

LIBERTY DOLLAR NEWS: December 2006 Vol. 8 No. 12

Welcome new Readers, Associates, Merchants and RCOs!

CALL TO ACTION:

Never a dull moment with the Liberty Dollar. This issue is yet another major issue with the Death of NORFED and the Birth of Convertibility of the ALD into US dollars... I urge you to read this whole Newsletter and pass it on to your contacts. We need to build a broader base to take action in support of the Liberty Dollar.

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1. NORFED Is Dead

Liberty Dollar Reinvents Itself

In early December, NORFED Inc. was dissolved by the Board of Directors. Very quickly, the new currency company reinvented itself as “Liberty Services” dba “Liberty Dollar,” a new business entity. Without mentioning the recent “Warning” by the US Mint or its unfounded allegations against NORFED, Bernard von NotHaus, the Monetary Architect for the Liberty Dollar explained that, “We simply realized that the Liberty Dollar would succeed easier and faster without any political baggage.”

Von NotHaus went on to explain, “Lets face it. The Liberty Dollar did not come with an owner’s manual. As the world’s first ‘free market currency’ that is 100% gold and silver based, there is no proven model to follow. We are proving and improving our model currency every day and have been for over 30 years of research, design, and deployment. And change, it will. That is simply a sign of maturity and the will to survive in the marketplace.”

And while the Liberty Dollar has dropped the acronym NORFED and all the political rhetoric calling for the repeal of the Federal Reserve and the income tax, von NotHaus swears the Liberty Dollar has retained all the best intentions and announced with a broad grin, “We’re only in it for the money.”

Henceforth, the “new” Liberty Dollar is politically neutral and dedicated to “Protecting and growing your money – one Liberty Dollar at a time.” It will be specifically marketed to businesses as a “private barter currency” that is profitable for businesses and consumers, and good for the community. Plus it offers a much simpler solution for the US national debt, imbalance of trade, Social Security, and practically every other monetary problem that currently uses the debt based US dollar. The new “Liberty Dollar” will make every effort from the “get-go” to insure that the new currency is not mistaken as part of the US Mint or the US government’s monetary system.

One thing that von NotHaus remains very sure of is that he does not want any confusion between the Liberty Dollar and the US dollar by the federal authorities. He remains adamant that the Liberty Dollar is a legal private currency and that Americans are free to use any medium of exchange in commerce. To reinforce that opinion, he recently quoted Andrew Williams, spokesman for the Federal Reserve Board in Washington, DC, who said, *"There is no law that says goods and services must be paid for with Federal Reserve notes. Parties entering into a transaction can establish any medium of exchange that is agreed upon."*

For further info on the “new” Liberty Dollar please contact a Regional Currency Office near you that can be found at <http://www.libertydollar.org/ld/rco/rco-find.htm> or call 888.LIB.DOLLAR or 888.421.6181.

2. What Liberty Dollar Is and Is Not

From the beginning, the new “Liberty Dollar” wants to make sure that everybody, including the US Mint and the federal government, is clear about the Liberty Dollar.

IMPORTANT: Please remove the word “NORFED” from your site if you are currently using it. Simply replace it with “Liberty Dollar” (organization).

The Liberty Dollar is:

1. Distributed by Liberty Services as a moral, legal, and Constitutional currency.
2. Private barter monetary system - dedicated to growing and protecting your money – one Liberty Dollar at a time.
3. Voluntary, practical, positive, peaceful, and profitable to use every day.
4. Good for you, your business, and the country at large.
5. A working example of Bernard’s Second Law of Money: Consenting adults have a right to use any medium of exchange in commerce that is agreed upon.
6. Still America’s second most popular currency and your single most useful gold and silver medium for everyday transactions.
7. Remains 100% backed and 100% redeemable in gold and silver.

The Liberty Dollar is not:

1. NORFED nor politically motivated.
2. A “coin,” “legal tender,” or “current money.” Nor should it ever be presented, used or uttered as anything to do with the government or its money.

3. Anti-government, anti-race, or anti-anything.
4. Against the Federal Reserve. We will not refer to it as a scam or a scheme. We will not make any political comments regarding the government or its “current money.” Quite frankly my Dear... we don’t give a damn about the Federal Reserve or its fiat money... we only care about you and your money.
5. Against the IRS or any criminal tax structures.
6. Intended to overthrow or replace the current US monetary system.
7. A non-profit entity, although it is still philanthropic with no net income.

If you wish to read the historic NORFED articles and info, please visit:
www.NORFED.org.

3. Bank Account Now Open

I am pleased to inform you that we have opened a new bank account for the Liberty Dollar business as “Liberty Services.” So it is back to business as usual. All card charges will show up as charges by “Liberty Services” on your monthly statement.

As Tom Greco, a noted monetarist and fellow private currency issuer, observed in a recent email: “Banks as deadly as bullets”:

The November issue of Liberty Dollar News clearly shows how our dependency on banking "services" has made us all susceptible to ruin, without any charges ever being filed, without any wrongdoing by the account holder. Does your bank have a right to unilaterally close your account? [Unfortunately, the answer is yes, as banks are private enterprises.]

Visit Tom’s website at: www.reinventingmoney.com.

4. Convertibility to FRN Now Available!

The exchange of Liberty Dollar into US Dollars:

Ultimately, it is in our best interest to have direct convertibility at parity between the American Liberty Dollar (ALD) and the US dollar (USD). Unfortunately, the difference between the world’s largest fiat currency and the world’s only physical, value backed currency is as large as the difference between right and wrong. But as the ALD grows and the USD falls, the two currencies will cross on the chart and the scales of time will become a bellwether of our success.

So on January 2, 2007, we open the door to “Convertibility” between the ALD back into the USD on a very limited basis. The model outlined below is to start small, test the supply and demand in these troubled waters, and grow the amount of the “Convertibility” as a measure of our success until the currencies cross on the above mentioned chart.

Convertibility promises to be a huge event, and a huge undertaking for the Liberty Dollar organization. Unfortunately, there is no way of knowing how much pent-up demand

exists to convert ALDs back into USDs. But as this has been sought after for some time, it is widely acknowledged that the pent-up demand could also be huge.

For that reason, convertibility will be very limited initially. After the initial market blow-off, the volume of Liberty Dollars exchanged to USD will be raised until there are no limits on the amount of Liberty Dollars that can be converted on a daily basis. Initially, a maximum of \$200 ALDs or a total of five exchanges will be filled per workday. No exchanges will be available on weekends, holidays, or days the Fulfillment Office is closed. Convertibility will be increased as the market matures.

As the Liberty Dollar is a “free market currency” the exchange rate must be a function of the silver spot price just as the currency was initially issued. The exchange rate will be the widest immediately after the Liberty Dollar Moves Up to a new Silver Base. Then as the spot price of silver approaches the next Move Up

<http://www.libertydollar.org/ld/faqs/crossover-twenty.htm> of the Liberty Dollar, the exchange rate will approach par with the US dollar. And as Liberty Dollars are distributed at a discount, that discount must be given up when the Liberty Dollar is exchanged back into USD. Please note: the ALD is discounted when issued and discounted when exchanged. And for the exchange service to be successful it must also work at a slight profit to cover the overhead costs.

Exchanges of Liberty Dollar into US dollar will be available for all three forms: metal, paper and digital. Please send in your Silver Libertys and Silver Certificates to the Fulfillment Office in Evansville. All ALDs will be exchanged at the rate on the day it is exchanged. That date may be on the day it arrives, the day after, or the first day that an exchange is possible due to previously backlog of exchanges. If your exchange is not filled within 30 days, we will inform you via email. Likewise, exchanges of eLD over the Internet will be filled in the order received with all other exchanges received. Initially, all exchanges will be limited to \$200 per day and a maximum of five exchanges per day. No exchanges will be accepted for over \$200 and only one exchange per person per month, please. If more than \$200 in any form is sent in, only \$200 will be exchanged and the balance will be returned at your expense. All exchanges will be filled by a company check in USDs and mailed to the address provided or on file.

I would like to thank Jason Pratt and all the other supporters who have contributed to the development of Convertibility – another key to make the Liberty Dollar function in the marketplace.

As always, if you have any questions, please call the office: 888.LIB.DOLLAR or email info@LibertyDollar.org.

5. Panama and Ecuador Liberty Dollars

Don't look now but the Liberty Dollar is popping up in more and more places. Of course, while Puerto Rico is still part of the United States, it has its own history, national culture, and now its own money – the Puerto Rico Liberty Dollar. Plus a Panama Liberty Dollar has been issued and the backers are seeking more distribution there. So if you are

hip to Panama, please let me know. Ecuador is in the wings and will be issued soon thanks to Rev. Joseph, who can be contact via email at: drrevjoseph@yahoo.com. Puerto Rico, Panama, and Ecuador one ounce Silver Liberty Dollars carry the new LIBERTAD obverse with the 2007 date and CONFIE EN DIOS for Trust in God.

And as announced recently, the 2007 Hawaii Dala was just issued. The Hawaii Dala explodes the evolving Liberty Dollar concept further with a custom Hawaiian obverse die featuring King Kamehameha. Plus the Hawaii Dala will also be available in three denominations: one ounce \$20 Hawaii Dala, half ounce \$10 Hapalua Dala, and the quarter ounce \$5 Hapaha Dala with six mega designs for a total of 18 issues over the next 18 months. For more info or to place an order, please send an email from www.HawaiiDala.com. Due to the Holidays, all inquiries will be answered in January.

6. New Executive Director

As I still plan to retire by the Liberty Dollar's tenth anniversary on October 1, 2008, I am still seeking an extraordinary business manager to be the Liberty Dollar's new Executive Director.

The ideal candidate is a senior, self-made, independent businessperson who wants to do something important with his/her time and money, as I did when I retired from the Royal Hawaiian Mint in 1998. The ideal candidate should realize that money is central to most human action, that free markets out perform government planning, and that the Liberty Dollar presents a unique opportunity for a unique individual. It is expected that such a unique candidate interested in seizing this opportunity to leave a bold positive mark on our country's monetary history would be well paid.

The ideal candidates must possess proven marketing and writing skills. Candidate must be able to write effective ad copy and be prepared to co-write the 10th anniversary of the Liberty Dollar "Solution" book that is already in the works for 2008. Of course, executive skills including good communication, solid judgment, business acumen with a proven track record, and a passion for speaking, plus contemporary computer skills are a must. College degree is desirable but not required. Academic types need not apply - this is a business management position.

The ideal candidate who wants to grasp this opportunity should have a clear plan in mind as to how to grow the Liberty Dollar to the next level and on to \$50 million per year.

Please email your inquiry or resume directly to my attention.

7. Liberty Dollar University 12

Liberty Dollar University-12 is scheduled from January 10 – 13 in San Jose, California. With Matt and his father Richard, who are both RCOs, as hosts and all the fellow RCOs in California, this promises to be an outstanding event! Of course, I will be attending as I have at every LDU. So if you want to find out what is going on and influence the direction of the "new" Liberty Dollar... you have got to come to LDU-12! Call the office

now for a reservation. Just \$200 for Liberty Associates. Only \$100 if you are an Associate in Matt's or Richard's RCO region. Free for RCOs.

LDU-12 will open with Meet/Greet at 6:00 PM on Wednesday, January 10 and conclude with lunch on Saturday, January 13. The event will be held at the:

Los Gatos Lodge
50 Los Gatos-Saratoga Rd.
Los Gatos CA 95032
<http://www.losgatoslodge.com/>
408.354.3300

For additional info, please contact Matthew Pitagora at hardcash4hire@yahoo.com, call 408.223.6688 or visit him online at www.libertydollarofsanjose.org

8. Letter / Article to the Editor

Please send your letters or articles to Info@LibertyDollar.org.

9. Success Story / Incident of the Month

Chris Gearhart wrote:

Bernard, your idea of offering a 5 percent discount for Liberty Dollars users is a real winner...I just got my first Liberty Dollar sale after just three days of advertising it. And the best part is the profit from this sale more than offsets the cost of the \$5 Liberty that I'm giving away as part of my promotion campaign. The combination of the discount and the giveaway is most definitely a powerful sales and marketing tool!

For me, this is something of monumental proportion as I hadn't had a sale on my website in over a week, but after becoming a Liberty Merchant a few days ago and following the advice in your Merchant Handbook (to offer a LD discount of 5%), I at long last got an order... paid in Liberty Dollars! I just couldn't contain myself! Hey it's the small victories in life that make life worth living.

The order came from Lex Schauer, the RCO in Fargo, North Dakota, of all places.

So that's it. Nothing more. Next time I'll just tell me wife instead so she can give me that deer-in-the-headlights look.

Check out Chris Gearhart web site is at: <http://www.CTSaveGas.Com>

10. Question of the Month

QUESTION: Given the recent problems that the Liberty Dollar is encountering, do you see any light at the end of the tunnel?

ANSWER: Absolutely. And although I am absolutely sure that the Liberty Dollar is legal, I am not sure how that will be established. The US Mint's allegations are serious and they are taken seriously by the Liberty Dollar organization. When there is a new

development or resolution, it will be announced in this Newsletter or sent out as an Alert. Meanwhile, our Chief Counsel has urged all of us to continue as usual. And with your continued support that is what the Liberty Dollar is doing.

11. Liberty Associate of the Month

Luckily, the Liberty Dollar enjoys the support of many well intending people. Many in far away places. Such is the case for the Liberty Associate for this month. This Liberty Associate lives in one of the most remote parts of the United States. Even the state is one of the least populated. But that does not stop the Liberty Associate of the Month. For his tireless efforts and existence out in the wilds of Fargo, North Dakota, I am proud to acknowledge Lex Schauer as the Liberty Associate of the Month, who is also the RCO for Eastern North Dakota. Congrats and thanks Lex for your support and efforts to bring the Liberty Dollar to the far reaches of our great country.

12. Quote of the Month

"Of all the enemies to public liberty, war is perhaps the most to be dreaded because it comprises and develops the germ of every other. War is the parent of armies; from these proceed debts and taxes. And armies, and debts, and taxes are the known instruments for bringing the many under the domination of the few." James Madison, April 20, 1795

Closing Remarks:

Well that's it for another calendar year. Lots of fireworks and huge development for the Liberty Dollar model currency. I am sure there are more amazing things to come.

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 that provides us with "just weights and measures" will we be able to generate a peaceful and prosperous society.

Thank you again for protecting and growing your money – one Liberty Dollar at a time!

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