

**DEMAND TO TAKE**

**JUDICIAL NOTICE**

**EXHIBIT**

**BANK PONZI SCHEME**

**EXPOSED**

## EXHIBIT - BANK PONZI SCHEME EXPOSED

At first scrutiny of the foregoing chart it might be discerned that as long as the monetizing process continued and provided future promissory notes for inclusion into the Total Sum of the National “Money” Supply, included therein as a vital part of the [Total] Money Available For Earning, that the future risks would be offset, theoretically, to some far distant date, in the meantime providing the banking system the time to try to figure out a way to make the money system, in the final analysis, all work out.

However, it is a well-known idea and understanding (or is at least taught and believed) that the economy occurs in cycles, with the “money” supply, or Money Available For Earning, being stringently tightened at times and loosely “provided” for at other times.

If this were the Congress itself, *only*, creating the money supply and the total Money Available For Earning and creating the *shortage* of money and subsequently the Money Available For Earning, as population, inflated product and service values, and other economic factors continued to increase, there might be some justification to a deliberately contrived money shortage for political, not legal, reasons.

But *when* a financial institution, *not* being legally recognized and *authorized* as political, is involved in that stringent shortening of the overall money supply, particularly when it is a money that **it** created, and not *just* created but created with a built-in legal increase requiring that the same form of money supply be ever increased and never decreased or stopped in order to prevent economic chaos, as with any Ponzi Scheme (after **Charles Ponzi’s 1921 fraud scheme**), then the effects of such a scheme is to cause an absolute guarantee that the legal debts that people are legally bound to will be unable to be met by a great number of those same people, and no guarantee can be or is made by these same bank institutions as to who those damaged people, damaged by that same **Ponzi based system**, *will be or will not be*.

Ponzi Schemes, in any form, are **illegal**, not just unlawful, and cannot be upheld in their practice by any known court of law. However, this particular “monetized note procedure resulting in **checkbook money**” form of **Ponzi Scheme** has an amazing twist, the practice of, ever so many years in cycles, pulling back on the same **Ponzi Scheme Process** that the instigators of it are demanded to keep going at peak capacity in order to avoid - causing an immediate economic or financial damage to the same consumers that trusted those operators in the first place.

These kinds of Schemes are both unlawful and illegal. They violate the laws of every State (unless a State’s legislature has simply not been made aware of them – Yet), and are included in federal **pyramid**

scheme crimes prosecuted commencing under the Federal Trade Commission's **FTC Act, Section 5** – deception and misrepresentation practices.

As shown in the MAFE exhibit simultaneously submitted with this Exhibit, we are to understand, (a) Americans no longer “kill and bring home the bear” or (b) have community house raisings, etc., literally as a way to establish an income, that (c) today's society, being urbanized, accords no real ability to create an income any way but very limited ways, mostly with the money issued by the United States central government itself, and (d) that the people everywhere are forced to rely upon such money as exists from the source represented by the **TOTAL Money Supply** of the United States, whatever that amount may be, in order for basic survival to take place among the human species.

Within the concept of the Total Money Supply, as it applies to the issue of survival of a human person, exists a factor referred to in the MAFE illustration Exhibit, as the Total “Money Available For Earning,” or MAFE. As we begin to understand this concept we are enlightened to understand that all persons, whether as common working people, people who are self employed in any capacity, people who work in various forms of government positions, and every other form of person who works in any capacity, *must* draw from this Total Money Available For Earning, a part of the Total Money Supply, sooner or later in order to basically just survive, that much at the very least.

**For the first time in this matter**, taking the opposite side of the matter for an instant purpose in order to better examine the truth of what has and does take place in the current loan industry (also known as playing devil's advocate), we accept for this purpose that the promissory note signed by any person, when monetized or made into a deposit for the loan purpose itself, which is well known and admitted to in various court cases, and as the other evidence submitted to various courts also shows, creates a “loan” from which benefits are then derived by use of issuance of checks, which are then spent into the economy as though representing newly created money.

This fact has been at the heart of the confusion and controversy, and ignoring the idea that if it were pure counterfeit that had been issued instead, counterfeit so well constructed that it was virtually impossible to distinguish from the real money of the United States, the receiving of benefits by the receiver would constitute no proof that any benefit had been lawfully received to excuse the maker of the counterfeit from being held accountable for the crime of the counterfeiting.

But instead of fighting and arguing on this subject, we are going to go along with the other side of the dispute, the banking or loan industry, and place the “money” represented by the alleged loan created by the promissory note monetizing process up into the box (referring to the MAFE exhibit, previous link-page) containing the Total Money Supply and the Money Available For Earning, thereby proclaiming that such monetizing process and its disbursed checks have been added to the Money Available For Earning to the same extent as U.S. legal tender has been added to that total amount from time to time by Congress.

If the amount of a loan, as example, of \$100,000. were added to the Money Available For Earning and *that* was the amount expected to be paid (not actually paid back) by the borrower, *then* the two obligations would be in exact balance, and the borrower might be considered to be appreciative of the “money” loaned and would be expected to have every moral obligation to “[re]pay it” “back.”

However, as shown and as is the truth, the amount required by the agreement process does not require that the borrower pay “back” only the \$100,000. that was created and included in the national Money Available For Earning, or MAFE. Instead, in a mortgage loan case, over 30 years, at most interest rates that are used for loan purposes, the amount to be paid, not repaid, will come to a factor, brought about by the interest charged on the created “money,” of about 2.5 Times the amount that was originally “loaned” by use of checks (proposed and accepted as “money”).

While this 2.5 Times the amount increased over and above the amount “actually loaned” that the borrower agreed to in the “loan” agreement “received” may exist as a fact in the contract, or promissory note itself, it, the 2.5 Times amount, does not exist in fact in the economic supply of money, or MAFE, itself in that same amount, and such increased amount can not be presumed to exist at any time by the alleged lender as the alleged lender has no way of either putting such 2.5 Times into MAFE nor to guarantee in any way that such increased amount will be there for the borrower’s use or earning availability in the future *when* it will be required or demanded by such contract, or promissory note, to obtain for the purpose of paying, not repaying, the alleged lender as per the agreement to do so.

Staying strictly within the facts that are known to exist at the time the “loan” contract is made, avoiding any speculation on the matter outside of the control of either of the parties, no increase of money will exist beyond that “money” that the alleged lender created by its monetizing process, which it admits to or is exposed of in light of the evidence.

It is also a well-settled and practiced matter of law that it is not lawful to enforce a contractual obligation that is “impossible to do,” and as

previously indicated, it is not possible, legally, to sustain any law of act that would require, at any time, that a person, for whatever reason and to whatever extent, commit a crime, or in the same vein cause or require another person commit a crime, any crime, whatsoever. To do so would not be moral, and courts are concerned with what is not moral as a thing that may not be done or upheld in any case that comes before them. Consequently, a contract that causes or provides for the commission of any crime, even if the crime is not known specifically of at that time, is a contract that requires that which is “impossible to do,” and may not be enforced.

Where it is impossible to obtain money in the future which is not a part of MAFE in a manner that is legal, if such impossibility should come to rest upon the shoulders of the borrower, and no assurance either is or can be guaranteed by the alleged lender that this will not happen, the only way that the borrower could guarantee to pay, not repay, the money demanded at such time would be to resort to some sort of criminal activity, such as a violent activity of taking money from others who might happen to have it, thereby upsetting or unbalancing the economy that all people have a right, not a privilege, to (see Article I, Section 8, Clause 1 – “*provide for the general Welfare*”).

In short, if the borrower were to go out and hit upon or use some other form of weapon against another person and take his or her money, where otherwise no adequate Money Available For Earning existed, then such borrower could “pay,” not “repay,” the money required to be “paid” in the contract, otherwise, without a guaranteed assurance of a condition to exist as a part of MAFE, then the requirement for the borrower to pay any such additional money at all would be, to say the least of the matter, immoral, and would not, if understood that way, enforceable under the law.

No matter what past excuses for such monetary lending practices may be, to expose this matter of truth is to throw light upon the current crime rate itself; this monetary lending practice creates and has created a form of quasi private/quasi public debt which can never be paid off, and if this expose only pertained to one or two or a few such cases, perhaps it would not be regarded as a difficulty to great to overcome, but where this practice exists millions of times over and above that one or two or few, then this practice must be regarded as a serious breach of the inherent rights of the people, inclusive of this Counter Plaintiff, to engage in contracts that contain no “**impossibility to do**” factor at all, on a per quod basis.

To keep the fraudulent system from failing immediately, or being found out, an ever continuing making of such same loans must continually be incorporated into MAFE, as a part of the Total Money Supply,

otherwise the serious breach of the United States official monetary system becomes immediately recognizable by all. A system that relies predominantly upon an ever increasing or expanding process in order to support or sustain the beginning product is known in criminal law as a Ponzi Scheme. Ponzi Schemes are **illegal** as they *encroach* upon end users or consumers who have no actual equal opportunity to the beginning users or consumers, though they are lead to *believe* that their (end users' or consumers') opportunity is *exactly* the same.

Furthermore, a more critical reality of the damage caused by this Ponzi Scheme, exposed at the **MAFE Exhibit** as also provided for with this Exhibit, is exposed at the Ponzi Scheme Numbers Exposed Exhibit as also provided as an Excel Generated Form, for it is no longer a “**mystery**” in question, – but a seeable, understandable and apparent fact; the conditions **WHEN** the Private Debt Deficient exceeds MAFE, being on some far off, undeterminable, future date, is **planned** for or orchestrated from time to time, **by banks**, as an occurrence of what is **known** or **politicized** as “economic cycles,” a time when banks should still be pressing their Ponzi Scheme ever upward if they were to desire that their “borrowing” consumers be able to continue to re[**pay**] the “loans” that *they*, said banks, **claim** to have been introduced into the nation's MAFE.

By participating, even if it were claimed that they were not the instigators of the downturn economic cycle, where the number of loans were, for whatever reason, *diminished*, such banks become the deliberate cause of their borrowers inability to repay the alleged loans outstanding. It must be kept in mind here that exactly which borrowers are or are not affected by this **Scheme** is not known, but, as with any Ponzi Scheme, it is not necessary to know the names of all who would be adversely affected by the Scheme when the Ponzi Scheme is known to be an all-population-consuming process that defeats economy, deprives unlawfully the properties of consumers, causes crime, and is a crime.

The deliberate calling short of a Ponzi Scheme in order to prevent its more hidden techniques and damages from being openly discernable does not excuse the operators of the Ponzi Scheme; the fact that people will suffer severe financial effects from its sudden reversal is sufficient for a legal cause of action.

This expose has thrown light to expose a major contributor to the current crime rate, both state and national, one of the most immoral things that we know of and for which purpose courts have been erected and employed to deal with. The concept that there was at any time a disbursement of alleged funds by use of checks must no longer be looked to as the end result of the whole issue, but the Court must look



beyond that point to see the vision of what this most heinous practice brings about, going back to the purpose of the Supreme Court Ruling in the Legal Tender Cases, illustrating that only the Congress has the *right* to cause that any form of paper be recognized, constitutionally, as being the “legal tender of the United States” for “payment of debts, public and private,” because only the Congress can guarantee that there will be additional money available for the use of the “general Welfare” at any time in the future, and will be no cause or fault of any crimes being committed on any future basis as a result of such proper congressional power so exercised accordingly.

Therefore, if recognizing the alleged loan as a loan for earning purposes as illustrated in the MAFE diagram Exhibit, the only amount that any bank participating in the **Ponzi Scheme** (which all account holders in the Federal Reserve Bank are), IF paying no attention at all to the criminal offense involved in the **Ponzi Scheme** so employed (thereby committing the quasi criminal offense of Contempt of Constitution), would have the legal and lawful right to be repaid, not paid, would be the same amount as the original alleged lender, that is, the face amount only as shown by the promissory note itself *and nothing more*.

This of course would mean that the alleged loan contract entered into between the parties would constitute a losing contract to the alleged lender or its holder in due course, but as the courts well know, the making of a losing contract is not the concern of the courts and as such the courts are under no legal or moral compunction to enforce a losing contract for either party.

Consequently, because a **Ponzi Scheme** has been perpetrated upon the citizens of the States and of the United States, inclusive of the citizens of this State of Florida, of which each of Counter-Plaintiffs are one, the debts, whether or not having originally been considered as being legal, must be set aside and their victims given forthwith or immediate relief such as the courts, within their power upon proof of the existence of the **Ponzi Scheme** so employed, all loans made to the same utilizing the **Ponzi Scheme** process so proven at either trial or by submission of the bare facts outside of trial.

The above alternative view is made to show the courts the answer to the question of “how were you damaged” in view of the expose of the **reversing** of the Cost and Risk in the contract itself, the answer being that not only was that Cost and Risk reversed back upon the borrower that was to allegedly borrow the money of the United States, but that such Risk was visibly Increased by the very use of the promissory note contract itself, increased over time to a level constituting an impossibility, *legally*, to do, without being made criminal in order to do so, or made simply involuntarily destitute, making it impossible to do in

either case, a direct damaging effect brought upon the damaged “borrowers” by the banks’ proven Ponzi Scheme.

The United States A.G.’s office in northern Georgia released news that a Charles E. Edwards was indicted on a Ponzi Scheme, stating that he, Charles Edwards, *knew* that “investments would [ultimately] fail,” the investments that he proposed to employ in his business to obtain money from the public. This “bound to fail sooner or later due to the saturation of the numbers” process is no different from the system utilized by Counter-Defendant Boone County National Bank.

**Take Judicial Notice** of the **FACT** that Many Commercial Merchants of varying Wealth and Litigation Affordable Capability have been **Harmed BY** this alleged as lawful/legal numbers scheme that uses “Disappearing Deposits” to “Create [alleged] U.S. Money” with, but which exists as a mass participation Scheme first associated with Charles Ponzi, and is **Illegal**, and Dirty, the Banks and Bankers, whether or not *wittingly*, having Dirt on their hands, *accordingly*.

The Attorney General of the State of Florida, and other law enforcement agencies and watchdogs of lawless institutions are to be provided this evidence of FACT, not controverting points of law, in all bank cases to which any such Fraud Issue shall pertain to, hereafter.

**Cease To Ignore THE Law; Disobey The FRAUD**

**SEALED**

**DULY SUBMITTED AND INCORPORATED;**

**This EXHIBIT Is SEALED, And INCORPORATED, And APOSTILLED For FACT, And Against That Which Is Found To Be Untrue (“-”) *Claimed In The Constitution For The United States*, And For That Which Is True (“+”) In The Said Same Constitution, Into This Case, Now *ARISING*, Before And Concurrently With The Lawful Courts of the State of Florida, And Not Elsewhere.**