

The Anatomy of a Private Indemnity Bond

Black's Law Dictionary (6th edition) defines Indemnity Bond as follows:

An undertaking given by an obligor to reimburse an obligee for any loss suffered due to the conduct of the obligor or a third party. Indemnity is generally defined as reimbursement. An obligor (promisor) has an obligation to perform according to the terms of a contract or bond. An obligee (promisee) is the party in favour of which an obligation or contract is created, a beneficiary of sorts.

Surety is defined in the same dictionary as one who, at the request of another, and for the purpose of securing to him a benefit, becomes responsible for the performance by the latter, of some act in favour of a third person or hypothecates property as security therefore. A surety is also a person who is primarily liable for payment of a debt, or performance or obligation of another.

Using public, commercial and common law as well as codes, statutes and other publicly available resources, we have created and lodged a Private Indemnity Bond and a Private Offset Bond, with the United States Treasury Department in Washington D.C. This Private Indemnity Bond is established with a specific value, provided by the Surety and creator's signature. Since an un-rebutted lawful document stands as valid, value is automatically imparted upon them once they have been accepted. They have the right to refuse the bonds for any legitimate reason and return it to the issuing party within 30 days of receipt. Since the instruments lodged using this procedure have not been returned, they are cured and perfected and are available for use by the issuing party.

Generally, a debt is discharged or 'paid' with more debt, Federal Reserve Notes, which, by definition, are debt instruments. They are not notes and have no reserves or assets behind them. During transactions like mortgages and car loans, only credit and debt were transferred between parties. There was never any valuable consideration provided by the company to the account holder, i.e. no money was loaned or borrowed. Each of us has unlimited credit and this credit is actually fractionalized and loaned back to us in the transactions mentioned above. This unlimited credit, along with United States Notes, are the only forms of lawful money left in America. In an effort to take advantage of this lawful unlimited credit available to us, we have lodged the aforementioned instruments with Henry Paulson of the United States Treasury Dept. The basis of this unlimited lawful money is explained beginning on page two of this document.

After lodging a PIB, a Private Offset Bond (POB) is lodged, funding an account at Treasury for the issuing party. The POB declares that the value thereof is divided equally between the Treasury and the issuing party. Since the PIB and POB are not negotiable instruments, a Bonded Promissory Note may be required to facilitate some transactions. This note is bonded by the PIB and is backed by a promise to pay from the Treasury, based on the instruments previously lodged with them and negotiable instruments laws. In simple terms this transaction is no different than issuing a check. The BPN can be routed directly to Treasury by the Principal or by another creditor such as a bank or mortgage company. It instructs them to discharge an obligation on behalf of the original Principal or issuing party behind the PIB. Since the Treasury Department has a legal responsibility to discharge debts on behalf of the original creditor, fulfillment of their obligations is mandatory and required by law.

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The instrument tendered to the bank and negotiated to the United States Treasury for settlement is an "Obligation of THE UNITED STATES," under Title 18 USC Sect.8, representing as the definition provides a, "certificate of indebtedness...drawn upon an authorized officer of the United States," (in this case the Secretary of the Treasury)" issued under an Act of Congress" (in this case public law 73-10, HJR-192 of 1933 and Title 31 USC 3123, and 31 USC 5103) and by treaty (in this case the UNITED NATIONS CONVENTION ON INTERNATIONAL BILLS OF EXCHANGE AND INTERNATIONAL PROMISSORY NOTES (UNCITRAL) and the Universal Postal Union headquartered in Bern, Switzerland).

Further, "Those who constitute an association nationwide of private, unincorporated persons engaged in the business of banking to issue notes against these obligations of the United States due them; whose private property is at risk to collateralize the government's debt and currency, by legal definitions, a "national banking association"; such notes, issued against these obligations of the United States to that part of the public debt due its Principals and Sureties are required by law to be accepted as "legal tender" of payment for all debts public and private, and are defined in law as "obligations of the United States", on the same par and category with Federal reserve notes and other currency and legal tender obligations."

TITLE 18 > PART I > CHAPTER 1 > Sec. 1. > Sec. 8.

Sec. 8. - Obligation or other security of the United States defined. The term "obligation or officers of the United States, stamps and other representatives of value, of whatever denomination, issued under any Act of Congress, and canceled United States stamps.

The International Bill of Exchange is legal tender as a national bank note, or note of a National Banking Association, by legal and/or statutory definition (UCC 4-105, 12CFRSec. 229.2, 210.2, 12 USC 1813), issued under Authority of the United States Code 31 USC 392, 5103, which officially defines this as a statutory legal tender obligation of THE UNITED STATES, and is issued in accordance with 31 USC 3123 and HJR-192 (1933) which establish and provide for its issuance as "Public Policy" in remedy for discharge of equity interest recovery on that portion of the public debt to its Principals, and Sureties bearing the Obligations of THE UNITED STATES.

Senate Document #43, 73rd Congress, 1st Session, stated, "Under the new law the money is issued to the banks in return for Government obligations, bills of exchange, drafts, notes, trade acceptances, and banker's acceptances. The money will be worth 100 cents on the dollar, because it is backed by the credit of the nation. It will represent a mortgage on all the homes and other property of all the people in the Nation." (Which lawfully belongs to these private citizens.)

The National Debt is defined as "mortgages on the wealth and income of the people of a country." (Encyclopedia Britannica, 1959.)

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Under the 14th amendment and numerous Supreme Court precedents, as well as in equity, private property can not be taken or pledged for public use without just compensation, or due process of law. The United States cannot pledge or risk the property and wealth of its private citizens, for any government purpose without legally providing them remedy to recover what is due them on their risk. This principle is well established in English common law and in the history of American jurisprudence. The 14th amendment provides: "no person shall be deprived of...property without due process of law".

Banking and the Bankers:

The legal statutory and professional definitions of "bank", "banking", and "banker" used in the United States Code and Code of Federal Regulations are not those commonly understood for these terms.

UCC 4-105 PART 1 "Bank" means a person engaged in the business of banking,"

12CFR Sec. 229.2 Definitions (e) Bank means-"the term bank also includes any person engaged in the business of banking,"

12CFR Sec. 210.2 Definitions. (d)" Bank means any person engaged in the business of banking."

Black's Law Dictionary, 5th Edition, page 133, defines a "Banker" as, "In general sense, a person that engages in business of banking. In narrower meaning, a private person, who is engaged in the business of banking without being incorporated. Under some statutes, an individual banker, as distinguished from a "private banker", is a person who, having complied with the statutory requirements, has received authority from the state to engage in the business of banking, while a private banker is a person engaged in banking without having any special privileges or authority from the state. "Banking"- Is partly defined as "The business of issuing notes for circulation....., negotiating bills." Black's Law Dictionary, 5th Edition, page 133, defines "Banking" as the business of banking, as defined by law and custom, consists in the issue of notesintended to circulate as money.

Black's 5th defines a "Banker's Note" as:

"A commercial instrument resembling a bank note in every particular except that it is given by a private banker or unincorporated banking institution." Federal Statute does not specifically define "national bank" or "national banking association" in those sections where these uses are legislated, to exclude a private banker or unincorporated banking institution. It does define these terms to the exclusion of such persons in the chapters and sections where the issue and circulation of notes by national banks has been repealed or forbidden.

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It is a fact that only three official government directives or alerts address fraudulent, fictitious, or otherwise invalid, instruments sent to the US Treasury for payment, and only of them states the official US government policy and treatment of them if they are received. That is ALERT 99-10, which is also published on the website of the United States Treasury: www.publicdebt.treas.gov under Frauds and Phonies. The Office of the Comptroller of the Currency, Enforcement & Compliance Division in ALERT 99-10 states:

"Type: Suspicious Transactions TO: Chief Executive Officers of all National Banks; all State Banking Authorities; Chairman, Board of Governors of the Federal Reserve System; Chairman, Federal Deposit Insurance Corporation; Conference of State Bank Supervisors; Deputy Comptrollers (Districts); Assistant Deputy Comptrollers; District Counsel and Examining Personnel.

RE: Fictitious Sight Drafts payable through the US Treasury: It has been brought to our attention that certain individuals have been making and executing worthless paper documents which are titled "Sight Draft". These items state that they are payable through the U.S. Treasury, 1500 Pennsylvania Avenue, NW, Washington, DC 20220. These instruments are being presented for payment at banks and other businesses throughout the United States. Any of these instruments that are presented to the U.S. Treasury for payment will be returned to the sender and copies will be provided to the appropriate law enforcement agencies." Dishonored.

This is in conformity with the Uniform Commercial Code that parties may rely on their presentment of obligations as settled unless given a Notice of Dishonor, whether directly applicable to Treasury Department officers or not. UCC3-503. NOTICE OF DISHONOR (b) Notice of dishonor may be given by any person and by any commercially reasonable means, including an oral, written, or electronic communication; and is sufficient if it reasonably identifies the instrument and indicates that the instrument has been dishonored or has not been paid or accepted. Return of an instrument given to a bank for collection is sufficient notice of dishonor. (c) Subject to Section 3-504(c) With respect to an instrument taken for collection notice of dishonor must be given.... within 30 days following the day on which the person receives notice of dishonor. With respect to any other instrument, notice of dishonor must be given within 30 days following the day on which dishonor occurs.

It is a fact that there is no basis or reason or plausible explanation for such unexplained silence with regard to these particular instruments. Every branch of the government including the Treasury has developed elaborate procedures and policies with form letters, statements and replies dealing with almost every possible question or claim that could be made of any agency or department of the Federal government. The United States Treasury has an Office of Public Correspondence whose sole job it is to respond to communications from the general public. No correspondence has been received from the Treasury Department, Henry Paulson or anyone acting on their behalf or in their interest. We take their silence to equal compliance through tacit acceptance and deem all lodged instruments to be lawful, valid, cured and perfected.