IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH

CENTRAL DIVISION

UNITED STATES OF AMERICA, Plaintiff, vs. FEDERAL RESERVE BANK Defendants.	)	I N D I C T M E N T VIOLATION OF U.S. CURRENCY LAW CR-82-0107 W

Inasmuch as we have issued indictments and subpoenas which the U.S. Attorney and the courts would not act upon, we issue this final indictment of the federal reserve and its(c) principals. This is not done in anger or as an act of disrespect, but still disagreeing with the U.S. Attorney and the courts.

The Grand Jury finds that--

The power to print paper money or to issue bills of credit, was never given to the Federal government and it is contrary to both the letter and the spirit of the Constitution for it to do so.

While thepower "to coin money, regulate the value thereof and of foreign coin" and the power "to borrow money on the credit of the United States" were both delegated to the Congress, the power to print money was never given. A proposal was made in the Constitution convention to give Congress this power and it was defeated by a vote of nine states against, two for. (See Madison's Notes on Debates in the Federal Convention for August 16, 1787). But the wording of the Constitution itself denies such a power to Congress. It provides that "No state shall make anything but gold and silver coin a tender in payment of debts." This being so, when the Federal government issues irredeemable paper as a tender in payment of debts it compels them to violate this prohibition. Inasmuch as the laws dealing with lawful money are still intact (gold and silver coin) the federal reserve, in ignoring these laws is also violating statutes.

"No state shall . . . pass any law . . . impairing the obligation of contract." By compelling the states to use irredeemable paper as a tender in payment of debts, Congress thereby causes the states to impair the obligation of contracts to the extent of billions of dollars each year. This can be seen by noting the effect which inflation has upon people. According to the Statistical Abstract of 1980 there was at the end of 1979 $3,222 Billion of Life Insurance in force. Assuming an annual inflation rate of just 10%, holders of policies are systematically robbed each year of over $322 Billion. The combined CPI for the past five years totaled 48.6% inflation (1977, 6.5%; 1978, 7.7%; 1979, 11.3%, 1980, 14.4%; 1981, 8.7%). Life insurance in force averaged approximately $3,024 Billion per year. 48.6% X $3,024 Billion = $1,469 Billion, or nearly $1.5 Trillion impairment of insurance in force. Holders of the national debt would be robbed of over $100 Billion at just 10% inflation annually. This is not to mention the loss being suffered by old age pensions, retired people, people with bonds, savings accounts, and holders of mortgages, etc. The states, by ignoring their constitutional charge are guilty of participating with the federal reserve in impairing contracts,