

'Liberty Dollar' Raided by IRS, FBI

By Pat Shannan
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This 'alternative currency has circulated in Gainesville and around the nation through a network of businesses; users and associates. Now, its fate is uncertain as people hoard them and await the results of a class action law-suit.

Before the doors could open for business Nov. 14, the home offices of NORFED, producers of the Liberty Dollar in Evansville, Ind. were raided by a dozen agents from the FBI and IRS.

For six hours armed agents took all the gold, silver, platinum and almost two tons of "Ron Paul Dollars" that had just been delivered the previous week. According to founder and director Bernard von NotHaus, they also took all the files and computers and froze the company's bank accounts.

"We have no money, we have no products and we have no records to even know what was ordered or what you are owed," von NotHaus wrote to his account holders. "We have nothing but the will to push forward and overcome this massive assault on our liberty and our right to have real money as defined by the U.S. Constitution. We should not be defrauded by the fake government money."

In addition, all the gold and silver that backs up the paper certificates and digital currency held in the vault at Sunshine Mint has been confiscated. Even the dies for minting the Gold and Silver Libertys were grabbed in an obvious effort to destroy this association and steal the assets from its thousands of members across the country. NORFED was started in 1998 with the basic idea of providing gold- and silver-backed currency for Americans and the long-term dream of "replacing the fiat fed notes one dollar at a time."

In addition to producing one-ounce coins of both gold and silver, its members could trade paper notes redeemable in specie on demand.

Last year the attack upon NORFED was begun when federal officials and mint spokesmen accused the group of "defrauding the public," Edmund C. Moy, director of the U.S. mint, had acknowledged in a letter to a U.S. senator that the paper certificates did not violate 18 USC Sec. 486 and were not illegal. But the FBI and IRS took all the paper currency, too.

Suspecting the possibility of such drastic action by the government, NORFED has always urged its members to possess the coin. Of the \$20 million in Liberty Dollars, only about \$1 million is in paper or digital form, according to von NotHaus.

NORFED officials expressed regret to its members that recent orders may never be filled because of a lack of records and urged all to "band together in a class action suit" to get their assets returned.

(PHOTO CAPTION) This one-ounce Liberty Dollar piece minted out of pure silver originally sold for about 20 Federal Reserve notes. Since the raid, these medallions featuring Republican presidential candidate Ron Paul have sold for over \$500 on eBay.