

LIBERTY DOLLAR NEWS: April 2004 Vol. 6 No. 4

SHOULD YOU OPEN AN RCO?!?:

Welcome new readers, Associates, Merchants and RCOs!

With increased volatility in silver - these are happening times! If you really understand the potential that the Liberty Dollar holds to return our great country to a Constitutional Republic of limited government, less taxes and NO war, then I encourage you to open a Regional Currency Office (RCO). See <http://www.libertydollar.org/html/rcofaq.asp> for more info.

Please take action! Read this whole Newsletter. Share the Learning Channel video with your fellow Americans. Rejoice and use more Liberty Dollars - we are truly returning America to value - one dollar at a time.

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1. Shot Across the Bow - 30DMA Summary

Nope, the Liberty Dollar didn't double. It didn't move to the \$20 Silver Base but it sent a 'shot across the bow' of things to come.

In more rapid fashion than I would have thought, silver's 30 Day Moving Average (30DMA) rocketed past the \$7.50 mark and stayed over \$7.50 for eight days! Amazingly, silver hit \$8.63! And then retreated to a fantastic buying opportunity range from \$5.50 to \$6.00. And although there was a lot of interest in the Liberty Dollar doubling, as the Monetary Architect of the currency, I am particularly pleased that the "Crossover Point" was not met the first time because this confirms the soundness of its design. In my view, the 30DMA worked as intended. It's good the currency did not zoom so easily to the new \$20 Silver Base.

The Crossover Point was specifically designed to be difficult to attain, because the silver market is a study in volatility. One of the main problems encountered in designing the market driven Liberty Dollar was how to accommodate for silver's free-market behavior. The answer was (1) to develop the Silver Base and tie it to the currency's face value, and (2) to tie the Crossover Point to silver's 30DMA staying over \$7.50 for thirty consecutive calendar days. At that point the \$10 Silver Base (one Troy ounce of .999 fine silver backs \$10 Liberty Dollars) would crossover to the new \$20 Silver Base (one Troy ounce of .999 fine silver backs \$20 Liberty Dollars) thereby providing a working model of an inflation proof currency - owned by the people.

As the Crossover Point is very important, NORFED uses an independent, third party source for its 30DMA so there is a definitive point that is readily available and easily verifiable by everyone. Just like the monthly audits, there is total transparency for the econometric stability-inducing features of the

Liberty Dollar to protect it from the erratic actions of a free silver market. You can follow the 30DMA and watch it develop by simply going to ScotiaMocotta at http://www.scotiamocotta.com/prec/pdfs/pm_daily.pdf. The 30DMA silver is at the bottom of page two.

To summarize: The move started on Friday, March 19, when silver crossed over \$7.50 per ounce. On April 14 the 30DMA crossed over \$7.50 for the first time - to \$7.506. That was day one of the thirty consecutive calendar days. On April 22 the 30DMA dropped to \$7.467. It stayed over \$7.50 for eight days, i.e. over a quarter of the required time. Next time it could be for real...

Got a keen interest in silver? I would recommend you review Ted Butler's work. If there is anyone who is more enthusiastic about silver than I am, it would be Ted Butler. Silver holds an enormous potential for you to profit and resolve our country's looming monetary crisis. A simple search on Ted's name will get you to many sites or review his archives at http://www.butlerresearch.com/archive_free.html.

Another excellent source of information is David Morgan, a fellow Liberty Associate and 'Silver Guru' who agrees that silver holds an incredible potential for our country. "That is why I became a Liberty Associate. I like the Liberty Dollar because it makes economic sense and using it is the right action for our country. We need a currency backed by real substance, backed by gold and silver. Real value for real Americans." David contributed a chapter on silver to "The Liberty Dollar SOLUTION to the Federal Reserve" inflationary currency. David publishes "Silver Investor" an outstanding monthly newsletter that is available at <http://www.silver-investor.com>.

So is this doubling a bunch of hype? Not really, it is just classical value economics at work. The Liberty Dollar is simply responding to the market. Just as gasoline and silver has doubled from \$4 to over \$8 per ounce, now the Liberty Dollar is also set to double. As the underlying commodity (silver) doubles, the Liberty Dollar must double. Thereby exemplifying a truly 'inflation proof currency' that is the essence of a free market currency. And the best part is that everybody can participate. And should! Everybody can profit as Americans begins the arduous process to return our monetary system to value. Doesn't it just make sense to use a currency that not only reflects the current market prices but one that you can use at a profit?

So get ready for the most exciting part of the Liberty Economy. As the US dollar continues to fall, commodity prices rise, and the price of silver rebounds from a half-century of manipulation, the face value of the Liberty Dollar will rise dramatically in sync with silver. It is the solution to rampant fiat government currency. Please take ACTION. Get as many Liberty Dollars as possible before the base doubles. Your family's financial life might depend on it!

For more info, please visit <http://www.libertydollar.org/> or call 888.421.6181. Archived newsletters and Alerts are available via the INFO page or directly at <http://www.libertydollar.org/html/newsletters.asp>.

2. Danger! Logjam Ahead! Take Action!

Wow! We are going to the new \$20 Silver Base - sooner or later. That means that hundreds of thousands of Silver Libertys are going to be reminted...ALL AT THE SAME TIME! Just think about that! As all active Associates and RCOs know, Sunshine is running at near capacity right now. And although they're buying TWO more presses at my urging, there are over four hundred thousand Silver Libertys out there in the marketplace. When the Silver Base changes, there is going to be a lot of reminting - all at the same time! Please be aware: Danger - big logjam ahead!

To avoid the logjam, prepare today with NORFED's new Associate Pool. Just send in your existing \$10 Silver Libertys and prepayment of \$1.50 each to your regional RCO or to the NORFED office. Your Silver Libertys will be reminted with the new \$20 face value and shipped to you ASAP when the

Crossover occurs. Minimum amount for the NORFED office is 10 Silver Libertys to keep the paperwork down to a minimum. NORFED will bill for the shipping when the new Libertys are shipped. Please contact your regional RCO for their terms.

This special Pre-Logjam Offer is only available to Associates. Everyone else can get their Libertys reminted after the Crossover for \$1.50 plus shipping. The special \$1.50 fee is for a limited time only and will be discontinued shortly after the Crossover occurs.

So be the first on your block to get the new \$20 Base Libertys! Lock in the \$1.50 fee now. Call your RCO or NORFED today!

3. Big Melt Is Underway! Collectors, Start Your Engines

Regardless of when we Crossover to the new \$20 Silver Base, many, many Silver Libertys are going to be melted. In fact, we have already received some Libertys to be reminted. Think just about it. Within a year or so, upward to 400,000 Silver Libertys will be melted and reminted into new Silver Libertys. Much like in the old days, when a new king took the throne and reminted all the nation's currency with his likeness, the Liberty Dollar will be updated to the new \$20 Face Value. The difference this time is that the people are the sovereigns and profit! So if you are trying to put together a set of the first 10 one ounce Silver Libertys, you may want to get started now! NORFED is NOT a numismatic company and I am no longer an active numismatist. We are here to save our country's monetary system and any "bunny trail" that detracts from that mission is not well received by this Editor. Happy Collecting if you are so interest!

4. Electronic Liberty Dollar is HOT

As silver heated up, more people were drawn to the Liberty Dollar. Of course, they wanted to get in before the currency doubled. Let face it, doesn't everybody want to double their money legally? First, people started getting more one-ounce Silver Libertys. But when they considered the reminting fee of \$1.50 to exchange a \$10 Silver Liberty to a \$20 Silver Liberty, they started getting the \$10 Silver Certificates so they didn't have to pay the fee. (Please note: As defined by the terms on the back of the Silver Certificates, the warehouse is only obligated to redeem \$10 in Certificates with one ounce of .999 fine silver. And although it is not required to provide any particular date, design, or face value, when redeeming the Certificates, NORFED will provide the new \$20 Silver Liberty when the Crossover occurs.)

Then the electronic Liberty Dollar (eLD) was discovered. Not only was it faster, there was no need to take delivery of the paper certificates. It seems like mass consciousness happened. Almost overnight, the eLD became the hottest way to get Liberty Dollars and position oneself to take advantage when the currency doubled. So if you are considering getting some Liberty Dollars, check out all its forms: specie, paper and digital. Each form present different ways for you to hold value in face of mounting government spending and the inherent thief of fiat government money. Take action! Either change your money or you will lose your value.

If you are new to the electronic Liberty Dollar, why not give it a go? Start emailing your payments in eLD. And accept them for your goods and services too. Put a "Pay with Liberty Dollars" icon on your site. Sign up to use the Shopping Cart Interface (SCI) available at http://www.elibertydollar.com/remote_biz.php. If you need help, please email the office at help@LibertyDollar.org. The eLD is easy, fast and very inexpensive to use. Check it out at <https://www.elibertydollar.com/>.

5. NEW Public Database for RCOs/Cost Now only \$500

Want to find your RCO? No problem just go to the Home Page, click on RCO in the top navigational bar and click "Find your nearest RCO," or just use this link: <http://www.alfii.com/rcos/nearzip.cfm>. Want to scroll through the database of leaders who have become RCOs? Now that is simple too. Just

go to the same RCO page and click "List of RCOs" or use this link: <http://alfii.com/rcos/public.cfm>. Many thanks to Wayne and Tony Hicks for their efforts with these features. Please visit their site at www.alfii.com.

The special price of \$500 for the RCO's first year has been made permanent. So if you are considering starting a RCO and the annual RCO Trademark fee of \$1000 is a bit steep for you to find out if the RCO Business Plan is right for you, I encourage you to take a leadership role in your community and start a RCO for only \$500. It is a simple way for you to make more money, do more good and have more fun than just being an Associate. Details are available at <http://www.libertydollar.org/html/rcofaq.asp>.

6. Six Tools to Sign Up More Merchants

I am constantly reminded of the six success tools for signing up Liberty Merchants. Many of these tools have been refined by dedicated people like Tom Curtis, Arlo Pignotti, Dale McAvey, Wayne Hicks, Jason Pratt and many, many other Associates and RCOs.

Tool #1: "Doing the Drop" remains the single best way to get attention and a response from almost anyone. It is often the key to getting the Merchant's attention and opening the door to acceptance. Please read the 'Associate of the Month' for the history behind the "Drop".

Tool #2: Be a customer first and then a vendor. In other words, buy something and then offer the Liberty Dollar as payment before asking the merchant to become a Liberty Merchant. This seems to make sense to me, because if the merchant is willing to accept the Liberty Dollar in payment he might also be willing to become a Liberty Merchant. Plus any merchant is friendlier towards a customer than to someone who he perceives is just trying to sell him something.

Tool #3: Use of the Merchant List remains the best tool in signing up more Merchants. Merchants are generally NOT leaders, they are followers. Presenting the list of merchants in your region or town is often the best way to sign up another merchant. As soon as you have three merchants, print out the list with a nice title, like "Liberty Merchants of Austin" and list all merchants by name, service, and phone number. Include the date, your contact info, Merchant and Associate Quotes at the bottom so they can see the potential of using the Liberty Dollar for additional profit.

Tool #4: Update and grow the Merchant List. Every time you sign up a Merchant, add his name to the List and share the new list with all your merchants so they can see the growth of the currency in their region and have current info to refer customer to more merchants. Provide extra copies of the List to your Merchants that they can give them out to their customers to increase acceptance and usage. Including the date on the List is an easy way to keep the List current and know which list is the latest.

Tool #5: Ask your Liberty Merchants for referrals. The single best source to find more merchants is your list of merchants. Ask them and grow. You may also want to offer them a Silver Liberty for each of their friends who become a Merchant.

Tool #6: Touch base with your Merchants often. If they don't see you, they will assume that nothing is happening and lose interest in using the Liberty Dollar. Your visits mean more business, increased activity, and a larger Liberty Economy.

My heartfelt thanks to everyone who is out there actually doing something to further the Liberty Dollar. And if you are active and not a RCO yet, please consider getting your own region and developing it -- for fun and profit.

7. Rothschilds Quitting the Gold Market?

The following article appeared in the business section of the Daily Telegraph.

Registration on April 15, 2004. Please note the Editor's take on this development below the article:

Rothschild to pull out of gold market after 200 years

By James Moore

The investment bank that has chaired the London meetings setting the world gold price since 1919 is quitting the market.

NM Rothschild will withdraw from all its commodity trading activities, which also include an oil trading business set up less than two years ago, as part of a strategic review.

The move brings to an end nearly 200 years of tradition. NM Rothschild was founded in London in 1810 by Nathan Mayer Rothschild, who helped finance the Duke of Wellington's army in the Napoleonic wars through gold trading.

The company hosts and chairs twice-daily meetings, which effectively set the world's gold price. The meetings are held in a plush chamber in the bank's offices at St. Swithin's Lane in the City. The other four firms involved are Deutsche Bank, HSBC, Canada's Scotia Bank and Societe Generale.

During the fixes, telephone lines are kept open to trading rooms where dealers are in touch with customers. Potential price movements are unlimited and the fix has been known to take up to two hours, although it is usually over in a matter of minutes.

The chairmanship of the meetings is likely to be rotated between the four remaining banks in future. Gold industry sources also predicted that the meetings would be replaced by telephone fixing.

NM Rothschild's withdrawal from the gold market is being seen as one of the first major strategic moves by Baron David de Rothschild.

He set in train the strategic review after taking control of the bank from his cousin, Sir Evelyn de Rothschild. Sir Evelyn has been a champion of Rothschild's gold trading although a spokesman for the bank said he understood that Sir Evelyn supported the decision.

The bank's finance director Andrew Didham, who conducted the review, said commodities now accounted for just 2.2pc of Rothschild's operating income from 8.8pc in 1999.

"There is always a sadness that a bit of history is over, but we decided that the commodities business did not really fit with our other businesses," he said.

While the gold price has surged, mining companies have become less interested in hedging and trading volumes have fallen. Observers also said rival banks tended to have better links with the hedge, which now make up a sizeable proportion of the market.

Simon Weeks, chairman of the London Bullion Market Association, said: "It is very sad to lose such a long-established member of the gold market but we have lost participants before, such as Credit Suisse, and the market will continue."

Rothschild has yet to decide whether to sell or close its commodities business, which employs 40 people. The company hired a number of senior traders when it set up its oil business in 2003. The price of gold fell by \$7 to \$402 an ounce yesterday.

Editor's Take on This: Nice article. But the question is: Who bought all the gold that the Bank of England sold a few years ago? Who had "all the money in the world"? Who has consistently been ahead of the monetary curve and had insider knowledge that the world's economic system was going to tank. And who wanted to profit from all that gold, but couldn't because all their gold was in the Bank of England? None other than the Rothschilds. This is not a move to "quit" the gold market. This is a tactical battle move to out flank the spotlight and trade privately. Good move on their part. Bad move for the gold market. Just as the Russian's back door dealing during the 80's was very disruptive to the gold market, this may be the same. Or it may be simply defensive. Ever since Whatshisman Rothschild

hung himself while masturbating in a posh Paris hotel suite a few years ago, Rothschild's has not been the same. Oh, those poor guys! As all markets have become more 'democratic' with the rise of the Internet and GATA raises the consciousness about the manipulated metals market, I think they simply decided to play it safe with their gold and "quit" the banking regime. In this regard, I think we should take a lesson from the very shrewd Rothschilds and get our money out of the bank and into Liberty Dollars. ASAP IMHO.

8. Piedfort not Pietfort...

Don't you love Spell Check? And especially the one feature that permits you to change the spelling of every word with the touch of a button. Well that appears to be the situation with the misspelled Piedfort. Last month it was spelled "Pietfort" when it should have been "Piedfort". My apologies to the numismatic community and thanks Colin Bruce III with Numismatic News for pointing this out.

9. Incident of the Month

On April 14, 2003 in Austin Texas, an incident occurred that just shows how a small misstep can create a big problem. And most unfortunately, this incident involved Chris Athanas, one of our most successful Associates and the RCO for South Austin. Like so many times, Chris offered the cashier a choice of either a \$10 Silver Liberty or a \$20 FRN to attend a Comedy Show at a University of Texas venue and didn't think much that a 'friendly' police officer was on guard nearby. Chris paid with the FRN as that was preferred by the cashier and went into the show. Shortly, the police officer found Chris and asked to see the "coin". Mistakenly, the officer thought it was illegal so he asked Chris to step outside, which he did. During a brief discussion, the officer and the backup officer asked Chris for his identification. Chris refused stating his 4th and 5th Constitutional Rights. The officers informed Chris that he would be arrested if he did not produce his identification. When Chris finally produced his ID he also provided his right to carry a concealed weapon permit. This led to an inquiry as to where the weapon was and ultimately to Chris being arrested for having a weapon in prohibited area - a school. This is a most unfortunate incident as Chris is now charged with a felony and felons are not permitted to even own a gun. So the moral of this Incident is that when you go gunnin' to use the Liberty Dollar, don't take your gun! When you are demanded "Your papers please" give them your ID without your gun permit. Never produce any more information than what is asked for. Never volunteer anything. And remember you may have to show you ID under threat of arrest, but you have a right to remain silent, which is always the best rule of behavior in any incident with the Gestapo.

10. Question of the Month/RCO Region

QUESTION: How are the RCO regions created? What is the criteria?

ANSWER: Every RCO receives a description of its physical region that is defined by a list of zip codes and a map. The actual size is defined by population density, terrain, state or national boundaries, and an effort to utilize the longitudinal and latitudinal elements of the zip codes to create a series of "blocks" to eliminate any doglegs or panhandles in the overall layout of the RCO regions. Eventually every zip code in the United States will be assigned to a RCO. Maximum physical size is limited to a 50-mile radius. Of course this only applies in the most unpopulated areas of the United States. Initially a region is designed on a circle based on the RCO's zip code with a population base of 750,000, which is then squared and defined by a list of zip codes. Often, the actual zip codes shape a RCO region as it is configured to "fill-out" to a state line, lake or some other feature that acts as a natural divider. So a RCO region may be more rectangular in shape than a square. Population is usually the limiting factor in the actual size of each RCO. Currently, no RCO contains over 750,000 people thereby giving it room to grow to a full million as it is acknowledged that our success will take place over time.

11. Liberty Associate of the Month

Do you know who invented "The Drop"? Who was the first person to innovate the actual usage of the Silver Liberty? Back when the Liberty Dollar was first introduced, we made a big deal, in fact almost

required merchants to acknowledge our view about the Federal Reserve, before letting them accept a Silver Liberty in commerce! Oh how times have changed! So who was that Associate, who told me he just drops it in the merchant's hand without saying anything? It was none other than Tom Curtis, one of the first Associates. Tom, like many of the 'early adopters' knew about the Federal Reserve and was willing to join an organization, which many, many 'patriots' would not even consider. Tom led the way to greater usage by simply offering the Liberty Dollar as payment. First, Tom tried using the Silver Liberty one way, then another way. Finally he found that "Doing the Drop" was the most effective way. But when he told me about it, it sounded like heresy! What? I asked! Don't even tell them about the Federal Reserve?! But that is our mission. Much later, I discovered we can accomplish our goals and return our great country to value by simply using the Liberty Dollar - one dollar at a time. As we now know, KISS (Keep it Short and Simple) works when using the Liberty Dollar! Let's hear it for Tom Curtis in California, our Associate of the Month! Thank you Tom for your leadership, innovations, first Liberty Dollar T-shirts, and of course The Drop!

12. Quote of the Month

"We have staked the whole of all our political institutions upon the capacity of mankind for self-government, upon the capacity of each and all of us to govern ourselves, to control ourselves, to sustain ourselves according to the Ten Commandments of God." James Madison, the fourth president, the father of the US Constitution.

Closing Remarks:

As the RCO model begins to reshape the NORFED organization and the Liberty Dollar begins to take hold in so many communities let us seize the momentum and move forward in a bold and decisive way. If you are an Associate, please sponsor another Associate and get \$100 Referral. And if you are still on the fence, then ask yourself, what will it take for you to join the party? Please call NORFED or your regional RCO and get your questions answered. Then join the party. Using the Liberty Dollar is fun!

Many thanks to all the Liberty Associates, Merchants, and RCOs for your continued support. For it is only by banding together and adopting a free and independent currency which provides us with "just weights and measures" that we will be able to throw off the yoke of a manipulated monetary system and generate a peaceful and prosperous society.

Thank you again for all your efforts to return America to value - one dollar at a time!

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