

SUBJECT (7)(f):

- (f) Truth Affidavit in re: Bankruptcy of the United States in 1933, Haywood County Registry, 10/10/2003, Bk 576 Pg 1147-1156.

7. THAT since 1933, by the acts of the Bankruptcy and the UCC, the Law has been tainted, or "colored," (i.e., color of law) as it were, because the **commercial law** is operated in conjunction with the Negotiable Instruments Law, wherein the Federal Government by and through the Bankers, can/have declared that a 'piece of paper' has and represents value. Albeit that there is no substance (gold and silver) backing the 'piece of paper,' which the Federal Reserve Bank of Chicago in it's publication "Modern Money Mechanics," page 3, has in fact declared the use of these debt instruments (federal reserve notes) a "confidence" game. The **substance** of the Law (**property**) (i.e., gold, silver, etc.) has been removed, like the substance that is the basis of money, accordingly, LAW like MONEY becomes a fiction, make-believe! Therefore, in the U.S.A., by and through the UCC, all contracts, agreements, (implied, or otherwise, etc.) applications, permits, etc. where the "colorable" consideration (federal reserve notes) was passed in those 'contracts,' etc., all such contracts are then also "colored" and are not genuine, for no lawful consideration (gold or silver) was paid by either party to the contract to, by Law, pass both the "possession and the property" to the lawful Buyer. See - Bouvier's Dict. of Law, 1839, "TITLE," definition # 5. "The lawful coin of the United States will pass the property along with the possession."
8. THAT the Negotiable Instruments Law is a branch of the "Lex Mercatoria" or "International Law Merchant," which is now known as the "Uniform Commercial Code," (UCC) that was 'drafted' and made uniform, and "adopted" in whole or substantially by all states." Black's Law Dictionary, Sixth Edition - page 1531. Thus the Union of States called "several" party to the Constitution for the United States of America were and are bound into **commercial agreements** to the **federal** United States under the Uniform Commercial Code.
9. THAT the **Uniform Commercial Code** is the code for the administration of the nationally declared BANKRUPTCY, and is the LAW OF THE LAND so far as the Courts are concerned since ERIE RAILROAD v. TOMPKINS, (1938) 304 US 64.
10. THAT the U.C.C. was approved by its sponsors and the American Bar Association in 1952, revised in 1958, 1962, and 1966. The U.C.C. can be found codified for North Carolina (State) at North Carolina Uniform Commercial Code. However, said Code allows one's RESERVATION OF RIGHTS (1-207).
11. THAT the several (now 50) States accepted the "benefits" of **federal grants** offered by the Federal United States as the "consideration" of a commercial agreement between themselves. Under the agreement the States (Conference of Governors, March 6, 1933) pledged their full faith and credit and agreed to obey the dictates of Congress, and assume their portion of the National Debt, collected as "your fair share," as an example, in the nature of the unlawful income tax, wherein unregistered agents of a foreign principal (the IRS) operate and collect such 'taxes' under

the same UCC without lawful constitutional authority.

12. THAT this system of Negotiable paper has bound all corporate entities (cities, municipalities, counties, etc.) of government together to the process/system of the Commercial Venue of Commercial Law as expressed and exercised within the Commercial Lien Process. This nation wide Commercial **"bond"** also altered the original (law) status of the Courts to nothing more than **"administrative tribunals"** merely administering the bankruptcy (private policy) of debt collection for the unrevealed Creditors.
13. THAT by and through the bankruptcy, the UCC, and other acts, Congress in failing to uphold its constitutional duty to provide a lawful medium of exchange (i.e., "money" backed by silver and gold, or minted coin pursuant to Article I, Section 8, Clause 5 in light of Article I, Section 10, Clause 1 mandate) have by these various "Acts" created an abundance of this **new** type of money called **commercial credit money** to circulate within the **legislative democracy** called the United States...of which "they" are not bound by Constitutional law and limitation.
14. THAT the Commercial Law Venue, compelled upon the people a forced **"benefit"** of **"limited liability for the payment of debt"** by the **"use"** of federal reserve notes (debt instruments) wherein "YOUR" debts are only **discharged**, (never paid) in the form of privately issued, non-redeemable, interest-bearing negotiable instruments (federal reserve notes). "There is a distinction between a 'debt discharged' and a 'debt paid.' When discharged the debt still exists though divested of its character as a legal obligation during the operation of the discharge." Stanek v. White, 172 Minn. 390, 215 N.W. 784, (1927)-Black's Law Dictionary- Revised Fourth Edition page 550. Federal Reserve Notes are only evidence of a debt owed to the Federal Reserve Bank and Federal Reserve Notes are the first **commercial lien** on the Federal Reserve Bank.
15. THAT pursuant to REORGANIZATION PLAN No. 26, 5 USC § 903, Public Law 94-564, Legislative History, pg. 5967 (1950) the United States again declared BANKRUPTCY and "REORGANIZATION", wherein the "Secretary of Treasury" was appointed as the "Receiver" in said Bankruptcy.
16. THAT under the current **"colorable"** legal system, the de-facto (we just do it) legislature has created **"colorable"** rights called **privileges**, imposes duties, lays down rules of conduct, and the legislative tribunals declare the same as **"rights."** These **privileges** are granted and given upon the peoples' voluntary act of asking **"permission,"** then upon providing **any colorable** consideration (payment=discharge) the people then come under the **administrative jurisdiction** of Commercial Law.
17. THAT today, in AMERICA, everyone, **all** governments included, are statutory law merchants dealing in negotiable paper (instruments) under the UCC for the limited liability for the **discharge** of debts, wherein a debt remains (fraud) and nothing else! The so-

called "judges" are operating only a commercial tribunal to administer their "corporate" regulations concerning all financial transactions ...both voluntary and involuntary, and those compelled at gunpoint if need be.

18. THAT ALL DEBTS are satisfied by one or both of two ways, a payment, or a promise to pay. Every payment is by substance (that which has intrinsic value in and of itself i.e. gold or silver coin), and every promise to pay is accomplished by a currency or paper which is technically known as commercial lien. The satisfaction of the debt by providing substance is called "paying the debt." The satisfaction of the debt by a written or printed promise to pay the debt is called "discharging the debt." All debts are "paid" by substance, this is called extinguishment of debt, an eradication of debt. All debts are "discharged" by CURRENCY, POCKET MONEY, NOTES, OR OTHER COMMERCIAL LIENS (Negotiable Instruments, i.e., Commercial Lien Security/Asset, i.e., UCC 1 Asset) in lieu of out right extinguishment of said debt.
19. THAT all paper money consists of NOTES which declare a debt or obligation and which promise or demand payment. All such evidence of debt or obligation are technically known as COMMERCIAL LIENS. Such 'notes' includes currency, for example, federal reserve notes, checks, drafts, conditional checks, notes of exchange (paper money/instruments between banks.)
20. THAT a Federal Reserve Note is the first commercial lien on the Federal Reserve Bank. A personal check is a commercial lien on the bank account of the maker of the check (cheque.) A draft is a check (cheque) with a conditional agreement printed above the place of endorsement on the backside of the draft. A "note" of exchange is a commercial lien between the banks consisting of one bank demanding payment (discharge) from another bank. A personal check (cheque), while passing between banks, as a note of exchange, is a commercial lien.
21. THAT the Consumer Price Index (CPI) identified in the Statistical Abstract promulgated by the Department of Commerce provides that the purchasing power of the Standard Currency Unit (SCU) in general circulation (federal reserve notes) has steadily decreased since 1967 as a direct result of Congress doing away with the gold backing from the SCU until in 1975 the purchasing power of SCUs has been reduced to approximately 35% and in 1986 the SCU has been reduced to approximately 70% and in 1997 the SCU has been reduced to greater than 100% until today the SCU is operating on a total "float" without any substantive foundation of intrinsic value to speak of in violation of Article I Section 8, Clause 5 mandate of a "fixed standard of weights and measures." In fact the principals of the Federal Reserve Bank in their publication "Modern Money Mechanics" only admit that the SCUs are backed by the "confidence" that people have in them.
22. THAT any "judicial officer" is not a true Article III Judge in light of his/her filing federal fiduciary bankrupt income tax Form

1040 as a result of Executive Orders 6073, 6102, 6011, 6260 and 12 USC 95a, wherein the then President Franklin Delano Roosevelt declared that the United States was BANKRUPT, which was seconded by Congress through House Joint Resolution 192 of June 5, 1933, [See Senate Report No. 93-549 (93rd Congress, 1st Session (1973))], later confirmed by the Supreme Court in Perry v. U.S., 294 US 330 (1935). The filing of a 1040 tax form does evidence a diminishment of his compensation as judge through the compelled trafficking in the herein described **worthless securities** issued by the Federal Reserve Bank Corporation.

23. THAT any judge is specifically authorized to preside over criminal matters even though constitutional muster clearly provides that: "The trial of **all crimes** . . . shall be by jury" is mandated only in Article III, thus, only judges with Article III status have power to hear such a trial. U.S. vs. Will, et al., 66 L.Ed.2d 392, pgs. 405 - 407, Judges Terry J. Hatter, Jr., et al., vs. U.S.A., Case No. 91-5039, U.S. Court of Appeals for the Federal Circuit, Decision, January 16, 1992).
24. THAT the case of Atkins v. U.S., 214 Ct. Cl. 41-76, 180, 556 F2d 1028, (1977), cert. denied, 434 US 1000, 54 L.Ed.2d 751, 98 S Ct 718 (1978), clearly states the case against the worthless securities (SCU) wherein federal judges complained of a diminishment of their compensation being in violation of the Compensation Clause of Article III Section 1 of the Constitution for the United States of America. In Atkins said judges clearly indicate that "as a result of inflation, the compensation of federal judges has been substantially diminished each year since 1969, causing direct and continuing monetary harm to plaintiffs." "As measured by the Consumer Price Index (CPI), the official government measure of the purchasing power of the dollar, the real value of the dollar decreased by approximately 34.5 percent from March 15, 1969 to October 1, 1975." That since 1969 to-date of this writing, the true purchasing power of the dollar is less than zero.
25. That prior to 1938, all United States Supreme Court Decisions were based upon what is termed: "**Public Law**" or that system of law that was controlled by Constitutional limitation. After 1938, all U.S. Supreme Court Decisions are based on "**Public Policy**" concerning commercial transactions made under the "**Negotiable Instrument Law**" [U.C.S.], as a result of the aforesaid declared bankruptcy by Present Roosevelt on March 9, 1933 and codified at 12 U.S.C.A. § 95a and by Executive Orders. This bankruptcy caused the change from "**Public Law**" to "**Private Commercial Law**" and was recognized by the Supreme Court in Erie v. Tompkins, (1938). After that case, all procedures of **Law** were officially blended with procedures of **Equity**.
26. That the judge of record in any case cannot be an Article III judge, and the attorney(s) allegedly re-presenting and acting themselves, as agent, for any alleged principal in this matter, knew, know, or should have known that NO Court or Judge can receive

or exercise Article III judicial Powers when it/they are or can be directly or indirectly influenced by other branches of government or their departments (See: U.S. vs. Woody, 726 F.2d 1329); and further, that opposing counsel knew, know, or should have known that the United States District Court is NOT a Constitutional Court in the strict sense. [See: Cochran et al., vs. St. Paul & Tacoma Lumber Co., 73 F.Supp. 288]. That all judges became mere "Commissioners" setting under purported Treaties and International Agreements [primarily with Britain] and cannot and will not proceed in the mode and manner prescribed by Article III of the ordained and established Constitution. (See: U.S. vs. Ferreira, 13 Howard 42). Instead the court is merely a trading pit/emporium for foreign merchants who conduct their business through their appointed agents, like said prosecutor under the dogma of summary judgment or plea bargains, both of which are ancient law merchant practices from time immemorial in the courts of the staple, the staple being the forever unpayable national debt, all outside the expressed limitations of the once Supreme law of the Land. Further, this process is in direct violation of Britain's own Statute of Merton of 1235 A.D. The burden of proof is upon opposing counsel to prove that the instant action is being heard in an Article III court before an Article III Judge and not in a mercantile trading pit (**Non-Constitutional Non-Article III Legislative Tribunals**) masquerading as an Article III Court established for the sole purpose of corporate, commercial, political, executive equity, expediency and convenience of his principal, the Exons of Britain **administering** the bankruptcy through 'their' **statutes** which are in reality "**commercial obligations**" for the BENEFIT OR PRIVILEGE OF DISCHARGING ONE'S DEBTS WITH THE LIMITED LIABILITY OF THE FEDERAL RESERVE MONOPOLY '**COLORABLE**' MONEY NOTES!

27. THAT as recorded in the Congressional Record of March 17, 1993, p. 1303H: by Mr. John Trafficant . . . "Mr. Speaker, we are here now in chapter 11. Members of Congress are officially trustees presiding over the greatest re-organization of any bankrupt entity in the world history, the U.S. Government. We are setting forth hopefully a blue print for our future. There are some who say it is a coroner's report that will lead to our de-mise." The lawyers admit that the collapse of every great civilization occurred after they were granted an ex-officio monopoly in the courts (and Banks). See Acts of Virginia, Feb. 20, 1812, p. 143 et seq.
28. THAT pursuant to PUBLIC LAW 95-147, 91 Statutes 1227 declared most banking institutions, including State banks, to be under direction and control of the corporate "Governor" of the International Monetary Fund.
29. THAT pursuant to 22 USC § 286(e), the government became a CORPORATION and laid down its sovereignty and took on that of a private citizen. It can exercise no power which is not derived from the corporate charter (Constitution). See THE BANK OF THE U.S. v. Planters Bank of Georgia, 6 L.Ed. (9 Wheat) 244 and U.S. v. Burr, 309 US 242.

30. THAT pursuant to 22 USC § 286, et seq. And C.R.S. 11-60-100 and said BANKRUPTCY, the REAL PARTY IN INTEREST is not the de jure "United States of America" or "State", but rather "THE BANK" (The Federal Reserve Bank/Governors) and "THE FUND" (International Monetary Fund).
31. THAT pursuant to Senate Report No. 93-549, pg. 186, International Organization(s) (IMF, FRB, IRS, and many others) intent(s) and purposes was to promote, implement, and enforce a "DICTATORSHIP OVER FINANCE IN THE UNITED STATES" as applied to the American people!
32. THAT there is documentation on the Internet that supports the premise that the Revolutionary War was a fraud perpetrated on the American People. It is alleged herein that all Federal Judges, Congressmen, U.S. Attorneys, State Judges, Legislators and most attorneys know this and are in fact British agents. That their function is that of "attornment," that is to say, to keep the people in line and to be productive (economic) subjects for which they, the agents, are greatly compensated for, through taxation on the American people as is evident in the Comprehensive Annual Financial Report! This report shows where all the loot is held under the prize and booty confiscations that routinely take place against the American People by various unregistered foreign agents masquerading as government personnel of the United States in their dens and trading pits (courts of the piepowdre) of mercantile expediency for the "dispatch of merchants," post haste.....out of which Summary Judgments originated.
33. THAT it appearing from documentary evidence, the Internal Revenue Service Agents etc., are "Agents of a Foreign Principal" (See "Foreign Agents Registration Act of 1938") and that the IRS is directed and controlled by the corporate "Governor" of the "fund" aka "Secretary of Treasury" (See: Public Law 94-564, pg. 5942, U.S. Government Manual 1990/91, pgs. 480 & 481, 26 USC 7701(a)(11), Treasury Delegation Order No. 150-10, and the corporate "Governor" of "THE BANK" 22 USC §§ 286 & 286a and 611(c), (ii) with the IRS acting as "information-service employees and have been and do "solicit, collect, disburse or dispense contribution (Tax-pecuniary contribution, Black's Law, 5th Ed.) loans, money or other things of value for or in interest of such foreign principal, "THE FUND."
34. THAT the said IRS's sole jurisdiction is the law merchant as governed by the uniform commercial code in light of the commerce clause of Article I, Section 8, Clause 3 which was implemented by the 18th Amendment to be enforced by the Volstead Act [Oct. 28, 1919, ch 85, Title III, 41 Stat. 319] within the several States in pursuit of "demon alcohol" but was subsequently estopped from being applied within the several States after the 21st Amendment was ratified by the several States which repealed the 18th Amendment. The 21st Amendment being ratified in 1933 placed a permanent estoppel to the application of the draconian Volstead Act within the several states, thus, all three titles of the

Volstead Act fell into permanent disuse within the several States of the Union party to the Constitution for the United States of America. [See U.S. v. Constantine, (December of 1935), 296 U.S. 233. However, Title III of the Volstead [Title 27 USC §§ 734a, 1402] was taken offshore by the federal government to Puerto Rico and the Virgin Islands on August 27, 1935 where it currently remains today in its present form known as the Internal Revenue Code or it is sometimes laughingly identified as the "non positive" Title 26 USC. Why? Because the Constitution or the Bill of Rights with the 10th and 21st Amendments has no application in any federal territory, possession or D.C. Remember, the 18th Amendment is gone but the implementing provisions can and are being used offshore. This is why for income tax purposes, the Secretary of Treasury [of Puerto Rico?] promulgated 26 CFR Part 1.1-1 at 26 CFR 602.101(c) OMB display number for the appropriate tax form as Form 2555 - FOREIGN EARNED INCOME, [outside the several States of the Union party to the Constitution for the United States of America] which is the only authorized form for IRC/Title 26 USC - Subtitle A-Part I- Income Taxes. Thus IRC/Title 26 USC Subtitle A -Part I-Income Taxes cannot lawfully be applied within the several States beyond the "ports of entry" of the customhouse's external door absent the nexus of either foreign or interstate commerce pursuant to Article I, Section 8, Clause 3 [The Seed of Fascism] due to the 21st Amendment's refreshment of the 10th Amendment's constitutional thrust of permanent estoppel and vouchsafe against the stealthy encroachment of "federalism" within the several States. [Of which "federalism" both opposing counsel and the judge of record are obviously all adherents to, being "members of the American Bar Association" with "superior knowledge of the law." This association is the primary architect for the advancement of said "federalism" which is code name for British Imperialism within the several States being vigorously promoted by the "Brothers of the Bar" in spite of the Act of Congress: 72 Stat. 884 Aug. 27, 1958, P. L. 85-766, Chapter XVI, §1602. [see Title 50 USC § 407]

35. That Title 4 USC §§ 71-72 clearly provides that all offices attached to the federal government shall be exercised within the District of Columbia unless otherwise expressly provided.
36. THAT pursuant to 22 USC § 263a, the U.S. Government Manual, 1990/91, pg. 385, the Internal Revenue Service is also an agency of the International Criminal Police Organization, and solicits and collects information for 150 foreign powers, in relation to the BANKRUPTCY.
37. THAT pursuant to "THE FEDERAL TAX LIEN ACT OF 1966" (Senate Report No. 1708) "The Federal Tax Lien bill of 1966 represents the first comprehensive revision and modernization of the provisions of the internal revenue laws concerned with the relationship of Federal Tax Liens to the interest of other creditors. This bill is in part an attempt to conform the lien provisions of the internal revenue laws to the concepts developed in this Uniform Commercial Code" (See: Federalist Papers No. 31, See: Public Law 89-719).

38. THAT Titles 18 and 28 of the United States Codes were not enacted into law by the "Senate and House of Representatives in Congress Assembled" on June 25, 1948 for the simple fact that Congress had adjourned on June 20, 1948 and did not reconvene until some thirty-six days later by President Truman's application of the provisions under Article II Section 3 of the Constitution for the United States of America.
39. THAT by the past and present OPERATION of the "de facto" government, it operates under Foreign/Alien Constitutions, Law, Rules, Regulation to and for the end of OVERTHROWING the ordained and established Constitution (A limitation and restriction on government) for the united States of America (1787) and the "Bill of Rights" (1791) and by and through such ACTS and OPERATION discloses a DECLARATION OF WAR upon the American People and myself.
(See: Research Technical Manual TM-SW7905.1)
40. THAT "A right of Action cannot arise out of fraud." BROOM'S MAXIMS 297, 729. And; "FRAUD VITIATES THE MOST SOLEMN CONTRACTS, DOCUMENTS AND EVEN JUDGMENTS." U.S. v Throckmorton, 98 US 61.
41. THAT pursuant to the above, I, Michael James Hannigan, herein declare and state for the record that any such PLEDGE of my life, liberty, labor, property and rights to property (AB INITIO) by any STATE, or government agency/agent at any level was done so WITHOUT DUE NOTIFICATION, with NO MEETING OF THE MINDS, and any agreement(s), quasi-contract(s), contracts, constructive trust(s), either compelled or implied, were done so UNKNOWINGLY, UNINTENTIONALLY, INVOLUNTARILY, i.e. by threat of force of Arms, imprisonment, fines and fees as punishment, denial of PRIVILEGES, and based upon the above, BY FRAUD AND CONSPIRACY to defraud this American National of his God-Created unalienable Rights. That I was never a "CITIZEN" or "RESIDENT" of the Corporate U.S./State government at any level.
42. THAT in any action with any Court(s), the true NATURE AND CAUSE of that action is that of BANKRUPTCY, and that I'm not the TRUE DEBTOR nor have I ever knowingly given my express written consent to be the surety for said debt obligations.
43. THAT IT IS NOT MY PRIVATE POLICY to be involved in "Public Policy" whereby I have been tricked, deceived, defrauded, and set-up to carry "MY FAIR SHARE" of the perpetual corporate debt under the nationally declared BANKRUPTCY without my (past) knowledge and lawful consent. Simply put....to aide, abet, and perpetuate FRAUD!
44. THAT it is a fundamental rule of law that a debt cannot pay a debt, that chases in action and chases in possession are not the same, that by and upon the Act of Congress of June 5, 1933 designated HJR 192, all contracts afterward created are grounded in instruments of indebtedness, i.e. bills, notes, checks, credit cards, draft, etc., establishes the fact that said contract's terms and conditions can never truly be met under the fundamental law of the land as it pertains to tender in obligation of payment

of debts, they can however play the role of "pass through," of one bankrupt/insolvent to another bankrupt/insolvent, and as such no court in the land bound by the limits of the constitution is competent to grant relief upon any claim submitted to said court by said bankrupt as a matter of law pursuant to the maxim: *Ex nudo pacto non oritur actio*: No action arises on a contract without a consideration.

- 45. THAT *Ignorantia judicis est calamitas innocentis*: Ignorance of the judge is the misfortune of the innocent
- 46. THAT the statements contained herein are true, correct, certain and complete, to the best of my independent knowledge, belief and understanding and are set forth for CAUSE, and the signature is the voluntary act of my own hand without threat, duress or coercion.
- 47. THAT the above described facts stand as true and are deemed admitted by all government personnel until rebutted point by point in an affidavit of like weight pursuant to the maxim contained in U.S. v. Kis., 658 F2d 526 @ 536.

Subscribed and affirmed this 10th day of October, 2003.

This document prepared by:

Michael James Hannigan
 Michael James: Hannigan, Affiant
 C/o 84 Edgewater Lane
 Canton, North Carolina

State of North Carolina, County of Haywood:

On the 10 day of October 2003 A.D., before me, the undersigned a Notary Public in and for said state personally appeared Michael James Hannigan, personally known to me (or proved to me on the basis of satisfactory evidence) to be the man whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument, the man, or the entity upon behalf of which the man acted, executed the instrument.

Witness my hand and official seal.

Notary Signature: [Signature]
 Joseph R. Laird, Notary Public
 850 N. Main Street
 Waynesville, North Carolina 28786

27 JULY 2005
 My Commission Expires:

SEAL:



State of North Carolina, Haywood County
 The Foregoing Certificate(s) of JOSEPH R. LAIRD /NP
 is (are) Certified to be Correct.

This Instrument was filed for Registration on this 10th Day of
 October, 2003 in the Book and Page shown on the First Page hereof.

Amy R. Murray By [Signature]
 ASST.