

## LIBERTY DOLLAR NEWS: October 2002 Vol. 4 No. 10

**ACTION ITEM:** Praise the Lord! The digital Liberty Dollar is now available online... PLEASE copy, paste, and post the Liberty Dollar article to WorldNetDaily, mainstream publications, email lists, friends and family, anybody, everybody, etc. Now that The Liberty Dollar is finally Online, please spread the word. PS: And yes this Newsletter is late, I can only hope you find the Liberty Dollar online is useful. Thank you. Editor.

### 1. **Liberty Dollar Debuts Online!**

World's first value-backed currency available in digital, physical, and certificate forms

EVANSVILLE , INDIANA – October 31, 2002 Capitalizing on the steady growth of The Liberty Dollar currency, NORFED announced that ‘ America ’s second most popular currency’ is now available in digital form. The Liberty Dollar Online allows individuals and merchants to conduct business on the Internet, via e-mail, or through electronic funds transfer (EFT) using The Liberty Dollar (ALD) for their exchanges. Simply put, users can now email Liberty Dollars in any amount to each other and buy over the Internet from merchants who accept Liberty Dollars.

"The digital Liberty Dollar is the latest -- and most useful -- in a growing market of electronic value backed currencies," said Louis James, President of [The Henry Hazlitt Foundation](#). "Henry Hazlitt believed that sound money is vital to ensuring long-term peace and prosperity. As President of a foundation committed to advancing Hazlitt's work, it gives me great hope to see the proliferation and successful usage of sound digital currencies, like The Liberty Dollar, that offer an alternative to our inflationary Federal Reserve Notes."

As a newcomer, NORFED has moved strategically to increase competition by taking a different path from the other digital currencies, which are bought at a premium and do not pay the account holder to use them. Instead, The Liberty Dollar puts people first in the monetary line where their dollars are worth the most, and rewards them for using the new currency with a profit. As NORFED asks, Why pay a premium when you can use The Liberty Dollar at a 10% discount off the face value, and earn 10% on all your sponsoree's exchanges!

To launch the Free Money Movement, the fees for using the Liberty Dollars Online are free for all transactions under \$10. Any payment over \$10 is charged a flat fee of 37 cents, paid by the payee. Just think, for the cost of a postage stamp, users can send silver backed Liberty Dollars anywhere in the world instantly, at a fraction of the cost of typical banking fees.

Plus NORFED, a non-profit, educational, national organization shares the transaction fees with its Redemption Centers, to encourage them to take an active role in returning America to the new value backed currency. Ten cents of the 37 cent transaction fee goes to the Redemption Center who sponsored the individual making the payment.

This means that in addition to the \$100 for sponsoring a Redemption Center , if you sponsor just one RC who uses the same amount of Liberty Dollars Online monthly as you do, you will effectively get 20% on your money. If you sponsor just 9 friends, who use the same amount of ALD monthly as you do, you will get your money for free. If you sponsor 100 friends, get \$10,000 and [you can live for free on the ALD](#).

“We created the digital Liberty Dollar to marry the strength of silver backed currency with the speed and convenience of the Internet,” said Bernard von NotHaus, Monetary Architect at NORFED. “This e-currency is absolutely unique – no other money provider offers 100% silver backing, physical redemption, digital convenience, and paper certificates, all tied to a single, economic, model currency that lets users profit from using the money. Liberty Dollar users have been asking about digital currency since we launched The Liberty Dollar in 1998, and we’re proud to say that after extensive research and development, we built a system that works – technically and economically.”

A free Liberty Dollar account can be opened within a couple of minutes and funded via the "Products" button on [www.libertydollar.org](http://www.libertydollar.org), or by contacting NORFED via email [Dollars@libertydollar.org](mailto:Dollars@libertydollar.org) or calling 888.421.6181. And although anyone can open a free account, only [Redemption Centers](#) get the silver backed Liberty Dollars at a discount and use them at a profit plus earn two residual referral fees.

Planned future developments for the digital Liberty Dollar include a smart card system that allows for the anonymous transaction of digital Liberty Dollars using card-to-card technology, debit and ATM card availability, and other ties with electronic currency systems already in use in the U.S. and worldwide.

## **ABOUT THE LIBERTY DOLLAR**

The Liberty Dollar – America ’s inflation proof currency - was launched on October 1, 1998 after 23 years of development. It has approximately \$3 Million in circulation and tens of thousands of users and merchants in all 50 states. The Liberty Dollar is the only digital currency that also offers physical redemption into gold and silver, paper warehouse receipts that can be spent or carried like cash, and a national network of over 1,500 Redemption Centers who provide exchange service. The Liberty Dollar can be spent anywhere it is voluntarily accepted, including a network of thousands of Liberty Merchants nationwide.

## **ABOUT NORFED**

NORFED, the National Organization for the Repeal of the Federal Reserve Act and the Internal Revenue Code is a non-profit, educational organization. Based in Evansville , Indiana , it distributes the silver backed currency through a network of Redemption Centers that operate nationwide in all fifty states. NORFED was founded in 1998 to address the growing concern of many Americans about the spiraling Federal debt, inflation, and its overall effect on the economic life of America . NORFED offers a simple solution to the inflationary Federal Reserve Note and the banking cartel: Stop using “their” money. Start using The Liberty Dollar and return America to value - one dollar at a time. For

more information, visit NORFED at [www.libertydollar.org](http://www.libertydollar.org) or call toll-free 888.421.6181 between 8:30 – 5:00 CST M-F.

### ABOUT THE FREE MONEY MOVEMENT

Friedrich von Hayek, Nobel Laureate economist, called for a “Free Money Movement” similar to the free trade movement to evangelize and educate the need for a sound, honest money and free market transactions. Hayek wrote: *"What we need now is a Free Money Movement comparable to the Free Trade Movement of the 19th century, demonstrating not merely the harm caused by acute inflation...but the deeper effects of producing periods of stagnation that are indeed inherent in the present monetary arrangements... I still believe that, so long as the management of money is in the hands of government, the gold standard, with all its imperfections, is the only tolerably safe system but it is better to take money completely out of the control of government. **The only way to save civilization will be to deprive governments of the power over the supply of money.**"*

*The Free Money Movement is sponsored by NORFED and based on the work of F A von Hayek, the leading proponent for competing private currencies. More information is available at [www.libertydollar.org/fmm.htm](http://www.libertydollar.org/fmm.htm).*

## **2. Open your FREE Account & Fund it now!**

### OPENING AND FUNDING A NON RC ACCOUNT:

As explained in the article above, since Liberty Dollars can be sent to anyone, anyone can open a free account to receive those funds. So to open a non RC account, simply go to [www.libertydollar.org](http://www.libertydollar.org), click on CREATE in the box at the top of the left column: "Liberty Dollar Online Account", and follow the instructions. To fund your account dollar-for-dollar (no discount) by exchanging FRN for ALD, simply click on the FUND tab after you login and follow those instructions.

### PROCEDURES FOR EXISTING RC TO OPEN AND FUND YOUR LIBERTY DOLLAR ACCOUNT:

To insure that all RC will receive the referral fee from your sponsor's transactions (ten cents each), an account has been reserved for all existing RC. Please Log In to your reserved account with the unique user name that has already been emailed to you from [admin@libertydollar.org](mailto:admin@libertydollar.org) and use your NRC number (NRCXXXXX) as your passcode the **first time** you access your Liberty Dollar Online account. PROCEDURE: 1.) Simply go to the box at the top of the left column "Liberty Dollar Online Account" at [www.libertydollar.org](http://www.libertydollar.org). 2.) Click "Log In". 3.) Enter user name which has already been mailed to you and use your NRC number (NRCXXXXX) as your passcode. 4.) Complete the form AND change your passcode. Please note: You must change your passcode **before** you can make any transactions. 5.) Log Out. If you have any questions or have forgotten your NRC number, please email [Dollars@libertydollar.org](mailto:Dollars@libertydollar.org) before you try calling. Please note the important SECURITY NOTICE below.

### FUNDING PROCEDURES FOR RC:

1.) To get your Liberty Dollars at a 10% discount and earn an additional 10% referral fee from your sponsors exchanges, RC simply "Log In" at [www.libertydollar.org](http://www.libertydollar.org) home page. 2.) Click "Products" or "Redemption Center" button and order digital ALD to FUND your Liberty Dollar Online account. Of course you can also order by phone, fax or mail too. Your order will be completed ASAP with Liberty

Dollars credited to your account and a notification emailed to you at that time. Please note the important SECURITY NOTICE below.

**SECURITY NOTICE: Due to security considerations, NORFED strongly urges RC NOT to use the same passcode on both your NORFED account and your Liberty Dollar account. Your Liberty Dollar account has much stronger encryption than your RC account on the NORFED site. And should your RC account be hacked, we do not want your Liberty Dollar account to be jeopardized! PLEASE use two different passwords for your two different accounts. If you have any questions regarding this notice, please call or email [Dollars@libertydollar.org](mailto:Dollars@libertydollar.org). Thank you for using the Liberty Dollar Online.**

### 3. New “Silver Page” Services Debuts!

Remember Liberty Yellow Pages, well it is NORFED’s pleasure to introduce the new and ever improving [www.LibertySilverPages.com](http://www.LibertySilverPages.com) by Tommy Davis RC/TX to all RC and Liberty Merchants. Please check out the Introductory Special below and follow up on this new service by visiting its site as it can bring you more business and be a great help to the thousands of users of the Liberty Dollar Online.

LibertySilverPages.com, the new online yellow pages provides the single best source for browsing and shopping the Liberty Merchants who have digital Liberty Dollar accounts and are ready to transact business with you.

Now users can find providers of services and products that welcome Liberty Dollars Online. Your searches can be filtered at any level by company type, products, brand names, special offerings, and location. Graphics and photos of the merchants, their stores and their products will give you a sense of footing as you search.

A shopping cart feature keeps you reminded of your choices and how many Liberty Dollars you are spending. Then when you are ready to check out, at the touch of a button you are moved into the checkout process as slick as a whistle. You will also want to tell your friends who are looking for work to check out the LibertySilverPages' Employment Opportunities. The free year-round listing of job opportunities is a service that participating merchants and professionals will definitely find of interest!

If you are a service professional or merchant, then take note. You will be able to upload graphics of your merchandise and list your complete inventory if you desire. Imagine - your entire inventory with pictures and descriptions - on a quick-loading, user-friendly web site. All of this is coming soon - just days away - on the LibertySilverPages.com. Normally, service of this magnitude would cost a minimum of \$1,000 a year. But Tommy will do better - much better.

Some RC are looking for springboards with greater results for signing up more RC, and so here is one of those springboards. What better way to spend your time changing the face of America than by signing up Liberty Merchants and simultaneously as a Redemption Center too? Tommy is offering a web site on the LibertySilverPages (LSP) for only \$420/yr to any Liberty Merchant. (Remember all RC are LM.) So if you are a RC and wish to sell a site. You will earn \$100.

As an Introductory Special – LYP are offering a special for the first 60 days – right now any existing Redemption Center can get a full blown site on the LibertySilverPages for only \$200 per year - and Tommy will still honor the \$100 commission! Hey, just introduce this offer to one person and get your site for only \$100 is a SUPER, SUPER value. Plus Tommy is offering a free email address ([yourname@libertysilverpages.com](mailto:yourname@libertysilverpages.com)) to every RC! Please remember this offer is good for only 60 days from the date of this Newsletter. After the 60 days are up, the price to create and host a LibertySilverPages ad will be \$420/yr – which is in itself a terrific price!

Please check out [www.libertysilverpages.com](http://www.libertysilverpages.com) and then contact Tommy Davis, at [tommy@libertysilverpages.com](mailto:tommy@libertysilverpages.com) for more info.

#### **4. New Brochure & Disclaimer Revisited**

Well what do you think of the new brochure? We have received many compliments on it. So lets all thank Jason Pratt RC/TX for spearheading the new brochure. Although the Disclaimer has not faired so well, please remember that it has nothing to do with Redemption Centers and very little to do with NORFED. The Disclaimer has a lot to do with NORFED's "intent" for the Gold and Silver Liberty, which is simply to back up the Gold and Silver Certificates. As this has been misunderstood, we are working with several RC who are reviewing the disclaimer, while still resolving any conflict with USC 486. If you would like to add your two cents worth on this topic, please email [Truth@libertydollar.org](mailto:Truth@libertydollar.org) and let us hear from you. As soon as the disclaimer study has been completed, we will announce any changes in this Newsletter. Thanks again to all those who have expressed their ideas and especially those who are working on the Disclaimer study project.

#### **5. NORFED meets the FED by Jason Pratt**

Just a few weeks ago, Jason Pratt, RC/TX, discovered an article entitled, "Rediscovering the Value of Real Money". Nothing really unusual for someone who researches money, as many RCs do. But what was amazing was that the article was written by Robert McTeer, President of the Federal Reserve Bank of Dallas ! MeTeer's article was actually the very first article in the Dallas Federal Reserve Bank's *Economic Insights* publication. The issue also included two other articles on the morality of money, one of which was written by the Reverend Robert A. Sirico. The articles are available online at [http://dallasfed.org/htm/pubs/ei/ei1\\_1.html](http://dallasfed.org/htm/pubs/ei/ei1_1.html). Will wonders ever cease?! Now McTeer is no newcomer to the FED. He was initially at the Richmond Fed and then with the Baltimore branch, has been with the Federal Reserve since 1968, and is currently on the Federal Open Market Committee (FOMC), which sets the nation's interest rates. Well, after reading McTeer's article, Jason simply wrote a letter to McTeer and offered to meet with him. Here's Jason's report. Photo is available on NORFED's Media Page via the Media button in left menu column or <http://www.libertydollar.org/press/rosenblum.jpg>

#### **NORFED MEETS THE FEDERAL RESERVE**

By Jason Pratt

Main Topic of Discussion: Depositing Liberty Dollars in Federal Reserve Banks

DALLAS - October 21, 2002 NORFED representative, Jason Pratt, visited the Federal Reserve Bank of Dallas today to discuss The Liberty Dollar with representatives of the bank, also known as the "Free Market Fed." Mr. Harvey Rosenblum, Senior Vice President of the Federal Reserve Bank, Robert Formaini, Economist, and two other representatives from the Fed were on hand to learn about The Liberty Dollar and to discuss the possibility of using the Federal Reserve System to clear Liberty Dollars that are deposited in banks.

Pratt also presented a gift to the bank, a framed Silver Liberty and a replica of a 1794 U.S. Silver Dollar, with a plaque reading "HONEST MONEY 1794-2002." A photo of the reception is available for the media.

"I was impressed with the professionalism and cordiality of my hosts at the Fed," said Jason Pratt, the NORFED representative who arranged and conducted the meeting. "While I am concerned about the moral stance the Fed has staked out, I do not believe that the rank and file members of the Fed are by any means part of a vast conspiracy to defraud the American people. These representatives confirmed that fact for me by their actions and by the honest, intelligent questions that they asked."

Pratt used the time with the Federal Reserve bankers to describe and explain how The Liberty Dollar works, how it is functioning in the economy today, and how it differs from the Federal Reserve Note. Rosenblum asked about the price of silver and how it relates to the currency, whether or not a digital currency is available, and how many competitors there are in the free market to The Liberty Dollar. Rosenblum exchanged a single \$1 Federal Reserve Note for a \$1 American Liberty Dollar at the conclusion of the meeting.

The topic of bank depositability and convertability was brought up as well, and a follow-up meeting with the Federal Reserve's currency expert in the San Antonio branch is the next step in investigating the possibility of clearing Liberty Dollars through the banking system. Mr. Rosenblum offered some interesting suggestions - such as using a private company like Brinks or Loomis Fargo to pick up and 'clear' Liberty Dollars that are deposited in banks.

Mr. Rosenblum's overall stance on the Liberty Dollar reflects what other Fed representatives have said in the past: "If the market likes the American Liberty Dollar more than the Federal Reserve Note, then so be it." Casual observers might have expected a more confrontational or hostile stance, but it would seem that the Fed is open to the idea of competition, at least in principle.

Pratt continued, "I am cautiously encouraged by the outcome of the meeting. While Mr. Rosenblum and the others I met with seemed open to the idea of a free market competitor to their money monopoly, I would not be surprised to see a less enthusiastic response from some within the Fed, although I will withhold judgment on that until such time as we have that response. In the meantime, I will continue working with the Federal Reserve Bank of Dallas to show them how NORFED and The Liberty Dollar can contribute to their stated goals of price stability and economic prosperity for all Americans."

Editor note: Thank you Jason for such an historic meeting!

## **6. Judge Judy discovers The Liberty Dollar**

As many of you know Bowie V. Ibarra RC/TX is one of the most outspoken and active RC in the great

state of Texas !! Here is a brief up date of his "arrest" while using a Silver Liberty as he often does, but usually without such bizarre consequences. But as Bowie 's case could end up on national television, who cares?! Here is Bowie Ibarra's report:

Some people might be aware of my recent (January) "arrest" for "passing counterfeit currency" at a local pool hall here in Austin . Long story short, the guy arrested me, accused me of passing counterfeit currency, the case was open and shut, absolutely

no wrong doing. I have currently taken this thug to small claims court for the unfortunate misunderstanding.

Apparently, the producers of Judge Judy have discovered the case and want to settle it in their courtroom! Though I have agreed to appear on the show, it is ultimately up to the idiot deputy and his legal department whether or not they will have the "testicular fortitude" to go on national TV and be embarrassed. I haven't heard back from Judge Judy yet, but whether or not they take the case, their lawyer and I have a date here in Austin to settle this case and present NORFED as the legitimate currency that it is.

I hope to record the event and will keep you updated on the progress of this case. In the meantime as Bernard would say, "Flame on" and keep spending the currency and take back our country one dollar at a time!

Thank you Bowie for the update and all your efforts to return America to value – one Liberty Dollar at a time. Vote Bowie V. Ibarra, Theatre Instructor, Actor/Director, World Changer and the Libertarian Candidate for Texas State Comptroller.

## **7. Christmas Money**

Many years ago when I believed in Santa Claus, my Grandfather gave me these really big Silver Dollars for Christmas. I loved them then and still do today as they became my first coin collection, which I still have! This Christmas and during the Holiday Season, when you are wondering what to give, please remember what a wonderful gift The Liberty Dollars would make in someone's life. And if you don't want to get caught short when NORFED runs out (it happens every year), please order early as the new 2003 are currently available... and they look great!

## **8. Collecting Wal-Mart Stories**

We are happy to report that The Liberty Dollar has been passed at many Wal-Marts - the world's largest retailer. Well, to create even better relations with Wal-Mart, I ask you to send in your Wal-Mart Success Stories. These don't have to be long or even your best Success Story, we just want to see how many Wal-Mart stories are out there. Please email all Wal-Mart Stories to [Michelle@libertydollar.org](mailto:Michelle@libertydollar.org).

Editor Note: If you have not sent in a Success Story about using The Liberty Dollar recently, please do so. It is very IMPORTANT to continue to collect these testimonials of our currency's Success. Thank you!

## **9. Evolution of Usage**

A couple of years after The Liberty Dollar was launched, Tom Curtis RC/CA, told me the most amazing thing about using the currency. Tom told me that he was most successful using The Liberty Dollar when he didn't say anything! I thought that was amazing! I know KISS is a proven sales axiom, but NOTHING seemed too simple. Well that was a few years ago. Now it seems almost impossible not to believe this simple advise, as we all know it works. Of course, while traveling around the country as I do, I hear a lot of new Success Stories about using the currency. I love the stories and always pay close attention for new ideas about using the currency. Here are a couple new tips that I recently picked up. I think it was Wayne Hicks RC/AR who told me that when someone asks him about the currency, he simply replies, "This is NOT government money. This is real \$10 silver!" You may want to try that explanation as it leaves no doubt about what they are getting and no possibility of fraud on the part of using it. Another good idea when dealing with a merchant, is to explain that each merchant sets his own guidelines for accepting the currency, and he may simply post a standard policy of, "one Silver Liberty per purchase" if the merchant is concerned about getting "flooded" with too much silver! OH! What a terrible problem to have!

## **10. Please Do NOT send CASH**

Periodically, people still send cash to NORFED. And although, there is nothing wrong with "cash", there is no way to verify how much was actually sent so it puts the sender at risk. And if a dispute arises, NORFED will always rely on its count as all cash is counted in the presence of two people to verify the exact amount. For this reason, NORFED recommends that you do NOT send cash, please. You may wish to consider money orders, which are very inexpensive and easy to get at most grocery stores and provide greater privacy than the post office. Or you may wish to read about the RC of the Month and check out ALFII's services. Quite frankly we care less of how you send in those dreaded Non-Federal Non-Reserve Notes, just as long as you keep sending them in so we can return America to value – one Liberty Dollar at a time.

## **11. Question of the month**

QUESTION: What does a merchant do with the Liberty Dollars he has left at the end of the day, especially if he has a lot of them?

ANSWER: OH! Another "poor" merchant with too much silver! Most of the time, the merchant simply retains the Liberty Dollars for his opening cash register balance for the following day. If the merchant has more silver than he needs for his opening balance, he can simply enter the Liberty Silver as an inventory item and go home a happy fellow. Remember, with a value backed currency, that actually has an intrinsic value, it is just like all the other inventory items except it also acts as the medium of exchange.

## **12. Redemption Center of the Month**

Wayne Hicks is our Redemption Center of the Month: Many people have inquired about converting ALD back into FRN, but as NORFED is the agent for the warehouse, it is bound by the terms of the warehouse receipt and only exchanges the warehouse receipts into gold and silver. And as the inquiries continue, several RC have volunteered to exchange Liberty Dollars back into FRN. Now Wayne Hicks, an enterprising RC in Arkansas, has formed ALFII - Americans for Lawful Financial

Independence and Information. And in addition to exchanging ALD into FRN, as a member, you can pay your bills with ALD, get a debit card, medical insurance and a host of other services – all with The Liberty Dollar.

ALFII's primary benefits include an agreement with Electronic Money Order Corporation of America, Inc. (EMOcorp.com), which offers Money Orders that can be sent by email, printed by the recipient with any letter-quality printer, and then cashed or deposited just like any other money order or check. ALFII also maintains an Exchange Service with several other types of currency, such as e-gold, e-bullion, and lists Liberty Dollars as its **preferred method of payment for Membership or any of its services.**

ALFII also offers an alternative to Auto Liability Insurance that is often less expensive than normal insurance, and will launch a Health Insurance Program shortly that is underwritten by Blue Cross/Blue Shield, which will be far less expensive than almost any other health policies you can buy. For a complete list of services that add up to a greater degree of Financial Privacy and Independence for its members plus referrals in a two-tiered referral system, please visit <http://www.alfii.com> for more info on membership and costs.

**Editor Note:** ALFII is a totally independent organization and is not associated with NORFED. Please conduct your usual due diligence as you would in any business relationship. NORFED simply distributes The Liberty Dollar and is not the warehouse nor a responsible party with anyone who uses, accepts or exchanges The Liberty Dollar.

### **13. Quote of the Month**

"How I wish that somewhere there existed an island for those who are wise and of good well! In such a place even I would be an ardent patriot." Albert Einstein

Thank you for being a part of the organization which is actually doing something to repeal the fraudulent Federal Reserve by providing an alternate currency which is returning America to value – one Liberty Dollar at a time.

Bernard von NotHaus

Editor...