

DEPARTMENT OF JUSTICE

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DEFENDANT CONVICTED OF MINTING HIS OWN CURRENCY STATESVILLE, NC - Bernard von NotHaus, 67, was convicted today by a federal jury of making, possessing and selling his own coins, announced Anne M. Tompkins, U.S. Attorney for the Western District of North Carolina. Following an eight-day trial and less than two hours of deliberation, von NotHaus, the founder and monetary architect of a currency known as the Liberty Dollar, was found guilty by a jury in Statesville, North Carolina, of making coins resembling and similar to United States coins, of issuing, passing, selling, and possessing Liberty Dollar coins, of issuing and passing Liberty Dollar coins intended for use as current money, and of conspiracy against the United States. The guilty verdict concluded an investigation which began in 2005 and involved the minting of Liberty Dollar coins with a current value of approximately \$7 million. Joining the U.S. Attorney Anne M. Tompkins in making today's announcement are Edward J. Montooth, Acting Special Agent in Charge of the FBI, Charlotte Division, Russell F. Nelson, Special Agent in Charge of the United States Secret Service, Charlotte Division, and Sheriff Van Duncan of the Buncombe County Sheriff's Office.

According to the evidence introduced during the trial, von NotHaus was the founder of an organization called the National Organization for the Repeal of the Federal Reserve and Internal Revenue Code, commonly known as NORFED and also known as Liberty Services. Von NotHaus was the president of NORFED and the Executive Director of Liberty Dollar Services, Inc. until on or about September 30, 2008.

Von NotHaus designed the Liberty Dollar currency in 1998 and the Liberty coins were marked with the "\$", the word dollar, USA, Liberty, Trust in God (instead of In God We Trust) and other features associated with legitimate U.S. coinage. Since 1998, NORFED has been issuing, disseminating, and placing into circulation the Liberty Dollar in all its forms throughout the United States and Puerto Rico. NORFED's purpose was to mix Liberty Dollars into the current money of the United States. NORFED intended for the Liberty Dollar to be used as current money in order to limit reliance on, and to compete with, United States currency.

In coordination with the Department of Justice, on September 14, 2006, the United States Mint issued a press release and warning to American citizens that the Liberty Dollar was "not legal tender." The Mint press release and public service announcement stated that the Department of Justice had determined that the use of Liberty Dollars as circulating money was a federal

crime.

Article I, section 8, clause 5 of the United States Constitution delegates to Congress the power to coin Money and to regulate the Value thereof. This power was delegated to Congress in order to establish and preserve a uniform standard of value and to insure a singular monetary system for all purchases and debts in the United States, public and private. Along with the power to coin money, Congress has the concurrent power to restrain the circulation of money which is

not issued under its own authority in order to protect and preserve the constitutional currency for the benefit of all citizens of the nation. It is a violation of federal law for individuals, such as von NotHaus, or organizations, such as NORFED to create private coin or currency systems to compete with the official coinage and currency of the United States.

Von NotHaus, who remains free on bond, faces a sentence of up to fifteen years imprisonment on Count Two of the Indictment and a fine of not more than \$250,000. Von NotHaus faces a prison sentence of five years and fines of \$250,000 on both Counts One and Three. In addition, the United States is seeking the forfeiture of approximately 16,000 pounds of Liberty Dollar coins and precious metals, currently valued at nearly \$7 million. The forfeiture trial, which began today before United States District Court Judge Richard Voorhees, will resume on April 4, 2011 in the federal courthouse in Statesville. Judge Voorhees has not yet set a date for the sentencing of von NotHaus.

“Attempts to undermine the legitimate currency of this country are simply a unique form of domestic terrorism,” US Attorney Tompkins said in announcing the verdict. “While these forms of anti-government activities do not involve violence, they are every bit as insidious and represent a clear and present danger to the economic stability of this country,” she added. “We are determined to meet these threats through infiltration, disruption and dismantling of organizations which seek to challenge the legitimacy of our democratic form of government.”

The case was investigated by the FBI, Buncombe County Sheriff’s Department and the U.S. Secret Service, in cooperation with and invaluable assistance of the United States Mint. The case was prosecuted by Assistant United States Attorneys Jill Westmoreland Rose and Craig D. Randall and the forfeiture trial is being prosecuted by AUSAs Tom Ascik and Ben Bain Creed.