver Liberty, they have no idea of the cost nor my own dedication not to get sucked into doing a collector item. There is nothing wrong with the design. In fact, there is no reason to change it, nor is it in keeping with NORFED's mission to issue a proactive educational monetary instrument to exemplify what our country's money should be. When the time is right, more items will be issued. Let us move ahead with the tools we have paid for.

14. Parker Bradley article by Wired

Please note <u>Appendix B</u> for an article about Parker Bradley by **Wired**. As you may recall, Parker was the e-gold market maker, RC and a friend who was raided by the g-boys. Although the story drags on, as it is their way to persecute patriots, Parker and his wife are holding up well and striving to put their life back together. There is a legal defense fund and you can contact Parker (when the g-boys are not disrupting his service) at: <u>epesu7@hushmail.com</u>. For current events and articles on this unfolding saga see: <u>http://www.goldage.net/ldf/ldf.html</u>

15. Personal

Thank you for taking a stand to return America to value - one Liberty Dollar at a time. With your combined efforts we will win.

APPENDIX A: "How to use the NORFED Currency"

A WAY TO EXPLAIN TO PEOPLE WHY THE FED MUST BE ABOLISHED

By James Jaeger / RC

I purchased a wad (100) of those NORFED one-dollar bills as well as 1 ten-dollar bill, 2 five-dollar bills and a \$10 silver piece (which is about the same size as the old silver dollars and just as beautiful). I usually have all of these stashed in my wallet and coat pocket. When I go somewhere and get into an appropriate situation (such as a social event or a store), I pull out the NORFEDs (as required). They never fail to amaze people, and before long, a discussion is initiated (one of the purposes of the NORFED in the first place).

I then show them the \$10 NORFED silver piece, and let them handle it (OUT of its plastic wrapper) so that they can fully appreciate its weight, cleanly-cut edges, reflectivity, inscriptions, precision and VALUE. The physical reminder that THIS is real money: sinks in. The older ones often reminisce about the days when silver dollars were in circulation or when coins were "actually made" of real silver. Noting the weight and bulk of the \$10 piece, I then pull out my ten-dollar NORFED receipt (or ten of the one-dollar NORFED receipts) and say: "This (these are) is the same thing as that. . . but without the weight. Instead of carrying all that beautiful, but heavy, silver around, one can just carry 'these pieces of paper' around and use them as money, as dollars. This is all money is." They seem to get it because they now have the "mass" to go along with all the mystery and "significance" of money.

Then, flipping it over, I show them that the NORFED dollar is actually a warehouse receipt which evidences the fact that real silver is -- just like the \$10 silver piece they are holding -- is stored in a high-security warehouse and I can take possession of that silver at any time by simply presenting this receipt to the warehouse attendant. I then tell them: "This is real money because it is redeemable, or backed, by something of real value: real silver. It also represents "silver coin a tender in payment of debts" -- exactly as written in Article I, Section 10 of the U.S. Constitution. (I show them the Constitution) I then point out the words on the NORFED dollar which state: "American Liberty Currency. . . Silver Certificate. . . Redeemable by bearer on demand" and say, "this is money as our Constitution authorized it." I then pull out a \$10 Federal Reserve Note and state: This is NOT" and hand then the FRN. I then ask them: "Show me where it says anything about that THING, that so-called *dollar* being redeemable, or backed, by silver or gold. They usually scan around the FRN and finally say that it doesn't, that all it says is that it's a "Federal Reserve Note" and that "this Note is legal tender for all debts, public and private." I then ask them: "How can this be *legal* tender for all debts, when Article I Section 10 clearly states that 'no state shall. . .make any Thing but gold and silver coin a Tender in Payment of Debts. . .' and I again point out the clause in the Constitution. While they're thinking this over, I pull out a statement made by Thomas Jefferson and say the following: "In fact, Thomas Jefferson, the man who had something to do with writing that Constitution and possibly the most important of our Founding Fathers, was not very fond of central banks, like the central bank that is issuing all these Federal Reserve Notes and representing them as "legal tender." I then show them the following statement:

"The Central Bank is an institution of the most deadly hostility existing against the principles and form of our Constitution. I am an enemy to all banks, discounting bills or notes for anything but coin. If the American people allow private banks to control the issuance of their currency, first by inflation and then by deflation, the banks and corporations that will grow up around them will deprive the people of all their property until their children will wake up homeless on the continent their fathers conquered."

I then say: "Nowhere on this FRN does it state that it is redeemable, or backed, by ANYTHING. In fact this FRN is not only backed by NOTHING, it's backed by LESS than NOTHING because it's a "NOTE"... an IOU... it's just debt. There's no silver or gold anywhere, just debt. I then ask them: "If you had a choice where I was going to give you 100,000 of these Federal Reserve Notes which represent debt, or 100,000 of these NORFEDs which represent silver ... which would you rather have?" Invariably they say the NORFEDs. So I say, "how come?" and they say, 'I don't know, I guess because they are backed up by silver, not just debt.' And then I say, "but these Federal Reserve Notes are backed by the full faith and credit of the United States government, the most powerful government on Earth and the government with the most hydrogen bombs to ensure that no one disagrees with this statement and to ensure that everyone will use these Federal Reserve Notes as money whether they like it or not." They then look like a rabbit caught in the crosshairs of a fast-traveling automobile headlight.

So I say, "well, tell you what, I can't give you 100,000 of these NORFEDs, but here, here's one of them." Then I give them a NORFED from my stash.* While they're thanking me, I point out the URL and phone number on the NORFED and let them know that they can call toll-free 888/421-6181 or go to www.libertydollar.org, if they have any questions, want to redeem their NORFED for silver or convert another 99,999 debt-ridden FRN's into 99,999 silver-backed NORFEDs. The information you can get at that site, and in a book called THE CREATURE FROM JEKYLL ISLAND, available at www.realityzone.com, will give you background on the 7 reasons why many agree that the Federal Reserve Act of 1913 needs to be rescinded and we need to get back to a money supply that is prescribed by our Founding Fathers in the Constitution.

The above routine suggests to me that a "Kit" consisting of the following might be a useful "dissemination" tool:

- a \$10 silver NORFED piece*
- a \$10 NORFED Silver Certificate
- a \$10 Federal Reserve Note
- a Copy of the U.S. Constitution (with Article I, Sections 8 and 10 highlighted)
- a Copy of Thomas Jefferson's Statement
- a wad of one-dollar NORFED Silver Certificates (optional)*
- a couple of \$5 NORFED Silver Certificates (optional)

"The Central Bank is an institution of the most deadly hostility existing against the principles and form of our Constitution. I am an enemy to all banks, discounting bills or notes for anything but coin. If the American people allow private banks to control the issuance of their currency, first by inflation and then by deflation, the banks and corporations that will grow up around them will deprive the people of all their property until their children will wake up homeless on the continent their fathers conquered."

-Thomas Jefferson

Article I, Sections 8 and 10 of the U.S. Constitution clearly state the following:

"The Congress shall have Power... To coin Money, regulate the Value thereof, and for foreign Coin, and fix the Standard of Weights and Measures."

"No State shall... coin Money, emit Bills of Credit, make any Thing but gold and silver Coin a Tender in Payment of Debts..."

* I feel it's important for people disseminating the above basics to NOT be stingy. I know handling the \$10 silver piece "musses it up" . . . but give me a break, we're talking about the liberty of the entire Nation here. It's important for people to get a FEEL for what REAL money feels like . . . not just paper or electrons. Secondly, there is nothing like personally giving a NORFED dollar to someone to make them think long after

you're gone. Unlike a flyer or a pamphlet, this THING represents REAL silver, so they are more Unlikely to misplace it under a pile of trash on their desk. In fact, this piece of paper, this NORFED, will more than likely ride front-seat shotgun in their wallet, as it should. This way they can pull it out any time, any place, and tell its vital story (as well as have the phone and URL to more information at hand). So, doesn't it make sense that Fed-Busters should HAVE on hand a bunch of these NORFEDs? I say it does. In fact, a wad of 100 of them (wrapped in a band) looks really nice when you whip it out . . . and who can resist looking at someone's wad, especially if they are willing to discuss it with them?

APPENDIX B - Wired article about Parker Bradley:

From Wired News, available online at: <u>http://www.wired.com/news/print/0,1294,42745,00.html</u> Copyright (C) 1994-2001 Wired Digital Inc. All rights reserved.

Secret Service Raids Gold-Age

by Declan McCullagh

11:10 a.m. Mar. 30, 2001 PST

WASHINGTON -- The Secret Service has raided a New York state business that exchanged dollars for grams of the digital currency called e-gold.

A bevy of agents from the Secret Service, Postal Service and local police recently detained the owners of Gold-Age, based in Syracuse, and seized computers, files and documents from the fledgling firm.

U.S. Attorney Daniel French said Friday that the investigation involved charges of credit card fraud. "We haven't brought charges yet," French said. "We're in the investigative phase."

Gold-Age owner Parker Bradley says that during his eight-hour interrogation on March 12, the Secret Service seemed less interested in credit card fraud and more interested in the mechanics of e-gold. Until last year, Bradley accepted credit cards and paid out e-gold, but said he quit because too many people used stolen credit cards when conducting business with him.

"The interrogation became less about me and more about politics and e-gold," Bradley said. "They were trying to get me to blame e-gold for fraud. Just to be blunt, these guys have no clue about how e-commerce works, how e-gold works or what I was doing."

E-gold is a 5-year-old firm based on the Caribbean island of Nevis that provides an electronic currency backed by physical metal stored in vaults in London and Dubai. The company says it has 181,000 user accounts and stores about 1.4 metric tons of gold on behalf of its customers.

Bradley's Gold-Age company, which he ran with his wife out of their home until the raid, was one of about a dozen e-gold currency exchange services: He took dollars and redited grams of gold, silver, platinum and palladium to a customer's account, less a modest fee.

"I have no political statements to make," Bradley said. "I'm just running a business. People can use e-gold for whatever they desire."Jim Ray, vice president at Omnipay -- the largest e-gold exchanger -- says he was aghast at a Secret Service raid directed at one of his competitors and customers.

"I think the case is an outrage," Ray said. "I think this is a symptom of too many donuts on the cops' part.... To me, this is a very serious business. They've just taken out one of my best market makers for no reason."

Still unclear is why the raid took place. French indicated that it could be more than a routine credit card investigation, saying "at this point, it's being investigated as a credit card fraud."

One possibility is a broader investigation directed at some users of e-gold, which is less anonymous than cash but more anonymous than credit cards. Former Treasury Secretary Lawrence Summers has warned of malcontents using the Net and encryption to dodge taxes, and it's possible that the feds don't exactly approve of a system that's more privacy-protective than the heavily regulated banking system.

Current federal regulations require banks and credit unions -- about 19,000 in all -- to inform federal law enforcement of all transactions \$5,000 and above that have no "apparent lawful purpose or are not the sort in which the particular customer would normally be expected to engage."

Because e-gold is not a bank that lends money -- it's more akin to a warehouse that stores gold on behalf of its customers -- it's not covered by those rules.

Mike Godwin said the raid evokes memories of the notorious Steve Jackson Games raid by the Secret Service a decade ago, which led to the formation of the Electronic Frontier Foundation.

"Why did they take the hardware?" Godwin asks. "If what they wanted was business records, why did they take the equipment in such a way that shuts down the business?"

"These people are presumptively innocent," said Godwin, an attorney who writes frequently about law and technology. "Even if they are subjects of a federal investigation, the Secret Service should know better than to swoop in and engage in disruptive searches of people they're not ready to arrest."

Justice Department guidelines give a great deal of latitude to law enforcement officers who wish to seize computers. "Agents may obtain search warrants to seize computer hardware if the hardware is contraband, evidence or an instrumentality or fruit of crime," the guidelines say.

Bradley, who was raided, says that he's retained a lawyer and is asking that his computer equipment be returned. He said that in addition to the Secret Service seizing his business records, the raid seemed personal: They snatched his passport, birth certificate and personal checkbook.

"When it was obvious I had done nothing wrong, they tried to get me and my wife -- interrogating us separately -- to implicate e-gold,"Bradley said. "They said, 'Might (e-gold) be doing this, could they be doing this?'"

Copyright (C) 1994-2001 Wired Digital Inc. All rights reserved.

Bernard von NotHaus Monetary Architect bernard@3PGold.com