

# JEAN KEATING'S PRISON TREATISE

November 30, 2004

The courts are operating under Statute Law. A "Statute" is defined in Black's Law Dictionary, Fourth Edition revised as a kind of bond or obligation of record, being an abbreviation for "statute merchant" or "statute staple".

Statute-merchant = is defined as a security for a debt acknowledged to be due, entered into before the chief magistrate of some trading town, pursuant to the statute 13 Edward I. De Mercatoribus, by which not only the body of the debtor might be imprisoned, and his goods seized in satisfaction of the debt, but also his lands might be delivered to the creditor till out of the rents and profits of them the debt be satisfied. This was also called a Pocket Judgment.

Statute Staple = A 1353 statute establishing procedure for settling disputes among merchants who traded in staple towns. The statute helped merchants receive swift judgment for debt. Cf. STATUTE MERCHANT. 2. A bond for commercial debt. A statute staple gave the lender a possessory right in the land of a debtor who failed to repay a loan. See STAPLE.

"A popular form of security after 1285 . . . was the . . . 'statute staple' - whereby the borrower could by means of a registered contract charge his land and goods without giving up possession; if he failed to pay, the lender became a tenant of the land until satisfied . . . the borrower under a statute or recognizance remained in possession of his land, and it later became a common practice under the common-law forms of mortgage likewise to allow the mortgagor to remain in possession as a tenant at will or at sufferance of the mortgage." J.H. Baker, An introduction to English Legal History 354 (3d edition 1990).

Recognizance = A bond or obligation of record binding a person to some act as to appear in court and subject to forfeit money if obligation is not fulfilled. Fifa = Fife, short for the Latin phrase fieri facias ("let it be made . . .") was a court (execution) to the sheriff to levy on ([a] Take of) the property of a debtor in order to satisfy a judgment (see judgment and execution dockets, above). The sheriff might typically keep track of fifas in a Sheriff's Fife Docket Book. Usually written on a fill-in-the blank form, a fifa names the parties to the court judgment and the value of property to be taken to satisfy the judgment. On the back, the sheriff or his deputies annotate their actions in carrying out the order. The fifas were to be returned to the court which issued them and the actions annotated on the Judgment Docket. Theoretically, the docket books should contain everything that was noted on the fifas.

I have been doing more research on our prison system via the internet and have found out some interesting things, regarding what is really going on in the courtroom. The court is looking for an acceptance and acceptor under 3-410 of the U.C.C. as the Principal has the primary obligation to pay or discharge any instrument presented for acceptance. Since they are presenting a Bill of Exchange [indictment] for acceptance. This is called an acceptance for honor, which involves a negotiable instrument especially a bill of exchange [indictment] that has been accepted for payment. The complaint, information, or indictment is a three party Draft, Commercial paper, or Bill of Exchange under Article 3 of the U.C.C. The Grand Jury Foreman is the Drawer or Maker of the Indictment by his signature, the Defendant/ Debtor or Straw man is the Drawee and the

State is the Payee and the live man is the Payor. What they are doing in the courtroom is all commercial, this is in conformity to Title 27 CFR.

(a) Presentment for acceptance is necessary to charge the drawer and endorsers of a draft where the draft so provides, or is payable elsewhere than at the residence or place of business of the Drawee, or its date of payment depends upon such presentment. The holder may at his option present for acceptance any other draft payable at a stated date;

(b) Presentment for payment is necessary to charge any endorser;

(c) in the case of any drawer, the acceptor of a draft payable at a bank or the maker of a note payable at a bank, presentment for payment is necessary, but failure to make presentment discharges such drawer, acceptor or maker only as stated in section 3-502 (1)(B).

If you don't accept the charge or presentment you are in dishonor for non acceptance under 3-505 of the U.C.C. (c) and 3-501 (2) (a), (b). Acceptance is the drawer's signed engagement to honor the draft as presented. It must be written on the draft, and may consist of his signature alone. It becomes operative when completed by delivery or notification 3-410 of the U.C.C.

You are the fiduciary trustee of the straw man which is a Cesti Que Trust; in this capacity you have the responsibility to discharge all his debts, by operation of law. You are also the principal or asset holder on the private side of the accounting ledger; you are holding the exemption necessary to discharge the debt. When they monetize debt they must have a principal, capital and interest is what circulates as principal and is called revenue or re-venue. Principal is where venue lies. Revenue is a Tax debt or Tax bills. All bills when presented represent revenue, interest, capitol, or accruals circulating from you as the principal, when it is returned back to you as capital or interest it is called income or in-coming. This method of accounting is called the "Accrual Accounting Method" and is represented by debits and credits. Debits are assets Credits are liabilities. The credits and liabilities have to be in balance, this is accomplished through double bookkeeping entries

Corporations work on the Fiscal Accounting Cycle because they operate using commercial debt, we as owner principal's work on the General Calendar Accounting Year or Cycle. New York City has a \$ 6.6 billion dollar deficit, this deficit represents unredeemed debt on the credit side of the accrual accounting system and cannot be executed to the debit side of accrual accounting ledger, except through the principal's exemption. New York has therefore put its bond underwriting business up for bid. This means that New York will issue \$ 6.6 billion in bonds and pay underwriters over \$30 million in fees in the next fiscal year alone. Lehman Brothers Bank will underwrite New York's \$ 6.6 billion dollar deficit. An underwriter is an Insurer or one who buys stock from the issuer with an intent to resell it to the public or an entity or person, especially an investment banker, who guarantees the sale of newly issued securities by purchasing all or part of the shares for resale to the public.

The Corrections Corporation of America owns most of your prison systems and sells its stock and shares on the New York Stock Exchange, the major stock holder is the Paine Webber Group. They have a Dunn Bradstreet rating and are headquartered in Nashville, Tennessee at 10 Burton Hills Blvd and can be reached at 1-800-624-2931. Their Ticker Symbol for their stock is CXW\_pb on the NYSE and CXW under business services on the NYSE. In Berlin Germany there ticker symbol is CXW.BE and CXW.DE in Frankfurt, Germany.

CCA later merged into PRISON REALTY TRUST, a Real Estate Investment Trust that is exempt from corporate taxes if it meets certain conditions. This was a \$4 Billion Transaction; companies acquire U.S. Corrections Corporation. One important condition is that it distribute 95% of its income to shareholders, a provision making REITs attractive to investors. Prison Realty Trust failed to meet those conditions of cash flow problems; it posted a \$62,000,000 loss for 1999 and was in default on the terms of its credit facility. Wall Street was unimpressed at the company's earlier scheme to issue junk bonds. Investors are angry that PZN lost its REIT status and the related dividend; they are filing class actions suits against Prison Realty Trust for false claims on Securities and Exchange Commission documents. Specifically, they are concerned about the non-disclosure of payments by PZN to CCA. Meanwhile Prison Realty just paid a dividend on their preferred stock (belonging to executive

In April of 2000, company audits expressed doubt about the company's solvency. Shares hit a new 52 week low of 2.12 each, down from the 52 week high of \$22.37. In his book the Perpetual Prisoner Machine [see resources], Joel Dyer notes that outside one CCA facility, there is a placard with the words "Yesterday's closing stock price". Imagine the legitimacy and confidence that are lost by people driving by seeing the stock price plummet, or even seeing "Yesterday's Closing Stock Price: \$2.12".

Together, CCA and its spin off Prison Realty Trust, lost \$265 million: "It's a slim chance, but bankruptcy is a possibility," says an analyst for First Union Securities. Localities that have contracts with the companies are concerned about whether guards will get paid, and how morale or turnover will effect daily operations, including prison security. The private prison was offered a \$200,000,000 restructuring plan from its current shareholder Pacific Life Insurance Co. The Private prison's largest shareholder, Dreman Value Management, was pleased at the offer: "We always maintained that the (prison) business was great, but this has been a financial engineering disaster."

Shareholder lawsuits still must be settled on satisfactory terms for the deal to be finalized, but the other requirement was met when Lehman Brothers refinanced PZN's \$ 1 billion credit line. At the close of business 26 April, the price closed below \$3 a share again after briefly hitting \$3.50 the previous week. Prices through the first half of may have generally been below \$3 a share. On June 7, the stock hit a new low of \$2.00 and talks started on financial restructuring to remedy default on credit line. During the next week, stock rose \$1 a share on news that their \$1 billion credit line is restructured and they receive a \$780,000,000 federal contract.

Instrumental in pulling off this contract was former Federal Bureau of Prisons head J. Michael Quinlan, who is now on the Board of PZN. The Federal Contract, with guaranteed 95% occupancy rate, provided financial resources to reject a restructuring offer from Pacific Life Insurance, but a Legg-Mason stock analyst declared PZN an UNDERPERFORM. Quinlan is now one of the top executives in the company.

Because the stock has lost 75% of its value, two of the executives are leaving, but not without a \$1.3 million severance. Of course, there's also been millions in attorney fees, class action lawsuits from shareholders about the merger and management fees for restructuring. Share prices bottomed out at \$0.18 -yes, 18 cents; that really inspires confidence in the justice system. They instituted a 10 for 1 split, which does not change the underlying financials of the company, but prevented them from being removed from the New York Stock Exchange.

On February 23, 2000 Pacific Life Insurance Company submitted to the board of directors of Prison Realty Trust a shareholder based proposal to invest in and restructure Prison Realty Trust (NYSE:PZN). The shareholder proposal would involve additional value, less dilution and potentially higher returns for existing

shareholders of Prison Realty Trust, than the agreement Prison Realty Trust currently has with Fortress Investment Group LLC, the Blackstone Group and Bank of America. Fortress Investment Group is a global alternative investment and asset management firm founded in 1998 with approximately \$11 billion in equity capital. They are located at 1251 Avenue of the Americas 16th floor New York, NY 10020 1-212-798-6100. Fortress just recently completed the acquisition of Germany's fourth largest residential housing company, GAGFAH, from the German Federal Government's social security and pension agency, Bundesversicherungsanstalt Fuer Angestellte (or BfA). The transaction, whi

Fortress on November 15, 2004 merged with Stelmar Shipping Ltd. Stelmar is an international provider of petroleum products and crude oil transportation services and is Headquartered in Athens, Greece. Stelmar operates one of the world's largest and most modern Handymax and Panamax tanker fleets with an average age of approximately six years. Stelmar's 40 vessel fleet consists of 24 Handymax, 13 Panamax and three Aframax tankers.

The Blackstone group is a private investment banking firm and describes itself as a leading global investment and advisory firm. The Blackstone Group was founded in 1985 by a group of four, including Peter G. Peterson and Stephen A. Schwarzman.

The Blackstone Group has ties to American International Group Inc. (AIG) and Kissinger Associates, Inc./Henry Kissinger. According to the Blackstone website, AIG acquired a 7 % non-voting interest in the company in 1998 for \$150 million" and committed to invest \$1.2 billion in future Blackstone sponsored funds."

Blackstone has developed strategic alliances with some of the largest and most sophisticated international financial institutions. In addition to AIG, they include Kissinger Associates, Roland Berger Partner, GmbH, and Scandinaviska Enskilda Banken," the website states [1] ([http://www.blackstone.com/company/bst\\_group.html](http://www.blackstone.com/company/bst_group.html)).

The company's Blackstone Alternative Asset Management unit handles \$1 billion in hedge funds for pension giant CalPERS.

John Kerry Forbes 2004 campaign 'advisor' Roger C. Altman was Vice Chairman of the Blackstone Group from 1987 through 1992 "where he led the firm's merger advisory business."

In December 2001, the Blackstone Group was appointed as Enron's principal financial advisor with regard to financial restructuring.

The Blackstone Group is also handling the restructuring of Global Crossing. The Blackstone Group is located at 345 Park Avenue New York, NY 10154 USA Phone; +1 212 583 5000 Fax: +1 212 583 5712. London location is the Blackstone Group International Limited, Stirling Square, 5-7 Carlton Gardens, 4th Floor London, SW1Y 5AD U.K. Phone: +44 20 7451 4000 Fax: +44 20 7451 4038.

In October 2004, Kissinger Associates and APCO Worldwide announced that they had formed "a strategic alliance". APCO Worldwide is located at 1615 L St. N.W., # 900, Washington, D.C. phone # 1-202-778-1000. APCO worldwide was started by Margery Kraus in 1984 and she is active on the board of Group Menatep (chair, Advisory Board), the largest Russian holding company; Teuza Fund, a Fairchild technology venture

(Israel). Group MENATEP is an international diversified holding company and long-term Russian strategic and portfolio investor in international financial and capital markets.

Kissinger Associates is located at 350 Park Avenue, New York. Other groups associated with Kissinger are Kissinger McLarty Associates, Military-industrial complex and oil industry. Henry Kissinger's real name is Henry Stern, who started and trained the terrorist group the Stern Gang in Israel, which is now called the Mossad. He trains global terrorist groups for the FBI, CIA, and the military, which are the groups running OUR government at every facet of its existence.

Pacific Life, a long term investor, beneficially owns approximately 4.5 million shares of Prison Realty Trust. The shareholder proposal by Pacific Life provides for additional value in the form of Series C Preferred Stock (approximately \$2.20 per share) to be distributed to existing shareholders, and potentially higher future returns, along with generating between \$45 to \$123 million in additional cash flow to Prison Realty Trust. Pacific Life was founded in 1868 and provides life and health insurance products, individual annuities and group employee benefits, and offers to individuals, businesses and pension plans a variety of investment products and services. The Pacific Life family of companies manages \$300 billion in assets, making it one of the largest financial institutions in America, and currently counts 65 of the 100 largest U.S. companies as clients. Pacific Life Insurance Company is a member of the Fortune 500 group.

The Prison Realty Trust [PZN], which is a real estate investment trust [REIT] and is the world's largest private sector owner and developer. A REIT is a company that buys, develops, manages and sells real estate assets, REIT's allows participants to invest in a professionally managed portfolio of real estate properties, REIT's qualify as pass through entities, companies who are able to distribute the majority of income cash flows to investors without taxation at the corporate level (providing that certain conditions are met). As pass through entities, whose main function is to pass profits on to investors, a REIT's business activities are generally restricted to generation of property rental income. Another major advantage of REIT investment is its liquidity (ease of liquidation of assets into cash), as compared to traditional private real estate ownership which are not very easy to liquidate. One reason for the liquid nature of REIT investments is that its shares are primarily trad

The origins of the real estate investment trust, or REIT (pronounced "reet") date back to the 1880s. At that time, investors could avoid double taxation because trusts were not taxed at the corporate level if income was distributed to beneficiaries. This tax advantage, however, was reversed in the 1930s, and all passive investments were taxed first at the corporate level and later taxed as a part of individual incomes. Unlike stock and bond investment companies, REIT's were unable to secure legislation to overturn the 1930 decision until 30 years later. Following WWII, the demand for real estate funds skyrocketed and President Eisenhower signed the 1960 real estate investment trust tax provision which reestablished the special tax considerations qualifying REIT's as pass through entities (thus eliminating the double taxation). This law has remained relatively intact with minor improvements since its inception.

REIT investment increased throughout the 1980s with the elimination of certain real estate tax shelters. Investments in real estate provided investors with income and appreciation. The Tax Reform Act of 1986 allowed REIT's to manage their properties directly, and in 1993 REIT investment barriers to pension funds were eliminated. This trend of reforms continued to increase the interest in and value of REIT investment.

Today, there are over 300 publicly traded REIT's operating in the United States their assets total over \$300 billion. Approximately two-thirds of these trade on the national stock exchanges.

REIT's fall into three broad categories:

Equity REIT's: (96.1%)

Equity REITS invest and own properties (thus responsible for the equity or value of their real estate assets). Their revenues come principally from their property rents.

Mortgage REITs: (1.6%)

Mortgage REITs deal in investment and ownership of property mortgages. These REITs loan money for mortgages to owners of real estate, or invest in (purchase) existing mortgages or mortgage backed securities. Their revenues are generated primarily by the interest that they earn on the mortgage loans.

Hybrid REITs: (2.3%)

Hybrid REITs combine the investment strategies of Equity REITs and Mortgage REITs by investing in both properties and mortgages.

Individual REITs are able to distinguish themselves by specialization. REITs may focus their investments geographically (by region, state, or metropolitan area), or in property types (such as retail properties, industrial facilities, office buildings, apartments or healthcare facilities). Certain REITs choose a broader focus, investing in a variety of types of property and mortgage assets across a wider spectrum of locations.

The current REIT industry's investment choices can be broken down by property:

Retail 20%

Residential 21.0%

Industrial/Office 33.1%

Specialty 2.3 %

Health Care 3.8%

Self Storage 3.6%

Diversified 8.5%

Mortgage Backed 1.5%

Lodging/Resort 6.1%

Federal Prison Industries, also known by its trade name UNICOR, founded in 1934, is operated by the Department of Justice (DOJ) and is a wholly owned government corporation which employs 25 percent of the Federal Bureau of Prisons' sentenced inmate population. Unicolor is a supplier to the military during the current war in Iraq.

The government has also created the Prison Industrial Complex, which is composed of the following Agencies:

Biometric Consortium

border Research and Technology Center (BRTC)

Bureau of Alcohol, Tobacco, and Firearms (BATF)

Corrections Program Office (CPO)

Counter drug Technology Assessment Center (CTAC)

Drug Enforcement Administration (DEA)

Federal Bureau of Prisons (FBP)

Federal Prison Industries (operated by DOJ); also known as UNICOR

Immigration and Naturalization Service

National Institute of Corrections (NIC)

National Institute of Justice (NIJ)

National Law Enforcement and Corrections Technology Center (NLECTC)

National Technical Information Service (NTIS)

Office of Correctional Education (OVAE)

Office of Drug Control Policy (ODCP)

Office of Law Enforcement Standards (OLES)

Office of Law Enforcement Technology Commercialization (OLETC)

Office of National Drug Control Policy (ONDCP)

Office of Science and Technology (OST)

Space and Naval Warfare Systems Center, San Diego (Navy SSC San Diego)

Southwest border High Intensity Drug Trafficking Area (HIDTA)

UNICOR

U.S. Customs Service

U.S. Department of Defense (DOD) / Biometric Management Office (BMO)

U.S. Department of Homeland Security / border and Transportation Security Directorate (BTS)

U.S. Department of Justice (DOJ)

U.S. Parole Commission

Non-Governmental Entities

Alternative Monitoring Services

American Correctional Association

American Legislative Exchange Council (ALEC)

"Bed brokers"

BI Inc. (Biometric Systems)

The [Biometric Foundation]

Bobby Ross Group

Capital Correction Resources

Cornell Corrections

correctionalnews.com

corrections.com

Corrections Corporation of America (CCA)

Corrections yellow Pages

Dominion Management



Dove Development Corporation

Earl Warren Legal Institute

Federal Extradition Agency (private)

General Security Service

Government owned/contractor operated

Iridian Technologies, Inc. (formerly IriScan, Inc.)

Juvenile and Jail Facility Management Services

Justice Policy Institute (JPI)

Justice Technology Information Network (JTIN)

Law Enforcement and Corrections Technology Advisory Council (LECTAC)

Mace Security Inc.

Management and Training Corporation

Manhattan Institute

Marriott Management Services

Misuse of labor

N-Group Securities

National Criminal Justice Commission

National Institute of Corrections (NIC)

Open Society Institute/Center on Crime, Communities and Culture

Premier Detention Services

Printrak (Motorola)

Prison Industries

The Prison Litigation Reform Act (1996)

Prison Realty Trust (merged with Corrections Corporation of America)

Prison telephone service (ATT the Authority; BellSouth MAX, MCI Maximum Security, North American In telecom)

RS Prisoner Transport

"Rent-a-call (see "bed brokers")

Scientific Applications and Research Associates (SARA)

The Sentencing Project

SENTRI/Secured Electronic Network for Travelers' Rapid Inspection

Serco Group, Inc.

Stun Tech Inc.

TRansCor America

Urban Development Corporation

U.S. Corrections Corporation purchased by Corrections Corporation of America

Wackenhut Corporation/Wackenhut Corrections

Other Related Disinfopedia Resources

Biometrics

Defense contractors

Eugenics

Federal contractors

Global detention system

Global economy

Globalization

Military-industrial complex

Surveillance-industrial complex

Population control

Prison labor

Sustainable development

Timeline to global governance

External links

Wikipedia: carceral state

Wikipedia: retribution justice

Wikipedia: prison-industrial complex

Disinfopedia is an encyclopedia of people, issues and groups shaping the public agenda. It is a project of the Center for Media Democracy; email bob AT Disinfopedia.

American Legislative Exchange Council is owned by Paul Weyrich of the Free Congress Foundation and receives financial support from all of your major corporations. They are the moving force and promoter of the National Council of State Legislatures who privatize criminal statutes for financial gain and profit. They are promoting public policy in regard to prize and capture law under the War Powers Acts. The Reason Foundation is run by David Nott, the president and is a think tank promoting privatization of penal institutions for financial gain they are located at 3415 S. Sepulveda Blvd. Suite 400 Los Angeles California 90034 1-310-391-2245. The Wackenhut Corporation is a U.S. based division of Group 4 Falck A/S, the world's second largest provider of Security Services and is based in Copenhagen, Denmark and is the premier U.S. provider of contract services to the business, commercial, and government markets. The types and techniques of Privatization are:

1. Contracting Out [also called Outsourcing]
2. Management Contracts
3. Public-Private Competition [also called managed competition or market testing]
4. Franchise
5. Internal Markets
6. Vouchers
7. Commercialization [also referred to as service shedding]

8. Self Help [also referred to as transfer to non-profit organization]

9. Volunteers

10. Corporatization

11. Asset Sale or Long-Term Lease

12. Private Infrastructure Development and Operation

Cornell Corrections Inc. [NYSE:CRN] is chaired by DAVID M. CORNELL and their Company's concept began December 7, 1990, it was a rough business plan, yet the Dillon Read Venture Capital became their first investor on February 21, 1991. [They are also called Trinity Venture Capital and Shane Reihill is the Chairman and founder.] They built correctional facilities in Plymouth, Massachusetts, the other in Central Falls, Rhode Island. They have grown 33-fold in revenues and offenders under contract since that time. They have diversified and are now dependent upon development and have diversified into the three sectors of the business- secure institutional, they go up to maximum security; juvenile; and pre-release. They are the only company really in the business of aggressively growing in each of these three sectors. Their institutional revenues are around 42 percent, juvenile revenues approximate 40 percent and prerelease revenues are around 18 percent. These factors represent t

Privatization is the transfer of assets or service delivery from the government sector. Prisons are nothing but warehouses for the storage of goods and chattel under commercial law. The Warden is a Bailee or Warehouseman [before the term admiral was used He was called Custos Maris "Warden of the Sea"] [In some ancient records He was called Capitanus Maritimarum or "Captain or Tenant in Chief of the Maritime"] who receives personal property from another as Bailment. The Bailor is one who provides bail as a surety for a criminal defendant's release. Also spelled Bailor. Bailment is the delivery of personal property by one person [the Bailor] to another [the Bailee] who holds the property for a certain purpose under an expressed or implied-in-fact contract. Goods are tangible or movable property other than money; especially articles of trade or items of merchandize. The sale of goods is governed by Article 2 of the U.C.C. "Goods means all things, including specially manufactured

Everything is being run under the Law Merchant under U.C.C. 1-103. Section 1775.04 of Title 17 Corporations: Partnerships of the Ohio Revised Code says "Rules of Law and Equity, including the Law Merchant, to govern." UCC 1-103 is quoted in the Administrative Manual of the Internal Revenue Service, put out by CCH and says that the law of the Merchant governs all sections in the Internal Revenue Code. Based on the above information it looks like GSA and GAO are heavily involved in the accounting aspect of the Prison System, which explains why they are supplying all the Bond forms respecting the Bid, Performance, and Payment. When your dishonor is sold within the United States it has a six digit accounting # and is called a Cardinal number, when it is sold at the International Level it goes Ordinance or Military and uses a nine digit accounting number. This is where AutoTRIS and CUSIP come in. AutoTRIS is the Automated Forensic Traces Investigation System and was designed in the Rities [Ed. Note: error in original.] [Mortgage Backed Securities is ownership position in a group, or pool, of mortgage loans. It is Bonds in which interest and principal received from this pool of mortgage loans are passed through to the Bondholders]. TBA and CUSIPs incorporate within the number itself, a security's mortgage type [Ginnie Mae, Fannie Mae, Sally Mae, and Freddie Mac], coupon, maturity, and settlement month. For financial instruments actively traded on an International basis, which are

either underwritten debt issues or domiciled equities outside the United States and Canada, the financial instruments will be identified by a CINS [CUSIP International Numbering System] number. The CINS number was developed in 1988 by Standard Poor's and Telekurs [USA] in response to the North American Securities industries need for 9 character identifier for International Financial Instruments. CINS numbers appear in the International Securities Identification Directory [ISID Plus Services] which is co-produce[Ed. Note: error in original.]

To show how massive this system is ISID plus contains over 500,000 global financial instruments and cross references all major national numbering systems... ISID Plus has been designed to minimize the impact on back-office systems and operations, while facilitating cross-border communications among global custodians, depositories, banks, securities organizations, and exchanges. CINS numbers employ the same issuer [6 characters] Issue [2 characters check digit] concept espoused by the CUSIP Numbering System. The first position of a CINS code is always represented by an alpha character, signifying the Issuer's country code [domicile] or Geographic region. The National Association of Insurance Commissioners [NAIC] in October 1988 mandated the use by issuers of a uniform private placement number [PPN] to identify investments in their annual statements filed with the State Regulatory Authorities. Standard Poor's CUSIP Service was selected by the NAIC to create, assign, and administ

I have the Articles of Incorporation of THE ASSOCIATION of NATIONAL NUMBERING AGENCIES or [ANNA SC]. The registered office is located and established at 6, avenue de Schiphol-1140 Brussels - Belgium. The object of ANNA is to maintain and promote the standards of International Standard ISO 6166, as amended from time to time [hereafter "the Standard"]. I bet that this standard # 6166 is the number of a man and His number is 666 and is talked about in Revelations 13; 18 and whose purpose under Article 3 is to carry out any commercial, financial, or civil transactions directly or indirectly related to the objects of ANNA. Under Article 5 ANNA has unlimited Capital through BIS [Bank for International Settlements], CCA, ALEC, WACKENHUT, CORNELL CORRECTIONS, REASON FOUNDATION, DILLION READ VENTURE CAPITOL, SG WARBURG, UBS WARBURG, WARBURG DILLON READ and the PAINE WEBBER GROUP. Under Article 29 ANNA has a list of all public finds, shares, stocks, bonds, and other securities composin

The Bank for International Settlements is at the apex of all of the world's central banks, since they control and dictate monetary policy worldwide. In the late 1990's they set up a new structure called the Financial Stability Forum. Which brought together the G 7 Central Bank ministers, G 7 Finance Ministers, their respective Securities and Exchange Commissions, the Comptroller of the Currency and FDIC, along with the IMF and World Bank. This represents a further integration of the economies, policies and movement of monies and investments. Furthermore, in addition to the Central Banks, there is the Group of Eight which is comprised of the heads of state from the United States, Canada, Germany, Japan, Italy, France, Great Britain, and Russia. They have been meeting since 1975 when there were only five countries. Russia is the most recent country to join. They participate fully in every area with the exception of finance where they only participate in financial terrorism. For

Also contributing to the new financial architecture is the rise of multi-national and transnational corporations, mergers and acquisitions, country privatization of its assets such as railroads, agriculture, banks, airlines, telephone companies, etc. Furthermore, the rise of public-private partnerships which is a merger between government and business, also known as fascism, has contributed to a changed financial landscape. In addition,

there is the move towards a global stock exchange, the establishment of a World's Customs Organization and "open skies" between countries.

Why is privatizing prisons so appealing to federal, state, and local governments? As the Nation put it: "The selling point was simple: Private companies could build and run prisons cheaper than the governments. Unfettered American Capitalism would produce a better fetter, saving cash-strapped states millions of dollars each year" while simultaneously generating huge profits. The Nation explains how this miracle would be accomplished. "Private prisons receive a guaranteed [per diem] fee for each prisoner, regardless of the actual costs. Each dime they don't spend on food or medical care [for prisoners] or on wages and training for the guards is a dime they can pocket." Most guards in public prisons belong to the LEOU, which is part of the American Federation of State, County, and Municipal Employees AFSCME. I have a pointed question for you, why aren't we as principals on the Private side of the accounting cycle using our Exemption Priority to discharge all this Public Debt

By legal definition, all of your Federal and State "Statutes" are Bonds or Obligations of Record and are represented in the courtroom by the Recognizance Bond, which is a Bond of Record or Obligation for the payment of debt.

A condensed version of what is going on is that the CCA as a corporation, creates or issues stock certificates based on prison population, goods or chattel as they are called in commercial law. The underwriter is the one who buys the stock from the Issuer the CCA with intent to resell it to the public or an entity or person, which is usually an investment banker. The investment banker purchases all or part of the shares of the stock for resale to the public in the form of newly issued investment securities based on the shares of the stock. Brokerage Houses and Insurance Companies Bid on the Investment Securities with a Bid Bond issued by the GSA. The Bid Bond is then indemnified by a surety company through Performance and Payment Bonds. The Bid, Performance, and Payment Bonds are then underwritten by the Banks as Investment Securities for resale to the public. The Institutional Holders who own most of the Shares are:

1. FMR [Fidelity Management Research Corporation 3, 084,024 shares at a value of \$109,791,254 dollars.
2. Legg Mason Inc. 1,235,563 shares valued at \$43,986,042 dollars.
3. Barclays Bank Pic 1, 041,671 shares valued at \$37,083,487.

There are seventeen more corporations owning various amounts of shares at varying dollar values. These can be viewed by going to <http://finance.yahoo.com/q/mh?s=CXW>.

The Top Insider Rule 144 Holders are:

1. Russell, Joseph V. / 64,450 shares as of 2-May-03
2. Ferguson, John D. / 40,340 shares as of 2-May-03
3. Quinlan, J. Michael / 28,575 shares as of 10-Sep-02

4. Turner, Jimmy / 13,817 shares as of 23-May-03

5. Horne, John R. / 5,751 shares as of 29-Jun-04

As you can see by the above information, this system permeates every fabric of our society. This treatise represents about 40 hours of brainstorming. Currently global terrorism is being funded by the prison system and the State's Retirement Fund go to [www.DivestTerror.Org](http://www.DivestTerror.Org) this is a 115 page treatise on the Terrorism Investments of the 50 States.

Go to a search engine and type in U.S Courts. Go to court links and click, which shows a map of the circuit courts, click on 7th circuit, a list of the 7th and 8th circuit courts will appear, click on Illinois Northern District Court, then click on Clerk's Office, then go to administrative services, then to Financial Department, you will see Criminal Justice Act, Post Judgment Interest Rates, and list of sureties, click on sureties it will take you to FMS.TREAS.GOV, there on left side you will see sureties listing, admitted reinsurers and forms, click on forms and you will see Reinsurance Agreement for a Miller Act Performance Bond SF 273, and a SF274 Payment Bond and a Reinsurance Agreement in Favor of the United States SF 275 and a list of Admitted Reinsurers, Pools and Associations, and Lloyds' Syndicates, you will also see a list of the Department of the Treasury's Listing of Approved Sureties [Department Circular 570].

U.S. District Courts are buying up the State Court default judgments, when you refuse to pay or dishonor the debt. Contractors and Insurance Companies are bidding on the default judgments with a Bid Bond, then a Reinsurance Company comes in and purchases a Performance Bond as a surety for the Bid Bond. The Performance Bond is then under written by a Payment Bond, this is usually done by an investment company or investment banker. When these Bonds are pooled they become mortgage backed securities or surety bonds. They are then put on the bond market through TBA [The Bond Association]. These bonds are also sold as investment securities through brokerage houses or insurance companies. Securicor is one of your biggest international securities companies and is located in South Africa and have acquired Gray Security Services. Securicor was formed from the merger between Securicor pic and Group 4 Falk, which was completed in July 2004. Securicor operates in 50 different countries.

Reinsurance is defined as insurance of all or part of one insurer's risk by a second insurer, who accepts the risk in exchange for a percentage of the original premium; this is all admiralty maritime at its finest. Also termed reinsurance. The term 'reinsurance' has been used by courts, attorneys, and text writers with so little discrimination that such confusion has arisen as to what that term actually connotes. Thus it has so often been used in connection with transferred risks, assumed risks, consolidations and mergers, excess insurance, and in other connections that it now lacks a clear-cut field of operation. Reinsurance, to an insurance lawyer means one thing only - the ceding by one insurance company to another of all or a portion of its risks for a stipulated portion of the premium, in which the liability of the reinsurer is solely to the reinsured, which is the ceding company, and in which contract the ceding company retains all contact with the original insured, and ha

The laying off of risk by means of reinsurance traditionally serves three basic purposes. First, reinsurance can increase the capacity of the insurer to accept risk. The insurer may be enabled to take on larger individual risks, or a larger number of smaller risks, or a combination of both. Secondly, reinsurance can promote financial stability by ameliorating [improving] the adverse consequences of an unexpected accumulation of losses or of a single catastrophic losses, because these will, at least in part, be absorbed by reinsurers. Thirdly, reinsurance can strengthen the solvency of an insurer from the point of view of any regulations under which the insurer

must operate which provide for a minimum 'solvency margin', generally expressed as a ratio of net premium income over capital and free reserves. P.T. O'Neill J.W. Woloniecki, the Law of Reinsurance in England and Bermuda 4 [1998].

All of the performance and payment bonds are regulated and controlled by FAR [Federal Acquisition Regulations] which is under [48 CFR] 28.202-1 and 53.228(h). These bonds are being used in cases where it is desired to cover the excess of a Direct Writing Company's underwriting limitation by reinsurance instead of co-insurers on Miller act performance bonds running to the United States. These FAR regulations come in two volumes, volume 1 is approximately 1,326 pages volume 2 is 823 pages long. These should be consulted and read before these bonds are used.

The Miller Act is found in Title 40 U.S.C.A. sections 270 a - 270d-1 and is federal law requiring the posting of performance and payment bonds before an award is made for a contract for construction, alteration, or repair of a public work or building. The surety company issuing these bonds must be listed as a qualified surety on the Treasury List, which the U.S. Department of the Treasury issues each year.

I believe that the prisons are repository institutions or facilities for securities [prisoners] as collateral for the public and national debt. The prisoners represent asset or repository money for the Bid, Performance and Payment Bonds. The prisons are referred to as credit facilities, institutions or repositories. They function essentially the same way that a Depository Bank does under 17 CFR section 450. The Prisons are acting in the capacity of a fiduciary or custodian over Government Securities or otherwise for the account of a customer, and that are not government securities brokers or dealers, as defined in sections 3 (a)(44) of the Securities Exchange Act of 1934 (15U.S.C. 78 c (a) (43)-(44). The regulations in subchapter B are promulgated by the Assistant Secretary (Domestic Finance) pursuant to a delegation of Authority from the Secretary of The Treasury. The office responsible for the regulations is the Office of the Commissioner, Bureau of the Public Debt.

Sureties and Surety Bonds are covered in Title 31 sections 9301-9309. The Bid, Performance, and Payment Bonds fall in the category of surety bonds under these provisions. Under section 9303 Government Obligations may be substituted for Surety Bonds. Government Obligations are defined as public debt obligations of the United States Government and an obligation whose principal and interest is unconditionally guaranteed by the Government.

The bid, performance and payment bonds in addition to being sold on the commodities and securities exchange as pooled mortgaged backed securities and cleared for settlement through the FICC [Fixed Income Clearing Corporation], who is the holder until the Bonds are sold, are also being pledged as collateral for funds and a line of credit at the discount window or the open-market trading desk of Freddie Mac, Fannie Mae, Sally Mae, Ginnie Mae, or your local Federal Reserve Bank. All discount Window advances must be secured by collateral acceptable to the Reserve Bank. The following types of assets are most commonly pledged to secure discount window advances.

1. Obligations of the United States Treasury
2. Obligations of U.S. government agencies and government sponsored enterprises
3. Obligations of states or political subdivisions of the U.S.



4. Collateralized Mortgage Obligations
5. Asset backed securities
6. Corporate bonds
7. Money market instruments
8. Residential real estate loans
9. Commercial, industrial, or agricultural loans
10. Commercial real estate loans
11. Consumer loans

Check with your local Reserve Bank if you have any questions about other types of collateral

+++++

The Federal Reserve System Discount Window Collateral Margins Table includes valuation margins for the most commonly pledged asset types. Assets accepted as collateral are assigned a lend able value [market or face value multiplied by the margin] deemed appropriate by the Federal Reserve Bank. [see the attached schedules]

The Treasury Department issues certificates of authority to insurance companies who submit a financial statement to the Department of the Treasury. The reinsurance company's limitation on liability is determined and predicated on 10% of the Policy Holders surplus retained by earnings from capitol surplus. The published underwriting limitation is on a per bond basis but does not limit the amount of a bond that a company may write. Companies are allowed to write bonds with a penal sum over their underwriting limitation as long as they protect the excess amount with reinsurance, coinsurance or other methods as specified in Treasury Circular 297, Revised September 1, 1978 [31 CFR 223.10-11.]. Treasury refers to a bond of this type as an Excess Risk. When Excess Risks on bonds in favor of the United States are protected by reinsurance, such reinsurance is to be effected by use of a Federal reinsurance form to be filed with the bond or within 45 days thereafter. In protecting such e

Charles Townshend who passed The Townshend Act in 1767 and who was the Lord High Admiral on the British Board of Trade caused the American Revolution due to the high Tariffs, Duties, Imposts and Excises imposed on the Colonists on imports from London, England.

By talking with a broker named Jim McFadden for AG Edwards I found out that the Bond Register and paying agent for the County of Cuyahoga is Frank Lamb a Trustee for Huntington National Bank at 917 Euclid Avenue Cleveland, Ohio 44115 telephone # 1-216-515-6662. I also found out that Lisa Jennings of J.P. Morgan Bank in Cleveland, Ohio is the transfer agent for bonds her telephone # 1-216-274-1606 and Holly Pattison of National City Bank is also a transfer agent. Her Telephone # 1-216-222-2552. I spent 30 minutes on the phone with Robert Duke, who is the director of underwriting for the Surety Association of America under circular 570 for

the Department of the Treasury whose telephone # is 1-202-463-0600. His address is 1101 Connecticut Avenue, N.W. Suite 800, Washington, D.C. 20036.

I went through circular 570 of the Department of Treasury and called several of the admitted reinsurance companies through their underwriting department and found out they knew absolutely nothing about reinsurance relative to bid, performance and payment bonds. This fact leads me to believe that in addition to being a Repository Bank with prisoners being the assets, collateral, or securities for the bid, performance and payment bonds, the prisoners are the actual reinsurance or surety and their sentence represents the valued and marketable risk involved with the materials, supplies and cost factors involved with the guaranteed performance, and payment relative to the bonds. This is termed assumed risk in insurance and represents a present peril, hazard, or danger of loss, due to their dishonor and default judgment in court. That is why there is a penal sum or clause attached to each bond for non performance and payment of the bonds.

Since everybody on the public or debt side is bankrupt or insolvent how can they assume a liability or risk? They can't that is why they have to look to the exempt priority private asset side of the accounting ledger to assume reinsurance or risk. You can't pay a debt or assume a risk with a debt instrument. This can only be done with Asset Collateral through goods [prisoners] under mercantile civil and commercial law.

When a corporation wants to build or perform construction, he receives bids from a contractor, if the contractor is awarded the bid, the corporation who is the owner and obligee, then requires that the contractor submit a bid bond, the contractor then becomes the principal obligor. He is then required to get a reinsurance company to act as surety on the bid bond, and then a performance bond is issued to guarantee cost of material and supplies. The reinsurance company who is acting as surety for the bid bond also acts as the underwriter through a payment bond. The bid bond is a three party obligation with the obligee as the owner of the bid, performance and payment bonds.

The Surety Association of America is a voluntary, nonprofit, unincorporated association of companies engaged in the business of suretyship. SAA represents more than 500 companies that collectively underwrite the vast majority surety and fidelity bonds in the United States, as well as a number of foreign affiliates. SAA is licensed as a rating or advisory organization and has been designated as a statistical agent by all the states except Texas for the reporting of fidelity and surety experience. The National Association of Surety Bond Producers is the international organization of professional surety bond producers and brokers. NASBP represents more than 5,000 personnel who specialize in surety bonding; provide performance and payment bonds for the construction industry; and issue other types of surety bonds, such as license and permit bonds, for guaranteeing performance. NASBP's mission is to strengthen professionalism, expertise, and innovation in surety and to advocate its use

## **SURETY INFORMATION OFFICE**

National Association of Surety Bond producers  
5225 Wisconsin Avenue NW, Suite 600,  
Washington, D.C. 20015(202) 686-7463 Fax (202) 686-3656  
[www.sio.org](http://www.sio.org) [sio@sio.org](mailto:sio@sio.org)

I also believe that the Bid Bonds are being used to purchase commercial items [commercial paper] such as court judgments this is done through GSA SF form 1449 contract form and is a rated order under DPAS [Defense

Priorities and Allocations System] see 15CFR 700 this is under the National Security Industrial Base Regulations. This is all under the Executive Branch under the President and Military.

## **WORD DEFINITIONS RELATIVE TO BONDS**

1. **HOLDER** = The owner of a security. SEE **BONDHOLDER**.
2. **TRANSFER AGENT** = The person or entity that performs the transfer function for an issue of registered municipal securities. This person or entity may be the issuer, an official of the issuer or a third party engaged by the issuer to act as its agent. The trustee under a trust indenture often also acts as transfer agent. Compare: **REGISTRAR**. See: **REGISTERED BOND**; **TRANSFER**; **TRUSTEE**.
3. **REGISTRAR** = The person or entity responsible for maintaining records on behalf of the issuer that identify the owners of a registered bond issue. The trustee under a trust indenture often also acts as registrar. Compare: **TRANSFER AGENT**. See: **BOND REGISTER**; **TRUSTEE**.
4. **BOND REGISTER** = A record, kept by a transfer agent or registrar on behalf of the issuer, that lists the names and addresses of the holders of the registered bonds. See: **BONDHOLDER**; **REGISTERED BOND**; **REGISTRAR**; **TRANSFER AGENT**.
5. **ISSUER** = A state, political subdivision, municipality, or governmental agency or authority that raises funds through the sale of municipal securities.
6. **UNDERWRITER** = A Broker - dealer that purchases a new issue of municipal securities from the issuer for resale in a primary offering. The underwriter may acquire the securities either by negotiation with the issuer or by award on the basis of competitive bidding. Compare: **PLACEMENT AGENT**. See: **COMPETITIVE SALE**; **NEGOTIATED SALE**; **PRIMARY DISTRIBUTOR**; **PRIMARY OFFERING**; **SUNDICATE**.
7. **SETTLEMENT** = Delivery of and payment for a security. Compare: **CLEARANCE**. See: **DELIVERY DATE**; **GOOD DELIVERY**.
8. **CLEARANCE** = The process of delivering securities from a seller to a buyer, either directly or through their agents. Compare: **SETTLEMENT**.
9. **BOND PROCEEDS** = The money paid to the issuer by the purchaser or underwriter of a new issue of municipal securities. These moneys are used to finance the project or other purpose for which the securities were issued and to pay certain costs of issuance as may provided in the bond contract or bond purchase agreement. See: **NET PROCEEDS**.
10. **BOND PURCHASE AGREEMENT [BPA]** - The contract between the underwriter and the issuer setting forth the final terms, prices and conditions upon which the underwriter purchases a new issue of municipal securities in a negotiated sale. A conduit borrower also is frequently a party to the bond purchase agreement in a conduit financing. The bond purchase agreement is sometimes referred to as the "purchase agreement" or, less commonly, the "underwriting agreement." See: **NEGOTIATED SALE**; **UNDERWRITING AGREEMENT**; **WRITTEN AWARD**.

11. **CONDUIT BORROWER** = A borrower of bond proceeds in a conduit financing. See: **CONDUIT FINANCING**; **OBLIGOR**.

12. **CONDUIT FINANCING** = The issuance of municipal securities by a governmental unit (referred to as the "conduit issuer" to finance a project to be used primarily by a third party, usually a for-profit entity engaged in private enterprise or a 501 (c) (3) organization (referred to as the "conduit borrower"). The security for this type of issue is customarily the credit of the conduit borrower or pledged revenues from the project financed, rather than the credit of the conduit issuer. Such securities do not constitute general obligations of the conduit issuer because the conduit borrower is liable for generating the pledged revenues. Industrial development bonds, multifamily housing revenue bonds and qualified 501 (c) (3) bonds are common type's of conduit financings. See: **HOUSING REVENUE BOND**- Multi-family housing revenue bonds; **INDUSTRIAL DEVELOPMENT**; **PRIVATE ACTIVITY BOND**.

13. **AWARD** = The official acceptance by the issuer of a bid or offer to purchase a new issue of municipal securities by an underwriter. The date of the award is generally considered the "sale date" of an issue. See: **BID**; **BOND PURCHASE AGREEMENT**; **WRITTEN AWARD**. Compare: **VERBAL AWARD**.

14. **BENEFICIAL OWNER** = The person to whom the benefits of ownership of given securities accrue, even though the securities might be held by, or in the name of, another person or held in an account over which another person has investment discretion. For example, a securities firm might hold securities in "street name" in its vaults or at a securities depository, with the beneficial owners of the securities only designated on the firm's records. Compare: **BONDHOLDER**.

15. **DEPOSITORY** = A registered clearing agency that provides immobilization, safekeeping and book-entry clearance and settlement services to its participants. Compare: **CLEARING CORPORATION**. See: **REGISTERED CLEARING AGENCY**.

16. **BOOK-ENTRY ONLY (BEO) or BOOK-ENTRY SECURITY** = A security that is not available to top purchasers in physical form. Such a security may be held either as a computer entry on the records of a central holder (as is the case with certain U.S. Government securities) or in the form of a single, global certificate. Ownership interests of, and transfers of ownership by, investors are reflected solely by appropriate books and record entries. Most municipal securities issued in recent years have been in book-entry only form. Compare: **CERTIFICATED SECURITY**; **IMMOBLIZED SECURITY**. See: **GLOBAL CERTIFICATE**.

17. **GLOBAL CERTIFICATE** = A single certificate sometimes referred to as a "jumbo certificate", representing an entire maturity of an issue of securities. Such certificates are often used in book-entry systems. The issuer issues a global certificate that is then lodged in the facilities of a depository or other book-entry agent and kept safely by the agent until maturity. The securities are available to beneficial owners only in book-entry form, and no certificates can be obtained. Compare: **IMMOBLIZED SECURITY**. See: **BOOK-ENTRY ONLY**.

18. **IMMOBLIZED SECURITY** = A physical security that is held in a central depository for the account of its beneficial owner but that may be withdrawn from the depository in physical form. Immobilized securities may be transferred when sold by entries on the records of the depository or by withdrawal of actual certificates. Compare: **BOOK-ENTRY ONLY**; **GLOBAL CERTIFICATE**.

19. 501(c)(3) ORGANIZATION = An organization recognized by the Internal Revenue Service as a not-for-profit organization. A 501 (c) (3) organization can borrow funds to finance projects on a tax-exempt basis through a conduit issuer. Examples include not-for-profit colleges and universities, hospitals, museums and retirement communities. See: CONDUIT BORROWER; PRIVATE ACTIVITY - Qualified 501 (c) (3) bonds.
20. MUNICIPAL SECURITIES = A general term referring to securities issued by local governmental subdivisions such as cities, towns, villages, counties, or special districts, as well as securities issued by states political subdivisions or agencies of states. A prime feature of these securities is that interest or other investment earnings on them usually are excluded from gross income of the holder for federal income tax purposes. Issuers of municipal securities are exempt from most federal securities laws. Compare: TAXABLE MUNICIPAL SECURITY.
21. REGISTERED CLEARING AGENCY = An organization, registered with the Securities and Exchange Commission pursuant to section 17 A of the Securities Exchange Act of 1934, that provides specialized systems for the confirmation, comparison, clearance and settlement of securities transactions. See: NATIONAL SECURITIES CLEARING CORPORATION.
22. NATIONAL SECURITIES CLEARING CORPORATION (NSCC) = A clearing corporation. See: CLEARING CORPORATION; DEPOSITORY TRUST AND CLEARING CORPORATION.
23. CLEARING CORPORATION = A registered clearing agency that provides specialized comparison, clearance and settlement services for its members. A clearing corporation typically offers services such as automated comparison systems and transaction netting systems. Compare: DEPOSITORY. See: NATIONAL SECURITIES CLEARING CORPORATION; REGISTERED CLEARING AGENCY.
24. DEPOSITORY TRUST AND CLEARING CORPORATION (DTCC) = The entity formed by the merger of Depository Trust and National Securities Clearing Corporation. DTCC facilitates the clearance and settlement of securities transactions.
25. AUTHORITY = A unit or agency of government, or a separately established not-for-profit entity formed on behalf of a governmental entity, established to perform specialized functions. In some cases, authorities have the power to issue debt that is secured by the lease rental payments made by a governmental unit using the facilities constructed with bond proceeds. In other cases, authorities issue private activity bonds for the purpose of making the proceeds available to qualified private entities for use as permitted under the federal tax laws. Examples of such conduit authorities include health facilities authorities, Industrial development authorities and housing finance authorities. An authority may function independently of other governmental units, or it may depend upon other units for its creation, funding or administrative oversight. Authorities, other than conduit authorities, usually are financed by service charges, fees or tolls, although they also may have taxing po
26. CONDUIT ISSUER = An issuer of municipal securities in a conduit financing. See: AUTHORITY; CONDUIT FINANCING.
27. PRIVATE ACTIVITY BOND (PAB) = A municipal security the proceeds of which are used by one or more private entities. A municipal security is considered a private security bond if it meets either of two sets of conditions set out in section 141 of the Internal Revenue Code. A municipal security is a private activity bond if, with certain exceptions, more than 10% of the proceeds of the issue are used for any private business use (the

"private business use text") and the payment of the principal of or interest on more than 10 % of the proceeds of such issue is secured by or payable from property used for a private business use (the "private security or payment test"). A municipal security also is a private activity bond if, with certain exception, the amount of proceeds of the issue used to make loans to non-governmental borrowers exceeds the lesser of 5 % of the proceeds or \$ 5 million (the "private loan financing test"). Interest on private activity bonds is not excluded from gr

28. Exempt facility bonds - Private activity bonds issued to finance various types of facilities owned or used by private entities, including airports, docks, and certain other transportation-related facilities; water, sewer, and certain other local utility facilities; solid and hazardous waste disposal facilities; certain residential rental projects (including multifamily housing revenue bonds); and certain other types of facilities. Enterprise zone bonds are also considered exempt facility bonds. See: ENTERPRISE ZONE BOND; HOUSING REVENUE BOND- Multiple-family housing revenue bonds.

29. Qualified 501(c)(3) bonds = Private activity bonds issued to finance a facility owned and utilized by a 501 (c) (3) organization. Qualified 501 (c) (3) bonds are not subject to the federal alternative minimum tax.

30. Qualified mortgage bonds = Private activity bonds issued to fund mortgages to finance owner-occupied residential property. Qualified mortgage bonds are often referred to as single family mortgage revenue bonds. See: HOUSING REVENUE BOND - Single family mortgage revenue bonds.

31. Qualified redevelopment bonds = Private activity bonds issued to finance certain acquisition, clearance, rehabilitation and relocation activities for redevelopment purposes by a governmental entity in designated blighted areas. Qualified redevelopment bonds are payable from general taxes or from tax increment revenues. See: TAX INCREMENT BOND.

32. Qualified small issue bonds = Private Activity bonds issued to finance manufacturing facilities. Qualified small issue bonds may be issued on a tax-exempt basis in an amount up to \$1 million, taking into account certain prior issues, or an amount up to \$10 million, taking into account certain capital expenditures incurred during the three years prior and the three years following the issuance of such bonds.

33. Qualified student loan bonds = Private activity bonds issued to finance student loans for attendance at higher education institutions.

34. Qualified veterans' mortgage bonds = Private activity bonds that are general obligations of a state issued to fund mortgage loans to finance owner-occupied residential property for veterans. The ability of states to issue new and refunding qualified veterans' mortgage bonds on a tax-exempt basis is limited.

## **INTERNATIONAL BILL OF EXCHANGE**

In the Open Market Trading Desk in the Investing Trading Glossary, A bill of exchange is defined as a "General Term for a document demanding payment". This says it all if you have wisdom and understanding, sometimes the obvious escapes everybody.

The word Bill is an alteration of the Latin word Bulla in its mediaeval sense. In classical Latin bulla was "a bubble, a boss, a stud, an amulet for the neck"; whence in mediaeval Latin "a seal" especially the seal appended

to a charter etc.; thence, transferred sense, "a document furnished with a seal", e.g. a charter, a papal bull, and, by extension, any official or formal document, "a bill, schedule, memorandum, note, paper". It was in these later senses that bulla became in England billa, bille. Being a word of common use, bulla was probably pronounced with u, passing into English y, i; though no direct evidence of this has been found. So the Oxford English Dictionary. This explanation is not convincing, nor would it be even if 'bill' and 'bull' had originally conveyed the same or similar meanings. At least up to the end of the fourteenth century the two words almost always carried meanings that were respectively inconsistent with each other. A 'bull' was a sealed document.

Under Title 18 sections 513 (A) the term security as defined in the Electronic Fund transfer Act under 916 (c) has been amended and moved to Title 15 section 78 (c) subsection 10, where it says that any currency, note, draft, bill of exchange, or banker's acceptance which has a maturity at the time of issuance of not exceeding nine months, exclusive of days of grace, or any renewal thereof the maturity of which is likewise limited is not included in this definition of a security.

Acceptance 4. Black's Law Dictionary Eighth Edition a negotiable instrument, especially a bill of exchange, that has been accepted for payment.

There are three elements of an acceptance -- 1. Honor 2. Value 3. Consideration. An acceptance for honor is an undertaking not by a party to the instrument, but by a third party, for the purpose of protecting the honor or credit of one of the parties, by which the third party agrees to pay the debt when it becomes due if the original Drawee does not. This type of acceptance inures to the benefit of all successors to the party for whose benefit it is made. Also termed acceptance supra protest; acceptance for honor supra protest. [Cases: Bills and Notes key 71. C.J.S. Bills and Notes; Letters of Credit section 37]. "Acceptance for honor supra protest' is an exception to the rule that only the Drawee can accept a bill. A bill which has been dishonored by non-acceptance and is not overdue may, with the consent of the holder, be accepted in this way for the honor of either the drawer or an indorser (i.e., to prevent the bill being sent back upon the drawer or  
U.C.C. §3-303 Value and Consideration

(a) An Instrument is issued or transferred for value if:

(1) The instrument is issued or transferred for a promise of performance, to the extent the promise has been performed;

(2) The transferee acquires a security interest or other lien in the instrument other than a lien obtained by judicial proceeding.

(3) The instrument is issued or transferred as payment of, or as security for, an antecedent claim against any person, whether or not the claim is due;

(4) The instrument is issued or transferred in exchange for a negotiable instrument; or

(5) The instrument is issued or transferred in exchange for the incurring of an irrevocable obligation to a third party by the person taking the instrument.

(b) "Consideration" means any consideration sufficient to support a simple contract. The drawer or maker of an instrument has a defense if the instrument is issued without consideration. If an instrument is issued for a

promise of performance, the issuer has a defense to the extent performance of the promise is due and the promise has not been performed. If an instrument is issued for value as stated in subsection (a), the instrument is also issued for consideration.

The definition of "negotiable instrument" defines the scope of Article 3 since Section 3-102 states: "This Article applies to negotiable instruments." The definition in Section 3-104 (a) incorporates other definitions in Article 3. An instrument is either a "promise," defined in Section 3-103(a) (12), or "order," defined in Section 3-103 (a) (8). A promise is a written undertaking to pay money signed by the person undertaking to pay. An order is a written instruction to pay money signed by the person giving the instruction. Thus the term "negotiable instrument" is limited to a signed writing that orders or promises payment of money. Money is defined in section 1-201(24) and is not limited to United States dollars. It also includes a medium of exchange established by a foreign government or monetary units of account established by an intergovernmental organization or by agreement between two or more nations. [UNICTRAL CONVENTION ON INTERNATIONAL BILLS OF EXCHANGE OR INTERNATIO

In *Clearfield Trust Co. v. United States*, 318 U.S. 363 (1943), the court held that if the United States is a party to an instrument, its rights and duties are governed by federal common law in the absence of a specific federal statute or regulation. In *United States v. Kimbell Foods, Inc.*, 440 U.S. 715 (1979), the court stated a three prong test to ascertain whether the federal common law rule should follow the state rule. In most instances courts under the Kimbell test have shown a willingness to adopt the U.C.C. rules in formulating federal common law on the subject. In Kimbell the Court adopted the priorities rules of Article 9.

In 1989 the United Nations Commission on International Trade Law [UNICTRAL] completed a convention on International Bills of Exchange and International Promissory Notes. If the United States becomes a party to this convention, the convention will preempt state law with respect to international bills of exchange and notes governed by the Convention. Thus, an international bill of exchange or promissory note that meets the definition of instrument in section 3-104 will not be governed by Article 3 if it is governed by the Convention. That Convention applies only to bills and notes that indicate on their face that they involve cross-border transactions. It does not apply at all to checks. Convention Articles 1(3), 2(1), 2(2). Moreover, because it applies only if the bill or note specifically calls for application of the Convention, Convention Article 1 there is little chance that the Convention will apply accidentally to a transaction that the parties intended to be governed by

U.C.C. §3-104.Negotiable Instrument.

(a) Except as provided in subsections (c) and (d), "negotiable Instrument" means an unconditional promise or order to pay a Fixed amount of money, with or without interest or other Charges Described in the promise or order, if it:

(1) Is payable to bearer or to order at the time it is issued or first comes into possession of a holder;

(2) Is payable on demand or at a definite time; and

(3) Does not state any other undertaking or instruction by the person promising or ordering payment to do any act in addition to the payment of money, but the promise or order may contain



- (i) An undertaking or power to give, maintain, or protect collateral to secure payment,
  - (ii) an authorization or power to the holder to confess judgment or realize on or dispose of collateral or
  - (iii) a waiver of the benefit of any law intended for the advantage or protection of an obligor.
- (b) "Instrument" means a negotiable instrument.
- (c) An order that meets all of the requirements of subsection (a), except paragraph (1), and otherwise falls within the definition of a "check" in subsection (f) is a negotiable instrument and a check.
- (d) A promise or order other than a check is not an instrument if, at the time it is issued or first comes into possession of a holder, it contains a conspicuous statement, however expressed, to the effect that the promise or order is not negotiable or is not an instrument governed by this Article.
- (e) An instrument is a "note" if it is a promise and is a "draft" if it is an order. If an instrument falls within the definition of both "note" and "draft," a person entitled to enforce the instrument may treat it as either.
- (f) "Check" means (i) a draft, other than a documentary draft, payable on demand and drawn on a bank or (ii) a cashier's check or teller's check. An instrument may be a check even though it is described on its face by another term, such as "money order."
- (g) "Cashier's check" (i) means a draft with respect to which the drawer and drawee are the same bank or branches of the same bank.
- (h) "Teller's check" means a draft drawn by a bank (i) on another bank, or through a bank.
- (i) "Traveler's check" means an instrument that (i) is payable on demand, (ii) is drawn on or payable at or through a bank, (iii) is designated by the term "traveler's check" or by a substantially similar term, and (iv) requires as a condition to payment, a countersignature by a person whose specimen signature appears on the instrument.
- (j) "Certificate of deposit" means an instrument containing an acknowledgment by a bank that a sum of money has been received by the bank and a promise by the bank to repay the sum of money. A certificate of deposit is a note of the bank.

Instruments are divided into two general categories: drafts and notes. A draft is an instrument that is an order. A note is an instrument that is a promise. Section 3-104(e). The term "bill of exchange" is not used in Article 3. It is generally understood to be a synonym for the term "draft". Subsections (f) through (j) define particular instruments that fall within the categories of draft or note. The term "draft," defined in subsection (e), includes a "check" which is defined in subsection (f). "Check" includes a share draft drawn on a credit union payable through a bank because the definition of bank (Section 4-105) includes credit unions. However, a draft drawn on an insurance company payable through a bank is not a check because it is not drawn on a bank. "Money orders" are sold both by banks and non-banks. They vary in form and their form determines how they are treated in Article 3. The most common form of money order of money order sold by banks is that of ordina

The definitions in Regulation CC section 229.2 of the terms "checks," "cashier's check", "Teller's check", and "Travelers check" are different from the definitions of those terms in Article 3.

Certificates of deposit are treated in former Article 3 as a separate type of instrument. In revised Article 3, Section 3-104 (j) treats them as notes.

There are some differences between the requirements of Article 3 and the requirements included in Article 3 of the Convention on International Bills of Exchange and International Promissory Notes. Most obviously the Convention does not include the limitation on extraneous undertakings set forth in Section 3-104 (a)(3), and does not permit documents payable to bearer that would be permissible under Section 3-104 (a)(1) and Section 3-109. See Convention Article 3. In most respects, however, the requirements of 3-104 and Article 3 of the Convention are quite similar.

Bankers Acceptance: Title 12 Section 372

(a) Institutions; drafts and bills of exchange; types any member bank and any Federal or State branch or agency of a foreign bank subject to reserve requirements under section 3105 of this title (hereinafter in this section referred to as "institutions"), may accept drafts or bills of exchange drawn upon it having not more than six months' sight to run, exclusive of days of grace -

(i) which grows out of transactions involving the importation or exportation of goods;

(ii) which grow out of transactions involving the domestic shipment of goods; or

(iii) which are secured at the time of acceptance by a warehouse receipt or other document conveying or securing title covering readily marketable staples.

(b) Ratio limit of bills to unimpaired capital stock and surplus Except as provided in subsection (c) of this section, no institution shall except such bills, or be obligated for a participation share in such bills, in an amount equal at any time in the aggregate to more than 150 per centum of its paid up and unimpaired capital stock and surplus or, in the case of a United States Branch or agency of a foreign bank, its dollar equivalent as determined by the board under subsection (h) of this section.

(c) Authorization for special ratio limit; foreign banks The Board, under such conditions as it may prescribe, may authorize, by regulation or order, any institution to accept such bills, in an amount not exceeding any time in the aggregate 200 per centum of its paid up and unimpaired capital stock and surplus or, in the case of a United States Branch or agency of a foreign bank, its dollar equivalent as determined by the Board under subsection (h) of this section.

(d) Ratio limit for domestic transactions Notwithstanding subsections (b) and (c) of this section, with respect to any institution, the aggregate acceptances, including obligations for a participation share in such acceptances, growing out of domestic transactions shall not exceed 50 per centum of the aggregate of all acceptances, including obligations for a participation share in such acceptances, authorized for such institution under this section.

(e) Ratio limit for single entity; foreign banks security no institution shall accept such bills, or be obligated for a participation share in such bills, whether in a foreign or domestic transaction, for any one person, partnership, corporation, association or other entity in an amount equal at any time in the aggregate to more than 10 per centum of its paid up and unimpaired capital stock and surplus, or, in the case of a United States branch or agency of a foreign bank, its dollar equivalent as determined by the board under subsection (h) of this section, unless the institution is secured either by attached documents or by some other actual security growing out of the same transaction as the acceptance.

(f) Exception for participation agreements with respect to an institution which issues an acceptance, the limitations contained in this section shall not apply to that portion of an acceptance which is issued by such institution and which is covered by a participation agreement sold to another institution

(g) Definitions by board in order to carry out the purposes of this section, the board may define any of the terms used in this section, and, with respect to institutions which do not have capital or capital stock, the board shall define an equivalent measure to which the limitations contained in this section shall apply.

(h) Dollar equivalent of foreign bank paid-up capital stock and surplus.

Any limitation or restriction in this section based on paid up and unimpaired capital stock and surplus of an institution shall be deemed to refer, with respect to a United States branch or agency of a foreign bank, to the dollar equivalent of the paid-up capital stock and surplus of the foreign bank, as determined by the board, and if the foreign bank has more than United States Branch or agency, the business transacted by all such branches and agencies shall be aggregated in determining compliance with the limitation or restriction.

Bills of Exchange have not been discontinued or done away with they are called drafts, in a recent conversation with Walker Todd exchief and legal counsel for the Federal Reserve, he divulged to me that Reserve requirements were waived under Title 12 section 3105. Prior to this on time deposit accounts [these are accounts where the funds cannot be withdrawn for a fixed period of time and then only after notice] were given an exemption as a reserve requirement and this exemption was used or tendered through a Bill of Exchange, and was one of the instruments for loaning money. Guess what replaced the reserve requirements under time deposits? Your exemption as the Principal on the private side. All monetized debt has to have a Principal from which Capital and Interest circulates, this capital and interest is called accruals under GAAP. This is where the accrual method of accounting is derived from, under this method of accounting the debits and credits have to be in balance, thi

The Social Security # on the front of your Social Security Card is assigned to the debtor or straw man, the red number on the back of the card is your exempt priority prepaid account number and is assigned to one of the 12 Federal Reserve Banks, designated by the letter in front of the number. There are 12 letters and 8 numbers after the letter. These letters designate which Federal Reserve district or bank is handling your account, the 8 digit # is your account number, all charge backs should be to this bank and not the Secretary of the Treasury, who in reality is the Secretary of the Treasury of Puerto Rico. The office of the Secretary of The Treasury of the United States was done away with in 1926; I have the legislative documentation of this. The International Monetary Fund has replaced the office of the Secretary of the Treasury of the United States, which was or is being chaired by Nicholas Brady. The letters below designate which district or bank is handling your account

A: Boston / B: New York / C: Philadelphia / D: Cleveland

E: Richmond / F: Atlanta / G: Chicago / H: St.Louis

I: Minneapolis / J: Kansas City / K: Dallas / L: San Francisco

The whole problem and nothing else is that the public and national debt or deficit is not being redeemed on the public side through your exemption on the private side. This is the reason you have run away inflation and wars in the public realms.

The reason wars are fought is to kill or execute people to cancel the debt. You will find out that under Title 12 section 1811 and section 3104 [insurance of deposits] every demand deposit account including checking, savings and credit card accounts are insured under the FDIA [Federal Depository Insurance Act] through the FDIC [Federal Depository Insurance Corporation] Title 12 section 1811 (a).

When they execute the debtor to eliminate the debt, they also collect the insurance money; you are actually worth more dead [debt] than alive. Why do you think the police are so quick to shoot people? This executes or eliminates both the debtor and the debt, in one swift action or execution. This is all Karmic and involves the laws of Karma, which in physics involves the Laws of Cause and Effect. This is also the occult or hidden meaning of the scriptures in regard to salvation and redemption.

Any body who tries to run from the police is called an absconding debtor in admiralty maritime law and may be shot or captured under the law of Prize. Read the case of J. MANRO v. Joseph ALMEIDA 23 U.S. 473, 10 Wheat 473, 6 Led. 473, this is one of the best cases I have ever read on the Admiralty and Civil Law and how it is being applied in the courts. Another excellent case is RAMSAY v. ALLEGRE U.S. MD. 25 U.S. 611, 12 Wheat 611, 6 L.ED. 746, another excellent case is LINDO v. RODNEY, 2 DOUGLAS. 613, this is an extremely difficult case to find and research. This case is quoted in LE CAUX v. EDEN Volume 99 English Reports Pg. 375 or at 2 DOUGLAS 595, this case was decided the 7th day of February, 1781, by Lord Mansfield possibly one of the greatest jurist of admiralty whoever sat on the Kings Bench. "An action will not lie at common law for false imprisonment, where the imprisonment was merely in consequence of taking a ship as prize, although the ship has been acquitted. Lord M

Another excellent case is THE CARTONA 297 Federal Reporter 1st series pg. 827. This case says you have to have a interest or a lien before you can intervene with a claim in Admiralty under rule 24 of the F.R.C.P.

In the United States everything started with the Civil War and the Insurrection and Rebellion Acts of August 6, 1861 and July 17, 1862, which are still current law today under title 50 sections 212, 213, we have been under a military, provisional, occupational government since 1861. This is why the United States has been divided into Internal Revenue Districts under title 26 section 7621 by the president of the United States and is what the zip code designates.

What Franklin Delano Roosevelt did in June of 1933, is he sold more gold contracts that the treasury had gold, this created a marine peril or peril of the sea, because of the run on the treasury, do to the foreign gold contracts. To avert the loss of gold, due to this run, Roosevelt outlawed gold and gold contracts to avert the apparent peril or loss of gold in the Treasury. In admiralty any time cargo [gold] is sacrificed to avert the peril, everybody who is a passenger on the ship or vessel [the United States] has to pay for the loss or sacrifice through the doctrine of

Contribution. They had to insure or indemnify their losses through a maritime insurance policy, they accomplished this through FICA [Federal Insurance Contribution Act], which is the insurance policy under Social Security. Everybody who has a SS number is a Co-debtor or Co-surety for the loss of the gold or money under the public policy of H.J.R. 192 and title 31 section 5118 (2) (d). The origins of indemnity a

Every State has passed or adopted the Joint-Tort-Feasors Act under the doctrine of Contribution. This is basically all insurance, which is of admiralty maritime law. This is called general average contribution in admiralty maritime law. DAWSON v. CONTRACTORS TRANSPORT CORP. 467 F. 2D 727 (1972). CIA ATLANTICA PACIFICA, S.A. v. HUMBLE OIL REFINING CO. 274 F. SUPP. 884 (1967) is an excellent case on general average contributions. Grant Gilmore the co-author of the Law of Admiralty wrote Article 9 of the U.C.C. on secured transactions. This should tell you something. Another thing that most people are not aware of is that everybody is a merchant at law under Article 2-104 (1), because they use commercial paper in their every day transactions and hold themselves by occupation as having knowledge or skill peculiar to the practices or goods involved in the transaction or to which the knowledge or skill may be attributed. This is one of the reasons the court never tells or disclose

This is why in title 26 section 6305 says "upon receiving a certification from the Secretary of Health and Human Services, under section 452 (b) of the Social Security Act with respect to any individual, the Secretary shall assess and collect the amount certified by the Secretary of Health and Human Services, in the same manner, with the same powers, and (except as provided in this section) subject to the same limitations as if such amount were a tax imposed by subtitle C." The inference here is that the Secretary is collecting an insurance premium as though it were a tax, why? Because there is no money everything is insurance and you can't pay a tax with a debt instrument. We as Principals own, hold, and control both sides of the accounting ledger; the private, debit or asset side and the public, credit or debt side.

An offender is defined or called a debtor in admiralty maritime law, read the case of CONTINENTAL ILLINOIS NATIONAL BANK TRUST CO. v. CHICAGO, ROCK ISLAND PACIFIC RY. CO. 294 U.S. 648. Page 668 of this case a debtor is referred to has an offender.

All of your state criminal statutes have this term in their statutes or codes. In Ohio it is in title 29 section 2951.07. "If the offender [debtor] under community control ABSCONDS or otherwise leaves the jurisdiction of the court without permission from the probation officer, the probation agency, or the court to do so, or if the offender [debtor] is confined in any institution for the commission of any offense, the period of community control ceases to run until the time that the offender [debtor] is brought before the court for its further action." An absconding debtor is defined in Black's Law Dictionary 8th edition as a "A debtor who flees from creditors to avoid having to pay a debt. Absconding from a debt was formerly considered an act of bankruptcy." The word Abscond means "To depart secretly or suddenly, especially to avoid arrest, prosecution, or service of process. 2. To leave a place usually hurriedly, with another's money or property.

Under Title 26 section 163 all prepaid interest is tax deductible. When you don't use your exemption in exchange for the debt or deficit they execute on you to eliminate the debt, in the prisons or credit facilities as they are really called, this is called the death or debt penalty. Isn't murder a Capital Offense and isn't Capital interest or accruals from you as the Principal? An exemption is intellectual property under international law, if you don't use it, it becomes abandoned property and the corporations use it on a 1096 tax return as prepaid interest to get your deduction and pass the tax on to you. A tax is nothing but a return of capital and interest back to the principal that is why a return is called a tax return. This is what you are paying every time you make

a purchase at the retail level on a retail contract under the truth in lending. If you look at any 1099 OID [original issue discount] or 1099 INT [interest] or 1099 PTR [patron] which are issued by banks to

All merchandise is prepaid before it leaves the factory, what merchants are collecting at the retail level is the tax, capital, interest, accrual or revenue on you as the principal, because you have abandoned your exemption as the Principal. They cannot execute on a contract under the common law, because there is no money that is why they have to do an exchange using your exemption for the debt to discharge, redeem or effectuate post settlement and closure of your account. This is why the banks never close your account after you have withdrawn all your money.

When you are refused access to a credit card by alleged bad credit they [the bank] are making a claim on your account by using your exemption. They are assuming ownership of your name as the principal; if they release the account they are giving you your deduction for the prepaid account as the principal. The bottom line to all this is that you only have what you lay claim to. Remember that rights are defined under 1-201 (34) of the UCC as remedies.

The Jewish Passover is just an exchange of the future to the past or the past to the future. In other words your treasury Bill is exchanged for a Treasury Bond making the Bill a future event or Futures Contract.

This comes from a Federal Reserve Report which says that 15 % of 100 = 85, 15 % of 85 = 72.25 etc. total 100, 85, and 72.25 and so on you get 666. Gold held in reserve is 15 % based on \$100 deposit = 666, 20 % = 500 this is commodities and 10 % = 1000 and Franklin Delano Roosevelt sold more Gold Contracts than the Treasury had Gold and was the reason for the passage of the Federal Reserve Act and why they had to take gold and silver out of circulation to cover up the fraud. This is why they passed HJR 192 [Title 31 section 5118 2 (d)] and goes into the 33 % that provides funds for funding the public municipalities.

## **THE PRACTICE AND JURISDICTION OF THE COURT OF ADMIRALTY**

IN THREE PARTS by John E. Hall, Esquire Date: 1809

This practice was used by Proctors in the Vice Admiralty Courts in the Colonies prior to the American Revolution and was delivered to the clerk of the Maryland district court, Phillip Moore on the 4th day of October, 1809. The first edition was printed in 1679, a third edition was published in the year 1722 and a new edition in 1791 of which this is an exact and faithful copy of which Lord Hardwicke considered of "unquestionable character". This practice is quoted in *Waring v. Clarke* 5 Howard, [46 U.S.] 454.

This practice was written for private viewing only and not public as evidenced by its substance.

First Part Historical Examination of Admiralty

Second Part Translation of the Praxis [practice] *Supremae Curiae Admiralitalis* [The High Court of Admiralty], by Francis Clerke, who was registrar of the Court of Arches during the reign of Queen Elizabeth:

Arches Court = In English Ecclesiastical Law a Court of Appeal belonging to the Archbishop of Canterbury, the judge of which is called the "The Dean of Arches" because his court was anciently held in the church of Saint

Mary Le-Bow. [Sancta Maria de - Arcubus]. So named from the steeple, which is raised upon pillars built arch wise 3 BL Commentary 64.

The court was formerly held in the hall belonging to the College of Civilians, commonly called "Doctor's Commons." It is now held in Westminster Hall. Its proper jurisdiction is only over the thirteen peculiar parishes belonging to the Archbishop in London, but the office of the Dean of the Arches, having been for a long time united with that of the Archbishop's principal official, The judge of the Arches, in right of such added office, it receives and determines appeals from the sentences of all inferior Ecclesiastical Courts within the province.

Civilian = One who is called or versed in the Civil Law, a doctor, professor, or student of the Civil Law. Also a private citizen, as distinguished from such as belong to the Army and Navy or [in England] the church.

Register = An officer authorized by law to keep a record called a "Register" or Registry" as the Register for the Probate of Wills.

CURIA = In old European Law. A court. The palace, household, or retinue of a sovereign. A judicial tribunal or court held in the Sovereign's palace. A court of justice The civil power, as distinguished from the Ecclesiastical. A manor; a nobleman's house; the hall of a manor. A piece of ground attached to a house; a yard or courtyard. Spelman. A Lord's court held his manor. The tenants who did suit and service at the lord's court. A manse, Cowell.

## **In Roman Law**

A division of the Roman people, said to have been made by Romulus. They were divided into three tribes, and each tribe into ten curiae, making thirty curiae in all. Spelman. The place or building in which each curia assembled to offer sacred rites. The place of meeting of the Roman senate; the senate house. The senate house of a province; the place where the decuriones assembled. Cod. 10, 31, 2.

DECURIO = Latin. A decurion In the provincial administration of the Roman Empire, the decurions were the chief men or official personages of the large towns. Taken as a body, the decurions of a city were charged with the entire control and administration of its internal affairs; having powers both magisterial and legislative. See 1 Spence, Eq. Jur. 54.

Some of the courts were called admiralty, others were called consular courts. The judges were called consuls and the code which they operated by was called the consulate of the sea. These consuls were civil judges. The district courts today possess the authority and jurisdiction of the High Court of Admiralty. The Lords commissioners of the Admiralty, who possess the same jurisdiction as the Lord High Admiral. The Lord High Admiral grants the office of Registrar of the Admiralty for life. In this country the clerks of the District Courts of the United States are appointed by the Courts respectively in which they Act, and hold their offices at will. The term Registrar is almost synonymous with Register does this ring a bell. The Civil Law distinguishes between a Letter and a Warrant of Attorney. The former is called a procuracy, proxy, procuracy, or procuratory with the Proxy or Procuratory ad lites, in Ecclesiastical causes. This is the same manner in which papers are filed and aut

Bonds were referred to as Fidejussory Security. Fidejussores were the guarantors for payment of the Defendant [Debtor] debts. A defendant needs at least two Fidejussores, who should be bound to the plaintiff, in the sum for

which the action was instituted. A Letter Rogatory were called a patent writ [open writ one not sealed or closed] close writ [a royal writ sealed because the contents were not deemed appropriate for public inspection.

The Plaintiff is also obliged to find Fidejussores to these effects, viz. for the prosecution of the suit; for the payment of the defendant's costs if the plaintiff fail in his cause, and for the production of the plaintiff personally as often as he may be called. As all civil and maritime cause is summary, the mode of proceeding and the final sentencing are the same as in Ecclesiastical cases.

The commercial Courts or Tribunals on the continent of Europe were formerly called Consuls. In France, Judges and Consuls; In Spain Priors and Consuls; In Italy, Maritime Consuls. Hence the most ancient work, which is extant, on maritime and commercial law is called, the Consulate of the sea. Commercial agents who are sent from one country to another are called Consuls, because they formerly had a consular jurisdiction, or cognizance of all commercial and maritime causes between subjects of their own nations. To these commercial and maritime Courts, therefore, commissions sub mutuo or letters rogatory were, in our authour's time, usually directed; and at this day it seems that they might with propriety be directed to the Court or Judge, of the place to which they are sent, exercising admiralty and maritime jurisdiction.

"Before making the seizure, a full proof of the debt is to be made to the Judge according to his discretion." "If he be declared in contumacy [contempt] Scacc. n. 5. the judges of our day, according to custom, decree a sequestration [removal of property from debtor] at the instance of the creditor alone, without the existence of any suspicion. Scacc. n. 11. If nothing is proved to the Judge and nothing is sworn by the creditor, the attachment is granted upon the simple assertion of the creditor.

Default mentioned above, "commonly signifies an offence in omitting that which we ought to do, yet here it is taken as a non appearance in Court at a day assigned" If you don't make an appearance and pay the debt, you are in "contumacy [contempt] and in pain of their contumacy[contempt] be decreed to have incurred the first default." A loan is a maritime contract, a juratory caution in maritime law is a court's permission for an indigent to disregard filing fees and court costs A suit upon juratory caution is the equivalent of a suit in forma pauperis. The right was first recognized in United States admiralty courts in *Bradford v. Bradford*, 3 F. Case 1129 (1878).

Four defaults are to be pronounced against the defendant, if he does not appear within the term assigned to him by the Judge, before the Judge shall decree the plaintiff to be put in possession of the goods of the defendant, which is contrary to the ancient usage of the Court of Admiralty.

" It often happens, and especially in time of war or commotion, that your goods or vessel are taken by enemies or pirates, and afterwards brought to this kingdom; or are possessed or detained by others in some other manner; or the factor or agent of your correspondents in parts beyond seas, may consign certain goods to your use or benefit, and they are detained unjustly possessed by some person. In such cases you may obtain a Warrant to arrest the goods after this matter as your proper goods: and also a citation as well against those in particular thus occupying or detaining, as against all others in general, who have or pretend to have any interest in them, to answer you in a certain cause of a civil and maritime nature. Which Warrant being executed and returned as above, in Tit. 33, if no one appears, the proceedings are to be in all things as above, Tit 31, and after the fourth default, the goods are to be adjudged to you; not for a debt as in the former

The purpose of attachment of debtor's goods was to compel an appearance to obtain quasi in personam jurisdiction over the Res. The fact is that until the 44th year of Elizabeth, the prize jurisdiction was not vested in



the High Court of Admiralty, but in a board of Commissioners, called "The Commissioners for causes of depredations [plundering or pillaging]." At the time this work was authored the Admiralty Court was merely a Civil Court of Instance. There were arguments brought on various grounds such as *infra praesidia* [within the defenses] this is the international doctrine that someone who captures goods will be considered the owner of the goods if they are brought completely within the Captor's power. This term is a corruption of the Roman-law term *intra praesidia*, which referred to goods or persons taken by an enemy during war. Under the principle of *postliminium*, the captured person's rights or goods were restored to prewar status when the captured

The oath to hold bail was an oath of calumny [oath to support plaintiff or defendant's good faith and belief that there was a bone fide claim].

Instruments are for the most part two-fold either publick or private

### **Publick Instruments are:**

1. Instrument drawn under the hand of a Notary Public, or other publick person, either in or out of Court.
2. That which is sealed with some publick or authentick seal, (though written by a private) as of a Prince, City, University or College.
3. All writings whatsoever (though private) which are exemplified by the authority of the Judge or Magistrate.
4. All such writings as are taken out of public registries, c. or those made at publick acts; [that is to say, matters of record.]
5. Those writings which are subscribed by the person and witnesses. And this is publick as to its effects.

Private Instruments are such as are made without any solemnity; and they are either:

1. Accounts
2. Private Inventories or Registers.
3. Private letters betwixt one friend and another, one tradesman and another.

An appeal of an interlocutory decree may be done either *viva voce* [orally or by word of mouth] before the Judge or *apud acta* [recorded in writing and to appeals taken orally in front of the judge] when he delivers the sentence or interlocutory decree, or before a notary and witnesses within the 15 days which are allowed by the statutes of the kingdom for bringing appeals.

Consetio's Practice of the Ecclesiastical Courts, London, 1708. This essay, although it relates to the practice of the Ecclesiastical Court, is equally applicable to the Admiralty Courts. In respect of the subject matter of the libel, there are only two sorts in use [pg. 123], one of which is conventional or civil, [a *conveniando*, from convening] the other criminal, [a *crimine seu querimonia*].

*Jean B. Keating*

