

# NEGOTIABLE DEBT INSTRUMENTS

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1. Only a "Debt instrument" (promissory note, judgment, etc.) can meet the mandate under Title 12 USC Section 411 et seq. since it is impossible to redeem a debt with a debtor or a note with a note, the statute is non-executable; thus the umbrella of the U.C.C.

2. The "currency" of negotiable debt instruments is sounder than other types of currency. It will reconnect the insolvent "public" side of the economic system with its only source of "credit and redemption," the "private" side. The contracts arise from commercial offers made by a public entity to another public entity held as collateral by a creditor with private and solvent standing in law. These debt instruments can be used to enhance bank assets, investment portfolios, discount leverage, etc. under Title 12USC §412.

3. The "persons" on the "Public" side are United States citizens. If a U.S. citizen's collateral is lawfully held as "debtor" by a third party with a superior claim pursuant to a security agreement and said security interest is perfected under the U.C.C., then no government, state body politic, or any party in commerce can state a claim upon which relief can be granted. All standing in law is based on the Right of Interest held to state and enforce a claim.

4. The highest account at the office of record is the UCC-1 Financing Statement where a U.S. citizen as debtor entity has transferred control of assets and collateral to a natural person who is NOT a U.S. citizen, but is an authorized representative pursuant to UCC 3-402. Now the highest Officer of Record, the Secretary of State, has recorded a bona fide claim, The only thing that can defeat this claim is a proper, previous, UCC-1 Financing Statement.

5. As previously shown, all Negotiable Instruments fall under UCC Article 9, Security Interests. The secured party is protected from evasive collateral transfers where debts to the United States are concerned are considered fraudulent - - except where covered by UCC Article 9 security interests. NOTE: ALL WHO ACT AS FIDUCIARY BUYING, SELLING, LEVERAGING, DISCOUNTING, OR BROKERING PAPER OF ANY KIND ARE SIMPLY MOVING DEBT!!!

6. The U.S. Statutes at Large perfected the transfer of the economic system of the International Monetary Fund from an asset based to an interest based system of exchange. You'll discover the difference between payment and the right to payment by definition under the UCC are "rights to payment under contract - - not yet earned by performance". As per Stanek v. White 215 NRW 781 (1927), this converts what might be a worthless promise into a legal obligation making it subject to transfer by assignment.

7. Since only the natural person can lawfully contract for the entity, there exists no third-party with understanding to challenge the security agreement.

8. Negotiable Debt Instruments are "non-cash items" pursuant to Regulation J Section 210.2(k) and is handled pursuant to Section 210.8 with special handling.

9. The U.S. is in Chapter 11 reorganization, lacking the solvency to pay any debt at all. Therefore, there must be a receiver originally the Secretary of the Treasury under 5USCA 903, P.L. 94-564, Legal History page 5967 - more to follow, but first - -

10. The "Presumed" lien holders are the lending institutions that hold authority granted by corporate municipalities. However, under the law of signatures a gaping hole is torn on that presumption as no commercial lending institution can grant anything. They only possess a functionary role of facilitating that grant from the True Creditor. That creditor is whoever signed the paper as the authorized representative of the entity on whose behalf the loan is applied.

11. For commercial banking purposes the real party of interest is not the U.S. at all, it is the FUND (IMF) (Title 22 USCA Section 286 et seq. CRS 11-60-103).

12. Now, to explain what I started in Point 9: The FIRST receiver was the Secretary of the Treasury, the SECOND was the Secretary of Commerce (See P.L. 97, 67th Congress, session 1, chapter 135). This also follows the "primary bond" tracking of the certificate of birth of newly formed vessels, or Birth Certificates, that now represents the existence of a corporate person under Title 26 USC 7701 and 18 USC Section 8; which is likely the reason the position of receiver shifted for the THIRD TIME to the Office of the Secretary of Transportation in 1981 pursuant to P.L. 97-31, subsection(a) (1), codified Title 46 USC Section 1247(a).

13. This all links to Special Drawing Rights whereby the Secretary of the Treasury issues an International Letter of Credit called a Special Drawing Rights Certificate to the Federal Reserve Banks in such form and denominations as he may determine.

14. In 1977, P.L. 95-147 placed all financial institutions under the control of the IMF.

15. House Report 1095, pages 1763, 1780 placed Federal Reserve Notes, basically as Worthless Securities under Title 26 IRC Section 165(g). Then P.L. 95-147 rendered its predecessor, HJR 192, moot for the reason that there no longer exists any currency or instruments that had any backing at all except on the law itself; that law is contract law under the UCC.

16. U.S. citizens are property of the U.S. but natural persons are Signatories. Today on the Public side all obligations are, IN FACT, U.S. obligations.

17. The Secretary of Transportation is the only corporate officer that can discharge anything by satisfying a debt with a brand new debt, with the Holder in Due Course still remaining the party who signed, or assigned, the instrument in the first place.

18. There are NO FUNCTIONAL ASSETS in our currency system, only INTERESTS in said assets. Therefore what you have at your disposal (negotiable debt instruments) is an instrument that meets every legal requisite under today's commercial system of codified negotiable instruments law. The ultimate factor that determines who is the first lien holder is determined by the UCC, not the government, nor the courts, not even the banks. You will further discover according to UCC Article 9, no tax lien is enforceable against the HOLDER OF THE SAID INTEREST.

19. The Negotiable Debt Instruments Doctrine is grounded in two hundred years of law that found its roots successfully 3500 years ago in Mesopotamia. The secured parties and holders in due course have established and received recognition and authentication of such standing as Sovereigns holding security interests pursuant to the UCC which governs every person on the "Public" side, including the Secretary of Transportation as receiver and Trustee, as well as the Secretary of Treasury, who is the Governor of the IMF, as officer responsible to effect discharge under HJR 192 and its larger progeny leading to P.L. 95-147.

20. All that has been said thus far lies in with the fact that ONLY the Natural Person, the ONLY one that can hold Security Interest as Holder in Due Course, is the BAILOR in all issues at hand, and, ONLY a fictional, corporate legal entity can be a BAILEE. Warehouseman's Law directly links, and is in concert with, the UCC and laws concerning negotiable instruments.

21. In the event that funds are denied or blocked you can contact the Treasury Department on-line, find the section dealing with "Office of Foreign Assets Control" and download the form "Request for Release of Blocked Funds." Fill out and send in two copies. There may not be a form number, but once endorsed, that request becomes a License. This is an effective counter measure to counteract any stoppages induced by others.

The IRS will use one or both types of accounts in processing NEGOTIABLE DEBT INSTRUMENTS, hereinafter NDI, by way of the domestic financial institution's Treasury Tax and Loan account, hereinafter TT&L account, which is administered under the Technical Support Division (TSD) of the IRS through Chief Special Procedure Handling at the Federal

Reserve Regional Office – OR – through the UCC Contract Trust Account, which is processed through the TT&L account and administered by the IRS Analysis and Control Division, also under the Technical Support Division of the IRS. The process begins when a Secured Party presents a NDI to the Secretary of the Treasury with a copy of same stamped "Accepted for Value" (a Banker's Acceptance of Charging Instrument) presented for discharge of a debt (discharge of NDI).

The NUMBER (which becomes the TT&L Account Number) from a Certified Mail Green Card (form 3811) showing the date of acknowledgment provides the Secured Party with evidence that the Secretary of the Treasury has received the documents. If there is not written dishonor or return after 15 calendar days from the Certified Mail receipt date, then the transaction is acknowledged as "not dishonored" and now stands as preapproved. These documents become the notification forms of credit for the bank. It is during this 15 day period that the UCC Contract Trust Account of the Secured Party is credited and its equity is pre-approved for acceptance through the TT&L Account. This credit step is in accord with and mandated by the Administrative Procedures Act at Title 5 USC §706.

Fifteen calendar days from the date stamped on the green card returned from the Secretary of the Treasury the Secured Party or the Claimant is authorized to tender COPIES of the following documents to the processing Bank: 1) the return Certified Mail receipt, a copy of the NGL, and, in certain cases, a Silver Surety Bond (to be posted at the processing Bank in accordance with CFR 31 at Part 203) to a custodial deposit account.

Upon receipt of these documents, the Bank is legally authorized to place a credit on its TT&L account with the amount of the NDL, followed immediately by a debit to its TT&L account by the equal amount shown on the NDL. These credit/debit transactions are initially unfunded at this point, however, they pave the way for the flow of equity from the Secured Party's UCC Contract Trust Account, through the TT&L account, to the Bank.

Three previously prepared identical packages of documents consisting of copies of: the credit/debit transactions, the stamped NDL copy of the NDL, and the Silver Surety Bond (where applicable), to the three parties of interest including: 1) Secretary of the Treasury, 2) IRS Chief of Special Handling Procedures, and 3) Chief of Special Procedure Handling at the Office of the Regional Administrator of the TT&L account in the Bank's registry are mailed

out. The Bank transmits each package in a way that provides legal dated proof of receipt dates for each of the three document transmissions. On Occasion, a fourth copy may be required to be mailed to the Secretary of Transportation through the Maritime Ministries Administration.

Fifteen days after the last receipt comes in, credit from the UCC Contract Trust Account(already authorized by the Secretary and the TSD), funds flow through the TT&L to the Bank's HOLDING ACCOUNT. The Bank will receive no written notice of credit. If there is no objection, rejection, or dishonor from any Party at Interest within 15 days after last receipt, then the credit that is already on the Bank's ledger is authorized as approved and irreversibly funded. This is in accordance with and mandated by the Administrative Procedures Act at Title 5 USC §706, Federal Banking Regulations, the Supreme Court decision in HALLENBECK v. LEIMERT, and the Erie and Clearfield doctrine (by Congressional and Presidential approval).

With the expiration of the hold period the Bank's equity is cleared and validated by electronic extraction from the Secured Party's UCC Contract Trust Account. The Bank must then promptly transfer this equity to the account of the claimant or that of the Secured Party for the intended purpose to discharge the claim.

The basis for this process is an obligation that the United States has bound itself to and provided statutory law supporting. The Supreme Court decision "Guarantee Trust Co. of New York v. Hernwood et al" 598 Ct. 847 (1939) proved that all the above is in effect. Those in responsible positions at banks cannot lawfully deny, dishonor, or delay the processing of such valid NDI's that are properly submitted for a legitimate purpose: such NDI's constitute valid legal tender.

Observe that the process operates entirely under the purview of the Secretary of the Treasury and the TSD of the IRS. Neither the Bureau of Public Debt nor the United States Treasury itself is involved in any way or at any stage of this process. Bank Alert Notices referring to the Bureau of Public Debt of the United States Treasury do not apply to this UCC Contract Trust NDI. Therefore, banks cannot lawfully discriminate and deny the processing service of valid NDI's to their depositors on the basis that they are "not interested, nor setup for it, unfamiliar with the processing of NDI's, or the opinion that all NDI's are the

same". You see, they are "licensed" and bonded to do the "job" they are contracted to do. All is under contract law.

Since 1933, the United States has accepted these non-cash accrual exchanges as a matter of law and equity (HJR 192, P.L. 48 at 112 and 73-10 are still in effect.) Other public policy directives and the Supreme Court decision GUARANTEE TRUST CO. OF NEWYORK v. HENWOOD et al 598 Ct. 857 (1939), show these NDI's as public policy REMEDY for the removal of gold and silver coinage. Properly tendered NDI's place subordinate public officials (to the Secretary of the Treasury) in a position where they MUST then legally acknowledge and accept the Secretary's authority and the validity of these instruments. Those in responsible positions at "licensed" financial institutions cannot lawfully deny, dishonor, or delay the processing of such valid NDI's. Banks are private corporations, but they are also quasi-public as evidenced by their involvement with FDIC, TT&L Tax Accounts, Government CD's, and operate under the authority of the Federal Banking Regulations. Therefore, banks cannot lawfully discriminate and deny the processing service of NDI's.

CAVEAT:BE INFORMED, any actor, agent, or fiduciary who delays, restricts, or otherwise prohibits the movement of this Negotiable Debt Instrument in its lawful progression\*destined to, or for, the Holder In Due Course, Secured Party, or Claimant must show cause why a contempt charge\*\* should not issue against him/her in his/her/their True Character, or suffer the consequences of said action, or lack of action. It is noted that said actors, agents, and fiduciaries are subject to the self-executing regulations of the 3rd and 4th sections of the 14th Amendment to the Bill of Rights to the Constitution of the United States of America whereby their offices are vacated and their salaries and retirement benefits are extinguished when they do not perform the duties of said offices.

\* Established in 1933 under HJR 192 and exercised by actors, agents, and fiduciaries of every commercial transaction by commercial banking institutions since that date with the "Abrogation of the Gold Clause".