



Case Files, General Index, and Briefs  
of the Supreme Court and the Court  
of Appeals

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SUPREME COURT  
FILED

JAN 20 1971

JOHN McCARTHY  
CLERKSTATE OF MINNESOTA  
IN SUPREME COURT

-----  
In Re: Jerome Daly  
28 East Minnesota Street  
Savage, Minnesota  
-----

File No. 42174

TRANSCRIPT OF PROCEEDINGS

The above-entitled matter came on for hearing before a referee; the Honorable Donald C. Odden, Judge of the District Court; on the 9th day of February, 1970, at approximately two o'clock p.m., in Room 722 of the Flour Exchange Building, in the City of Minneapolis, Minnesota.

## APPEARANCES:

Mr. Herbert C. Davis  
Attorney at Law  
6100 Excelsior Boulevard  
Saint Louis Park, Minnesota 55416  
Appeared for and on behalf of the  
Petitioner, State Board of Law  
Examiners

Mr. Jerome Daly  
Attorney at Law  
28 East Minnesota Street  
Savage, Minnesota 55378  
Appeared Pro Se

## Reported by:

Lana M. Fruke  
Court Reporter  
1733 Ford Parkway  
Saint Paul, Minnesota 55116



VOLUME I

WITNESSES

<u>Petitioner's:</u>	<u>Direct</u>	<u>Cross</u>	<u>Redirect</u>	<u>Recross</u>
----------------------	---------------	--------------	-----------------	----------------

Jerome Daly.....	11			
------------------	----	--	--	--

Kenneth Kivley.....	164	177	182	
---------------------	-----	-----	-----	--

Mr. Gordon Busdicker.....	184	197		
---------------------------	-----	-----	--	--

\* \* \* \* \*

VOLUME II

WITNESSES

<u>Petitioner's:</u>	<u>Direct</u>	<u>Cross</u>	<u>Redirect</u>	<u>Recross</u>
Jan Stuurmans.....	2	14		
Charles Geer.....	23	33		
Judge John B. Friedrich.....	40	47	54	55
Theodore Mellby.....	55	80	87	88
Patrick J. Foley.....	89	98		
Roland D. Graham.....	117	127		
Judge Chester Durda.....	158	162		
Kenneth Dorholt.....	164	169		
Referee Donald Chapman, Jr.....	171			

\* \* \* \* \*



VOLUME III

WITNESSES

<u>Petitioner's</u>	<u>Direct</u>	<u>Cross</u>	<u>Redirect</u>	<u>Recross</u>
Jonathan Earl Cudd.....	2	8		
Robert W. Dygert.....	17	75	116	118
Doris Guintier.....	120			
Raymond Salfer.....	125	130		
Dr. Palmer A. Peterson.....	130			
Herbert C. Davis.....	146	156		
Benjamin E. Brunsvold.....	151			
Donna R. Racette.....	153	156		

\* \* \* \* \*

VOLUME IV

WITNESSES

<u>Petitioner's:</u>	<u>Direct</u>	<u>Cross</u>	<u>Redirect</u>	<u>Recross</u>
----------------------	---------------	--------------	-----------------	----------------

William Edward Drexler.....8	34			
------------------------------	----	--	--	--

Respondent's:

John McCarthy.....42			
Roland D. Graham.....44			
115	134	137	
Justice C. Donald Peterson.....56			
Justice Walter F. Rogosheske....72			
Justice Oscar R. Knutson.....86			
Sidney P. Abramson.....102			

\* \* \* \* \*



VOLUME V

WITNESSES

<u>Respondent's:</u>	<u>Direct</u>	<u>Cross</u>	<u>Redirect</u>	<u>Recross</u>
Judge Miles Lord.....	2			
Hugo P. Hentges.....	41			
William H. Eckley.....	51			
Statement by Joe Burkard...	59			
Hubert H. Humphrey.....	67			
Hyman Edelman.....	86			

\* \* \* \* \*

# I N D E X   O F   E X H I B I T S

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
----------------	--------------------	---------------	----------------	-----------------

## PETITIONER'S:

## VOLUME I

1	Opinion -- In re Jerome Daly	15	15	15
2	Complaint -- Wildanger v. Federal Reserve Bank	30	31	31
3	Complaint -- Joyce v. Commodity Credit	32	33	33
4	Civil Docket -- U. S. District Court 4-66 Civ. 225	34	35	35
5	Complaint -- Zurn v. Federal Reserve Bank 4-66 Civ. 399	36	37	37
6	Order -- Joyce v. Commodity Credit 4-66 Civ. 225	37	38	38
7	Summons & Complaint Joyce v. Northwestern State Bank et al File No. 18777	38	39	39
8	Permanent Injunction Joyce v. Northwestern State Bank 3-68 Civ. 32	61	63	63
9	Appeal from the U. S. District Court-No. 19002 .Joyce v. Commodity Credit	63	63	64
10	Order for Judgment -- Zurn v. Federal Reserve Bank 4-66 Civ. 399	64	64	64
11	Complaint -- Koll v. Wayzata State Bank File No. 637291	64	65	65



INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>PETITIONER'S:</u>		<u>VOLUME I</u>		
12	Appeal from U. S. District Court, Koll v. Wayzata State Bank No. 19,080	67	67	67
13	Order -- State v. Drexler File No. 360991	68	70	70
14	First National Bank of Montgomery v. Jerome Daly Justice Court	77	77	77
15	Letter from Daly to Foley	79	80	80
16	The Daly Eagle February 7, 1969	81	82	84
17	Letter -- Daly to Ramier June 16, 1969	85	85	86
18	News clipping from San Diego Union	86	86	87
19	Affidavit of Joyce M. Simpson- September 2, 1969	87	By Stip.	87
20	Zurn v. First National of Minneapolis & Derrick	90	91	91
21	Daly v. Savage State Bank Justice Court - Credit River	91	92	92
22	Daly v. Kearney et al Writ of Summons	92	93	93
23	Contempt Certificate In re Jerome Daly 4-69 Crim. 35	100	101	101
24	Summons & Complaint Haring v. Federal Reserve Bank Civil 69-735	105	106	106

INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>PETITIONER'S</u>		<u>VOLUME I</u>		
25	Deposition of Jerome Daly Sept. 9, 1969	107	109	109
26	Complaint -- Joyce v. Supreme Court et al	114	114	115
27	Complaint -- Daly v. Minnesota State Bar et al	120	120	120
28	Order -- U S. v. Muncaster CR. NO. 12,252-N	124	125	126
29	Affidavit of Jerome Daly Oct. 13, 1969	128	130	130
30	Order -- U.S. et al v. Daly No. 3-66-349 Civ.	144	144	145
31	Mandate -- U. S. et al v. Daly April 11, 1968	145	146	146
32	Findings of Fact, Conclusions of Law and Order for Judgment-- U. S. et al v. Jerome Daly 3-66 Civ. 349	146	147	147
33	Affidavit of Prejudice Peterson v. Bartels Case No. 632581	147	149	149
34	Affidavit of Prejudice Husby et al v. Carl R. Anderson et al	147	151	151
35	Affidavit of Jerome Daly Husby et al v. Anderson et al File No. 65865	147	151	152
36	Order -- Dearing v. Dearing File No. 67255	157	158	158



INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>PETITIONER'S</u>		<u>VOLUME I</u>		
37	Unknown	163		
38	Unknown	163		
39	Order -- Joyce v. Northwestern State Bank of Appleton et al	166	169	169
40	Order on Plaintiff's Petition -- Joyce v. Krebs No. 11524	166	168	168
41	Amended Complaint Joyce v. Krebs et al	166	167	168
42	Summons & Complaint Joyce v. Krebs et al	166	167	167
43	Summons & Complaint Joyce v. Nelson et al	166	174	174
44	Answer of Compton & Joyce -- Joyce v. Northwestern State Bank of Appleton	171	172	172
45	Findings of Fact, Conclu- sions of Law and Order For Judgment -- Joyce v. Northwestern State Bank of Appleton et al	182	183	183
46	Joyce v. Northwestern State Bank of Appleton et al -- Judgment	182	183	183
		<u>VOLUME II</u>		
47	Deposition of Jerome Daly First Nat'l Bank of Mpls. v. Zurn et al	10	10	10

INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>PETITIONER'S</u>		<u>VOLUME II</u>		
48	Affidavit of Charles A. Geer -- Teeman v. People's State Bank et al	25	25	25
49	Teeman v. People's State Bank et al -- Order	28	28	28
50	Transcript before Judge Friedrich - Husby v. Anderson	41	42	42
51	Affidavit of Prejudice Holman etc. v. A & J Builders	44	45	45
52	Mortgage Deed between Jerome Daly & First Nat'l Bank of Montgomery	57	58	58
53	Power of Attorney from First Nat'l Bank of Montgomery to Mellby	57	58	58
54	Notice of Mortgage Foreclosure Sale by First Nat'l Bank of Montgomery	57	58	58
55	Notice of Pendency -- First Nat'l Bank of Montgomery v. Daly	57	58	58
56	Notice to the Public by Jerome Daly	57	58	58
57	Affidavit of Publication by First Nat'l Bank of Montgomery	57	58	58
58	Sheriff's Certificate and Foreclosure Record	57	58	58



INDEX OF EXHIBITS (Cont'd) VOLUME II				
<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
59	Complaint -- First Nat'l Bank of Montgomery v. Daly	61	62	62
60	Answer & Counterclaim First Nat'l Bank of Montgomery v. Jerome Daly	61	62	62
61	Reply -- First Nat'l Bank of Montgomery v. Daly	61	62	62
62	Answer & Counterclaim First Nat'l Bank of Montgomery v. Daly	62	62	62
63	Note from Daly to Joyce Swan	120	120	120
64	Summons - Porth et al v. Federal Reserve Bank of Kansas City et al	123	124	124
65	Summons & Complaint Porth et al v. Federal Reserve Bank of Kansas City	123	124	124
66	Letter from Bob Sanders to R. D. Graham and news clipping	126	127	127
67	News clippings and note from Bob Sanders to Rollie Graham	126	127	127
68	Letter from Salfer to Judge Durda	161	161	162
69	Power of Attorney Krull to Daly	172	172	172
70	Juvenile Court Transcript -- Krull case	173	173	174

INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>PETITIONER's:</u>		<u>VOLUME III</u>		
71	Amended Findings of Fact, Conclusions of Law & Order for Judgment Peterson v. Peterson et al	22	22	22
72	Notice of Filing Findings Amended Judgment and Decree etc. -- Peterson v. Peterson et al	25	26	26
73	Letter from Judge Brand to Daly, Gill, Saliterman, Dygert, Rorris & Halvorson	32	32	32
74	Court transcript 1/7/65 Peterson v. Peterson et al before Judge Brand	39	39	39
75	Court transcript 1/7/65 Peterson v. Peterson before Judge Kane	40	41	41
76	Order Appointing Receiver & Referee Peterson v. Peterson et al by Judge Kane	41	41	41
77	Transcript of 1/13/65 Peterson v. Peterson	47	47	47
78	Photocopies of envelopes	50	54	55
79	Photocopy of envelope	50	50	50
80	Letter from Dr. Peterson to his patients, 1/65	50	50	50
81	Postal Box Rent Receipts	50	52	52
82	Application for Postal Box	50	52	52



INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>PETITIONER'S:</u>		<u>VOLUME III</u>		
83	Washington Federal Savings -- Check	60	63	63
84	Signature card -- Washington Federal Savings	60	63	63
85	Receipt signed by P. A. Peterson for Woodard Elwood & Co.	60	63	63
86	Savings Account Balance Sheets -- Halverson Trustee Account	60	63	63
87	Motion & Notion of Motion, Summons & Complaint -- Drexler v. Kane et al	60	64	64
88	Dismissal Without Prejudice Drexler v. Kane et al	60	64	64
89	Photocopies of Checks	60	62	62
90	Letter from Daly to George Engwald	65	65	65
91	Powers of Attorney by Halverson	66	67	68
92	Findings of Fact and Order of Conviction etc. Peterson v. Peterson et al by Judge Fosseen	70	70	70
93	Opinion of Supreme Court -- Peterson v. Peterson et al	70	71	71
94	Decision & Order for Judgment Peterson et al v. Bartels et al, File No. 632581	72	73	73
95	Opinion of Supreme Court Peterson et al v. Bartels et al -- Judge Otis	73	74	74

INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>PETITIONER'S:</u>		<u>VOLUME III</u>		
96	Subpoena and letters concerning witness Drexler	146	148	149
97	Memo-Letter from Drexler's secretary to Mr. Davis	146	149	150
		<u>VOLUME V</u>		
98	Defendant's Requested Instructions -- First National Bank of Montgomery v. Daly	65	66	66
99	Partial transcript of Justice Mahoney's testimony -- First National Bank of Montgomery v. Daly	65	66	66
<hr/>				
<u>RESPONDENT'S:</u>		<u>VOLUME I</u>		
A	<u>Six Seconds in Dallas</u> by Josiah Thompson	68	69	69
B	Letter from Daly to George O. Lethert, I. R. S.	141	141	142
C	Daly's 1965 U. S. Individual Income Tax Return	141	141	142
D	<u>Religions of the World</u> by Gerald L. Berry	153	200	200
E	<u>Modern Business</u> by Major B. Foster, M. A.	153	200	200
		<u>VOLUME II</u>		
F	Form, taken from Mr. Daly's form book (Mr. Daly to furnish exhibit)	81	87	87



INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>RESPONDENT'S:</u>		<u>VOLUME II</u>		
G	Appeal from the U. S. District Court -- Horne et al v. Federal Reserve Bank of Mpls. et al	100	101	101
H	Brief for Appellant -- Koll v. Wayzata State Bank et al- No. 19080	105	106	106
I	Record in the U. S. Court of Appeals for the Eighth Circuit, Koll v. Wayzata State Bank et al	105	106	106
J	<u>The Federal Reserve System Purposes and Functions</u>	127	128	128
K	Myers' Review - May 27, 1969; No. 67	149	150	150
L	Myers' Finance Review -- June 9, 1969; No. 68-X	149	150	150
M	News clipping from San Diego Union, Nov. 1, 1969	152		
N	Myers' Finance Review -- Sept. 5, 1969; No. 74	154	156	156
O	Record in the U. S. Court of Appeals for the Eighth Circuit - No. 18906	6	6	6
		<u>VOLUME III</u>		
P	Transcript of Proceedings - U. S. of America v. Daly U. S. District Court 3-66-349 Civil	58	59	59
Q	Appeal from the U. S. District Court -- Daly v. U. S. of America; No. 18,906	58	59	59
R	Brief for the Appellees -- Daly v. U. S. of America et al U. S. Court of Appeals for the Eighth Circuit	58	59	59

INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>RESPONDENT'S:</u>		<u>VOLUME III</u>		
S	Record in the U. S. Court of Appeals for the 8th Circuit--Daly v. U. S. of America et al-No. 18,906	58	59	59
T	Brief of Appellant -- Daly v. U. S. of America et al No. 18,906; U. S. Court of Appeals for the 8th Circuit	59	59	59
U	Transcript of Proceedings-- Peterson v. Peterson et al before Judge Brand	100	100	100
V	Letter from Judge Brand to Daly, Gill, Saliterman, Dygert, Rorris & Halvorson	100	100	100
W	Judgment and Decree dated August 19, 1964, Peterson v. Peterson et al	100	100	100
X	Transcript of Proceedings-- before Judge Brand 1/13/70 Peterson v. Peterson et al	100	100	100
Y	Notice of Entry of Judgment & Judgment and Decree dated 1/28/65 Peterson v. Peterson et al	104	105	105
Z	Appellants Joint Brief in Supreme Court - Peterson v. Bartels et al	112	112	112
AA	Myers' Finance Review Sept. 5, 1969; No. 74	124	125	125
BB	Myers' Finance Review June 9, 1969; No. 68-X	124	125	125
CC	Myers' Finance Review May 27, 1969; No. 67	124	125	125



INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>RESPONDENT'S:</u>		<u>VOLUME III</u>		
DD	Myers' Finance Review June 4, 1969; No. 68	124	125	125
EE	Myers' Finance Review Sept. 19, 1969; No. 75	124	125	125
FF	Myers' Finance Review (To be furnished by Mr. Daly)	124	125	125
GG	Myers' Finance Review (To be furnished by Daly)	124	125	125
HH	Myers' Finance Review (To be furnished by Daly)	124	125	125
II	News clippings-- San Diego Union, 11/1/69 and San Francisco Chronicle 10/22/69	124	125	125
		<u>VOLUME IV</u>		
JJ	Court file -- Alfred M. Joyce et al vs. Supreme Court of State of Minn. 4-66 Civil 340	6	6	6
KK	Supreme Court Record on Zurn case 42088 & 42117	43	43	43
LL	Supreme Court pleadings Zurn v. First Nat'l Bank Of Mpls. et al No. 52088	64	64	64
MM	Newspaper article written by Mr. Lundegard	97	98	
NN	Joint Resolution, Hennepin County Board of Commissioners, 1968	99	100	
OO	(Number skipped)			

INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>RESPONDENT'S:</u>		<u>VOLUME IV</u>		
PP	Federal Reserve Bank's correspondence regarding Credit River case	115	115	116
QQ	Defendant's Motion to Dismiss Plaintiff's Complaint and Memorandum -- Haring v. Federal Reserve Bank of San Francisco; No. 69-735 Civil	121	121	121
RR	Letters from Finnegan to McChesney and from Molony to Finnegan in reply	128	128	129
SS	Letters and attachments From Carmichael of F.R.S. to Schuyler	128	128	130
TT	An Easter Tenet by Daly	139	139	139
		<u>VOLUME V</u>		
UU	Brief in Support of Writ of Prohibition, Supreme Court of U. S. Anderson v. U. S. of Am, et al	12	38	38
VV	Ridge Lutheran Home Bond January 1967	36	36	38
WW	First Nat'l Bank of Montgomery v. Daly, Scott County District Court File No. 19144 (Daly to furnish)	41	43	43
XX	Judge Lord's file (Daly to examine & furnish relevant material)	49		
YY	Unknown (Daly to furnish)			



INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
	<u>RESPONDENT'S:</u>		<u>VOLUME V</u>	
ZZ	Official files of U. S. District Court (Daly to furnish pertinent portions)	53	53	54
AAA	<u>Long Live the American Jury</u> BY Justice Walter R. Hart	66	106	108
BBB	<u>My Platform for Election to the Congress of the U. S. of America</u> by Jerome Daly --Paid Advertisement	66	106	108
CCC "	Pamphlet by S. W. Adams June 30, 1956	106	106	109
DDD	Appellants' Reply Brief in Horne et al, v. Federal Reserve Bank of Mpls. et al U. S. Court of Appeals, 8th Circuit--No. 17,683	106	106	109
EEE	<u>THOMAS JEFFERSON on DEMOCRACY</u> Edited by Saul K. Padover	106	106	110
FFF	<u>The Story of Paper Money</u> by Fred Reinfeld	106	106	110
GGG	Appellants Brief; A & J Builders v. Harms et al Supreme Court of Minn. File No. 41727	106	106	111
HHH	Appellant's Brief -- Lowe v. Patterson et al; Minnesota Supreme Court, No. 38740	106	106	111
III	Myers' Finance Review Dec. 19, 1969; No. 82	106	106	112
JJJ	Myers' Finance Review Jan. 16, 1970; No. 84	106	106	112
KKK	Photocopies of Title XXXVII Coinage, Weights, and Measures	106	106	112

INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
	<u>RESPONDENT'S:</u>		<u>VOLUME V</u>	
LLL	Life Magazine, Dec. 5, 1969 issue	106	106	
MMM	Reprint from Mpls Star, <u>Special Law Passed for Zionist</u> by Thompson	106	106	113
NNN	News clippings from the Register, 4/12/68; from the L. A. Times, 4/12/68	106	106	114
OOO	<u>John Locke on Civil Government</u> Introduced by Kirk	106	106	117
PPP	<u>The Story of Our Money</u> by Olive Cushing Dwinell	106	106	117
QQQ	<u>Lightning Over the Treasury Building</u> by John R. Elsom	106	106	117
RRR	<u>The Strange Case of James Earl Ray, The Man Who Murdered Martin Luther King</u> by Clay Blair, Jr.	106	106	
SSS	Record in Supreme Court of Minnesota; Lowe v. Patterson et al; No: 38740	106	106	118
TTT	Appellant's Brief in Minnesota Supreme Court; Lowe v. Patterson; No. 39341	106	106	119
UUU	Appellant's Reply Brief in Minnesota Supreme Court Lowe v. Patterson et al No 38740	106	106	119
VVV	<u>Here I stand A Life of Martin Luther</u> by Roland H. Bainton	106	106	



INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>RESPONDENT'S:</u>		<u>VOLUME V</u>		
WWW	<u>Whitewash, the report on the Warren Report by Harold Weisberg</u>	106	106	
XXX	<u>The Unanswered Questions About President Kennedy's Assassination by Sylvan Fox</u>	106	106	
YYY	<u>Report of the Warren Commission on the Assassination of President Kennedy by Harrison E. Salisbury</u>	106	106	
ZZZ	<u>A Citizen's Dissent/ Mark Lane Replies by Mark Lane</u>	106	106	
AAAA	<u>The Great Treasury Raid by Philip M. Stern</u>	106	106	
BBBB	<u>Plot or Politics - The Garrison Case &amp; Its Cast by James and Wardlaw</u>	106	106	
CCCC	<u>Libel and Academic Freedom A Lawsuit against Political Extremists by Arnold M. Rose</u>	106	106	
DDDD	<u>Congressional Record - 91st Congress, First Session, Volume III, No. 195, 11/25/69 Vietnam Resolution - Why Not Victory by Rarick</u>	106	106	
EEEE	<u>Deposition of Carl R. Anderson taken 9/19/67; Ridge Lutheran Home et al v. Carl R. Anderson et al</u>	106	106	125
FFFF	<u>Ten Commandments for the New Judge by Judge Devitt</u>	106	106	127
GGGG	<u>Order &amp; Cover Letter by Judge Devitt in suspension of Daly</u>	106	106	127

INDEX OF EXHIBITS (Cont'd)

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>Marked</u>	<u>Offered</u>	<u>Received</u>
<u>RESPONDENT'S:</u>			<u>VOLUME V</u>	
HHHH	The History of Judaism by Rabbi Jacob Neusner, Ph.D.	106	106	
IIII	PROTOCOLS of the Learned Elders of ZION by Victor Marsden	106	106	
JJJJ	Pamphlet -- Review of the News -- 7/16/69 Volume V, No. 29	129	129	129

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offenloch  
ERASABLE  
RECORDED



Monday, February 9, 1970  
Approximately 2:00 p.m.

(WHEREUPON, the following proceedings  
were duly had:)

THE COURT: May the record show that  
this hearing is on behalf of the petition and accusation  
against Jerome Daly, for which hearing was to be brought  
in the Supreme Court.

I, Judge Donald C. Odden, am acting as referee, as  
and on behalf of the Supreme Court of the State of  
Minnesota.

This petition is brought by the State Board of Law  
Examiners on behalf of the State Bar Association, under  
Rule Three of the Supreme Court, for the registration of  
attorneys.

I understand and may the record show that Mr. Davis  
is appearing here on behalf of the State Bar Association.

MR. DAVIS: State Board of Law  
Examiners.

THE COURT: Yes, the State Board of  
Law Examiners and Mr. Daly is here pro se, representing  
himself.

Evidentially, you have a motion to make first, Mr.  
Davis?

MR. DAVIS: I do, Your Honor.

A notice of motion was duly served upon Mr. Daly and filed in the Supreme Court. I understand that the court file has not been completely forwarded to Your Honor; however, I have furnished you with a copy of the notice of motion and motion.

The motion seeks to amend the petition and accusation by the inclusion of two additional specifications or charges, as Paragraph 8-A of the petition and accusation.

We move that the motion be granted, Your Honor.

THE COURT: Is there any objection?

MR. DALY: Let the record note an objection that it is not timely at this time.

THE COURT: Motion will be granted.

You say that the motion is not timely at this time?

MR. DALY: That is right. I think it comes too late; here, the day of trial; I think it comes too late.

THE COURT: It was served upon you.

MR. DALY: Served by mail, I think, the 28th.

THE COURT: Even the Rules only call for five days for a motion.

MR. DALY: Like I told you in chambers; frankly, as far as the merits are concerned, I don't care



much one way or the other. I said for purposes of protecting myself, I wanted the record to note that I wanted to object to it.

THE COURT: Any objection will be overruled and the motion may be granted.

MR. DALY: May my answer stand then?

THE COURT: Your answer may stand.

MR. DALY: And the allegations stand denied?

THE COURT: And your answer in regard to the two additional charges will be in the nature of a general denial as to those.

MR. DALY: Right.

THE COURT: All right.

MR. DAVIS: Very well, Your Honor.

THE COURT: That being understood, and the motion having been granted, perhaps we may proceed.

MR. DALY: I wonder, before we proceed, so that there is no later misunderstanding; so I won't have to take exception to rulings on evidence or rulings on any motions as they come up; in other words, I don't know what the rules are in such a proceeding as this. As I understand, it is the same as a trial before a referee in a district court?

THE COURT: That is correct.

MR. DALY: But, so I won't have to keep making exceptions, can we have an understanding that I can have a running exception to any rulings that are adverse against me.

THE COURT: Yes, that will be the understanding of the Court.

MR. DAVIS: I believe that is what is provided by the Rules of Civil Procedure, Your Honor.

MR. DALY: And I know I made a motion before the Supreme Court for a jury trial in this matter and I wasn't aware of the fact that I was supposed to appear or was allowed to appear and I didn't appear on that day and I think Mr. Davis did, is that right?

MR. DAVIS: That is correct.

MR. DALY: And the Court denied my motion for a jury trial; but I want to renew my motion at this time, upon the ground it touches upon a question of a deprivation of my rights to life, liberty and property, as secured by the Fifth and Fourteenth Amendments of the United States Constitution and upon the further ground that it is an attempt to deprive me of my rights, pursuant to the First Amendment, to peaceably assemble before the judicial branch of the government of the state of Minnesota and of the government of the United States and petition my government for redress of grievances along with other



citizens and friends of mine and that I think I am entitled to a jury trial on the matter.

THE COURT: Any comment as to this, Mr. Davis?

MR. DAVIS: Your Honor, this is a proceeding, which according to the cases decided by the Supreme Court, it is a proceeding, which is neither civil or criminal in its nature. There is no rule, I am aware of, issued by the Supreme Court or any indication in any of the cases, which the Court has decided, relative to discipline matters, which would tend to indicate any right to jury trial.

This is a trial regarding a privilege extended to attorneys, who have fulfilled certain requirements to practice law before the courts of this state. It is a proceeding solely within the jurisdiction of the Supreme Court of this state and governed exclusively by the rules of that court. No such rules provide, in any way, for a jury trial.

We oppose the motion.

THE COURT: Well, the motion is denied. I don't feel that this Court has any right to review an order made by the Supreme Court and the same motion was made and the Supreme Court denied it.

MR. DAVIS: That is correct.

MR. DALY: Well, I wanted to make it for the purpose of the record any way.

THE COURT: Then you may proceed.

MR. DALY: Now, before we proceed, I want to make one other motion.

They claim that this is not a proceeding which is either civil or criminal in nature. I say that it is a proceeding, which is a combination of a criminal proceeding or an attempt to penalize myself. Now, that is to penalize and punish myself for what they allege to be wrongdoings in here.

I notice in one of their allegations in here, they allege that in 1966 -- this is allegation number seven -- I prepared and filed a tax return for the period covered by the calendar year 1965, in which he failed to include any statement of income earned or received by him for that reporting period, after refusal to answer questions proposed by representatives of the Internal Revenue Service and then they go on to state that I was found guilty of contempt, found in contempt rather, by Judge Miles Lord. And this case was appealed to the Eighth Circuit; it was remanded back to the United States District Court and Judge Miles Lord found that I did not need to answer any questions propounded by the revenue agents, before the Internal Revenue Service, on the ground it



might tend to incriminate me, that was his findings.

Now, also, the return I filed, I have a copy of an amended return, which is basically the same type of a return I filed in 1965, only it is an amended return that I have mailed to the Internal Revenue Service recently.

I have been threatened recently by a criminal prosecution, indirectly, by a letter from the district director of Internal Revenue and it came out of the -- the envelope came out of the Special Intelligence Agents Office.

Now, previous to this and on or about October 1 of 1968, I was representing a one Carl Anderson in the United States District Court and there were a number of papers that had been filed that had not shown up in the court's file and there were a number of papers that had been filed that did not appear to be included in the court's docket. And I was going around the United States District Court one day checking the court's docket and the United States District Court keeps two dockets, one in the file folder and one in the clerk's office, and I was checking the file and I discovered that Judge Miles Lord kept two files or kept a personal file on the case, along with the court's file. And that he had ordered the clerk not to deposit papers, certain papers, in the court's file; but to give them to him. And some of these papers weren't showing

up on the clerk's docket nor in the clerk's file as I recall.

Now, my client, Carl Anderson, was with me that day. The case was supposed to go out for trial a few days after that. And this was a routine check on my part, as in every criminal case I have been involved in, in every state that I have been involved in; I have routinely checked the clerk's file against my file, to see that all of the papers are filed.

Well, George Ramier came over and followed me around the courthouse and was threatening me with disciplinary proceedings and followed me down into the basement and he sat down with my client and myself and we were talking. And he advised my client in words, substantially to this effect, this is a political prosecution, you never know what is going to happen and you are better off to cop out to a plea of guilty.

I don't know if he knew anything about the case or not; but if he did, he shouldn't have known anything about it; because it was none of his business.

But, anyway at the same time, he threatened or gave me the Miranda warning and warned me that any evidence or anything that I said could be used against me.

Now, in view of my past experience with the Internal Revenue Service and with certain government agents, I have



reason to believe that the man is a C.I.A. agent and so, therefore, -- I am talking about George Ramier -- I have a copy of the tax return that I have filed with the Internal Revenue Service.

Now, I don't think that it is safe for me to testify in view of the allegations in the petition here. I think this may be just a fishing expedition on behalf of the Internal Revenue Service into my personal affairs and I don't think it is safe for me to testify as to my personal affairs.

At least that is my opinion at this time and I am going to take the Fifth Amendment if I am called to testify on anything beyond my name and address. And I have the return or a copy of the return that I have filed here.

MR. DAVIS: Your Honor, I think the Rules are fairly clear that, except as stated in the Rules, these proceedings are to be conducted under the provisions of the Rules of Civil Procedure for the district courts of Minnesota.

I assume that if Mr. Daly has an appropriate Fifth Amendment objection, he will make it and the Court will rule on it. I still will intend, however, Mr. Daly, to call you and make certain inquiries to you.

MR. DALY: Well, I just wanted to

explain my position at the outset.

THE COURT: We haven't reached that portion; you are talking about allegation seven of the petition. I don't follow your reasoning; I think what I will do is just permit you to proceed.

MR. DAVIS: Are you ready to proceed, Mr. Daly?

MR. DALY: Yes. I expected I would be called as the first witness; but I wanted to state my position in this matter.

MR. DAVIS: We would like to call Mr. Daly for cross-examination under the rules.

JEROME DALY

BEING FIRST DULY SWORN, TESTIFIED  
AS FOLLOWS ON HIS OWN BEHALF  
ON:

CROSS-EXAMINATION

BY MR. DAVIS:

- Q Will you state your full name please.  
A Jerome Daly, D-a-l-y.  
Q And your address, Mr. Daly?  
A My home address is Rosemount, Minnesota.  
Q How old a man are you, Sir?



A. Forty-three.

Q. Birth date?

A. 7-11-26.

Q. Are you married or single?

A. I am single.

Q. What is your business or occupation?

A. I have a farm that I run and I am also a lawyer.

Q. Are you licensed to practice by the state of Minnesota?

A. Well, I don't know; that is an open question.

Q. Have you ever been licensed to practice by the state of Minnesota?

A. I was.

Q. And when did you first secure that license?

A. May 14, 1953, if I remember correctly.

Q. Of what college or university are you a graduate?

A. Saint Paul College of Law.

Q. And prior to your law school work, what college or university did you attend?

A. I attended St. Thomas College in Saint Paul.

Q. Did you secure a degree from St. Thomas?

A. No, Sir.

Q. You took the examination for applicants for admission to the bar for the state of Minnesota?

A. I did.

Q. And were admitted by the Supreme Court of this state

to practice, is that correct?

A. That is right.

Q. Where did you first begin your practice?

A. Saint Paul.

Q. And do you recall the office address or association, which you had at that time?

A. It was in the New York Building; I was associated with several lawyers up there at the time.

Q. Their names?

A. Well, Dan Cody and Gilbert Schlegal and George Waldrup.

Q. For how long a period of time did you continue to practice with those associates?

A. I think it was until 1962; the fall of '62, I think.

Q. Where did you then go to continue your practice?

A. Savage, Minnesota.

Q. Have you practiced in Savage, Minnesota, since that time?

A. Among other places.

Q. What other places have you practiced law?

A. Well, I haven't maintained an office any other place.

Q. Your office has been at Savage, Minnesota, since 1962, is that correct?

A. That is right, yes.

Q. Is this an individual office or do you have partners or associates?



A I associated with my brother when he got out of school; I helped him get out there.

Q What is his name?

A Robert Daly. And I associated with him very briefly; I think maybe four or five months and then he moved his office up to Burnsville.

Q Have you practiced as an individual practitioner since then?

A That is right.

Q Mr. Daly, is it true that you appeared before the Supreme Court of this state and that the Supreme Court entered an order filed September 5, 1969, with respect to your privilege to practice law?

A Well, that isn't completely true. May I explain?

Q You may.

A I and a justice of the peace were ordered to appear up there to show cause why we shouldn't be held in a contempt and it appeared to me to be a civil contempt proceeding on the 22nd, I think of August. And this was with reference to an alleged violation of an order of the Supreme Court, which I thought they meant a lawful order.

And I appeared on the 22nd, I think it was the 22nd of August. And after that time, the so-called Writ of Prohibition proceedings were dismissed and they started this proceeding

here and suspended me without charges, without notice and without hearing, with reference to the purpose of the proceeding and the order was entered.

(WHEREUPON, Petitioner's Exhibit One was duly marked for purposes of identification.)

Q Showing you what has been marked as Petitioner's Exhibit One, do you recognize that document?

A May I have a second.

Q Surely.

A Yes, it appears to be the opinion; it appears to be a copy of a document that I got in the mail.

Q And does it appear to be an opinion of the Supreme Court of the State of Minnesota in reference to you, regarding the proceedings which you have described?

A That is right.

MR. DAVIS: We offer in evidence, Petitioner's Exhibit One, Your Honor.

THE COURT: Is there any objection?

MR. DALY: Not as to foundation, Your Honor.

THE COURT: Then it will be received.

Q Mr. Daly, the matter out of which the opinion of the Supreme Court arose, which has been received as Petitioner's Exhibit One, involved a representation or a claim on your part that the federal monetary system currently in use there, the



Federal Reserve System is unconstitutional, is that correct?

A Well, it is correct in part. In other words--

Q I don't want to put words in your mouth about what your contentions were, Mr. Daly. So, if you will explain them for the Court, we will proceed from there.

A Well, I would be glad to. It has been my position for quite some time that the Federal Reserve System, which is privately owned, and that would be the Federal Reserve Act and the National Banking Act, are unconstitutional.

And the basis for this unconstitutionality in the main is that these banks, in combination with each other -- in other words, it is my position that their activities; that is the national banks and the Federal Reserve Banks, together with the state banks; some of which are a part of the Federal Reserve System and some of which are not a part of it -- that their activities are so interlocking and that there is a domination and control of the Federal Reserve System and the Board of Governors of the Federal Reserve System, which is not under the domination and control of the government of the United States and the Federal Reserve System is privately owned.

It has been my contention for quite some time that this constitutes an unconstitutional usurpation of governmental powers by the Federal Reserve System to the detriment of the people of the United States.

Now, for instance, I have a book called, The Federal

Reserve System and its Purposes and Functions. I have it laying there on the table.

This is a book put out by the Board of Governors of the Federal Reserve System. And in the book, they admit they are privately owned and that the member banks own all of the stock and the controlling interest in the Federal Reserve Banks. They admit that they create money on their own books by book-keeping entry.

Take a Federal Reserve Bank for an example, this is what they do: They acquire United States bonds and United States securities from the United States Treasury. These are ordinary bonds that the Treasury would give in exchange for money that is to be loaned to the Treasury.

Now, they attempt to acquire this bond by this process and it is basically about this simple: They put their name on the bond; it is a million dollar bond; the Federal Reserve Bank of New York will put its name on the bond and walk over to the books of that bank and they create the money and credit on the books of that bank by bookkeeping entry. That is the first time that that credit comes into existence is when they create it.

They can get by with this, because as a practical matter, the credit never leaves the books of some bank; that is somewhere between ninety-five and ninety-nine per cent of the money or credit, whatever you want to call it, just goes from the



books of one bank to another one.

And if any one bank happens to be overdrawn at any one time, well, their credit is replenished by the Federal Reserve Bank. In other words, this exists on paper only. And it is a creation of credit and there is no consideration behind it.

Now then, you take the Federal Reserve notes, since June of '63, there has been no backing behind the Federal Reserve note; that is they put the one dollar note into existence at that time and they took the silver certificates out of circulation. And I think for awhile after that, they were redeeming Federal Reserve notes in silver coin; but they haven't redeemed a Federal Reserve note in gold coin since 1933.

Now, they actually get the notes, the Federal Reserve notes, that is the paper money, for the cost of the printing. On the old notes, it used to say, this note is a legal tender for all debts, public and private, and is redeemable in lawful money at the United States Treasury or any Federal Reserve Bank.

Now, there are several United States Supreme Court cases that hold that money and the dollar means gold and silver coin. And I have them in my papers and I can quote to the Court and I will, when I get a hold of them.

But, in any event, this practice has been going on since, as near as I can determine, since at least 1200 B.C.; that is of these banks creating credit on their books. And I say there

is no consideration, no valid consideration paid for the bond, when they do that.

Now, they get these notes for the cost of the printing and it says the note is redeemable in lawful money of the United States Treasury. In effect, what Congress did, they tossed the Federal Reserve Banks and the Board of Governors for the Federal Reserve Banks -- and in effect, they have tossed them a blank checkbook; write all of the notes on the United States Treasury you want.

And I say that that is unconstitutional for this reason: Article One, Section Nine states "No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time."

I notice in the Act of March 14, 1900, Congressional Act, they appropriated a hundred and fifty million dollars in gold and silver coin to pay the United States notes that were in circulation. So, there was an appropriation to pay off these notes. But, there is no appropriation, that I know of, to pay off Federal Reserve notes.

Now, I would like to expand on this just a little bit further: Article One, Section Ten, states that no state shall make any Thing but gold and silver Coin a Tender in Payment of Debts.

Now, in that prohibition against the states, the word



thing is capitalized, making it a proper noun or giving it a vivid personification and the words gold and silver are not capitalized; the word coin is capitalized and in the singular; thing is in the singular and tender is in the singular and that is capitalized; payment is capitalized and debts is capitalized.

Now, if you read it literally, it says that no state shall make any thing that is or any thing that will be legal tender, but gold and silver coin. It doesn't say gold or silver or gold and/or silver; it says gold and silver coin a tender in payment of debts.

Now, I noticed the first coinage act was passed by Congress on April 2, 1792, and in that act, it provided for the coinage of both. Well, it provided for the coinage of gold; they called them eagles, which shall be equal to ten units. Now, this is in One Session Laws, Chapter 16 of Second Congress. The gold eagle, that is a ten dollar piece, contained 270 grains of standard gold, was made of an alloy containing one-twelfth of the content of the coin, was an alloy of copper and silver and not more than one-half of the alloy could be silver.

So, at first, Congress passed a law requiring that the gold coins contain both gold and silver. So, there was a compliance against the states to make only gold and silver coinage.

They passed a law making or coining a silver dollar, 416 grains of silver, that is standard silver, which was equal to the Spanish milled silver dollar in circulation at

the time.

Now, in 1837, that coinage act reduced the content, now that is the 24th Congress, Section One, Chapter 13, 1837, reduced the content of the gold dollar to 258 grains of standard gold and left the alloy of copper and silver. In 1873, which was known as the crime of '73, they passed a law allowing the mint to make gold coins without silver in them. I say that that act was unconstitutional, insofar as it attempted to authorize them to make a coin that didn't contain both gold and silver.

Now, this is my point: I say that Section Ten says no state shall make any Thing but gold and silver Coin a Tender in Payment of Debts; it goes on, no state shall grant any title of nobility.

Now, the state of Minnesota can't make -- and I wouldn't take it if they could -- the state of Minnesota can't make me king of Minnesota or grant a title of nobility. Congress can't authorize the state of Minnesota to make me king of Minnesota by Congressional Act. I say that Congress can't authorize the state of Minnesota, by Congressional Act, to make any Thing but gold and silver Coin a Tender in Payment of Debts. In other words, Congress can't authorize the state to violate this provision.

So, if a sheriff is going to accept money in satisfaction of a judgment, in tender to the clerk of a court, and have the



clerk enter the judgment satisfied on the record; that sheriff and the clerk can't make any thing but gold and silver coin a tender in payment of debts.

Now, here is my point: I say the Constitution of the United States should be administered as written and the same way with the Constitution of Minnesota. I am of the opinion that this is probably, under modern days and modern conditions and volume of business, probably not practical; but here is my point: I say that the Constitution should be followed as written or with modern communications, they can propose an amendment and have Congress submit it to the state legislatures and amend it in the manner that is provided. And with television and rapid communications, there is no excuse why the United States Constitution shouldn't be followed as written.

Now, also in Article One, Section Eight, Congress shall have the power to declare war. They have had an undeclared war going on for ten years and they don't want to win. And it is for business purposes. Now, I say if the President is going to have the right to declare war, let them amend the Constitution that way, that is--

Q Getting back--

A That basically has been my contention. Now, to answer your question, this contempt proceeding seemed out of my position, that is right.

Q All right, Sir, and that position is a position which

you have taken in several proceedings over a fairly long number of years, is that correct?

A Ever since November 7, 1963.

Q Did you represent a W. Frank Horne, Leo Zurn and others in a case, Horne versus the Federal Reserve Bank of Minneapolis, in 1964?

A Well, I represented them some time before. Well, let me back up a little bit, if I may. I represented these people as tax payers in a lawsuit that was started there; but there was a nation-wide group that actually I was representing. This was just a test case; but they were the litigants.

Q They were the people associated in this lawsuit as your clients, is that correct?

A That is right.

THE COURT: What were their names?

MR. DALY: Frank Horne, H-o-r-n-e;

Leo Zurn, Z-u-r-n.

Q Joan Van Poperin, is that correct?

A That is right.

Q William McNeely and P. A. Del Valle, I think that is?

A That is right.

Q And that matter occurred in the United States District Court in the District of Minnesota, in the Third Division, is that right?

A In Saint Paul.



Q Yes.

A That is right.

Q It was heard by Judge Donovan at that time, Judge of the United States District Court?

A Judge Dennis Donovan was the judge that the matter appeared before on a motion for summary judgment by the banks and the government.

Q And there was a motion for summary judgment, which Judge Donovan granted, is that correct?

A I believe that is right; it was a summary judgment entered.

Q On behalf of your clients, you undertook an appeal to the Court of Appeals for the Eighth Circuit, is that correct?

A Well, when the original case was started, John Kennedy was named as a defendant and I believe that I amended the complaint and named Lyndon Johnson as the defendant; but the amended proceeding was appealed to the Eighth Circuit.

Q And that Court of Appeals on April 29th, 1965, filed its opinion, affirming the order of the District Court, is that correct?

A Will you give me the date of that again?

Q April 29th, 1965.

A I thought it was April 11th, but it could be.

Q Mr. Daly, this isn't a particularly good copy of the opinion; but I think it will serve the purpose.

A I will stand corrected on that. This appears to be the date. No, it is not a real good copy; I think I may have a better copy than that.

Q Did you take any appeal from the opinion of the Court of Appeals for the Eighth Circuit?

A You mean to the Supreme Court of the United States?

Q Yes.

A I didn't, no.

Q Did you make any application for a Writ of Certiori?

A No, I didn't.

Q Mr. Daly, did you also represent Alfred M. Joyce in an action in the District Court for the Eighth Judicial District, County of Chippewa, Minnesota?

A I think that Mr. Joyce represented himself; I appeared there of counsel or you are talking about the first case out there?

Q Yes.

A I might explain this. Mr. Joyce is an ex-lawyer and he handled his own proceedings, pro se, and I appeared for him on a number of occasions out there, just as assistance of counsel in the proceedings.

Q Well, did you participate in the proceeding, Alfred M. Joyce versus Northwestern State Bank of Appleton, Minnesota; Oral Nelson and Nina Nelson, husband and wife; Kenneth Kivley and Nettie B. Krebs, as co-executors under the



Will of A. O. Krebs, deceased; Alfred M. Joyce, Jr.; Mary Compton; and A. E. Kief, as Guardian of the Estate of Jeffery Allan Lincoln Compton?

A I believe, I did.

Q Did you participate as the plaintiff, that is for Alfred M. Joyce?

A Well, I want to explain this now. This man was attorney for himself, insofar as he kept control of the proceedings; but I appeared as assistance of counsel for him.

Q May I refresh your recollection; note the Findings of **Fact** and Conclusions of Law and Order for Judgment, the second sentence.

A Well, yes, I see that on there.

Q Does it not say that you tried the case for three days.

A Well, it says I appeared as attorney for plaintiff, that is what the findings say.

Q And you agree that you did?

A Well, I said I participated; there is no question about that; but insofar as having control over the proceedings; here is the only point I wanted to make, the ordinary case that comes into the office, the citizen does not have training in the law and doesn't know how to recognize the theory that a case should be tried on and doesn't know how to draw pleadings; and to that extent, I appeared with Mr. Joyce as assistance of

counsel on the case. So, that is the only point I wanted to make, is that this man also, he kept control of it; whereas ordinarily, in an ordinary case, the lawyer himself has control over the type of an action that is brought.

THE COURT: If on the findings he appears as counsel, who had control of it is irrelevant and immaterial; he said he did appear as counsel.

Q The findings do state: Mr. Jerome Daly appeared as attorney for the plaintiff.

A That is right.

Q And that matter also involved a question of discussion about the monetary system, did it not?

A Yes, I think it did. If I remember right, Mr. Joyce's hired man was working the south 80 that he was negotiating on for sale to the Northwestern State Bank of Appleton. And the Northwestern State Bank of Appleton was going to sell it to the neighbor to the south. And the neighbor to the south came and ran Joyce's hired man off the land that he was working and claimed that he had bought it and Joyce was in the hospital at the time, I think.

And it was Joyce's claim that he hadn't been paid for the land and he never delivered possession of the land and it involved a discussion of the monetary system also, I think.

Q Mr. Joyce claiming he had never been paid anything as legal tender on the notes, which he had given to the bank,



is that correct?

A Well, if I remember right; of course, this is a long time.

Q How long ago was that? This is 1966, August of 1966, at the time of trial?

A Well, if I remember right, he had a contract for cash, sale for cash, and he said that he hadn't been paid for it.

Q But the issues, which you have discussed here, relative to your claim about the monetary system, were also asserted as a defense in that proceeding, were they not?

A In part, yes.

Q That case then went to a judgment of the District Court for the Eighth Judicial District on December 14, 1966, is that correct?

A I couldn't -- if you say it is right, it is possibly right; I couldn't tell you.

THE COURT: I didn't get, Mr. Davis, whether this was in a state court or federal court.

MR. DAVIS: This is the state district court, Your Honor.

THE COURT: In the Eighth Judicial District?

MR. DAVIS: Yes, that is correct, in the County of Chippewa.

MR. DALY: Well, this appears to be the judgment.

Q (By Mr. Davis, continuing) That judgment, assuming this is a correct copy, was entered December 14, 1966?

A Well, if that is what it says; I would have no independent recollection of it.

Q Is it true, Mr. Daly, that the claims concerning the monetary system, which we have been discussing and which you have outlined for the Court, were rejected by the Court in that case?

A I think that is right.

Q Mr. Daly, did you represent William Wildanger, Leo Zurn, Joan Van Poperin, Richard Roe and John Doe, in an action commenced by filing the complaint in the United States District Court for the District of Minnesota in the Fourth Division?

THE COURT: In what year?

MR. DAVIS: March 14, 1966.

A I wonder if I could go back and expound a little bit on the answer. Article Nine, Section 13, states that -- could I expound on the state bank of Appleton deal?

Q Surely.

A Minnesota Constitution on general banking law provisions and restrictions: The Legislature may, by a two-thirds vote, pass a general banking law, with the following



restrictions and requirements: First, the Legislature shall have no power to pass any law sanctioning in any manner, directly or indirectly, the suspension of specie payment by any person, association or corporation issuing bank notes of any description.

And I think it was Mr. Joyce's position at that time that the Northwestern State Bank of Appleton had suspended specie payments in violation of the United States Constitution and Minnesota Constitution. And both contentions were rejected by the Court.

Q Now, I don't know whether I got an answer to my question; whether you undertook to represent William Wildanger, Leo Zurn, Joan Van Poperin, in an action started in the United States District Court for the District of Minnesota, in the Fourth Division, by filing a complaint on March 14, 1966?

A I could have; but like I say, I don't have any independent recollection of these dates.

(WHEREUPON, Petitioner's Exhibit Number Two was duly marked for purposes of identification.)

Q Mr. Daly, showing you what has been marked as Petitioner's Exhibit Number Two, do you recognize that instrument?

A Well, it appears to be the complaint that was filed in the action, together with a memorandum, that is attached to it.

Q Was that complaint and memorandum prepared by you?

A I believe it was, yes.

MR. DAVIS: We offer in evidence  
Petitioner's Exhibit Two.

MR. DALY: I have no objection.

THE COURT: It may be received.

Q Is it true, Mr. Daly, that this action in the United States District Court for the Fourth Division, was also an action in which the question of the monetary system of the United States was challenged?

A That is right.

Q And in this proceeding, the Federal Reserve Bank of Minneapolis; the First National Bank of Minneapolis; Northwestern Bank of Minneapolis; Lyndon B. Johnson, President of the United States of America; Henry H. Fowler, Secretary of the United States Treasury; the United States of America; State of Minnesota; Val Bjornson, Treasurer of Minnesota; were named as defendants, is that correct?

A That is right.

Q Were all of those persons served?

A So far as I know, they were.

Q And they responded in this proceeding?

A Well, now, I am just testifying from my recollection; so far as I know, they did respond. I think there were several motions and I think I made a motion for a three-judge court,



if I remember right, and asked that the matter be certified to the Supreme Court of the United States.

Q This matter was heard by which Judge of the United States District Court?

A Devitt, I think.

Q And what happened so far as the claims of your contest to the monetary system were concerned? Were they supported or overruled?

A Well, I think I can shorten this up a little bit. I met a stone wall in every federal court so far, I have gone into, with this question of the overthrow of the United States Constitution, whether it is on the monetary system or on the draft system.

Q Well, Mr. Daly, in answer to my question; is it not true that your claims contained in Petitioner's Exhibit Two were not accepted as valid claims by the judge, who heard that case?

A Well, he granted a summary judgment.

I might say, with one exception. I got an acquittal in St. Joseph's, Missouri, on a jury, on a counterfitting charge. So, there was one and it wasn't with the help of the judge; I think it was in spite of him.

(WHEREUPON, Petitioner's Exhibit Three was duly marked for purposes of identification.)

Q Showing you what has been marked for identification as

Petitioner's Exhibit Number Three, can you tell the Court what that is please?

A. That is a complaint, Alfred M. Joyce versus Commodity Credit Corporation and others, the Federal Reserve Bank of Kansas City, Missouri; 4 66 Civil 225.

Q. Was that complaint prepared by you?

A. This may have been prepared by Joyce.

Q. It bears your signature?

A. Oh, yes, it does; that is right.

Q. Did you or did you not prepare it?

A. I couldn't say offhand here. Maybe we both prepared it; but it does bear my signature.

MR. DAVIS: We offer in evidence  
Petitioner's Exhibit Three.

MR. DALY: I have no objection.

THE COURT: It will be received.

Q. Is it true, Mr. Daly, that this case; Alfred Joyce versus Commodity Credit Corporation of the United States, the Federal Reserve Bank of Kansas City, Missouri, and others; that the question of the monetary system was again raised in the United States District Court for the District of Minnesota in the Fourth Division?

A. That is right.

Q. And which Judge of the District Court heard that case?

A. Judge Nordbye. He heard it, without advising me that



his son is an officer and director of the First National Bank of Minneapolis and that his other son is a general counsel, I think, for Archer, Daniels, Midland, who has dealings all the time with the Commodity Credit Corporation.

Q This action was commenced on July 11, 1966, is that right?

A That is possible.

Q So that in the years 1963 through 1966, you had processed at least four or five of these proceedings before the various state and federal courts in Minnesota, is that right?

A Well, at least that.

Q All of them with the same result, in which your contentions were rejected by the different courts?

A I believe that I had another client that started one in Wichita, Kansas, yes, and that was thrown out.

Q Is it true that on July 14, 1967, an Order issued by Judges Devitt, Larson, Lord and Nordbye was entered in the Joyce proceeding, which is evidenced by Petitioner's Exhibit Three, restraining the plaintiff from serving any documents on any of the defendants or procuring any other person to serve them for him or in his behalf?

A I don't know.

(WHEREUPON, Petitioner's Exhibit Four was marked for purposes of identification.)

Q Showing you Petitioner's Exhibit Number Four, can you tell the Court what that is?

A Well, it appears to be a certified copy of the civil docket, the United States District Court, on Alfred M. Joyce versus Commodity Credit Corporation.

Q Which is the same case as evidenced by Petitioner's Exhibit Three, is that correct?

A 4 66 Civil 225; I believe that is right. Do you want to offer this in evidence?

MR. DAVIS: Yes.

MR. DALY: I have no objection as to foundation.

THE COURT: It will be received.

Q And calling your attention to the docket, does it refer at the date of July 14th, 1967, to the Order, which I have previously described, signed by four of the judges of the United States District Court?

A Well, it indicates that an order was filed. That is all I can tell you, is what it shows. I think the document speaks for itself.

Q Were you aware of that order?

A I never saw it.

Q Were you advised of it?

A Well, I think -- I can't say. All I think I can tell you is I never saw the order. I knew there was some kind of an



order floating around; but I didn't know what it was.

Q It was never served upon you?

A I had no knowledge of it.

(WHEREUPON, Petitioner's Exhibit Five was duly marked for purposes of identification.)

Q I show you Peittioner's Exhibit Five, do you recognize that document?

A Yes, I do.

Q Will you tell the Court what it is please.

A It is a complaint; 4 66 Civil 399.

Q And what is the nature of that action?

A That is a taxpayers' suit by Leo Zurn and others against the Federal Reserve Bank of Minneapolis and others.

Q Was that document prepared by you?

A Can I see it again? It bears my signature; I assume that it was.

Q And is that another action involving a contest of the monetary system?

A It is.

Q In the United States District Court for the District of Minnesota?

A That is right.

Q Fourth Division?

A That is right.

Q Who handled this case as Judge of the District Court?

A I don't know.

Q Were the contentions made in your complaint, which is Petitioner's Exhibit Five, found to have no foundation?

A Well, that was their decision, yes.

MR. DAVIS: We offer Exhibit Five.

THE COURT: I believe he said there was no objection and it will be received.

MR. DAVIS: You have no objection to Five?

MR. DALY: For whatever it is worth; I have no objection to it.

THE COURT: When was that matter filed or heard?

MR. DAVIS: This bears a filing stamp of November 18, 1966, Your Honor, and is a certified copy of the complaint.

(WHEREUPON, Petitioner's Exhibit Six was duly marked for purposes of identification.)

Q (By Mr. Davis, continuing) Showing you what has been marked as Petitioner's Exhibit Number Six, will you tell the Court what that is please.

A It appears to be an order signed by Judge Nordbye, dated March 16, 1967.

Q In what case?

A Alfred Joyce versus Commodity Credit Corporation.



Q And that is the case that was started by yourself on behalf of Mr. Joyce in the United States District Court for the District of Minnesota, Fourth Division, is that right?

A No, I don't like your language on this. This was started by Mr. Joyce as plaintiff, with me acting as counsel on the case.

MR. DAVIS: We offer in evidence  
Exhibit Number Six, Your Honor.

THE COURT: Is there any objection?

MR. DALY: I have no objection as to  
foundation.

THE COURT: It will be received.

(WHEREUPON, Petitioner's Exhibit Seven  
was marked for purposes of identification.)

Q Showing you what has been marked as Petitioner's Exhibit Number Seven for identification, will you tell the Court what that is.

A That appears to be a complaint, started in the state court, Scott County, as Alfred M. Joyce signed as plaintiff and I signed as the attorney for plaintiff.

Q Did you prepare that document?

A Joyce and I prepared that together.

Q And does it bear your signature?

A It does.

Q As attorney for Mr. Joyce?

A. That is right.

Q. This action was commenced in Scott County, Minnesota, in the state district court, is that correct?

A. That is right.

Q. And was then transferred to the federal district court, Fourth Division?

A. It was unlawfully removed from there.

Q. At any rate, it was removed from Scott County and was further considered in the United States District Court, Fourth Division, is that right?

A. I am not going to consent that it was removed.

Q. Were further proceedings held with reference to this matter in the United States District Court?

A. Yes.

MR. DAVIS: We offer in evidence Petitioner's Exhibit Seven, Your Honor.

MR. DALY: I have no objection with reference to foundation.

THE COURT: It will be received. The date on that, Counsel?

MR. DAVIS: The date, Your Honor, is January 11, 1968.

Q. Now, in this action, which is Alfred M. Joyce versus Northwestern State Bank of Appleton and its directors, listing a number of them; Kenneth Kivley, individually and as



executor of the last will and testament of A. O. Krebs; is this not related to the same subject matter to which the action commenced in Chippewa County, Minnesota, by Mr. Joyce was related?

A Oh, I think it is related back to the first lawsuit I started, when I named John Kennedy in 1963. It mentions an assassination attempt on my life in there.

Q In addition to the Northwestern State Bank of Appleton, you also have named as defendants the First National Bank of Minneapolis; the Northwestern National Bank of Minneapolis; Stockyards National Bank of South Saint Paul and the American National Bank of Saint Paul; Drovers State Bank; First National Bank of Montevideo; the Federal Reserve Banks of Minneapolis; Kansas City, Missouri; Dallas, Texas; St. Louis, Missouri; San Francisco, California; Chicago, Illinois; Atlanta, Georgia; Richmond, Virginia; Philadelphia, Pennsylvania; New York, New York; Boston, Massachusetts; Cleveland Ohio; and the Chase Manhattan National Bank of New York, New York; Bank of America, San Francisco, California; First Bank Stock Corporation of Minneapolis, Minnesota; Northwest Bancorporation of Minneapolis, Minnesota; the Board of Governors of the Federal Reserve System, naming them individually; the defendants in the Chase Manhattan Bank of New York, New York, naming two; Joyce A. Swan; and John Cowles, Minneapolis Star and Tribune; Park National Bank of St. Louis Park and its

Director, Phillip Nevile; Earl McNeil; Patrick Foley, Sidney P. Abrahamson; Oral Nelson, Nina Nelson, (husband and wife); Commodity Credit Corporation of the United States; Richard A. Nordbye; Cargill, Inc.; Gunnar H. Nordbye; National City Bank of Minneapolis; Edward J. Devitt; Lowel W. Andreas; Rodger L. Nordbye; Miles W. Lord; Dwayne O. Andreas; Archer-Daniels-Midland Company; Earl R. Larson; Continental Bank of Chicago, Illinois; Earl Warren; Abe Fortas; Madison National Bank of Washington, D. C. and Carolyn Agger Fortas, Director; American Express Company, Inc. and its director Eugene R. Black; Brown Brothers Harriman Company, a partnership and Robert V. Roosa, a partner thereof; Lyndon B. Johnson; Hubert Humphrey; Henry Fowler; Nicholas Katzenback; Ramsey Clark; Robert Kennedy; French America Banking Corporation and its Directors, Henry Bizot, Chairman of the Board, Banque Nationale de Paris; Rene Bousquet, Deputy General Manager, Banque de l'Indochine; Michel Caplain, Deputy General Manager, Compagnie Financiere de Suez; and a whole bunch of other people, is that right?

A. Well, can I see it again? Well, it is the French America Banking Corporation and its directors. While I am passing, this is a foreign bank here in the United States; they create money in the banks of New York and they are foreigners stealing United States securities.

Michel Legendre, the French Foreign Consul in New York;



the State of Minnesota; every judge on the Eighth Circuit Court of Appeals, including the Clerk of the Eighth Circuit Court of Appeals.

Q And you prepared that summons and complaint with the cooperation of Mr. Joyce? It bears your signature; you had it served on all of those defendants, is that correct?

A Well, I don't know as I had it served on all of them; a lot of them weren't in this state; so, I don't know as I had it served on all of them.

Q Mr. Daly, what acquaintance did you have with Judge Gunnar Nordbye prior to the date upon which this instrument was prepared?

A I don't understand that question.

Q Well, what association or acquaintanceship did you have with Judge Gunnar Nordbye pre-dating the date of this instrument, which was dated on January 11, 1968?

A Well, I knew the man; he was no friend of mine. He was a United States District Judge and I had appeared before him quite a number of times, out in his courtroom.

Q What acquaintanceship did you have with Rodger L. Nordbye, at or prior to the time of January 11, 1968?

A None.

Q What acquaintanceship did you have with Richard A. Nordbye, at or prior to the date January 11, 1968?

A None.

Q What acquaintance did you have with Edward J. Devitt, Miles Lord and Earl Larson, prior to that date?

A What was the date of this again?

Q January 11, 1968.

A Well, I don't know just how to answer that question. You mean, these were federal and public servants and I can't tell you just exactly how to answer that. I mean, I know who they were and where they were and had appeared before them on a number of matters.

Q In your complaint, Mr. Daly, did you make these statements: That Defendants Gunnar H. Nordbye, Edward J. Devitt, Miles W. Lord and Earl R. Larson are all U. S. District Judges for the District of Minnesota. These Judges have entered into a common plan and design and agreement to surpress and defeat Plaintiff's cause of action arising out of the fraudulent theft and taking of his farm and farm income.

Did you make that statement?

A That is Mr. Joyce's complaint; he is the plaintiff in it.

Q You also signed it, did you not, Mr. Daly? Did you write that language?

A I drew it up and I believed it then and I still believe it.

Q Do you have any support for that statement?

A Well, they all joined together to defeat the man's



right to a jury trial.

I want to say something to you here; I have never been able to get this matter to a jury, except on two occasions. One was before a justice of the peace and another one was in a counterfeiting trial at St. Joseph's, Missouri, last August; I believe between the 11th and the 15th of August. And on both occasions, when I got the matter to a jury, the jury decided in my favor.

Q Did you make the following statement--

A So, as far as I am concerned, any statement that I made about any federal judge in there is justified.

Q Well, Mr. Daly, in Petitioner's Exhibit Number Seven, did you make this statement: That Defendant Rodger L. Nordbye is on the Board of Directors and is General Counsel for Defendant Archer Daniels Midland Company, and is the son of Defendant Gunnar H. Nordbye. Another son, Defendant Richard A. Nordbye, is one of the officers of the First National Bank of Minneapolis. That there is an interlocking directorate between Cargill, Inc. and Archer Daniels Midland Company with said Banking system generally.

As an instance of this, Defendants Lowell W. Andreas and Dwayne O. Andreas are each and both on the boards of directors of the National City Bank of Minneapolis and Archer Daniel Midland Company. Defendant National City Bank is a member of the Federal Reserve System. More particularly, Defendants

Nordbye, Lord and Devitt have maintained a constant and persistent assault and trespass upon Plaintiff's life, liberty and property both on and off the bench.

Did you make that statement?

A Who did I say maintained?

Q Defendants, more particularly, Defendants Nordbye, Lord and Devitt have maintained a constant and persistent assault and trespass upon Plaintiff's life, liberty and property both on and off the bench.

A I made it and I believe it is true.

Q Do you have any support for that statement?

A Well, Devitt testified against Joyce in a disbarment hearing, in which I was counsel for Joyce, back in 1964, while Joyce laid in a hospital, on nine days notice, when the statute called for ten. And neither the Supreme Court nor the referee gave Joyce a continuance.

And the referee pinned Devitt down, he said that Joyce was in contempt when he appeared before him; the referee pinned it down and finally about the only thing that Devitt could come up with was the way that he looked at you, that is what was so contemptuous about him.

Q Is that the sole basis upon which you make that statement?

A I don't think so, no.

Q What other basis did you have?



A I thought that when I read over the transcript, I thought that Devitt was in the wrong in his actions as Probate Judge. I thought that he attempted to take it out personally on Joyce.

I thought that the same way with Nordbye. I think he attempted to take it out personally on him. And Lord has made personal remarks about the man.

Q Did you also make the statement in Exhibit Number Seven: Plaintiff has good factual reason to believe, does believe and so states that the State, National and International Bankers played a major part in the murder of President John F. Kennedy and tried to murder Plaintiff's lawyer in July of 1967?

A That is true.

Q What support have you for that statement?

A Well, just a minute.

MR. DAVIS: Perhaps, Your Honor, we should take an afternoon recess at this time.

THE COURT: Yes, we can do that.

MR. DALY: It is all right with me.

MR. DAVIS: You may want to look for some material that you have.

(WHEREUPON, an afternoon recess was duly had at about three-fifteen p.m.)

\* \* \* \* \*

A. Well, now insofar as the first part of your question as to what support do I have for the statement of the assassination of John F. Kennedy; I have obtained all of the books that I could lay my hands on with reference to it, the assassination of John F. Kennedy of both pro and con.

In other words, both from the standpoint there is a conspiracy involved and from the standpoint there is no conspiracy involved. And I have one book, which I was very much impressed with and it was called, the book was entitled Six Seconds in Dallas. And it is by a professor in some one of the eastern colleges that gathered information. And I thought the book was very, very factual and I thought it was very, very objective.

In other words, when I say that; like the books written by Mark Lane and by Harold Weisberg, they appeared to be written from an emotional standpoint. In other words, they appeared to be somewhat mad about the fact that this would happen; but this professor that wrote this one book -- I don't have it; I will get it -- and I thought it was very, very factual and very, very objective. And he got the actual film and got the pictures from it and each frame during the course of the assassination and he had them blown up and sketches made.

And then as the Presidential car was riding down the street; he showed right on the film how the man's head made a



sharp snap forward in one frame and then the next frame. there or two, there was a sharp snap backward and it showed parts of the skull flying back off over the back of the car and it really was very, very -- it demonstrated, beyond any question, there had to be a conspiracy involved, just based upon the physical facts alone.

It showed the picture that had not been published before of a photograph of the window that Oswald was supposed to have shot out of and the next window over, of a silhouette of a person standing there in the window. Well, now, I came to the conclusion, based upon that evidence, that there had to be a conspiracy.

Now, you take one step further back, I mean there would have to be a very, very strong influence, nationally and internationally, that would be strong enough and powerful enough to cover this thing up or whitewash it. And it would have to be an influence that was very powerful to get Warren to go off the Supreme Court of the United States and leave his functions as a judicial capacity and conduct an investigation like an ordinary police officer would. And go down and sit in a jail cell in Texas with Ruby. And then to be able to secret the X-rays and physical evidence of the autopsy and say that it couldn't be opened up or disclosed to the public for seventy-five years.

So, in other words, it appeared to me that the F.B.I., the C.I.A. and the Secret Service and the whole higher echelon

of the government of the United States was involved in convering it up.

Now, we will go back to this lawsuit that I started on behalf of these taxpayers on November 7th of 1963; that was the day that the papers were filed in the clerk's office, United States District Clerk's Office in Minneapolis.

John Kennedy was named as a defendant; Robert Kennedy was named-- no, he was not named, but he was the Attorney General of the United States. And the Federal Reserve Bank of Minneapolis was named; the First National Bank of Saint Paul was named; the Secretary of the Treasury, Douglas Dillon, was named as a defendant.

Now, I believe the papers were filed on a Wednesday. Now, on December 7th -- or not on December 7th -- but on November 7th of 1963; on November 9th, I noticed that Kennedy went to New York; he had a downtown apartment there in New York and the picture appeared in the paper and he was talking to somebody and he appeared to be under a great strain of some kind.

The papers hadn't been served by this time; they were served between the 12th of November of 1963, and the 15th of November of 1963. And it was either on November 15 or 16, the same day that Bobby Kennedy was the Attorney General of the United States, and the same day that he and Douglas Dillon were served; he and Jack made a hurried trip to New York.



And they were so excited that evening, on the way downtown from the airport, they didn't stop to throw a quarter into the toll gate. And on the way back out, in their excitement, they didn't stop at the toll gate to put the quarter in. And the newspaper accounts carried that; they left New York owing the City of New York fifty cents.

Then on November 12th of 1963, he got shot. And I suspected that this group of bankers were behind it.

Now, you understand the United States had to take a position in this lawsuit; this was a suit in the nature of a taxpayers suit to set aside all of the bonds that the banks held, on the grounds that the United States bonds -- on the grounds that they created the money on their own books, by which they acquired them; they paid no lawful consideration for them and that they were void on failure of a consideration at common law of part and aside from any constitutional considerations.

And on page seventy-five of the book, the Federal Reserve System, its Purposes and Functions, they admit that. They say the commercial banks can create, banks as a whole can create, money only if additional reserves are made available to them. The Federal Reserve System is the only instrumentality endowed by law with discretionary power to create or extinguish the money that serves as bank reserves or as the public's pocket cash.

Thus, the ultimate capability for expanding or reducing it, rests with the Federal Reserve. So, the government had to take a position; the government had to be on the side of the people and say that the bonds are void and this amounts to substantially the whole national debt or they had to be on the side of the banks and say that the bonds are good.

So, I was of the opinion at that time that they didn't trust John Kennedy and so they planned this assassination at Dallas, Texas, and carried it out and I am still of that opinion.

Now, on January 27, 1964, the matter was argued in the United States District Court in Saint Paul before Judge Dennis Donovan. And I have a transcript; I have the original copy of the transcript; but in the record that went to St. Louis, I have a copy of the argument made by Mr. Abramson to the United States District Court. And he said this:

The Court asked him; now, which defendant are you making this motion for?

Mr. Abramson: I am making this motion, Your Honor, on behalf of the United States, on behalf of the President of the United States, Lyndon Johnson, Douglas Dillon, the Secretary of the Treasury, and also the Federal Reserve Bank.

And I said: Well, I am going to object to him making any motions on behalf of the President of the United States unless he is going to consent to answer for him. He hasn't



been served yet.

And the Court said: Objection overruled. You may proceed.

Then, Mr. Abramson said: Your Honor, I think the one graphic illustration of the effect of the system, which counsel seeks here to attack, is an incident of perhaps some insignificance in relation to the totality of the operation of the Government, but an incident which occurred, as the Court will recall, last November, 1963, specifically on the 22nd of November, the day that -- as a matter of fact, I believe I was in court before this Court when the news first came of the President having been shot in Dallas. Shortly thereafter, as a matter of fact, as I am advised, within 15 or 20 minutes after the first news releases of this tragic occurrence in Dallas took place, the Federal Reserve Bank of the State of New York, or the New York district, was in the market, in the world market, purchasing currency on behalf of the United States to stabilize in the eyes of the world the currency of America and thereby, we believe, would have averted what could have been a very tragic disaster financially as well as to the citizens of the United States and to the citizens of the world-- even more tragic than it was.

This, I think, is an example of the system which counsel seeks here to attack, and I think that it is an incident, or a history with an incident, that the Court must consider

in determining the validity of both counsel's action and the merits of the motion that the Government brings here this morning. That would be all that I have to say, Your Honor.

Well, now, when he was making this statement, his actions, his attitude and manner and demeanor; he was very excited. And the significant part of this statement is this: I think the one graphic illustration of the effect of the System, which counsel seeks here to attack, is the assassination on the 22nd.

So, in other words, the assassination is the effect of my attack on the system; he says that he was in court before Judge Donovan at the time the first news releases. As far as I was concerned, he was giving an alibi for his own presence and then he says; shortly thereafter, as a matter of fact, as I am advised, within 15 or 20 minutes after the first news releases of this tragic occurrence in Dallas took place, the Federal Reserve Bank of the State of New York, or the New York district, was in the market, in the world market, purchasing currency.

They would have had to have, as far as I am concerned, knowledge that this was going to happen; otherwise, they couldn't have called a meeting and gotten to the world market that quick. So that, in that Federal Reserve Bank, they had preconceived knowledge, together with what I observed and previous to that; I think that they figured they didn't need a lawyer to win the lawsuit, they needed an assassination.



And they wanted to make an example out of Kennedy or anybody else they felt might want to move in their favor.

Q You said: And tried to murder Plaintiff's lawyer in July of 1967; will you tell us about that?

A Yes. Now, after that I represented Dave Kroman, after he was severed from a mail fraud trial in Bismarck, North Dakota, and Kroman claimed he knew something about the assassination of Kennedy and had factual knowledge on it. And that during the trial, he was going to expose this.

He was attached on the way up there. And I saw the transcript of the proceeding that took place in Judge Devitt's chambers. Kroman was acting as his own attorney up there at the time. Kroman claimed that he was run off the road by two men following him up there and his car was found in the ditch and he was taken to the hospital that morning for treatment and he was back in court by two that afternoon.

Kroman claimed, in the presence of Judge Devitt, that he knew or had facts with reference to the Kennedy assassination and an attempt had been made on his life. And that there was a conspiracy behind the killing of John Kennedy, that he had information on.

Judge Devitt sat there and Foley sat there and Abramson was there. Now, as far as I am concerned, a government official, a United States official and United States District Judge, two men from the United States Attorney's Office;

there is somebody there that says they have information with reference to the conspiracy on the killing of John Kennedy; if they were loyal to the United States, the first question they would ask: What is the basis of your statement and what facts have you got? They did not ask him anything about any information that he had.

Judge Devitt ordered him, severed him from the trial, and ordered the Marshall to take him to the United States Medical Center at Springfield, Missouri, for observation. And Kroman was there forty-five days. I, and another lawyer from Kansas City, were instrumental in getting him out of there.

Q What has that to do with an attempt upon your life.

A I thought there was an attempt by Devitt at that time and Foley and Abramson to suppress facts that they should not have suppressed.

Q You made the statement here, Mr. Daly, there was an attempt upon your life.

A All right, I will get to that.

Q We would like to get to that; we have got to move along here.

A So, I was in defending a client in Wichita, Kansas, on an income tax charge. So, I got a little bit mad at the government. I think it was about the time that they were, N.B.C. or some one of the television networks, were running a series to try to show that the Warren Report was okay and



substantiated.

And so, I thought they were prosecuting my client there in Wichita, Kansas, and I still do, on an income tax charge based upon or trying to suppress his right to freedom of speech and freedom of exerting his privileges and immunities secured by the United States Constitution.

So, I stood up in the United States District Court and I said, I accused the government of trying to cover up the Kennedy assassination and prosecute this innocent man, we know just who was in on that assassination and who played a part in it and to what extent. And so the judge was all right that afternoon; but the next morning, he had evidently talked to somebody in the meantime, the next morning that man was out of his head from the time he got on the bench until one-thirty or two o'clock in the afternoon. We didn't get anywhere; he was terrified.

And I got back up here and I related what occurred down there in Kansas City to Kroman and Kroman says, they will have a contract out to have you killed, surer than hell. So, after I got back here, it was sometime in the first part of July, I started watching myself or where I went. And I was careful.

Well, along in around the first of November, I uncovered the fact that there was a contract out on my life, to have me killed; that was the defendant on the other side by the name of Taylor, who had advanced, I think some \$1,850.00 to George

Ellis that owns the Embassy Club there just south of the Minnesota River. And Ellis was trying to get somebody to do the job. And so finally, Ellis gave up on it and gave Taylor back his money. I have signed statements from Ellis and from the guy that was working for him at the time, which I took to the Dakota County Attorney, and which he did nothing about.

So, there was an attempt made on my life; I have other evidence and other information, that I don't care to disclose at this time; but there was an attempt made on my life.

Q You also state in your complaint, which is Petitioner's Exhibit Seven, that Chief Justice Earl Warren, Defendant herein, vacated his judicial responsibility and became and is an accessory after the fact to said murder along with Defendants Lyndon B. Johnson, Robert Kennedy, Nicholas Katzenback and Ramsey Clark, who have wilfully aided, abetted and concealed the principals to this crime. At critical and material times herein, Robert Kennedy was Attorney General of the United States and actively fostered, aided and abetted said Bank Conspiracy. Did you make that statement?

A I did and I believe it.

Q You also state there is an interlocking Board of Directorate between the Minneapolis Star and Tribune and the Defendant Banks in Minneapolis. The said Minneapolis Star and Tribune has maliciously, consistently and actively aided and advocated the acts complained of herein by various



newspaper articles and other propaganda, including Libel and Slander of any one in opposition to this treasonous Bank Conspiracy. Did you make that statement?

A. I did and it is true.

Q. Mr. Daly, what probative value have any of those statements concerning the issue that you were intending to try in the case of Joyce versus Northwestern State Bank of Appleton and others?

A. What probative value do they have?

Q. What probative value do they have on the issue of where the constitutionality of the Federal Reserve System is in question.

A. What probative value do those statements have with reference to the constitutionality of the issues that are in question?

Q. That is right.

A. I say that there is a definite element in control of the government of the United States that has already effectively overthrown the Constitution of the United States and I say that they are in control of quite a substantial number of judges on the federal bench and I say that there is an attempt to oppress anyone, who wants to stand up for the Constitution of the United States, and there has been since the joining in the United Nations Charter in 1946. And I say--

Q. Mr. Daly, what effect--

A I will go further than that and say they are in control of the American Bar Association and I say they are in control of the State Bar Association and I think that this whole proceeding against me at this time is just another attempt to try and put me into line.

Q Mr. Daly, I am asking, as one lawyer to another lawyer, a question; whether those elements of your pleading were necessary elements in order to frame the legal question, which you intended to propose; that being the Constitutionality of the Federal Reserve System.

A Well, yes, I thought they were. And I thought they were, yes.

Q Is it possible, Mr. Daly, that the only reason for the inclusion of a number of these defendants, was because of the fact that in previous history of your litigation on this subject, that these people had not agreed with you?

A Well, you understand that the mere fact that somebody doesn't agree with me does not necessarily mean that or have any bearing on it one way or the other. They were included in there, because I thought that there was just grounds for including them in there.

Now, let's just take an example: That massacre at Mylai, where they massacred all of those innocent people. A one-and-a-half year old kid can't be a Viet Cong and a seventy-two year old man that can't hardly walk can't be a Viet Cong.



You see what they have done; they have destroyed and downgraded the government of the United States. They have in the eyes of the whole world; the government of the United States is the laughing stock of the world today, just because and it all gets back to this money question. The control of money and money manipulation is the common denominator of all subversive activity.

Now, you ask me if I thought that it was necessary to include them as defendants. I did. You ask me if I included them as defendants, because they didn't agree with me, I don't think that. No, I included them as a defendant, because of their wrongful acts.

Q And that they were necessary parties to this proceeding, is that correct?

A Well, not only necessary; there is a lot more that should have been named.

MR. DALY: I have no objection to it if it hasn't been received.

MR. DAVIS: I believe it is, Your Honor.

THE COURT: It is.

Q After the time that proceeding relative to that case, the Joyce case, as represented by Exhibit Number Seven, was transferred; whereas you suggest rightfully or wrongfully; to the United States District Court of the District of Minnesota, was a Judge Roy L. Stephenson brought here from the United States

District Court, Southern District of Iowa, to hear further proceedings?

A. He was appointed by Mr. Joyce's adversaries, yes.

Q. And he did come to Minneapolis from his usual court in Iowa to hear proceedings in this matter?

A. I think he came out of the same town that the people who live there, that own the Minneapolis Star; I think it is Mason City, Iowa.

Q. Did he enter an order concerning your or Mr. Joyce's continuation of actions attempting to declare the monetary system of the government unconstitutional?

A. Well, he signed an order; I don't know whether it was entered or what. I see you have a copy of it there.

(WHEREUPON, Petitioner's Exhibit Eight was duly marked for purposes of identification.)

Q. Showing you what has been marked for identification as Petitioner's Exhibit Eight, will you tell the Court what that is.

A. It appears to be an order entered in the action of Alfred M. Joyce versus Northwestern State Bank of Appleton, et al.

Q. Was it signed by Judge Stephenson?

A. It appears to be a certified copy of an order signed by him.

MR. DALY: I have no objection to the



foundation.

Q Did you receive a copy of it?

A Well, I have seen a copy of it. Are you asking me was one served upon me?

Q Was one served upon you?

A I don't know that; I can't remember exactly.

Q You are aware of the existence of that order, however?

A Right.

Q And have been since the date of its entry?

A Oh, I wouldn't say the day of its entry; after it was entered, I was aware of the fact that it was entered.

Q You are acquainted with the contents of the order?

A Well, it said -- I think I read it over at the time --

Q It said: It is therefore, on this 20th day of June, 1968,

Ordered, adjudged and decreed that the preliminary injunction heretofore granted and issued orally by this Court herein on the 3rd day of May, 1968, and affirmed in memorandum and order of the Court dated June 17, 1968, be and the same hereby is made perpetual and permanent and that the plaintiff Alfred M. Joyce and his attorney, Jerome Daly, are permanently enjoined and restrained from continuing, commencing or prosecuting any suit, action or proceeding, either in this Court or in any court, state or federal, upon any claim arising out of any claimed transaction between the parties hereto at

and prior to the date of this Order, or any claims regarding unlawful creation of money and credit, or an attempt to relitigate the same cause of action, and matters previously determined in respect to the same subject matter, or based upon any right, question or fact previously decided by this Court on March 16, 1967, and by the decision of the State District Court, Eighth Judicial District, at Montevideo, Minnesota, decided on March 14, 1966.

Dated this 20th day of June, 1968.

A Yes, I looked it over at the time.

MR. DAVIS: We offer Exhibit Eight in evidence, Your Honor.

MR. DALY: I have no objection.

THE COURT: It will be received.

Q Was this matter appealed to the United States Court of Appeals for the Eighth Circuit?

A As far as I know, it wasn't; I don't know.

(WHEREUPON, Petitioner's Exhibit Nine was duly marked for purposes of identification.)

Q Showing you what has been marked for identification as Petitioner's Exhibit Nine, do you recognize that?

A I do or I don't know if I do or not, to be honest with you. It appears to be a dismissal of the appeal, that Mr. Joyce is appellant, for his Commodity Credit Corporation case.

MR. DAVIS: We offer in evidence



Exhibit Number Nine, Your Honor.

MR. DALY: I notice it is not certified; but for whatever it is worth, I have no objection.

THE COURT: It will be received.

(WHEREUPON, Petitioner's Exhibit Ten was duly marked for purposes of identification.)

Q I show you Petitioner's Exhibit Number Ten and ask you if that is an order terminating that proceeding?

A Well, it appears to be.

MR. DALY: I have no objection to the foundation.

MR. DAVIS: I offer in evidence Exhibit Ten, Your Honor.

THE COURT: It will be received.

MR. DALY: I would just like to call the Court's attention also, the motion for a three-judge court was denied. And I made a motion for a three-judge court and it was certified to the United States Supreme Court for decision and it was all denied.

THE COURT: It is in the order?

MR. DALY: Right.

(WHEREUPON, Petitioner's Exhibit 11 was duly marked for purposes of identification.)

Q (By Mr. Davis, continuing) Showing you what has been marked for identification purposes as Petitioner's Exhibit 11,

will you tell the Court what that is please.

A. You have one on here that is upside down; it is all right, we can take care of it later. It appears to be an action started in the Hennepin County District Court and removed to the United States District Court by Stanley Green, then the United States Attorney or Assistant United States Attorney; by Bernard Koll and signed by Bernard Koll and signed by myself as his attorney at the time.

Q. Is this an action commenced by you in Hennepin County District Court?

A. Commenced by Mr. Koll.

Q. Through your assistance as his counsel?

A. That is right.

Q. Did you prepare Petitioner's Exhibit 11?

A. At his direction.

Q. Is the language his or is the language yours, Mr. Daly?

A. The language is his. Can I see it once? The language is in part his; paragraphs four and five are his. Generally, the language is mine though.

MR. DAVIS: We offer in evidence  
Petitioner's Exhibit 11.

MR. DALY: I have no objection.

THE COURT: It will be received.

MR. DAVIS: It was dated 26 April, 1967,



Your Honor.

Q Showing you Petitioner's Exhibit Seven and Petitioner's Exhibit Eleven at the same time, is it true that some of the language, not all of it, but the first two or three or four paragraphs in those two exhibits are identical?

A Oh, some of it is identical, that is right.

Q And that action, the Koll proceeding, raises the same issues as has been discussed here?

A Oh, not exactly. As I remember, Koll was unlawfully imprisoned, without a complaint or without a warrant or without a hearing, in the Minneapolis Workhouse for forty-five days. And while he was in there, the bank tried to foreclose a mortgage on him. And I think the bank had been misappropriating his funds, according to Koll. And I think that is more in the nature of a civil rights suit than anything, with Bernard E. Koll.

Q But the issue of the Federal Monetary System was a portion of the discussion in this proceeding, was it not?

A That is right.

Q That matter was appealed to the United States Court of Appeals, was it not?

A It was appealed to the Eighth Circuit.

Q The Eighth Circuit, yes.

A Yes.

(WHEREUPON, Petitioner's Exhibit 12

was duly marked for purposes of identification.)

Q Showing you what has been marked for identification purposes as Petitioner's Exhibit Number 12, do you recognize that?

A Well, it appears to be a copy of the decision entered on July 5, 1968; but with underlining in it. It was apparently written by Circuit Judge Donald Lay and it was heard before Pat Mehaffy and Floyd Gibson, circuit judges.

Q That was the hearing of the appeal from the previous exhibit, is that correct?

A It is an attempted decision of the matter. Mehaffy was on the Board of Directors of the First National Bank of Little Rock, Arkansas, and Gibson is on the Board of Directors, I think it is Farmers and Merchants National Bank of Kansas City, and I found out this summer, in August, that he owns the bank.

So, it was a trial, once again, before my adversary.

MR. DAVIS: We offer in evidence Exhibit Number 12.

MR. DALY: I have no objection.

THE COURT: The exhibit may be received.

MR. DAVIS: We invite the Court's attention to the underlined language of Exhibit 12. How long does the Court wish to continue? I am at a point where I could stop. I am willing to go as long as



you want.

THE COURT: Well, that was something I was going to discuss with both of you.

(WHEREUPON, a discussion was had between the Court and counsel off the record.)

THE COURT: We will recess this afternoon, until nine-thirty tomorrow morning.

(WHEREUPON, court adjourned for the day at approximately four-thirty o'clock p.m.)

\* \* \* \* \*

(Tuesday, February 10, 1970  
Approximately 9:30 a.m.)

(WHEREUPON, court was reconvened and the following proceedings were duly had:)

MR. DALY: Do you want me to take the stand?

MR. DAVIS: Yes, would you please.

(WHEREUPON, Petitioner's Exhibit 13 was duly marked for purposes of identification.)

MR. DALY: I wonder, before we start, Your Honor; I mentioned this book, Six Seconds in Dallas, yesterday.

(WHEREUPON, Respondent's Exhibit A was duly marked for purposes of identification.)

MR. DALY: I have it marked as Respondent's Exhibit A and as long as I referred to it, I would like it received in evidence.

MR. DAVIS: No objection.

THE COURT: It will be received.

(Mr. Daly resumed the stand.)

Q (By Mr. Davis, continuing) Mr. Daly, did you have occasion on or about October, 1968, to represent Mr. William E. Drexler? I might state further, that is in an action by the State of Minnesota to recover for penalty and interest on the 1965 and 1966 Minnesota Individual Income Tax?

A I might say this; Mr. Drexler contacted me about it, came down to my office and showed me files and records that he had. And I discussed it with him and I was under the understanding that he wanted me to represent him. So, I filed an answer and I guess he filed one also; but when the matter came up in court, I did not appear with him; he appeared by himself.

Q You did file an answer and counterclaim, is that correct, on his behalf?

A I don't know if it was a counterclaim; but I do know that he discussed the matter with me.

Q Was one of the contentions of that counterclaim that the income tax levied by the State of Minnesota was invalid, because of the unconstitutional monetary system?



A In all likelihood, it was. I have taken that position for some time now.

Q I show you Petitioner's Exhibit Number 13, which purports to be an order and a memorandum; are you familiar with those documents?

A Well, I have seen them, let's put it that way; I have seen them. It is a memorandum by Gerald T. Laurie, Special Assistant Attorney General, Saint Paul, Minnesota, and an order by the Court, indicating that Mr. Drexler appeared pro se.

MR. DALY: If you want them in evidence, I have no objection.

MR. DAVIS: We offer the exhibit, Your Honor.

THE COURT: Exhibit what?

MR. DAVIS: Petitioner's Exhibit 13.

THE COURT: They will be received.

Q Were references made in the memorandum by Mr. Laurie, Special Assistant Attorney General, to the fact that you had been permanently enjoined by Roy L. Stephenson, Chief Judge of the United States District Court, regarding the defense, which you raised here? Was this representation of Mr. Drexler and your answer and counterclaim, after the time of Judge Stephenson's order?

A Yes, it was. And I want to clear that matter up

before we go any further.

Q All right.

A I saw that order of Judge Stephenson and I came to the conclusion that it was in violation of the United States Constitution for several reasons and I had no intentions of giving it any validity and I didn't.

(WHEREUPON, Petitioner's Exhibit 14 was duly marked for purposes of identification.)

Q Was an action brought against you in Justice Court of Scott County, Township of Eagle Creek, by the First National Bank of Montgomery, Mr. Daly?

A I believe it was.

Q And did you appear in that proceeding?

A I believe I appeared on my own behalf.

Q Now, this matter was transferred from Justice Court in the Township of Eagle Creek by your affidavit of prejudice to another justice. And again, it was transferred to a justice by an affidavit of prejudice filed by Mr. Mellby, representing the First National Bank of Montgomery, is that correct?

A I think that I filed an affidavit of prejudice against Justice Mabee, Vern Mabee. It went to Ben Morlock, the Justice there in Savage, and I think Mr. Mellby filed an affidavit of prejudice against him. And then I think it went to Justice Harold Fatz or Faitz, Spring Lake Township.

Now, this is just hearsay, and I think he declined to act.



And then I think it went to a Justice of the Peace in Belle Plaine, who declined to act.

Q And finally wound up in front of Martin V. Mahoney?

A That is correct.

Q In the Township of Credit River?

A That is right.

Q And you interposed an answer and counterclaim before Justice Martin V. Mahoney, did you not?

A I think generally that is true, yes.

Q And as a part of that answer and counterclaim, you alleged a defense that the mortgage, which you had issued, and the notes, which you had signed to the First National Bank of Montgomery, Minnesota, were not enforceable; because no legal tender had been paid to you, is that correct?

A I think that generally that is correct. There was no lawful consideration for the note and the mortgage and the bank agreed with me.

Q And this matter was eventually tried, was it not, to a jury?

A That is right.

Q And the jury made a finding that you were not indebted to the First National Bank of Montgomery, is that correct?

A The jury, as I recall, the jury's finding was they were not entitled -- it was an action to recover the possession

of the property and they were not entitled to recover the possession of the property.

Q Because of the fact there was no consideration for your promise, is that correct?

A Well, because of these facts:

I asked the banker, for the First National Bank of Montgomery, Lawrence V. Morgan--

First, I got that book put out by the Board of Governors of the Federal Reserve System and he said that he recognized it and had read it and considered it as an authority on the operations of the monetary system in the United States. And he read page 75 of that book to the jury. And he testified to about twenty years of experience with Bank of America, the Marquette National Bank and the First National Bank of Montgomery. He testified he was the president of the bank.

I asked him, I said, the consideration that you used for the note that I signed, I said, did you create the money and credit in whole or in part upon your books? And his answer was: We created all of it. And then I asked him, I said, then the first time that the credit came into existence or the money came into existence is when you created it in your books by bookkeeping entry? And he said, that is right.

And then I said: Well, in effect then, you loaned out money that you didn't have. And he said that that is the effect of it. And then I said or I asked: Is there anything



in the United States laws or the United States Statutes that gives you the authority to do this? And he said: Not that I know of; it is just standard banking procedure.

And that is all the questions I asked him and I mean, that was it.

Q Well, let's get back to the initial transaction, Mr. Daly. Is it true that you went to the First National Bank of Montgomery for the purpose of borrowing money?

A That is right.

Q And you did make application to that bank for a loan, did you not?

A That is right.

Q And then did they have you execute a note and a mortgage?

A That is right.

Q What is the amount of the note?

A Fourteen thousand dollars.

Q And they placed a mortgage on certain property, is that correct?

A That is right.

Q And were you acquiring that property at that time?

A I had bought it, that is right.

Q And was the fourteen thousand dollars to be applied or to be paid to the person from whom you were purchasing the property?

A Well, I had made a down payment myself; part of it was, yes.

Q This would represent a part of the balance or the entire balance?

A Yes.

Q And you gave a mortgage on this land, which was recorded, was it not?

A I believe it was.

Q Following the time when you paid over the fourteen thousand dollars, plus the down payment which you had paid, did you enter into possession of the property?

A I did.

Q And did you use the property from that time forward?

A I did.

Q Did you default in payments under the note obligation?

A Well, the payments were a hundred dollars a month and I was in the habit of paying on it anywhere between one hundred and two hundred, five hundred dollars; whatever I happened to have at the time. I think at the time they served the notice of foreclosure, if I remember right, I was \$476.00 behind in the payments.

Q And after that time, you did not redeem from the foreclosure, did you?

A Well, I was going to Kansas before the foreclosure



sale and before I went down there, I called up Larry Morgan, the president of the bank, and I asked him if he wasn't a bit precipitous in foreclosing this mortgage.

And we talked quite awhile about how or what it would take to stop the foreclosure sale. And he agreed to take \$750.00. So, I sent him seven one hundred dollar and a fifty dollar bill, that is Federal Reserve notes. And he took the \$750.00 and applied it against the mortgage and then went ahead with the foreclosure sale any way.

Q And the sale was held?

A Well, the attempted sale was held.

Q This was a foreclosure by advertisement, is that correct?

A That is right.

Q And they held what you claim was an invalid sale; but they held a proceeding, which they called a sale?

A That is right.

Q And a year elapsed from that time and you did not redeem, is that correct?

A That is right.

Q Then this action was brought, which is an unlawful detainer proceeding, to cause your removal from the land?

A To recover the possession.

Q That was the matter that was tried in Justice Court in Credit River?

A That is right.

(WHEREUPON, Petitioner's Exhibit 14  
was duly marked for purposes of identification.)

Q Showing you what has been marked Petitioner's Exhibit  
14, which is a sheaf of documents. Will you inspect those  
documents and tell me whether you have seen them before please.

A Yes, that is a part of the file.

Q In that case?

A That is right.

MR. DAVIS: We offer Petitioner's  
Exhibit 14, Your Honor.

MR. DALY: I have no objection.

THE COURT: It may be received.

Q Now, Mr. Daly, subsequent to the entry of Judge  
Mahoney's order, is it Mahoney or Mahoney?

A Mahoney, I guess is the way they pronounce it.

Q After that time, was there a demand, by Mr. Mellby,  
on behalf of the First National Bank of Montgomery, that the  
matter be referred to the District Court on appeal?

A Well, I think Mellby attempted to perfect an appeal  
to the district court.

Q And Mr. Mellby tendered two Federal Reserve notes,  
is that correct, as the appeal cost?

A Well, I don't know if you can say that is correct



or not. He tendered two paper fiat Federal Reserve notes; but there was no notes; because there was no promise to pay anybody anything on them.

Q At any rate, they were in the form of the usual Federal Reserve note currency, which is in common use in this country, were they not?

A Not the usual; they were in the form of the most recent Federal Reserve notes. The notes themselves didn't even follow the statute; the language on the notes didn't follow the statutes.

Q They were notes, which had been issued by a Federal Reserve Bank, were they not?

A I would assume so.

Q You don't claim that they were counterfeit?

A I do claim that they are counterfeit.

Q By counterfeit, I mean that they had not been issued by a Federal Reserve Bank?

A Let's get something straight; I have claimed all the way along that these things are counterfeit and you define something as counterfeit.

Q I am attempting to identify them as notes, issued in the usual course of procedure, by a Federal Reserve Bank.

A In the usual course of their procedure, yes.

Q Yes. Did you resist the appeal; the transfer of the action?

A Did I resist the appeal? I think I made a motion before Mahoney to disallow the appeal and the bank was given notice of the motion and the bank did not request a continuance and did not show up. And I made a motion, before Mahoney, to disallow the appeal, on the grounds that the appeal statute had not been complied with, in that there was not two dollars in lawful money of the United States deposited with the Clerk of the District Court to be tendered to Justice Mahoney as his appeal fee. The bank didn't show up at this hearing and Justice Mahoney made findings of fact and conclusions of law and an order disallowing the appeal and the bank never took an appeal from that order.

(WHEREUPON, Petitioner's Exhibit 15 was duly marked for purposes of identification.)

Q Mr. Daly, showing you what has been marked as Petitioner's Exhibit 15, will you tell the Court what that is please.

A Well, that is a part, it is some correspondence from myself to Patrick Foley. And it is a judgment and decree entered by Martin V. Mahoney, Justice of the Peace. And it is a notice of refusal to allow appeal, signed by Martin V. Mahoney, Justice of the Peace, and which was mailed to Mr. Mellby.

Now, these are all included in a booklet that I have got there, if you want to put the whole thing in evidence.



Q Did you prepare the letter to Mr. Patrick Foley and enclose these enclosures with your letter?

A I, in all likelihood, did; that is where you got it from.

MR. DAVIS: Yes, Sir. We offer in evidence Petitioner's Exhibit 15.

MR. DALY: I have no objection.

THE COURT: They will be received.

Q Can you identify Patrick Foley?

A Can I identify him if I saw him?

Q No, for the Court; who is he?

A He was the acting United States Attorney at the time.

Q And he was acting as United States Attorney on December 27, 1968, when you sent this letter?

A I believe he was, for the District of Minnesota.

Q Did you, in your letter, make the following statements:

As you are on my mailing list, at your request, attached kindly find two copies of a decision rendered at Credit River Township Justice of the Peace Court on December 9, 1968, by Justice Martin V. Mahoney, who by occupation is a dirt farmer and a carpenter and who is not dependent upon the fraudulent Federal Reserve Mob for his sustenance; thus he was able to view the whole fraud, which is global in scope, with a mind in the settled calmness of impartiality, disinterestedness,

and fairness, in keeping with his oath and with a completely friendly feeling toward the Constitution of the United States of America.

Did you make that statement?

A. I did.

Q. Did you make this statement: One wonders sometimes what the United States, and its leaders, including the Shylock usury element, did to bring on a Pearl Harbor attack on December 7, 1941, with such suddenness and devastation.

Did you make that statement?

A. I did.

(WHEREUPON, Petitioner's Exhibit 16 was duly marked for purposes of identification.)

Q. Mr. Daly, in addition to your activity as a farmer and a lawyer, are you also a newspaper publisher?

A. That is right.

Q. Did you publish a paper called the Daly Eagle on February 7, 1969?

A. Yes, that is right.

Q. Showing you Petitioner's Exhibit 16, is this a copy of your publication?

A. Well, it appears to be. I have copies of it that are much better than this, that I would just as soon get in.

MR. DAVIS: Let's use yours, rather than this one.



(WHEREUPON, Petitioner's Exhibit 16 was duly marked for purposes of identification and the first Petitioner's Exhibit 16 was withdrawn.)

Q Now, showing you Petitioner's Exhibit 16, is that a copy of your publication?

A That is right.

Q That publication contains not only certain quotations from Patrick Henry and certain decisions of the Credit River Judge; but contains general discussion of the Federal Reserve System, citations of other cases, parts of the Constitution of the United States and the State of Minnesota and comments prepared by you, is that correct?

A That is right. By the way, I have no objection if it is received in evidence.

MR. DAVIS: We will offer the exhibit, Your Honor.

MR. DALY: I want to have it received; it contains several United States Supreme Court cases or two at least, Edwards versus Kearzey, decided in 1877, on the question of the obligation of contract between individuals and the prohibition against the state from making or passing any law impairing the obligation of a contract.

It contains decisions from the state court about the binding effect of Constitutional provisions. There are several of the United States Statutes that are set out

in it. There are excerpts from the book. Lightning Over the Treasury Building, showing a history of this bank fraud and the creation of money and credit.

There is Jefferson's opinion on the Constitutionality of the Bank of the United States, 1791, and Andrew Jackson's veto of the Bank Renewal Bill of 1832.

It contains the United States Supreme Court opinion by Chief Justice Marshall, with reference to the prohibition against the state from issuing a bill of credit and it defines a bill of credit.

It also contains copies of pages 75, 76, 77 and 78 of the Federal Reserve System, its Purposes and Functions. And the admission that the Federal Reserve Banks or what they claim to be: The only instrumentality endowed by law to create or extinguish the money that serves as bank reserves or as the public's pocket cash.

It contains the complete Declaration of Independence and part of the Constitution of the United States and it also contains American Jurisprudence on some excerpts on Constitutional Law and the validity of bank notes generally; that is cases on the validity of bank notes generally.

It says, the consent and usage -- talking about bank notes -- This consent and usage is based upon the convertability of such notes into coin, at the pleasure of the holder, upon their presentation to the bank for redemption;



on Page 52.

Q (By Mr. Davis, continuing) Mr. Daly, did you compile the materials contained in that exhibit?

A I did in part.

Q And are the editorial comments contained in that exhibit, editorial comments which you prepared and wrote?

A Let's put it this way; after the evidence at the hearing, that is the hearing that the bank did not show up at, on the validity of the Federal Reserve notes; Justice Mahoney asked me if I wouldn't prepare the decision and then he read it over and toned it down and then I had it reprepared and then he signed it.

Q So, you actually wrote the decision of the Justice of the Peace?

A He asked me to right the findings and the decision for him. He ultimately, it was with his approval and with the changes that he wanted made in it and then he signed it.

Now, the editorial comments in here, pages on the backing cover and the first page, the introduction; the letter to Patrick Foley, which you previously referred to is in here; that I prepared myself and the comments on the outside of the cover, I prepared myself, with the exception of Patrick Henry's advise on the cold war.

THE COURT: It will be received.

Q Mr. Daly, how did you distribute that Exhibit Number 16?

A That was distributed all over the United States through people, who were interested or in sympathy with sound money. I think there was a man from Houston, Texas, who ordered a thousand or two thousand copies of it and he sent a copy to every Congressman and every Senator, I think. And it was distributed -- well, it has been distributed far and wide.

As a matter of fact, two or three weeks ago, I got a letter from the man on Norfolk Island, off of Australia, who wanted a copy. So, it has been circulated world wide.

(WHEREUPON, Petitioner's Exhibit 17 was duly marked for purposes of identification.)

Q Showing you what has been marked as Petitioner's Exhibit 17, do you recognize that?

A Yes, I believe this is a letter that I sent to George Ramier, with a copy of Myers' Finance Review, which is an international review published out of Calgary, Alberta, Canada, and he has world wide distribution, that is his finance letter of June 9, 1969, of June 4, 1969, and of May 27, 1969, which he wrote up the decision and wrote about the issue.

MR. DAVIS: I offer the exhibit.

MR. DALY: I have no objection to its going into evidence.

THE COURT: The total of it is what?

MR. DAVIS: This is a letter from Mr. Daly to George Ramier.



THE COURT: I see, thank you.

MR. DAVIS: Which enclosed a copy of Exhibit Number 16 and other attachments.

THE COURT: All right, it will be received.

(WHEREUPON, Petitioner's Exhibit 18 was duly marked for purposes of identification.)

Q Showing you what has been marked Petitioner's Exhibit 18, do you recognize that, Mr. Daly?

A Is this the ad? Is this from the San Diego, California newspaper?

Q That is my understanding.

A Well, I don't recognize it; but it is an ad that I know was run in one of the San Diego, California, newspapers.

MR. DALY: I have no objection if it goes into evidence.

Q Did you appear at the time designated in that advertisement?

A I did.

Q And discuss the questions covered by the ad?

A Yes, Sir. I believe Mr. A. J. Porth also appeared, the other gentleman.

MR. DAVIS: We offer Petitioner's Exhibit 18.

THE COURT: With no objection, it will

be received.

(WHEREUPON, Petitioner's Exhibit 19 was duly marked for identification.)

MR. DAVIS: I believe, Counsel, that it has been stipulated that Petitioner's Exhibit 19 may be received in evidence, is that correct?

MR. DALY: Yes, this may be received in evidence. And, if Joyce M. Simpson were called; she would testify to what she has in her affidavit on the front.

And the second page is an ad that I caused to be ran three times in the Farmer's Magazine.

Q (By Mr. Davis, continuing) You ordered the ad?

A I did, yes.

Q And you designed the copy for the ad?

A That is right, I did. Minnesota Trial Court decides Federal Reserve Notes and National Bank Mortgage unconstitutional and void. For free information about decision. Jerome Daly, Lawyer, Box 177, Savage, Minnesota.

THE COURT: That was put in what?

MR. DAVIS: The Farmer Magazine.

Q Published by Webb Publishing Company, is that correct?

A Yes. Is it all right if I continue?

Q Surely, go ahead.

A The accusation said I put this out for purposes of



solicitation of business and I have lawyer after my name. I didn't notice I had lawyer after my name, until it had been published. It was too late to stop it until the third time and I did not do it for purposes of solicitation; but for purposes of informing the public of this fraud.

As a matter of fact, at that time I had enough business for fifteen lawyers and I didn't need any more.

MR. DAVIS: The exhibit is offered,  
Your Honor.

THE COURT: It will be received then.

Q Mr. Daly, did you do any other things to publicize the decision of Judge Martin V. Mahoney in Credit River Township in the case which was brought to foreclose the mortgage?

A Well, I might say this, that I have three or four grocery boxes full of letters from people all over the United States asking me how the word could be spread. And I did my dead level best to publicize it far and wide.

And for purposes of educating the public to the end that this situation be corrected, that it operate for the benefit of the people under the management and direction and control of the people, through their duly elected Constitutional officials and not for the purpose of an idle monopoly, whose interests are subversive to the interests of the United States.

Q Did you represent Leo Zurn in an action against the First National Bank of Minneapolis and Roger Derrick, in Justice

Court before Justice Martin V. Mahoney, Justice of the Peace?

A I did.

Q What was the nature of that proceeding?

A That was an action for declaratory judgment that the First National Bank, I believe, had no right, title, or interest in or lien on an automobile that they had obtained or that is their mortgage was obtained by creation of money and credit by bookkeeping entry.

Q In that case, is it true that Leo Zurn executed a note to the First National Bank of Minneapolis?

A I think Derrick did.

Q Derrick did, I am sorry, and Derrick then used the funds so secured to purchase a Cadillac automobile?

A I believe that is right.

Q Leo Zurn then repaired that vehicle and claimed a mechanic's lien?

A That is right.

Q And refused to give over possession of the car upon demand by the First National Bank of Minneapolis, after foreclosure of their mortgage, is that correct?

A No, I don't think he refused to give it to them. He said, number one: they never foreclosed their mortgage and number two, he said: If they would pay him gold and silver coin, he would turn it over to them.

Q And then refused to pay in gold and silver coin?



A That is right.

Q He still has the automobile?

A I think one of the men that worked with him on it has it.

(WHEREUPON, Petitioner's Exhibit 20 was duly marked for identification.)

Q Showing you petitioner's Exhibit Number 20, will you tell the Court what those documents are?

A Well, it appears to be the summons and complaint in the case; the answer of the bank; the reply that I filed for Zurn; and demand for change of venue; motion to dismiss by the bank and an affidavit in support of the demand for change of venue.

Q Was the venue ever changed?

A Yes, it was; it was finally. I think Jan Stuurmans appeared for the First National Bank of Minneapolis before Justice Mahoney. At the time that the case was called for hearing, Stuurmans asked for time to get a Writ of Prohibition out of the Supreme Court. I think Mahoney continued it to give him time for a Writ of Prohibition from the Supreme Court and I think the Supreme Court signed a Writ of Prohibition and I don't remember the exact mechanics or the exact steps; but the venue was finally changed here to Hennepin County.

Q And is that matter still pending?

A Well, the Court signed an order. I mean, you want to

know what happened to it?

Q Yes.

A The Court signed an order, ordering the First National Bank; they had put up a bond for the car or for the replevin bond. The Court had signed an order, ordering Zurn to turn the car over to the First National Bank and Zurn was working with an Indian at the time, who had possession of it; but the matters, as they stand now, the car is on its way back to the First National Bank and it is going to be turned over to them pursuant to the Order of the Court.

MR. DAVIS: We offer Exhibit Number 20, Your Honor, which will have to be put together.

THE COURT: Is there any objection?

MR. DALY: No objection.

THE COURT: It will be received.

Q Mr. Daly, did you commence an action against the Savage State Bank, in the Justice of the Peace Court in Credit River Township?

A I did.

(WHEREUPON, Petitioner's Exhibit 21 was marked for purposes of identification.)

Q Showing you Petitioner's Exhibit 21, will you tell the Court what that is.

A It appears to be a summons and complaint against the Savage State Bank.



Q What is the gravamen of that action?

A A check drawn on the Savage State Bank, payable to myself for a hundred dollars. The Savage State Bank indicated that the check was good and I asked for a hundred dollars in gold and silver coin and they refused to pay off and so I sued them for one hundred dollars and for declaratory judgment, declaring what constitutes legal tender pursuant to law.

Q Do you feel that the Justice of the Peace Court has jurisdiction in declaratory judgment proceedings?

A I am of that opinion, yes.

MR. DAVIS: We offer Petitioner's Exhibit 21.

MR. DALY: I have no objection.

THE COURT: It may be received.

Q Did you likewise commence an action in Justice Court before Justice Martin V. Mahoney, against Eugene T. Kearney, Postmaster, United States Post Office, Savage, Minnesota and the Savage State Bank of Savage, Minnesota.

A I did.

(WHEREUPON, Petitioner's Exhibit 22 was duly marked for purposes of identification.)

Q Showing you Petitioner's Exhibit 22, will you tell the Court what that is please.

A I believe that is a copy of the summons and complaint and a copy of the twenty-five dollar postal money order. I presented it at the window of the Savage State Bank and I asked

for gold and silver coin and the man behind the window said that, all we have here is printing press money, and so I prepared a summons and complaint against Kearney, the Postmaster, also on the Board of Directors of the Savage State Bank.

Q And the bank itself?

MR. DALY: I have no objection if it goes into evidence.

MR. DAVIS: We offer the exhibit,  
Your Honor.

THE COURT: Is that also in J. P.  
Court?

MR. DAVIS: Yes, it is.

THE COURT: It will be received.

Q Did you appear in a proceedings, Mr. Daly, in a case of United States of America versus Carl R. Anderson?

A I did.

Q You appeared as attorney for Carl R. Anderson?

A Can I see the pleading? I think it will help if you just show me the pleading.

MR. DALY: Do you have this marked?

MR. DAVIS: Not yet.

MR. DALY: I appeared in that proceeding,  
yes.

Q And you appeared as attorney for Mr. Anderson?

A That is right.



Q Will you tell the Court the nature of the proceedings please.

A It was a mail fraud proceeding, for purposes of stealing Anderson's property.

Q Well, I wish you would amplify on that. What was the charge? What was the transaction involved?

A Well, Carl Anderson and a man by the name of Julian Vinge owned a hundred, approximately a hundred and sixteen acres of land out in Burnsville, the Village of Burnsville, Minnesota. And they, Carl Anderson mainly, were able to get a hundred and thirteen acres zoned and platted into a planned unit development, whereby he had planned streets, the zoning and he got together with a group of people with the Lutheran Church, Missouri Synod, and some, I think, were the American Lutheran Church. And they were going to raise money to build a nursing home and a hospital and a shopping center, an old folks' home, high rise apartments, and a medical center and they got part way through it.

I think Anderson had sold a million or the Ridge Lutheran Home, Inc. Corporation had sold a million six hundred and forty thousand dollars worth of bonds, somewhere in that neighborhood.

These were bearer bonds that were negotiable from hand to hand and there was a minister by the name of Eugene Linse from Concordia College on the Board and he wanted to borrow \$20,000 from Anderson and Anderson wouldn't give him \$20,000.

Up until that time, Anderson and the Ridge Lutheran Home Board of Directors had cooperation from the head organization of the Lutheran Church, Missouri Synod. After that, for no valid or unexplained reason, the head organization of the Lutheran Church, Missouri Synod, withdrew their support for the project and refused to run Ridge Lutheran Home's, that is the church's corporation ad in the paper any more.

Finally, they wouldn't sign any more bonds; wouldn't attempt to sell any more bonds and took the books out of the office when the interest on the bond was going to be paid.

So, Anderson, he either resigned or attempted to resign from the church corporation. Then they went and hired Hyman Edelman; Mason, Kaplan, Edelman and Borman; who are lawyers for and political friends of Hubert Humphrey, Miles Lord and Patrick Foley.

And notwithstanding the fact that every cent that Anderson took in was either spent for land or for the building or for equipment and machinery to complete the project and that every bit of the machinery and money and everything was used on the project; notwithstanding that fact, they secured an indictment against Anderson for mail fraud.

In the United States District Court, a litigant has a right to disqualify one judge by affidavit of prejudice and notwithstanding the fact that Carl Anderson had filed three or four affidavits of prejudice against Judge Lord, this is before the



trial, he persisted upon sitting. And as far as I am concerned, he engineered a conviction, 23 counts of mail fraud.

And I might say further, that ever since I started representing Carl Anderson in that case, before that time, there was no harrassment by the bar association; ever since that time, there has been a continuous course of harrassment by the bar association.

Q Will you describe the harrassment, will you please.

A I have gotten letters from George Ramier. During the middle of the mail fraud trial, I got letters from Ramier to come over to hearings before the Ethics Committee.

Well, the occasion that I indicated, when I was there in the Courthouse in Minneapolis, just checking the clerk's file and they followed me around with a general harrassment; advising my client to plead guilty to one count. And giving me Miranda warnings and all that stuff.

Q What was your defense in the criminal trial for mail fraud?

A I raised every Constitutional defense I could think of. I have been of the opinion for quite awhile and still am, that there is a direct connection between this fraudulent banking system and the churches in the United States. Not on the local level; but in the higher-archy.

Now, you take these non-profit corporation acts. The state, like the state of Minnesota, they allow a church to

incorporate and what they are in effect doing is creating a perpetual religious fictitious being for purpose of furthering religion. The non-profit corporation is under the management, direction and control, I think, of the Banking Commissioner of the Attorney General and the Insurance Commissioner and under their supervision.

And they also are given municipal, the church corporation is given municipal authority, municipal powers by the non-profit corporation act and I thought that, and I am still of the opinion, that this non-profit corporation act is -- wait until I get the exact language, page 47 -- it is a law respecting an establishment of religion.

In other words, it is aiding in the establishment of religion and it is unconstitutional and void.

Further, these church bonds that they put out -- I meant to bring one here today and I forgot -- the church bonds that they put out, like Providence Church Plan of Atlanta, Georgia, has an apparent form, as I am able to gather, and the bonds are payable to the bearer on demand in lawful money of the United States at the date of maturity by the church corporation.

Well, here you have the state setting up a corporation and then these churches emitting a bill of credit, emitting through this state corporation. The United States Constitution prohibits the state from emitting a bill of credit.

I say what the state can't do directly, it can't do



indirectly. So, you have the church corporation, in effect, exercising through these, unconstitutional attributes of sovereignty; they are emitting a bill of credit and also a corporation that is organized for purposes of establishing religion.

And then they have a tax exemption status, which is detrimental to the general well being of the people of the United States. So far as equitable taxes are concerned, I think that can be corrected. And I raised those defenses and I raised the unconstitutionality of the Federal Reserve System. In other words, I said that Carl Anderson or his corporation or the men that owned the land were not paid a lawful consideration for the church bonds.

In other words, this was a criminal case. As far as I am concerned, in a criminal case, I have a duty to my client to raise every constitutional defense that I can think of. And I did raise those defenses.

Q Mr. Daly, did you have several conferences or motions or calendar calls prior to the actual trial of the case in the United States District Court?

A Well, I don't know if you could call them exactly that. You see, I was under orders by Judge Lord, whenever he would call me up, Anderson and I up to go down there, if there was anything pending or not, we had to go down there and we did.

Q You did have then several occasions in which you met with Judge Lord prior to the time of actual trial?

A Yes, I did.

Q Was the defense of the unconstitutionality of the Federal Reserve System discussed with you by Judge Lord during that time?

A I believe it was.

Q And did he advise you that he intended to enforce Judge Stephenson's order?

A Well, now, I can't say; I can't recall one way or the other. I do know that there was about seven or eight things that I was ordered that I couldn't talk about.

Q One of which was the Federal Reserve System, is that correct?

A Unconstitutionality of the Federal Reserve System, I believe, yes.

Q Now, at the time of trial, did you continue to raise the question of the unconstitutionality of the Federal Reserve System?

A Well, may I explain this?

Q Surely, go ahead.

A Well, the first witness was called to the stand. As I recall now, he ordered that I couldn't talk about the unconstitutionality of the Federal Reserve System; but if I remember correctly, he did not say I could not talk about whether or not there was a lawful consideration paid for these bonds.



The first witness was on the stand; it was a man from, I think, the Marquette National Bank and he testified that the church corporation had \$70,000 on account there. And to the best of my recollection, I was never ordered not to talk about gold and silver coin. And so, I asked him, in short, I said, I asked him what he meant when he said they had \$70,000; what do you mean by a dollar? Do you mean gold and silver coin as defined in the Constitution? And Judge Lord stopped the proceedings and had me jailed for contempt.

(WHEREUPON, Petitioner's Exhibit 23 was duly marked for purposes of identification.)

Q I show you Petitioner's Exhibit 23, will you tell the Court what that is please.

A Well, it appears to be -- I have never seen this before. What it appears to be is a contempt certificate. It appears to have been filed the 29th of April of 1969; but it never was served.

MR. DAVIS: Your Honor, perhaps we could recess for the morning at this time.

MR. DALY: It was never served upon me.

MR. DAVIS: And Mr. Daly can read that exhibit.

THE COURT: All right, we will recess for fifteen minutes.

MR. DALY: This was never served upon

me.

MR. DAVIS: Will you please read it.

(WHEREUPON, a short recess was duly  
had at approximately ten forty-five a.m.)

\* \* \* \* \*

MR. DAVIS: I believe you were  
reading Exhibit 23.

MR. DALY: I have read it over, Your  
Honor, and this never was served upon me and this is the  
first time I have ever seen a copy of it and I might  
say this, just in commenting on it, I don't have any  
objection to it going into evidence; as it shows or goes  
to prove my defense in this case, for whatever it is worth.

THE COURT: This is Petitioner's  
Exhibit 23?

MR. DALY: I think that is right,  
Exhibit 23.

THE COURT: And you are not objecting  
to its offer?

MR. DALY: No.

THE COURT: You are offering it?

MR. DAVIS: We make the offer.

THE COURT: Then, it will be received.

MR. DALY: This order of June 20, 1969,



by Judge Roy L. Stephenson is included in this and it is upon this that he states that he bases his contempt citation and also indicates that if I violate the order again, that he will find me in contempt; this is Judge Miles Lord.

Now, this order, as far as I am concerned, in effect says that I can't raise the issue of the unconstitutionality of the Federal Reserve System again in any court, state or federal. I don't think that they can stop a lawyer from raising the issues, constitutional issues in any court in the United States.

And I think it is an attempt to impose a dictatorship upon myself or dictatorial attempt upon myself, in violation of the First Amendment of free speech and I also think that the order is void. And I said that, insofar as this order attempts to restrain me from my right of freedom of speech, right of free access to the courts and raise issues for other litigants, that want the issue raised; that I don't think that this order is valid.

And, also, I think it is beyond the jurisdiction of that court.

Q (By Mr. Davis, continuing) Mr. Daly, do you agree with the recitation of facts that are included in that exhibit?

A Well, they are slanted in Judge Lord's favor; I don't agree that they are a correct statement of facts,

with exception to the transcript of what occurred.

Now, he indicated that I violated an order of the Court that he made during a pretrial conference and I say that I did not.

In other words, I say that the talking about the lawfulness of the consideration is separate and apart from any constitutional considerations of the validity of the Federal Reserve Banking System or Federal Reserve notes; that is whether or not they had any lawful consideration behind this is an issue that is separate and apart.

A common law issue of consideration, which is necessary for the validity of a note or contract, is separate and apart from the considerations of constitutionality of Federal Reserve notes or the Federal Reserve Act or the National Banking Act.

In other words, I am of the opinion and I think the United States Supreme Court has so held that it is within the valid exercise of the powers of government to incorporate a national banking system and to allow that bank to issue its own notes, which are redeemable in gold and silver at the bank itself. But, I say that the United States can't guarantee that that bank is going to redeem its notes, without some further -- without some consideration for it, going to the United States, without consideration, a valid consideration.

And the United States can't toss that Federal Reserve Bank



a blank checkbook and say, write all the notes on it you want and we will redeem them. That has been my position all along. I have no objection to its going into evidence; but what I was talking about is something that he hadn't covered by any orders he made.

Q Mr. Daly, you were placed in jail overnight as a consequence of that contempt?

A In the presence of the Jury, he had me jailed.

Q And then you were released and what then occurred?

A Well, I was brought back to court, handcuffed to two prisoners, back to the courthouse and brought back to the courtroom. And after about a half or three-quarters of an hour speech by Mr. Foley, why the trial resumed.

Q Mr. Daly, did you also participate as attorney for Carl R. Anderson and Julian Vinge in the case of Oscar J. Husby, Receiver of Ridge Lutheran Home, Inc.; Ridge Lutheran Home, Inc.; Caroline F. Siebert and Emma Steffen versus your clients?

A No, I just represented A and J Builders, Incorporated. I think that Vinge may have been on the Board of Directors at some material time and I think I represented Carl R. Anderson and I think I represented Burnsville Plumbing and Heating, which was another corporation of his. But, I think that Vinge had his own lawyer, a lawyer by the name of Conrad Carr.

Q And that case is presently pending in Dakota County,

is that correct?

A That is right.

Q Now, in that proceeding, have you raised the question of the unconstitutionality of the Federal Reserve Bank System?

A Well, insofar as the actual defense of the case is concerned, I believe I did.

Now, insofar as the settlement of the case is concerned, Carl Anderson indicated that he didn't care whether the money -- if he could get it settled -- that he didn't care whether the money was valid or whether it was not valid.

In other words, if these bond holders had paid money for their bonds, he indicated that he wanted to see -- or whatever they paid for the bonds -- he wanted to see these bond holders, their equity protected in the property and in the equipment.

And so far as attempting to get this case settled is concerned, he had to complete the project or have an equitable partition of it, so the bond holders, their equity is fully protected. For settlement purposes, we didn't raise the objection; but for purposes of the trial.

In other words, I am of the feeling that this guy Edelman was the receiver appointed and he wanted to steal the property and cheat the bond holders. I am of that opinion.

(WHEREUPON, Petitioner's Exhibit 24 was duly marked for purposes of identification.)

Q Showing you what has been marked for identification



Petitioner's Exhibit Number 24, will you tell the Court what that is?

A. That is a copy of a summons and complaint, probably of a summons issued out of the United States District Court for the District of Oregon; Ervin Haring versus Federal Reserve Bank of San Francisco; and it ought to be signed by Mr. Haring, signed by myself and it is signed by William C. Grant, 202 Mohawk Building, Portland, Oregon, as attorney for Mr. Haring.

Q. You are one of counsel for Mr. Haring?

A. That is right.

Q. Is the issue the constitutionality of the Federal Reserve Bank raised in that proceeding?

A. It is.

MR. DALY: By the way, this is Petitioner's Exhibit 24 and I have no objection if it goes into evidence.

MR. DAVIS: We offer it in evidence.

THE COURT: It may be received.

Q. And this is in the United States District Court for the District of Oregon, is that correct?

A. That is correct.

Now, there is another case pending in the United States District Court for the District of San Diego, brought by Mobley Milam, United States Attorney, out there. He has consulted with me -- or an ex-United States Attorney; he has

consulted with me. Although, I don't appear as counsel with him and I have given him all of the help I could on it.

Q When, Mr. Daly, did you undertake the situation as co-counsel in the Oregon proceeding?

A Well, whatever the date that the complaint is signed there.

Q Did you attempt to secure any permission from the Supreme Court of Minnesota?

A To practice law in Oregon?

Q Yes, Sir.

A No.

Q How about in the San Diego proceeding?

A I haven't appeared in that proceeding so far.

(WHEREUPON, Petitioner's Exhibit 25 was duly marked for purposes of identification.)

Q You are a defendant in the case of Northwestern National Bank of Minneapolis versus Leo Zurn, Jerome Daly, John Doe and Roger D. Derrick, is that correct?

A That is right.

Q Will you tell the Court what that case is about?

A Oh, it generally was an action brought to have the Northwestern National Bank declared that they had no right, title or interest or lien on an automobile that they claimed that they had a mortgage on.

Q Did they foreclose the mortgage?



A Well, not legally. Well, they have proceeded in court; but you talk about foreclosing it; do you mean did they repossess the car?

Q Yes.

A No, they never had the car in their possession as far as I know.

Q And was your deposition, Mr. Daly, taken on September 9, 1969, in that proceeding?

A I believe it was.

Q Showing you what has been marked Petitioner's Exhibit Number 25, will you tell me whether that is a copy of your deposition?

A Possibly that it was; yes, I think it is. It appears to be a copy of it.

Q Were you defending that case against the claim of the bank on the grounds that the Federal Reserve Banking System was unconstitutional?

A That is right.

Q And the bank was attempting to determine the location of the vehicle, is that correct?

A I think that that was one of the things they wanted, yes.

Q And that was the purpose in taking your deposition?

A Well, I don't know what their purposes of taking it were; I suppose that was one of them.

Q Did they inquire of you in the course of the deposition--

A I believe they did.

Q Concerning the location of the car?

A Yes.

Q Or whether you had had possession of it at any time?

A Yes.

Q Did you refuse to make any answer to them concerning the whereabouts of the automobile?

A Well, I didn't know where it is.

Q You had had it in your possession at one time, had you not?

A Well, it seems to me I drove it once; Zurn was testing it; but I never had it in my possession for purposes of possessing it.

Q But you did physically operate it?

A Oh, yes.

MR. DAVIS: Do you have any objection to the offer of Petitioner's Exhibit Number 25?

MR. DALY: No.

MR. DAVIS: We offer it, Your Honor.

THE COURT: It will be received.

Q In the course of the taking of this deposition, the record indicates that you were asked this question:

At the time that you were served with the summons and



complaint, affidavit of replevin and bond in this action, did you tell the person from the Sheriff's department that there was an action pending as to this car in the Court of Justice Mahoney?

And you made this objection: Same objection as previously noted. I also want to let the record show that I'm relying on the Constitution of Minnesota as it now presently is and as it existed in 1947.

In what respect are you relying on the Minnesota Constitution, Mr. Daly?

A The whole thing; Article Nine, Section 13 also.

Q Question: Mr. Daly, prior to the commencement of this action, did an officer of the Northwestern National Bank of Minneapolis come to your office and discuss the automobile in question in this action with you? Answer: Same objection.

Question: At the time a vice-president from the Northwestern National Bank of Minneapolis, who identified himself as such, and by the name of one Cornell Moore, appeared in your office, did he not offer to you, as attorney on behalf of Leo Zurn, a sum of money to pay off the lien that your client asserts in this action? Answer: What do you mean by money?

Question: Did he make any tender of any type of currency, Mr. Daly? Answer: He did.

Question: What type of tender did he make, Mr. Daly?

Answer: Well, I don't remember exactly, but it appeared to be Federal Reserve notes to me.

Question: Do you remember the amount? Did he not count out \$600.00 in Federal Reserve notes? Answer: I think that's true. I think that's what he threw on the table.

Question: At that point, you picked up the money and handed it back to him and said it was not valid, is that right? Answer: Whatever he said in his affidavit is true.

On the basis of that decision on your part, did you instruct your client to withhold possession of the automobile from the plaintiff, the Northwestern National Bank of Minneapolis?

A No, I didn't; no, I did not. The client decided that himself.

Q Were you advised by your client that he intended to withhold possession of the automobile?

A I was.

Q What counsel did you give him?

A Well, I don't think that I should be testifying as to privileged communications between myself and my client.

MR. DALY: And I am going to object to that on the grounds that it is privileged.

Q Isn't it true that consistently during the course of the taking of your deposition, you were asked concerning the whereabouts of the car and you declined to answer on the grounds of privilege?



A. That is right.

Q. At one time, Mr. Daly, did you know the whereabouts of the car?

A. That is right.

Q. And you knew of the request of the Northwestern National Bank of Minneapolis at that time for possession of the car?

A. I can't say that that is true.

Q. You say it is untrue?

A. The time they made the request to me, I did not have the possession; my client had it and I didn't think that it was proper for me to disclose any information regarding my client's affairs and I still don't.

Q. I am not concerned about your client's affairs. I am concerned with the question whether or not you were aware of the demand of the Northwestern National Bank and secreted that automobile or failed to advise anyone of the whereabouts of the automobile, based upon your privilege as a lawyer?

A. I did not secret the automobile and I don't think I had any business telling them anything.

THE COURT: In that case, the defendant was Leo Zurn?

MR. DALY: Right.

THE COURT: Leo Zurn was the mechanic,

who had a mechanic's lien or whatever?

MR. DALY: He had a mechanic's lien.

Q There were two actions involving this; one by the First National Bank and one by the Northwestern Bank?

A Correct.

Q That is the same car; those two cases arose out of the same transaction?

A No, two different cars.

Q Two different cars, all right.

A Well, the Hennepin County Court has ordered the one car returned and it is being returned.

Q What is the present status or disposition of this case?

A Of this one here?

Q The Northwestern Bank case.

A Well, the judge ordered a summary judgment for \$1,900.00 against both Zurn and I, without a trial. Judge Flynn did.

Q Has that judgment been entered?

A Yes.

Q Has there been any appeal on the judgment?

A It was just entered the other day on the 4th or the 5th.

Q Now, Mr. Daly, --

A And the judgment in Minneapolis or the order in



Minneapolis was a summary order, too, without trial; the state court in Minneapolis.

Q Mr. Daly, did you represent Alfred M. Joyce, as executor of the last will and testament of Helen A. Petterson?

A Are you talking about a proceeding in the United States District Court?

Q Yes, Sir.

A Yes, I did.

Q District of Minnesota, Third Division?

A That is right.

Q Civil Action File Number 3-66-340?

A If you show me the pleading, I wouldn't remember the number now; it appears to be the pleadings that were filed.

(WHEREUPON, Petitioner's Exhibit 26 was duly marked for purposes of identification.)

Q And in this proceeding, you sued the Supreme Court of Minnesota and all of the justices of the Supreme Court; District Court of the County of Dakota, First Judicial District; the State of Minnesota, right?

A Whatever it names on there; those were the defendants.

MR. DALY: As long as we are talking about it; I have no objection to it going into evidence.

MR. DAVIS: We offer the exhibit, Your Honor. This is Petitioner's Exhibit Number 26.

THE COURT: It is received.

Q Now, this action was an action commenced to declare the Rules of Civil Procedure for the district courts of Minnesota unconstitutional and void, is that correct?

A It was an action commenced in the United States District Court for that purpose and to restrain the members of the Supreme Court of Minnesota from abolishing state statutes by Court order, if they were enacted by the legislature.

Q And the Court order you referred to was an order adopting the Rules of Civil Procedure, is that correct?

A One, I believe the first one they signed was some time in 1952.

Q Did you prepare Petitioner's Exhibit Number 26?

A Mr. Joyce and I prepared it.

Q And it bears your signature?

A It does.

Q Did you state in that exhibit that plaintiff is satisfied, to a moral certainty, that the Justices of said Supreme Court harbor a subsisting prejudice against the Declaration of Independence, Constitution of the United States and the State of Minnesota, and bias in favor of the annulment, avoidance and nullification thereof. That Chief Justice Knutson has refused to honor Affidavits of Prejudice made in good faith and upon substantial grounds in matters where Helen A. Petterson was involved and effectuated decisions



against her. That he has openly come out for the unqualified abolition of the ancient and sacred right to trial by Jury in the United States. That there are other instances of denial of Constitutional Rights, too numerous to mention here. That therefore, it is apparent and clear that further application to said Court or the Justices thereof is useless.

Did you make that statement?

A Well, I signed the complaint that had that statement in there and I believe it or I believed it at the time. I think they have shaped up quite aways since then. Knutson is the only one signing orders abolishing state statutes since that time from that court.

Q Do you understand, Mr. Daly, that the Justices of the Supreme Court take an oath to uphold the Constitution of the State of Minnesota and the Constitution of the United States?

A Yes, and I think when they sign those orders into effect enacting those rules and abolishing the statutes of this state, that they intentionally violated that oath. And I so told it to them.

Q Mr. Daly, what statute or rule, are you aware of, which permits you to file an affidavit of prejudice against a Supreme Court Justice?

A Article One, Section Eight of the Minnesota Constitution states:

Every person is entitled to a certain remedy in the laws for all injuries or wrongs which he may receive in his person, property or character; he ought to obtain justice freely and without purchase; completely and without denial; promptly and without delay, conformable to the laws.

The case of Payne versus Lee, 222 Minn. 269, a Minnesota case holds that independent of any statutory provision, common law gave the right to disqualify a judge, without any statutory authority.

In other words, that it was a common law and constitutional right and I believe that Article Six of the original Constitution of the United States states that all debts contracted and engagements entered into by the Confederation, before the adoption of the Constitution of the United States, shall be as binding against the United States as they were against the Confederation.

And that, in my opinion, incorporates into the Constitution of the United States the Northwest Ordinance of July 13, 1787; the Declaration of Independence, July 4, 1776; the Declaration of Resolves of the First Continental Congress of October 14, 1774; and the Declaration of the Causes and Necessity of Taking up Arms of July 5, 1775.

And in those declarations of resolves and those in the Northwest Ordinance, they indicate the inhabitants of the United States shall be entitled to all of the common law rights and



privileges secured to free men.

And it was based upon that; I don't know as I relied upon the statutory authority. Furthermore, one more thing.

Q All right, Sir.

A Furthermore, the Fourteenth Amendment says that:

No state shall make or pass any law, which shall abridge the privileges or immunities of citizens of the United States; no state shall deny to any person in its jurisdiction, equal protection of the laws, deprive any person of life, liberty or property, without due process of law.

The Ninth Amendment says: The enumeration in the Constitution, of certain rights, shall not be construed to deny or disparage others retained by the people.

And so, all of the common law privileges, secured to free men at the time of the Declaration of Independence, I say are binding against the state and the state officials.

Q Now, in your pleadings, Mr. Daly, your prayer for relief is as follows:

1. Pursuant to Sections 2281 through 2284 28 USC plaintiff hereby makes application that the above entitled action be heard and determined by a District Court of three judges under Section 2284, United States Code.

2. For declaratory Judgment that:

A. The Enabling Act set out in Exhibit A to the Complaint be declared unconstitutional.

B. The Order of the Supreme Court of Minnesota dated June 25, 1951 and all Orders amendatory thereof, is declared unconstitutional.

3. That the Supreme Court of Minnesota and the Justices thereof be permanently enjoined from enacting rules of substantive law, whether Procedural or otherwise, for the District Courts of Minnesota, pursuant to the Enabling Act referred to herein or otherwise.

4. That the District Court of Dakota County be permanently enjoined from giving any force or effect to said Rules.

5. For costs and disbursements incurred herein.

To which of these reliefs, does your paragraph accusing the Justices of the Supreme Court of unconstitutionality concern? Why is that a necessary pleading?

A. It was in there, I wanted to show that it would, you see. In federal court, as I understand the procedure, you first have to make application to the state court or the state tribunal and show that they have denied your application. And I put that in there for the purposes of showing that it would be useless to make any further application to them.

Q. Couldn't you just have made your pleading in those words? Why was it necessary to castigate them in the terms that you used, Mr. Daly?

A. I thought they needed to be shaped up.

Q. Now, you also brought an action against the Minnesota



State Bar Association, George R. Ramier, Miles W. Lord, Patrick Foley, William H. Eckley, John Doe, Richard Roe and Tom Moe, did you not?

A. What is the number of that exhibit?

Q. Do you mean the number of the case?

A. Have you had that marked yet?

Q. Not yet.

MR. DALY: By the way, if Petitioner's Exhibit 26 is not received in evidence; I have no objection to it.

THE COURT: It was offered and received.

MR. DAVIS: I thought it had been, Your Honor.

(WHEREUPON, Petitioner's Exhibit 27 was marked for purposes of identification.)

MR. DAVIS: We offer Petitioner's Exhibit 27, Your Honor, as an action commenced by Mr. Daly against the Bar Association and others.

MR. DALY: I have no objection.

THE COURT: Then it will be received.

Q. What was the purpose of this proceeding?

A. Oh, I thought the Bar Association and George Ramier and whoever else is listed, Patrick Foley and Miles Lord, the main purpose of it was to -- I think they should shape up, too. And I really mean this.

This fraudulent banking system in this country and this flaunting of the Constitution; this is causing the disruption. You see what you have done or what they have done with this fraudulent money system, they haven't impaired the obligation of contract; they have destroyed it.

There is no such thing as a standard unit of value any more; there is no such thing as the first principle of a social compact, which is the obligation and the upholding of the sanctity of contract; this has been destroyed in the United States.

It has destroyed confidence between individuals at the individual level and it has created distrust and public confusion, public friction. It is no wonder they are rioting up and down the streets.

Q Well, you demand judgment in this proceeding against the defendants and each of them and as for punitive general and special damages in the sum of \$250,000.00 and costs and you demand declaratory judgment that No Thing but gold and silver Coin shall be a satisfaction of the Judgment entered herein and that No Thing other than gold and silver Coin shall be tendered to Plaintiff, is that correct?

A That is right.

Q Mr. Daly, why was it important to your proceeding that you make the following allegations:

That Defendant Minnesota State Bar Association is a



private corporation organized under and by virtue of the Laws of the State of Minnesota, the members of which are certain select Lawyers and Judges of the State of Minnesota who are in conspiracy to control and channel litigation and the business of the Courts and by intimidation and threats to control the lawyers of the State of Minnesota and to condition them to submit to the control and whim of the dominant personality in said association, and also those Lawyers not members of the association. Plaintiff is not a member of the "Association". That said Association is at all times herein material and has been in the past been engaged in the deprivation, under color of Minnesota State Law, statute, ordinance, regulation, custom or usage, of rights, privileges and immunities secured by the Constitution of the United States by proceeding against Lawyers and their clients directly and indirectly with force, threats, intimidation and unconstitutional procedures under the guise of disciplinary proceedings to effect the deprivation of life, liberty, property and the pursuit of happiness resulting in treason against the Constitution of the United States and the State of Minnesota and the Displacement of the Government based thereon.

You made that statement?

A Yes, and I believe it is true. You tell a citizen that he can't be represented in court unless he takes a lawyer of your choice. The only way that a citizen or anybody

can get admitted to practice now, they have to have four years of college and four years of law school. And then there is a minimum fee schedule that it is unethical to violate.

And so the only way the citizen can gain access to the courts and the judicial branch to petition his government for redress of grievances is by hiring somebody you say is qualified and that sticks to a minimum fee schedule that you have got.

I have seen over television, ads by the Bar Association, advertising to the general public, if they need a lawyer to call the Bar Association and the Bar Association will recommend one. If that isn't solicitation on a grand scale, I don't know what it is.

Q Did you also make the statement that on October 2, 1968, Defendant Lord called Plaintiff into his chambers and in the presence of a Court Reporter and several others including the U. S. Marshalls personnel along with Defendant Patrick Foley, further threatened, intimidated and harrassed Defendant Carl R. Anderson and Plaintiff stating that the Minnesota State Bar Association already had disbarment proceedings under way against Plaintiff?

A That is right and he did.

As a matter of fact, the first time I appeared with Anderson, Lord threatened him and he continually, every time I made an appearance before the Court, kept advising Anderson



to get a different lawyer.

Q What disposition has been made of that case?

A This one you are holding in your hand?

Q Yes, Sir.

MR. DALY: Yes, if that exhibit hasn't been offered in evidence, I have no objection to it.

THE COURT: Yes, you said earlier, when it was handed to you, that you did not object to it.

MR. DALY: No, I have no objection.

A Well, I think Judge Devitt has made an order dismissing Foley and I think Lord from the proceedings. I don't know about Eckley. And right now, there has been no disposition made against Ramier and the Bar Association; there has been no final disposition made as to them.

But, I will tell you right now, I don't think George Ramier has any business running around threatening lawyers that are engaged in defending defendants in a criminal case and I don't think he has any business running around advising clients or litigants to plead guilty, when he doesn't know anything about the case and isn't representing them.

(WHEREUPON, Petitioner's Exhibit 28 was duly marked for purposes of identification.)

MR. DAVIS: Perhaps we should break now, Your Honor, if we are going to be back by one-thirty.

THE COURT: Why don't we mark it and get it in.

MR. DALY: Are we going to recess?

THE COURT: Is this Petitioner's Exhibit 28?

MR. DAVIS: Yes.

Q Will you tell the Court what Petitioner's Exhibit 28 is.

A Can I see it once? That is an order and part of the file from the court, in the United States District Court for the Middle District of Alabama, Northern Division; United States of America versus Charles Robert Muncaster.

Q Did you seek to represent Mr. Muncaster in that proceeding?

A The Muncasters sought me out and asked me if I wouldn't represent their son, who was charged with a violation of the Selective Service Act.

Q Did you attempt to secure permission from the Supreme Court of Minnesota to appear in that proceeding?

A I did not; no. I am of the opinion that the Supreme Court of Minnesota has no direct jurisdiction over courts in other states. Now, that is my opinion.

MR. DAVIS: We offer in evidence Petitioner's Exhibit 28, Your Honor.

THE COURT: Any objection?



MR. DALY: I have no objection.

THE COURT: It will be received.

We will recess until one-thirty.

(WHEREUPON, court adjourned for the morning at approximately twelve o'clock noon.)

\* \* \* \* \*

Tuesday, February 10, 1970  
Approximately 1:30 p.m.

THE COURT: I think the last thing we had was the admission of Petitioner's Exhibit 28.

Q (By Mr. Davis, continuing) Mr. Daly, as a part of Petitioner's Exhibit Number 28, there is contained an affidavit signed by Charles Robert Muncaster and Jerome Daly, is that correct?

A I believe that is right.

Q Did you prepare that?

A Can I see it again? Charles Robert Muncaster was the juvenile. I think he was nineteen or twenty years of age and he and his parents and myself prepared it and I think his mother typed it.

Q Is the language contained in it your language or is it a composite of the three of you?

A Composite of three.

Q This was an action to contest the Constitutionality

of the Selective Service Act, is that correct?

A. That is right.

Q. As part of the affidavit attached to the exhibit, signed by you and Charles Robert Muncaster, the following statement is made:

That the Military Selective Service Act and the Executive Orders, Rules and Regulations promulgated thereunder and issued thereunder constitute a most vicious form of oppression (not even stooped to by King George the III against his own people or the people of the Colonies of the United States traitorously known as Loyalists at the time), to perpetuate the unconstitutional Federal Reserve and National Banking System which has established a Dictatorship in the United States for the purpose of monopolizing the Nation's Money, Credit and Currency and the Armed Forces to enforce unconstitutional oppression upon the people of the United States.

What relationship, Mr. Daly, does the Federal Reserve and National Banking System have to the Selective Service Laws?

A. The Selective Service Army -- this undeclared war going on in Vietnam is a product of unconstitutional activity and that is, the only ones that are profiting from it are the Federal Reserve System and the banks; that the government has gone into debt for purposes of fostering and carrying on this war and that the selective service -- in other words, if they didn't have a Selective Service Act, they wouldn't be able



to get the personnel to carry on this unconstitutional war against people that have committed no act of aggression against the United States.

Q Well, the Judge of the United States District Court for the Middle District of Alabama entered an order in that case reciting that you were the subject of the order of the Supreme Court of Minnesota, which is entered here as Petitioner's Exhibit One, and declined to permit you to represent this defendant, Charles Robert Muncaster, is that correct?

A That was in the Middle District of Alabama, that is right. As a matter of fact, he wouldn't let anybody represent him. The only one he wanted to let represent him, was a lawyer that he picked for the kid or a lawyer from the State of Alabama that the minor didn't choose.

In other words, he denied the minor the choice of freedom of choice of counsel.

(WHEREUPON, Petitioner's Exhibit 29 was duly marked for purposes of identification.)

MR. DALY: And I might say, contrary to the First Amendment of the Constitution of the United States: Congress shall make no law respecting or abridging the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

And Article Six: In all criminal prosecutions, the accused shall have the Assistance of Counsel for his

defense.

And I might go on further to say that the United States Statute, that says, it is in Title 28: A citizen has a right to appear and defend himself on his own behalf or by counsel, under such rules and regulations as the Court shall make.

And there were no rules and regulations for the United States District Court in Alabama. In other words, the Judge, whatever he felt like doing, was the rule for the practice and procedure in his court.

If he felt like allowing a lawyer to appear in there, the lawyer could appear. If it was his feeling or inclination the lawyer couldn't appear, then he couldn't.

Q As a part of the Order of the Supreme Court, Exhibit One, which was filed on September 5, 1969, and the contempt hearing concerning yourself and the Justice of the Peace, Martin V. Mahoney, the Court ordered that you suspend the practice of law on October 1, 1969, is that correct?

A Whatever the order says; I don't know the exact language.

Q But the Court did give you leave of court to petition to the Court to continue cases, which you had originated before the date of that order and to continue to represent those persons, if the Court felt that it was in the interest of your client that that representation be continued, is that



also correct?

A Whatever the order says is correct. It is correct that it says that.

Q Did you, on October 13, 1969, petition the Supreme Court for authority to continue acting as attorney involved in certain litigation?

A I did, yes.

Q Showing you Petitioner's Exhibit Number 29, is that your petition and the order of the court?

A I believe it is.

MR. DAVIS: We offer in evidence Exhibit Number 29, Your Honor.

MR. DALY: I have no objection.

THE COURT: It will be received.

Q Have you made petition in any other matters for the right to appear as attorney for persons in the State of Minnesota?

A Yes, I have.

Q And will you name those cases?

A I think I made a petition -- well, I made a petition to lift the suspension; because it was depriving me or depriving people in other states that wanted to hire me and they denied that. And then I had my clients sign a petition.

Now, let's see, I think Gordon Fitzgerald signed an order allowing me to represent him and then there was another one, a Donald Cook, I think his name is Don Cook, just recently signed a petition for me to represent him in the Municipal

Court in Hennepin County. And they authorized that.

In other words, if at any time the client signs a petition for me to represent that client in court, then they have been signing an order allowing me to represent that client in that court.

Q At the time of your appearance before the Juvenile Court for Hennepin County, involving--

A Wayne Allen Krull.

Q Yes.

A That was on the first of October, I think.

Q Did you have any order of the Court to appear on that matter?

A No.

Q Did you agree that you would represent Raymond Walter Salfer before the Hennepin County Municipal Court on January 15, 1970?

A Before I went to Alabama, Salfer called me up and came down to the office and I think that was some time in October or November, I think it was.

Q After the first of October?

A Yes. And I agreed to represent him on condition that I could appear for him and I took out a \$150 dollar retainer for him and I told him if I couldn't represent him, I would give him back \$150. And Salfer never came in again after that. He appeared in court and I didn't get any notice



of the time. And I had intended to petition or have Salfer sign a petition to the Supreme Court on that and he never came in. And he subsequently went in and pled guilty to the offense, without a lawyer.

And after that, I contacted him and gave him back his a hundred and fifty dollars.

THE COURT: What is the name?

MR. DAVIS: Ray Salfer, S-a-l-f-e-r, Raymond Walter Salfer, Your Honor.

THE COURT: When was that?

MR. DALY: In November.

THE COURT: Is there a date?

MR. DAVIS: The hearing, Your Honor, was January 15, 1970, when Salfer appeared for a pretrial conference in Hennepin County Municipal Court and Mr. Daly did not appear at that time.

MR. DALY: Nor did I have notice.

MR. DAVIS: Mr. Salfer will be called and will testify that he did engage Mr. Daly for that purpose.

MR. DALY: I do know he didn't get in touch with me at the time and I didn't get a chance to petition the Supreme Court and I gave him back his retainer.

Q (By Mr. Davis, continuing) Mr. Daly, you have claimed

in the petition in this contempt proceeding, that the Supreme Court had no jurisdiction to enter its order dated September 5, 1969, Exhibit One?

A. Suspending me from the practice of law.

Q. You have made the claim that the Court had no jurisdiction to do so and it is an invalid order, is that right?

A. That is right.

Q. And you also claim that the order of Judge Lord, holding you in contempt, was an invalid order?

A. I think that is right.

Q. And you have indicated that the order of Judge Stephenson--

A. That is not a lawful order.

Q. Restraining you from doing anything further or arguing further the constitutionality of the Federal Reserve System, was not valid?

A. Not a lawful order.

Q. You have indicated that the Justices of the Supreme Court of Minnesota have executed orders relating to the adoption of Rules of Civil Procedure, which are not lawful orders?

A. Yes. It is just like that order that came from the chain of high command to massacre those people in Mylai, that wasn't a lawful order.



Q Will you explain to the Court, Mr. Daly, whether it is your belief that an order is lawful only if you think it is lawful?

A No, no, it is lawful if it squares with the law.

Q And if it squares with the law in your opinion or in whose opinion?

A Well, I think any citizen or any person walking the face of the earth has a right to be guided by his own conscience, within the bounds of reason. And I can look at an order and I can make a determination in my mind whether it is lawful or not.

Q And whether or not you will follow it?

A That is right; it is just like if I were in Mylai and I were ordered to massacre all of these innocent women and children and if I were ordered to do that; that, as far as the army is concerned, might be a lawful order; but I sure as hell won't follow it.

Q And you feel the same way concerning the orders of the Judges of the Supreme Court, the Judges of the United States District Court and any other judge, who makes an order which you consider to be not a lawful order?

A What do you mean now? Let's get down to something specific. Are you trying to say if they make an order, I can't raise a constitutional issue in a court?-- you see, the court derives its authority to exist from the Constitution;

The Constitution is binding upon it.

Now, you must make a distinction between the order of somebody sitting on a bench flouting the Constitution of the United States and the Law and the distinction of an order that is made pursuant to the Constitution of the United States.

The Constitution said that all laws are made in pursuance thereof, of the supreme law of the land, and that would include an order of the court.

Q Mr. Daly, how do you go about determining whether an order of the court is constitutional or unconstitutional?

A Well, I suppose -- do you mean by making application to the court to have it reversed for being unconstitutional?

Q Well, as a lawyer, you know we have appeal procedures?

A That is right.

Q And you have indicated that.

A Like in this case here, where they suspended me. There are no parties; the Court cannot acquire jurisdiction. The first thing you learn in law school; there has got to be parties before a court can, before they can acquire jurisdiction. Where are the parties; there are no adverse parties.

Q And that is one of your defenses in this proceeding, too?

A Who is my adversary here? Can you tell me?

Q What I would like to know, Mr. Daly, is whether there is a legal procedure established to determine the



constitutionality of orders of courts in this country?

A Not an order like that; it is not appealable to the Supreme Court of the United States. There are no parties; there is no judgment.

Q Now, Mr. Daly, if an order was issued out of the Supreme Court of the United States determining that the Federal Reserve System was a constitutionally appropriate system, would you follow that order?

A What you are asking me is if the Supreme Court of the United States perpetrates a fraud upon the people, by flouting the Constitution of the United States, you are asking me if I would follow that order?

Q Yes, Sir.

A Not if they are going to perpetrate a fraud on the people.

Q Let's assume that what they do is to declare the Federal Reserve System is a constitutional system.

A And you mean that the Federal Reserve, private banks can create money out of thin air and loan that out, that doesn't exist?

Q I am asking if you would follow the order of the Supreme Court, were that order to be handed down?

A That the banks could do that?

Q Well, that the Federal Reserve System is constitutional.

A Do you want to know if I would follow the order of

the Supreme Court of the United States if they said that the banks had authority to manufacture money and credit out of nothing; you are asking me if I would follow that?

Q Yes, Sir.

A I would not.

Q Mr. Daly, do you agree that the Constitution indicates that the Supreme Court of the United States, in regard to all federal questions, is the supreme authority of the Constitution?

A It does not; it does not; the supreme authority in this country are the people.

Q But from the standpoint of federal questions, isn't the Supreme Court or its decisions conclusive and binding upon all of the people of this country?

A Well, let's take for instance, the action with reference to the question of the possession of real property. I say that if the Supreme Court of the United States perpetrates a fraud upon the people of the United States, by flouting the Constitution of the United States, I say that that, in an action to recover the possession of the property; the fraud of the Court can be tried to a jury, a jury of twelve of the peers of the people, in the location where the property is.

Q Mr. Daly, you don't know what the decision of the Supreme Court might be concerning the constitutionality of the Federal Reserve System, do you?

A No, but I got an awful strong hunch; there are probably



only two judges on there that would vote to hear it; one is Douglass and the other is Black.

Q Have you ever attempted to secure a determination of the Court?

A Have I ever attempted to secure a determination of the Court with reference to the unconstitutionality of their federal rules and criminal procedure? See, likewise, the Supreme Court of the United States has no authority to legislate.

As a matter of fact, as a matter of fact, Article One, Section Eight states:

Congress shall have the power to exercise exclusive Legislation in all Cases whatsoever over -- and then they talk about the District of Columbia -- and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings; -- other needful buildings would be a United States Courthouse.

So, it says the Congress shall have exclusive Legislation in all cases whatsoever over the United States Courthouse.

Now, how did the Supreme Court of the United States think they can enact legislation by court order and especially in criminal cases. I can't see it and I have made a petition to them, filed a Writ of Prohibition, application of prohibition

and a brief in support of the prohibition. And the brief is some hundred and seventy-three pages.

THE COURT: Just a minute. I think Mr. Daly is going to have an opportunity to put his own case in here.

MR. DAVIS: Yes, he is.

THE COURT: I can't recall the last question.

MR. DALY: But, in any event, so the question was: If I made any application to them for any relief. Just in this prohibition proceeding, I did.

Q With respect to the monetary system, you have not?

A Well, the principles, fundamental principles of separation of powers, no; but I am sure that at one time, I asked Mr. Foley, who was representing the United States, to aid and assist me in having this question certified to the United States Supreme Court, so that it could be determined; so they could make a determination.

Q Mr. Daly, we have gone through a number of cases and in a number of courts in this state and the federal system and the Justice of the Peace Courts and the Court of Appeals for the Eighth Circuit; is it not true, Sir, that in none of those cases, have you made an application for a Writ of Certiorari to the Supreme Court of the United States?

A I think that is true. I haven't taken the question



to the Supreme Court of Minnesota as yet, either.

Q Mr. Daly, is it not true that the only purpose of these diverse lawsuits, in such a different number of jurisdictions, is solely for the purpose of harrassment of the banks, the Federal Reserve and members of the Government, who are included as defendants in these cases?

A Oh, no, no, no. No, I wanted to get a decision out of a trial court first and then I wanted to have it publicized far and wide so that the people of the United States could see what is going on.

In other words, frankly, I think I have handled the thing properly so far. If the United States Supreme Court were to take this case and immediately rule that the Federal Reserve Barking Act and all of their phoney fiat money, that is floating around and credit, were unconstitutional and void, it would through the country into chaos.

The way I have handled it is getting the decision spread all over the United States and into the hands of the judges and into the hands of responsible people; so that they can give it some thought and lay some groundwork and some plans in correcting this situation in a lawful manner, by petition and to the Congress and the state Houses of Representatives, state legislatures.

In other words, I am satisfied that in view of the issues that are involved, that I have handled it correctly. In other

words, I have gotten this into the hands of people, who are giving it some thought and some consideration and so that it can be settled in a peaceable manner.

Q Was a proceeding commenced against you by the United States of America and Raymond H. Ehlers, for the Internal Revenue Service, an Agent?

A United States and Raymond H. Ehlers; you asked is there a proceeding commenced?

Q Yes, Sir, in the United States District Court for the District of Minnesota, Third Division?

A Not a lawful proceeding.

Q Were proceedings conducted before that court?

A That is right.

Q And what was that proceeding about, Mr. Daly?

A Whether I filed an income tax return, a copy of which, of the amended one, which is substantially in the same form as the one I filed and which I want to offer in evidence.

THE COURT: All right, we will receive it now.

Q Is that the entire thing?

A The amended return.

(WHEREUPON, Respondent's Exhibits B and C were duly marked for purposes of identification.)

MR. DALY: I offer Respondent's Exhibit B and Respondent's Exhibit C in evidence as a



copy of the 1965 Income Tax Return. This is an amended one; but it is just an elaboration on the original return that I have filed.

MR. DAVIS: May I see it?

MR. DALY: Yes.

Q (By Mr. Davis, continuing) Mr. Daly, when you filed your original return, were all of these attachments included in that original return?

A Not back in 1965, no.

Q How much of this exhibit was filed as your original 1965 return?

A Well, the 1965, that is the first page was substantially the same and pages up to page 12, substantially are the same. In other words, the contents, including my refusal to answer any questions on the grounds that it might tend to incriminate me under state or federal law.

Q And following the filing of that return, proceedings were had in the United States District Court, is that correct?

A That is right.

MR. DAVIS: Your Honor, with the understanding that this is an amended return, which was filed by Mr. Daly on February 4, 1970, and applies to the years 1965, 1966, 1967, and 1968; I have no objection to this exhibit.

THE COURT: Then it will be received.

Q Mr. Daly, the exhibits disclosed no figures in which any income was reported by you, is that correct?

A Well, they use the sign dollar, which I understand means dollar. And there were no figures disclosed with reference to income, that is right; dollars, as such.

Q You interpreted the word dollars to mean gold and silver coins, received by you?

A Or their equivalent.

Q Which would be a certificate redeemable in gold or silver?

A Freely and readily available.

Q For the reason, you received no gold or silver coins or certificates redeemable in gold or silver coins, during the years 1965, 1966, 1967, and 1968, you included no figures in your return?

A I will answer that this way: On March 14, 1900, that is the last Constitutional law that was passed. It is in Chapter 41, United States Statutes:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the dollar consisting of twenty-five and eight-tenths grains of gold nine-tenths fine, as established by section thirty-five hundred and eleven of the Revised Statutes of the United States, shall be the standard unit of value, and all forms of money issued or coined by the United States shall be maintained



at a parity of value with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such parity.

By law or executive order in 1933, all gold coin was removed from circulation and citizens of the United States were prohibited from owning gold coin. They have withdrawn the standard unit of value from circulation, by which property can be measured, according to law.

And so, it is not possible to complete one of these returns; there are no dollars around, gold or silver or a combination of either one.

(WHEREUPON, Petitioner's Exhibit 30 was duly marked for purposes of identification.)

Q I show you Petitioner's Exhibit Number 30 and ask you what that is?

A That was Judge Lord's citation, finding me in contempt, I think, May 3, 1967.

Q And that finding of contempt was for failure to file or failure to disclose? The recitation was on the back of the first page of the return.

A This was for failure to testify before Internal Revenue Agent Ehlers, who was my adversary; that is what it was for.

MR. DAVIS: We offer in evidence Exhibit Number 30, Your Honor.

MR. DALY: I have no objection.

THE COURT: It will be received.

Q You did appeal that order of contempt, did you not?

A I did.

(WHEREUPON, Petitioner's Exhibit 31 was duly marked for purposes of identification.)

Q Showing you Petitioner's Exhibit Number 31, will you tell the Court what that is?

A That appears to be a mandate from the -- well, it appears to be a mandate from the President of the United States of America. Now, I don't know what business he had in the proceeding and it is not signed by anybody.

Q It is a mandate, at least, to the District Court of Minnesota to reconsider their finding of contempt?

A Well, it is not a mandate from the Eighth Circuit Court of Appeals.

Q I guess I was under the impression that it was.

A It is a mandate from the President of the United States of America to the Honorable Judges of the United States District Court for the District of Minnesota. And it recites action that was had in the United States District Court for the Eighth Circuit Court of Appeals; but it is not a mandate from the Eighth Circuit Court of Appeals; it is from the President of the United States of America.

Q What does it require, Mr. Daly?

A Well, I don't think in law it requires anything.



MR. DAVIS: We will offer in evidence Exhibit Number 31.

MR. DALY: It is in total violation of the principle of separation of powers; I don't have any objection for whatever it is worth.

THE COURT: Then it will be received.

Q Additional consideration was given by the United States District Court for the District of Minnesota in the Third Division to the matter of finding you in contempt for your refusal to answer Mr. Ehlers' questions, is that correct?

A That is right. We came back and had a new hearing.

(WHEREUPON, Petitioner's Exhibit 32 was duly marked for purposes of identification.)

MR. DALY: Or we had a hearing.

Q Showing you Petitioner's Exhibit Number 32, are those the findings of fact after the second hearing?

A It appears to be.

Q Those findings relieved you from contempt, upon the basis that your objection to Mr. Ehlers' questions, on the grounds of the Fifth Amendment were appropriate objections, is that correct?

A That is right.

Q But you did make your objection upon the basis of the Fifth Amendment?

A Among others; basis of the Fifth Amendment and on the basis of the Internal Revenue Statutes, which I have set

out in Respondent's Exhibit C. Criminal Statutes are set out in here; 26 United States Code, Sections 7201 through 7210.

THE COURT: Is Petitioner's Exhibit 32 offered?

MR. DAVIS: Yes, Your Honor.

THE COURT: Any objection?

MR. DALY: No objection.

THE COURT: Then it is received.

Q (By Mr. Davis, continuing) Mr. Daly, you are acquainted with the Rules of Civil Procedure for the District Courts of Minnesota, namely Rule 63.03, governing the use of affidavits of prejudice, are you not?

A I think it is in substance the same as Statute 542.16.

(WHEREUPON, Petitioner's Exhibits 33, 34, and 35 were duly marked for purposes of identification.)

Q Has it been your practice, Mr. Daly, to make liberal use of affidavits of prejudice in various courts of the state?

A So far as I have seen fit.

Q You have filed affidavits of prejudice against all of the Justices of the Supreme Court?

A You mean the ones that are presently on there?

Q Yes, Sir.

A No, I don't think I have filed one against C. Donald Peterson; although I may be mistaken.



Q You have filed against the rest of them?

A Right.

Q And you have filed affidavits of prejudice in the United States District Courts for the District of Minnesota?

A Yes, Sir.

Q Against how many judges?

A Well, I know I have filed them against Lord for one for sure.

Q Have you filed one against Devitt and Nordbye?

A Oh, it is possible I filed one against Devitt and Nordbye, yes; I am not sure.

Q Have you filed affidavits of prejudice against the judges in the District Court for the First Judicial District, Dakota County?

A Yes, I have. Two of them are on the board of directors of banks out there. And Flynn, I found out the other day, is on the board of directors of the First National Bank of Shakopee, his brother-in-law. And Robert Breunig is on the board of directors of Northwestern State Bank of Jordan and John Fitzgerald is on the board of directors of the First State Bank of New Prague.

Q And you have filed affidavits against all of those judges?

A That is right.

Q Have you filed any affidavits of prejudice against

judges in Hennepin County?

A I have.

Q And in Ramsey County?

A Ramsey County, oh, I think on occasion I may have filed an affidavit over there.

Q Showing you Petitioner's Exhibit Number 33, is this the affidavit of prejudice you filed in the case of Faye V. Peterson in the District Court in Hennepin County?

A It appears to be.

MR. DAVIS: We offer in evidence Exhibit 33, Your Honor.

MR. DALY: I have no objection.

THE COURT: Received.

Q And this affidavit of prejudice applied to Judges Rolf Fosseen, Stanley Kane, Donald T. Barbeau, Crane Winton, William D. Gunn, John A. Weeks, Eugene Minenko, Edward J. Parker, Irving G. Iverson, Thomas Bergin, Elmer R. Anderson and Lindsay G. Arthur, is that correct?

A Whatever it says is right.

Q By what authority do you feel you can file a blanket affidavit against all of these judges?

A Under the authority of the Constitution of the United States and the Constitution of the State of Minnesota.

Q But not under the authority of the court rules, is that correct?



A Well, the court rule says, I think that you have a right to disqualify one judge, as a matter of right, and then if you want to disqualify any further judges, I think this is the rule under the statute; you have to make or file an affidavit, making a showing of prejudice and then make a motion before that judge, that you file the affidavit against. And it is discretionary with him, whether he wants to sit and hear the case or disqualify himself. And he can only be reversed for an abuse of discretion. I think that is the law as I understand it.

In other words, if you file the affidavit of prejudice, they can look over the situation and they don't have to honor it; they can sit and try the cases, that is my understanding of the law.

Q Showing you Petitioner's Exhibit Number 34, did you present that?

A I did, yes.

Q That is an affidavit of prejudice for signature by Carl R. Anderson, is that right?

A That is right.

Q Prepared by you and submitted over his signature to the District Court for the First Judicial District?

A That is right.

Q And the effect of that affidavit of prejudice is what?

A Well, he signed it as President of A & J Builders to disqualify Robert J. Breunig. He signed it as President of Burnsville Plumbing and Heating, Inc. to disqualify John Fitzgerald. And he signed it on his own behalf, personally, to disqualify John B. Friedrich. And all three of these judges honored it.

MR. DAVIS: We offer in evidence  
Petitioner's Exhibit Number 34, Your Honor.

THE COURT: Any objection?

MR. DALY: No, I have no objection to it; the client wanted those judges disqualified and I thought that we had good grounds to do it and so we did it.

THE COURT: Then it is received.

Q I show you Petitioner's Exhibit Number 35, will you tell the Court what that is please.

A I believe that is an affidavit that I filed, personally, against Judge Friedrich.

Q In which case?

A That was in Oscar Husby, that is the Ridge Lutheran Home versus Carl Anderson and Julian Vinge.

Q Is that the same Carl R. Anderson, who made the affidavit of prejudice in the previous exhibit?

A That is right.

MR. DAVIS: We offer in evidence



Exhibit Number 35, Your Honor.

MR. DALY: I have no objection.

THE COURT: Then it is received.

Q As a part of your exhibit, did you recite the following:

That I have good reason to believe, do believe and so state that because of bias and prejudice on the part of Judge Friedrich, a fair trial of any kind or nature cannot result before Judge Friedrich and therefore this affidavit is made to disqualify said Judge for all purposes. Further, I believe and so state that Judge Friedrich has a prejudice against the Declaration of Independence and the Constitution of the United States and the Constitution of Minnesota and a bias in favor of that element advocating the nullification and overthrow of it. That this case involves a dispute with the Lutheran Church, Missouri Synod, which is composed of preachers arrogating attributes of diety to themselves in association with Papal Jewish Hegemony, all of whom are in vortex with each other rotating and operating on a common axis sited in Hell. That Judge Friedrich is in sympathy with this combination and their activity all of which makes him incompetent to act in the above entitled action in any matter involving Carl R. Anderson of A & J Builders, Inc. or Burnsville Plumbing and Heating, Inc.

That Judge Friedrich has in the past demonstrated an

antagonism toward me in the past which I am sure stems from his prejudice against the Constitution and my insistence that it be upheld as written.

Did you make those comments in that affidavit?

A. I did.

Q. Tell me, what is Papal Jewish Hegemony?

A. Papal Jewish Hegemony; well, can I resort to a couple of my books? I believe that is it.

(WHEREUPON, Respondent's Exhibits D and E were duly marked for purposes of identification.)

MR. DALY: Now, I might say this; Judge Friedrich indicated that he believed his court was a court of equity or an ecclesiastical court, I believe is the word he used. And he indicated he did not believe in trial by jury.

Now, see, I got this book, Modern Business, Alexander Hamilton Institute, which is illustrative, Respondent's Exhibit E, and it gives the origin and history of the evolution of banking in these banking circles and this is some 2,200 years before the time of Christ.

And it says, Assyria and Babylon used promissory notes and bills of exchange even before the days of Nebuchadnezzar, long before the first coins were struck.

It says the Greeks had coins as well as credit instruments and passed them along to Rome, which later



came to dominate the business and financial world, along with politics of the Western World.

The various services which banks render today have been developed gradually by trial and error through the centuries. The gods were the first bankers -- the priests and priestesses acting as their tellers, because for centuries the temples were considered to be the only safe depositories. The Temple of the Sun, in Babylon, was only one of many temple banks that accepted deposits and made loans on personal property.

And the practices of usury were first formulated in Babylon and that was the reason for the downfall of Babylon. And I think that is shown here in the book, Religions of the World, which is Respondent's Exhibit D, which of all of the books on the history of the religions of the world, this is one of the best ones I have read, by Gerald L. Berry. I think he is from Canada.

Q I think we are getting a little bit far from the question.

A We are not; I am getting to it.

Q I wanted to know what Papal Jewish Hegemony was and how Judge Friedrich is associated with it.

A It stems from these churches; the old Buddhism had ten commandments, before the Jewish ten, and the tenth one: Thou shalt not be owner of any gold or silver.

And they used their commandments to corral the gold and silver for purposes of banking and monopolizing power and profit to themselves, you see. And they lay in there, behind all of this subversive activity, under a cloak of hypocrisy.

And the churches, and especially the Catholic Church there in Rome, I think that that is a combination of joining forces together for purposes of oppressing people.

And if you read your history, all the way down through the centuries; any time they fought for the right to be free, they have had the preachers to contend with.

Q How is Judge Friedrich associated with this?

A He made the statement to me, he was in sympathy with them.

Q What evidence do you have that Judge Friedrich is not--

MR. DAVIS: May I see that, Your Honor, I have got to get the right language.

Q (continuing) That Judge Friedrich has a prejudice against the Declaration of Independence and the Constitution of the United States and the Constitution of the State of Minnesota?

A Well, insofar as the Constitution guarantees are concerned, I haven't seen where he has upheld it.

Q You are aware of the fact that he took an oath to



uphold it?

A. That doesn't seem to make too much difference to a lot of people in public office.

Q. Are you stating at this time that Judge Friedrich violated his oath of office?

A. Not completely, no.

Q. In part?

A. I think so.

Q. In what part?

A. Well, now, when it comes down to the Rules of Civil Procedure, he came right out and volunteered the statement to me: He would not hear anything about the inherent unconstitutionality, closed his mind to the question of separation of powers in Government and that is the first principle, upon which the Government was founded and based.

Q. Mr. Daly, is it true that in certain instances, you have been requested to appear before various courts and you have made various motions before various courts, at which time you neither appeared nor gave any excuse or reason for your nonappearance.

A. That I have made motions and gave no excuse for my nonappearances?

Q. Yes, Sir.

A. I don't think that is right.

Q. I invite your attention to the case of Mary Agnes

Dearing versus Colin F. Dearing.

A That is right. I made a motion that was returnable at Hastings and I served counsel, I think it was Bud Lenertz from South Saint Paul.

And I asked my secretary, before I went to Missouri, I asked her to notify Mr. Lenertz that I would be in Missouri, trying a case, and that the motion should be put off.

Q The motion was scheduled for August 15, 1969?

A Yes. And as I understand, Mr. Lenertz showed up. I have talked to him about it and explained the reason for the problem and I have told Mr. Lenertz; if there is anything you think I owe you, I would be glad to pay you for your inconvenience. And he said it was all right as far as he was concerned.

I think the Court assessed \$100.00.

(WHEREUPON, Petitioner's Exhibit 36 was marked for purposes of identification.)

Q I show you Petitioner's Exhibit Number 36, can you tell the Court what that is?

A It is the order that was entered. The defendant shall pay to plaintiff at the office of her attorney the sum of \$100.00 towards her attorneys' fees incurred herein.

I told you I apologized to Mr. Lenertz and I told him I would make it right. And he said that it was all right with him.



MR. DAVIS: We offer in evidence,  
what is the number?

MR. DALY: 36.

THE COURT: Any objection?

MR. DALY: No objection.

THE COURT: It will be received.

Q Isn't it also true, Mr. Daly, that you made a motion in this proceeding, that you personally served upon me during the time we were in trial in Saint Paul in another matter, for a hearing before the Supreme Court?

A That is right. I didn't know that I was supposed to appear; I thought that all motions--

Q You scheduled a date for hearing on that motion, did you not?

A That is right, but I thought that all motions were to be in writing and there was to be no personal appearance and that is their rule, as I understand it, and I didn't appear up there.

Q You didn't notify me that you had no intention of appearing?

A I don't think we had any conversation about it.

Q That is correct. In addition to that--

A Are you complaining about that?

Q Well, you stated that you had never made a motion where you failed to appear, Mr. Daly, as I understood your

testimony. I have just shown you two instances, in which that wasn't true.

Q Do you recall the case of Daniel J. Popard, File Number 523565, Hennepin County Municipal Court?

A Can you give me the date, what was the date on that?

Q January 4, 1967.

A No, I don't.

Q Did either you or your client appear in that case?

A I don't know whether he appeared or not. I do know that with this municipal court here; I would like to say something if I might. This municipal court here in Hennepin County, in traffic matters, I usually have the client appear and enter a plea of not guilty himself and instruct the client to notify the clerk or that the clerk should notify the client personally, as to when any appearances were supposed to be. And in every other municipal court I appear in, it is the same way and this is the only one that don't do it.

Q Do you recall that Judge Leslie issued a bench warrant for the arrest of your client in that case, on your failure to appear?

A I don't know if he did or not.

Q Do you recall the case of State versus Eugene M. Erickson in Hennepin County Municipal Court?

A What is the date of that one?

Q November 7, 1967.



A I did not appear with Mr. Erickson.

Q And a bench warrant was issued for your client?

A As a matter of fact, I have checked these files and they don't indicate any notice to Mr. Erickson or Mr. Popard or myself.

Q You say you did not receive any notice of trial?

A I don't think that Mr. Erickson asked. I didn't appear with Mr. Erickson, either in his first appearance or when he went over there and pled guilty.

Q Do you deny that you represented him?

A I remember him calling me up to get him bailed out of jail; but if I recollect the file, there is nothing indicating in the file that I was his lawyer on the first appearance.

Q How about State versus Melvin Lenson, January 30, 1969?

A Well, now on that case there, I appeared for two pretrials on that, attempting to get a reduction in the charge and they wouldn't reduce the charge. And then I remember the case was scheduled for trial on January 30, 19 -- is that the date?

Q 1969.

A '69, and I was down in bed with the flu on that one and I couldn't get out of bed; but I had called Lenson before that previously and there had been a bad storm and he lives out in the country and he couldn't call in or get in, he told

me; but that he would go in and get it straightened out.

And I think it has been taken care of since then.

Q A bench warrant was issued and bail forfeited?

A I believe in that Lenzen case, that is right.

Q What about the case of State versus Gerald Haugdahl, April 1, 1969?

A I didn't appear with Haugdahl in court; I don't remember ever getting any notice on that.

Q And State versus Vic R. Severson, June 4, 1969?

A I don't recall any notice on that one either.

Q Have any sanctions been taken against you, as a result of your failure to appear in Municipal Court in Minneapolis?

A Do you mean, have they found me in contempt?

Q No, has anything been done with reference to release on personal recognizance?

A Well, now, I notice that allegation in there. Way back in 1963 or 1964, I represented a boy by the name of Richard Hemish. I think he had six charges against him and he had four hundred dollars bail up.

If I remember right, they released him on the other two charges to me; he was from Saint Paul. And Hemish took off and he hasn't come back into the state since then and they revoked my so-called privileges to have people released to me.

And I have never attempted to get anybody released to me



since then. I have kept sufficient money to go and if anybody calls me, I go down and put up the bail and they pay me back.

I have never attempted since then to get anybody released to me and I don't think that, as a matter of fact, I don't think it is proper for a lawyer to do that; because there is a case involving a Writ of Habeas Corpus, where I think the client sued the lawyer on the Writ of Habeas Corpus; his own lawyer, on an unconstitutional restraint of freedom. I have a citation here some place in Florida, where the client was released to the lawyer. I don't think the lawyer has any business doing that.

MR. DAVIS: I wonder whether we might take our afternoon recess, Your Honor.

THE COURT: We could. We will take fifteen minutes.

(WHEREUPON, an afternoon recess was duly had at approximately three-fifteen p.m.)

\* \* \* \* \*

MR. DALY: Is it all right if I make a statement? I want to qualify that last answer of mine.

Q (By Mr. Davis, continuing) Surely.

A With reference to the right of the Writ of Habeas Corpus, with reference to the meaning of the word custody.

That case I was referring to is Foster versus Gilbert, in the Southern District of Florida, 1967; where the petitioner was released into the custody of his own attorney and he was granted the Writ of Habeas Corpus against his own attorney; 264 F. Supp. 209. That is in this United States versus Tarlowski on Court Decisions, which is the United States District Court, Eastern District of New York, of July 22, 1969. And it is cited in 69-A USTC, Page 85, 461.

(WHEREUPON, Petitioner's Exhibits 37 and 38 were duly marked for purposes of identification.)

Q Mr. Daly, was a traffic citation for parking in a no parking zone issued to a vehicle owned by you on July 3, 1966?

A Oh, boy, now is that one of the charges that is listed?

Q Yes, Sir.

A Is it listed?

Q This was a Bloomington Police Officer.

A Which charge in the petition is that?

Q Well, there are three tickets recited: One on July 3, 1966, by a Bloomington Police Officer and one on July 20, 1966, by a Minneapolis Police Officer and one on September 24, 1966, by a Metropolitan Airport Police Officer.

A Well, are you asking me about the charges presently pending before this referee? I mean, we have got to draw a halt to this somewhere.

MR. DALY: And I want to get an



objection in here that these are beyond the scope of the charges. Not that I can't answer them; but we have got to call a halt to this some place.

MR. DAVIS: I believe you are correct. I don't find reference to this matter in the petition and accusation, Your Honor. So, I will withdraw those questions and not go into it.

Mr. Daly, Mr. Kivley is here from Appleton. I wonder whether we could take him out of order?

MR. DALY: That is all right. I indicated after the recess, our afternoon recess, that I didn't have any objection and I don't.

THE COURT: All right then, the Respondent will recess his testimony at this time and you may call out of order, a witness that you have here.

MR. DAVIS: Mr. Kenneth Kivley.

KENNETH KIVLEY

being first duly sworn, testified  
as follows on behalf of the  
Petitioner on:

DIRECT EXAMINATION

BY MR. DAVIS:

Q Mr. Kivley, what is your address?

A. Appleton, Minnesota.

Q. What is your business or occupation?

A. I am an attorney at law.

Q. Are you licensed to practice law in the State of Minnesota?

A. I am.

Q. When were you so licensed?

A. It was in mid-year; I believe in July of 1925; yes, 1925.

Q. Have you actively conducted a practice in this state since that time?

A. Yes, Sir.

Q. Were you practicing law in Appleton, Minnesota, at a time that an action was commenced by A. M. Joyce against the Northwestern State Bank of Appleton and others?

A. Yes, Sir.

Q. And did you participate in proceedings before the District Court for Chippewa County and the United States District Court for the District of Minnesota, relative to that proceeding?

A. Yes, Sir.

Q. And in what capacity did you participate, Mr. Kivley?

A. In the Chippewa County case and in the federal case in the Fourth Division, I appeared as the attorney for Mrs. Nettie B. Krebs and Kenneth Kively, myself, as executor of



the Last Will and Testament of A. O. Krebs. And in the proceedings in the Third Division, I appeared in the same behalf and also on behalf of myself; I having been made a party defendant in that action, personally.

(WHEREUPON, Petitioner's Exhibits 39 through 43 were duly marked for purposes of identification.)

Q Who was Nettie B. Krebs?

A She was the widow of Arthur B. Krebs, also known as A. O. Krebs.

Q What was Mr. Kreb's capacity during his lifetime?

A During the period of life that I knew him, which was from along about 1917 on, he was an officer and director of a bank in Appleton. To begin with, it was a national bank and later the charter was surrendered and it became a state bank.

Q That would be Northwestern State Bank?

A Northwestern State Bank, yes.

Q Showing you what has been marked for identification as Petitioner's Exhibit Number 39, I ask you whether that is the original summons and complaint, which was served in that proceeding?

A No, it is not; it is an order.

Q Excuse me, let's withdraw that one now. Showing you what has been marked for identification as Petitioner's Exhibit Number 42, is that the original summons and complaint?

A That is the original summons and complaint in the action brought by A. M. Joyce.

MR. DAVIS: We offer in evidence Exhibit Number 42, Your Honor.

MR. DALY: I have no objection.

THE COURT: It may be received.

Q Now, this particular proceeding was commenced by Mr. A. M. Joyce as attorney pro se, is that correct?

A That is correct.

Q When did Mr. Daly appear for the first time in this proceeding?

A I believe, to the best of my knowledge, the first time he appeared was when a motion was made to amend the complaint.

Q Do you have a copy of that motion before you?

A No, I don't have a copy of the motion before me; but there is a proposed amended complaint, which is adopted.

Q That complaint was signed by whom?

A Jerome Daly.

Q As attorney for Mr. Joyce, is that correct?

A That is correct.

Q And that is Petitioner's Exhibit Number 41?

A Yes, Sir.

MR. DAVIS: We offer in evidence, Petitioner's Exhibit 41.



MR. DALY: I have no objection.

THE COURT: Received.

Q Were there further requests for amendment of the complaint in that proceeding?

A Well, Judge Rolloff made an order on the Plaintiff's petition; I have the certified copy of it in my hand, which is marked Exhibit 40, in which he granted the petition. The exception, that it was only granted in part as to the parties; he dismissed it to certain parties and that is that he asked to have it dismissed to. And he included certain parties in the proceedings that Joyce didn't have in the proceedings or left them in, some that he had in, and substituted myself and Mrs. Krebs, as parties in place of A. O. Krebs, the decedent, and also brought in Oral Nelson and Nina Nelson, new parties not named in the original proceedings.

MR. DAVIS: We offer in evidence Petitioner's Exhibit Number 40, which purports to be a copy of that order.

MR. DALY: No objection to foundation; I don't know what the materiality is to all of this.

THE COURT: It is offered and received.

Q And did you have any further amendments?

A Yes, upon motion, the Court brought in A. E. Kief, as guardian of the estate of Jeffery Allan Lincoln Compton, who is a grandson of the Plaintiff, as a party defendant.

Q And that was done by Order, which is Petitioner's Exhibit Number 39?

A Yes, Sir.

MR. DAVIS: We offer Exhibit Number 39, Your Honor.

MR. DALY: I have no objection to any of these exhibits.

THE COURT: Received.

MR. DALY: For whatever they are worth; Counsel may assure me that they are authoritative.

Q (By Mr. Davis, continuing) Will you tell the Court what the transactions were, which gave rise to this proceeding?

A Well, the proceedings in Chippewa County District Court sought, it was in the nature -- not an action to quit title as to land, which Mr. Joyce claimed to own.

There were three tracts of land, consisting of 380 acre tracts. One of these tracts had been sold by Mr. Joyce to Mr. Krebs and Mr. Krebs had later sold it to Oral and Nina Nelson. And Mr. Krebs had mortgages on the other two tracts, two mortgages.

Q Now, with reference to the tract, which was sold to Mr. Krebs, was a deed in any form given by Mr. Joyce to Mr. Krebs?

A There were two deeds given to him for the land.

Q And the Court ultimately upheld the validity of those



deeds?

A That is correct.

Q Did Mr. Krebs pay to Mr. Joyce any consideration for the transfer of that property, if you know?

A Yes, I know he did.

Q What consideration was paid?

A I can't tell you exactly; there was one mortgage that Joyce had given on the property that was canceled and some other indebtedness, I believe, I can't tell you the exact -- what was done; but I know that Mr. Krebs' business records disclosed that he had made these payments.

Q Approximately how long a time did this proceeding take place in Chippewa County?

A Well, the original proceeding was started -- I don't know the exact date -- but it was considerable, some period of time before it was ever brought on for trial. In fact, they did nothing with it, except go file the summons and file the complaint and have the summons served, until after Mr. Krebs died.

Q And then these other motions were made and the case was brought on for trial?

A That is correct.

Q And that trial involved all of the defendants indicated in Petitioner's Exhibit Number 39, is that correct?

A That is correct.

Q Were all of these defendants represented by various attorneys?

A Oral and Nina Nelson were represented by a firm of attorneys from Montevideo, Prindle, Maland and Ward. I represented the executors of the estate, under the Will of A. O. Krebs. James R. Bennett of Appleton represented Northwestern State Bank. A. E. Kief represented himself as guardian of the minor child and there was no appearance on behalf of Alfred M. Joyce, Jr. and Mary Compton, until after the time for answer had expired; when Mr. Jerome Daly, who was the attorney of record for the plaintiff, attempted to interpose an answer on their behalf and their answer was not received by the Court.

Q But Mr. Daly did attempt to answer for them?

A He filed an answer on their behalf, as a part of the file in Chippewa County. I believe I have it in my briefcase, a copy, an uncertified copy of the answer.

Q Do you have your file with you?

A Yes.

Q Would you get it for me please.

(WHEREUPON, Petitioner's Exhibit 44 was duly marked for purposes of identification.)

Q Showing you what has been marked for identification as Petitioner's Exhibit Number 44, will you tell the Court what that is please.

A That is a copy of the answer of Mary Compton and



Alfred M. Joyce, Jr., which was served upon me in the case of A. M. Joyce versus Northwestern State Bank of Appleton and others.

Q And it purports to bear whose signature as attorney?

A Jerome Daly.

MR. DAVIS: We offer Exhibit 44,  
Your Honor.

MR. DALY: Can I see it? I don't  
have any objection.

THE COURT: Received.

Q Is it true, Mr. Kively, that the claim of the Plaintiff, A. M. Joyce, in this proceeding was that the Federal Reserve System was unconstitutional and that no proper consideration had been given for the purchase and acquisition of the land?

A Oh, yes, that was raised.

Q Now, after this proceeding had been tried and concluded; were any other proceedings, relative to this same piece of property, same subject matter of the proceeding, instituted in any court?

A During the pendency of this action in Chippewa County District Court, Montevideo, an action was instituted in the United States District Court of Minnesota for the Fourth Division, which brought into question the validity of the transfer and the ownership of the 80 acres of land,

which was involved in the Chippewa County action and also brought into question or raised another issue and that is claiming that the various defendants in the action, together with other defendants, which consisted of Earl McNiel, who is an agent of the Agricultural Stabilization Conservation Service, a government farm program in Chippewa County and members of the county committee and others, I believe had conspired -- and Cargill, Inc. was brought in -- had conspired to deprive and had deprived him of a crop of corn that was raised in the land in Chippewa County.

Q The land that he sold to Mr. Krebs?

A The land he sold and retained and upon which Mr. Krebs had a mortgage.

Q Showing you what has been marked as Petitioner's Exhibit Number 43, do you recognize that?

A Yes, I do.

Q What is it?

A It is a certified copy of the summons and complaint in the case of Alfred M. Joyce versus Oral Nelson and Nina Nelson; the same being dated September 12, 1968.

Q Is that proceeding a proceeding affecting the same property as the proceeding started in Chippewa County, on the one that was also started during the pendency of that proceeding in the United States District Court for the District of Minnesota?



A This involved the south half of the southeast Section 23, Township 119, range 42, Chippewa County, Minnesota, and that is 80 acres of land that was sold to Oral Nelson and he was involved in the Chippewa County case and also involved in the case in the Fourth Division, United States District Court, and also in the action, which was brought in Scott County, transferred to the United States District Court for the Third Division. All of which preceded this.

Q The Nelsons were the purchasers from Mr. Krebs, is that correct?

A That is correct.

MR. DAVIS: We offer Exhibit Number 43, Your Honor.

MR. DALY: I have no objection.

THE COURT: It may be received.

Q Then, as I understand it, Mr. Kivley, the first action was commenced in Chippewa County in the District Court in approximately February of 1963. And another proceeding was commenced in the United States District Court for the District of Minnesota, during the time that action was pending and that later an action was commenced in Scott County?

A That is correct.

Q Which was transferred to the United States District Court for the Fourth Division?

A Third Division.

Q And this action, started by summons and complaint, September 12, 1968, in Chippewa County, all involved the same general claims by the same parties, is that right?

A With respect to the 80 acres of land, that is correct.

Q And the defendants in each of those matters appeared and defended themselves in each case, is that correct?

A That is correct, with exception of Alfred Joyce, Jr. and Mary Compton, as I stated; they did not appear.

Q They did not appear, except for the attempted appearance by answer, signed by Mr. Daly?

A That is right.

Q Can you estimate, for the Court, the amount of time, effort and expense that went into the defense of these four proceedings?

A Well, my recollection is that we spent between two-and-a-half and three days in the trial in the Chippewa County case; besides the time for preparation, of course; there were three firms or three lawyers or firms of lawyers representing parties.

And the proceeding in the Fourth Division, there were two depositions taken, at different times, and the attorney for Cargill, Incorporated, arranged for taking the depositions and, of course, there was the cost of those depositions and the expense of the attorneys. I personally came down for



both of the hearings, which were held in Minneapolis and the other attorneys did, too.

And then, I believe there were three, if my recollection is correct, three appearances in the District Court of the Fourth Division; before the matters were finally determined by Judge Nordbye's order.

Then, the Defendant Joyce took an appeal to the Circuit Court of Appeals. Mr. Daly, however, did not appear on the appeal. And that was dismissed and then he brought the action in Scott County.

And there were two appearances in the District Court for the Third Division. The first time he came down for appearance, the matter had to be continued; because in that action, Mr. Joyce had enjoined all of the Federal Judges in Minnesota as party defendants, along with innumerable other people. The matter was assigned to Judge Stephenson of Des Moines, Iowa, and he came up here and we had another hearing there.

I would say that on the whole, it was hard for me to estimate what time other people put in on it; but I would say conservatively, it would be at least two thousand man hours' time, collectively.

Q And is it true, Mr. Kivley, that in each of these four proceedings, the claim of the plaintiff was refuted?

A Yes.

MR. DAVIS: I have no further questions.

CROSS-EXAMINATION

BY MR. DALY:

Q This involved a proceeding, in which the Northwestern State Bank of Appleton was attempting to buy Mr. Joyce's south 80 or was Krebs trying to buy the 80?

A Well, if you don't know the history of the thing. Mr. Krebs was trying to sell the south 80 of his farm for Mr. Joyce and he went to Oral Nelson and Oral Nelson refused to buy anything from Joyce; because he thought he was going to have trouble. He did make the statement, if it belonged to Krebs, he would be glad to buy it, because he would like the farm.

So, Krebs bought the farm from Joyce and sold it to Nelson. And I don't know whether Nelson improved himself; he still has had four lawsuits -- so far, five; there was another lawsuit started, but I don't think you were a party to that action; as far as I know, you weren't.

Q And Mr. Krebs then made a contract to buy the land directly with Joyce?

A I can't tell you whether he made a contract or whether it was just a written contract or not; my recollection--

Q Or an oral contract?

A My recollection is that Joyce gave him a deed and was paid in -- well, anyway, Joyce in this trial, he claimed



he hadn't been paid for it, hadn't he?

Q The first trial before Judge Rolloff?

A Yes, he made that claim.

Q The first trial before Judge Rolloff, he claimed he was in possession of the south 80 and it was an action to determine adverse claims?

A It was an action to determine adverse claims, yes.

Q Well, now, you recall that Joyce never delivered the possession of the south 80 or transferred the season to Mr. Krebs, isn't that right?

A Well, if you mean the old common law proceeding of transferring season, by picking up a hand of dirt and handing it to him; no, he did not.

Q Krebs was never in possession of the south 80?

A Yes, I think he was.

Q He was never on the south 80, as far as working it and being in possession of it?

A No, he was not a farmer.

Q Do you recall the testimony of Oral Nelson, that Joyce's hired hand had made a couple of rounds with the tractor and disked that spring?

A Yes.

Q And Oral Nelson told the man to get off; he had bought the south 80?

A That is correct.

Q So, Joyce never physically placed Oral Nelson in possession of the south 80, isn't that right?

A He had no dealing with Oral Nelson. Oral Nelson bought the farm from Krebs; Krebs would have had--

Q And so it was Joyce's claim in the trial, that he never gave possession to Oral Nelson, isn't that right?

A I think that was one of the claims.

Q And the trial Court's conclusion was that Oral Nelson was in possession of the south 80?

A That is right.

Q And so then the action in the United States District Court, Joyce claimed that Krebs was misappropriating money of his or credit or whatever you want to call it?

A Well, he claimed that. Now, this is a part from the real estate transaction. He claimed that Mr. Krebs and Northwestern State Bank; Oral Nelson and Nina Nelson and Arthur O. Krebs, the decedent; and Cargill, Incorporated; I believe I have all of the parties; that they had conspired to deprive him of a crop of corn and had stolen a crop of corn that was raised on his land.

Q At any rate, a check came out of the Federal Reserve Bank of Kansas City and it was deposited in the Northwestern State of Appleton and it went there as a depository and then Mr. Krebs located it, where it should be, without Joyce's permission, that was Joyce's claim, isn't that right?



A No, I didn't understand Joyce's claim to be that at all.

Q Well, Krebs just took the check?

A Yes, and he never got anything for it and nobody else did; but that Joyce ordered the bank and the other conspirators had simply appropriated the money.

Q And then the last action that was started in September, you say, of 1968, that was an action to recover the possession, isn't that right?

A Well, it involved the title to this land.

Q It involved the recovery of the possession of it?

A I presume so; I didn't read the thing carefully enough. I wasn't an attorney of record in that case and so, I wouldn't want to say, without reading the complaint.

Q Well, anyway, Joyce never had a jury trial in this case, did he?

A Which case?

Q In any of this litigation, he never had a jury trial?

A No.

Q And all the way down the line, he claimed he hadn't been paid for the south 80, isn't that right?

A Yes.

Q And he also claimed that he never transferred or delivered the possession to either Krebs or Oral Nelson?

A Well, he claimed that the deed that he gave to Krebs

was not a deed; but was in effect a mortgage that was given as security for payment of debt. That was his claim, as I understand it.

MR. DALY: I believe that is all the questions I have.

MR. DAVIS: I don't have anything further. Thank you, Mr. Kivley. May Mr. Kivley be excused?

MR. DALY: Yes.

THE COURT: You say that the deed running from Joyce to Krebs, that it was Joyce's claim that this was not a deed; but evidence of a debt, a mortgage?

THE WITNESS: Yes.

THE COURT: Did you examine the deed?

THE WITNESS: Oh, yes.

THE COURT: And what was it?

THE WITNESS: Well, it was in the form of a warranty deed.

THE COURT: Was it a standard form of warranty deed?

THE WITNESS: No, it was in Minnesota; a standard Minnesota.

THE COURT: I see.

MR. DALY: A quick claim deed?



THE WITNESS: Well, maybe a quick claim; I don't know; but a deed on the uniform Minnesota form of deed.

MR. DALY: But it was a deed that was given to Krebs. Well, didn't Joyce also claim that it was a mortgage, rather than a deed to pass the title?

THE WITNESS: Yes, he claimed it was a mortgage, rather than a deed.

MR. DALY: That is all the questions.

THE COURT: I guess that is all.

MR. DAVIS: I have one other question.

(WHEREUPON, Petitioner's Exhibits 45 and 46 were marked for purposes of identification.)

REDIRECT EXAMINATION

BY MR. DAVIS:

Q Mr. Kivley, showing you Petitioner's Exhibit 45, is that the Findings of Fact and Conclusions of Law and Order for Judgment entered in the Joyce case, which was tried in Chippewa County, the original case?

A Yes, together with Judge Rolloff's memorandum attached to it.

Q And showing you Exhibit Number 46, is that the Judgment entered pursuant to those Findings?

A That is a copy of the judgment, yes, Sir.

MR. DAVIS: We offer in evidence, Exhibits 45 and 46, Your Honor.

MR. DALY: I thought they were in evidence; but I don't have any objection.

MR. DAVIS: I thought they were, too, Counsel, but I couldn't find them.

THE COURT: One is a judgment filed in Chippewa County and the other--

THE WITNESS: The findings.

MR. DAVIS: Findings of Fact, Conclusions of Law and Order for Judgment and the other is the judgment.

THE COURT: Received.

MR. DAVIS: I have no further questions.

MR. DALY: I have one more.

RECROSS-EXAMINATION

BY MR. DALY:

Q Now, there was no purchase money agreement for purchase of the land that you recall entered into between Krebs and Joyce then?

A Not that I recall.

Q You know, the usual purchase money agreement, whereby there is a down payment made and agreement to furnish an



abstract and clear title and all that and then a closing?

A That is quite a common practice, yes.

Q And the common practice and Krebs didn't follow the common practice in this case?

A Not to my knowledge.

MR. DALY: That is all.

MR. DAVIS: That is all I have.

THE COURT: I guess that is all, Mr. Kivley. Thank you.

MR. DAVIS: Mr. Busdicker is in court and is required to leave town tomorrow, Your Honor, and I would like to ask whether I can call him out of order.

MR. DALY: I have no objection.

GORDON G. BUSDICKER

being first duly sworn, testified  
as follows on behalf of the  
Petitioner on:

DIRECT EXAMINATION

BY MR. DAVIS:

Q Will you state your full name please.

A Gordon G. Busdicker, B-u-s-d-i-c-k-e-r.

Q Your address?

A My office address is 1300 Northwestern Bank Building,

Minneapolis.

Q What is your business or occupation?

A I am an attorney; a member of the firm of Faegre and Benson of Minneapolis.

Q Are you licensed to practice law in the State of Minnesota?

A I am.

Q For how long a period of time have you been licensed to practice in Minnesota?

A Since, I believe in 1962, and in Pennsylvania, since 1959.

Q Have you continuously practiced in Minnesota since 1962?

A I have.

Q Have you had occasion, in the course of your practice, to have any dealings either as attorney for clients where the other party was Jerome Daly or wherein the other party was represented by Jerome Daly?

A Yes, I have. Probably the most recent or one of the most recent would be a situation where both of these conditions would have been attained. The case was the case of Zurn, Z-u-r-n, versus Northwestern National Bank of Minneapolis. And an axillary proceeding to that or companion action and related action of Northwestern National Bank of Minneapolis versus Zurn and Jerome Daly.



Q And where was the action of Zurn versus the Northwestern National Bank commenced?

A This was an action commenced by Mr. Zurn, represented by Mr. Daly, in a Justice of the Peace Court in Scott County.

Q Would that be before Justice Martin V. Mahoney in Credit River Township?

A Both the summons was signed by Mahoney and the purported judgment, which was vacated by later action of the Supreme Court. So, it was before Mahoney, very clearly.

Q What was the subject matter of that proceeding?

A I have brought with me our pleading file on that. If I may refer to it from time to time. Without referring to it, however, I can indicate that the action as brought by Mr. Zurn was an action on an alleged mechanic's lien, claimed by Zurn, over a particular Ford automobile, on which my client, Northwestern National Bank of Minneapolis, held the security interest.

The relief, and I should amplify on that, because it is a little difficult to respond to the subject matter; but the relief sought was for a declaration by the Justice of the Peace that the bank's chattel mortgage or security interest was invalid; that Zurn be entitled to the payment of \$680.00 in, I believe it was gold or silver bullion; that legal tender be declared to consist of gold or silver bullion of a particular description.

Q And what was the subject matter of the action, Northwestern National Bank against Leo Zurn and Mr. Daly?

A This was a replevin action in the District Court in Scott County to attempt to recover the automobile; a replevin and conversion action, I should say.

Q What proceedings were held before the Justice of the Peace Court?

A The bank was served, personally served here in Hennepin County, with the summons and complaint on July 3, 1969. Thereafter, on behalf of the bank, we filed a petition for a Writ of Prohibition in the Supreme Court and on July 11, 1969, the Court, acting through Justice Peterson, issued an Order. I would call it an Interim Order, staying all proceedings before Justice Court and establishing a timetable, within which each side -- and this would be Northwestern National Bank on one side and named parties of both Zurn and Daly on the other side -- could respond and assert their position relative to whether a pre-emptory Writ of Prohibition should be issued out of the Supreme Court.

Q Was a copy of that order served upon Mr. Daly and upon Mr. Zurn?

A A copy of that order was served on the afternoon of July 11, 1969, on both Mr. Daly and not Mr. Zurn -- I don't believe on Justice Mahoney -- it may have been served upon Zurn as well, that I frankly don't recall. It was served upon



Mr. Daly and on Justice of the Peace Mahoney on the afternoon of July 11th.

Q What was done in response to that Order by Mr. Daly and the Justice of the Peace Mahoney?

A Sometime later, and clearly after July 14, 1969, the bank received in the mail a set of Findings of Fact, Conclusions of Law and Judgment, issued by Marvin V. Mahoney, Justice of the Peace.

This judgment recited that on a date and time, July 11, 1969, at 7:00 p.m., after the Stay Order, if I may call it that of Justice Peterson of the Supreme Court had been served; Mr. Daly, appearing on behalf of plaintiff, and Mr. Mahoney, proceeded. And Daly, on his application, proceeded to take a judgment by default. These Findings were dated July 11, 1969.

The judgment was as follows: One: That Plaintiff Zurn is entitled to and granted judgment against the individual defendant -- a man whose name I haven't yet mentioned, Roger Derrick, the owner of the car and the one who signed the security agreement with Northwestern Bank -- in the sum of \$680.00.

Two, that it is "Further ordered, adjudged and decreed that the standard legal tender silver dollar is the one coined under Act of Congress of February 28, 1878." And further that the "standard gold dollar, which is legal tender,

is the one coined under Act of Congress of February 12, 1873."

"Three, Order adjudged and decreed that Northwestern National Bank of Minneapolis has no right, title or interest in or a lien on that certain 1967 Mustang."

And it ordered that the Mustang be sold at a judicial sale; the memorandum of Justice of the Peace Mahoney incorporates by reference the publication, the Daly Eagle; it makes references to the petition for a Writ of Prohibition; it makes references to Mr. Mahoney's Findings as to the jurisdiction of the Justice of the Peace Court.

And in the Findings of the Court, among other things, there is a finding that "Said defendant bank is in the practice for many years of forging and creating money and credit upon the books of said bank, contrary to law, along with the Federal Reserve Bank of Minneapolis." "That both banks are United States corporations and that the creation of money and credit upon the books of said banks and the honoring and issuing of checks, bank drafts and notes for the said falsely created money and credit, is not authorized by the Constitution of the United States and the Constitution of Minnesota and the Northwest Ordinance of 1787 and the Treaty of Cession of Louisiana of April 30, 1803, and the common law relative to the validity of consideration for contracts and notes, and is therefore null and void."

Q Mr. Busdicker, did you or any people of your firm



receive any notification of the hearing, at which this was declared; at which time the findings were published and the default judgment entered?

A. No. The findings themselves recite that on the day and time set in the original summons, issued out of Justice of the Peace Court, 7:00 p.m. on July 11th; Mr. Daly and Mr. Mahoney appeared and they waited, I believe they recite an hour, for someone from the bank to appear. No one having appeared, on motion of Mr. Daly, default judgment was entered.

Q. What further proceedings did you take?

A. It is a little difficult to keep all of this in precise chronological order. At or about the time when Mr. Justice Peterson of the Supreme Court issued this Stay Order, staying all proceedings before Justice of the Peace Mahoney, a representative of Northwestern National Bank of Minneapolis went to Scott County, tendered to first the plaintiff in the Justice of the Peace action, Mr. Zurn, and to Mr. Jerome Daly; the sum of \$680.00, which was the amount demanded by Zurn in the original action. And both Mr. Zurn and Mr. Daly refused to accept this tender.

Q. Was demand made for delivery of the automobile at that time?

A. It was.

Q. Was it paid to both Mr. Zurn and Mr. Daly?

A. It was. Thereafter, and very frankly, the reason

that the tender was made, was because we wanted to attempt to get the car back and we were concerned about whether we had an immediate right to possession, by virtue of the alleged mechanic's lien.

In any event, the tender was made in Federal Reserve notes and the rejection of the tender was -- at least by Mr. Daly, as I recall, as I have been told -- was rejected on the grounds of not being valid legal tender.

Thereafter, we commenced a replevin and conversion action against Mr. Daly and Mr. Zurn and also the nominal owner of the car, Roger Derrick.

If I may separate this into these two facets: One, the proceedings before the Supreme Court and Two, the proceedings in District Court for Scott County.

And I have been talking of the replevin action, which is in the latter court. A deposition of Mr. Daly was noticed in Scott County, pursuant to Order of Judge Harold Flynn, setting the time and the place. Mr. Daly did not appear for that deposition on September 9, 1969.

The same Judge, Harold Flynn, finding or taking cognizance of the failure to appear by Mr. Daly, ordered that he, Mr. Daly, pay to plaintiff, Northwestern National Bank, the sum of \$250.00 as reasonably expenses occurred in obtaining the Order, the second Order of the Court, compelling Mr. Daly to appear for the deposition.



Mr. Daly's deposition was ultimately taken; issues were joined by a joint answer by Mr. Daly and Zurn; and the plaintiff, Northwestern National Bank, ultimately moved for summary judgment against each of these individuals. This was granted and judgment was filed on February 2, 1970.

And the latest that has transpired in this replevin action, is the execution, which was returned unsatisfied by the sheriff on, I believe, it was February 5, 1970. That gives a brief chronological order of the replevin action.

In the Supreme Court proceedings, the proceeding for a Writ of Prohibition, after receiving a copy of these Findings of Fact, Conclusions of Law and Judgment, against our clients, after the Stay Order had been issued and served by the Supreme Court; we filed a petition seeking to have both Justice of the Peace Mahoney and Mr. Daly held in contempt.

An Order to Show Cause was issued by the Supreme Court, acting through Justice Robert Sheran, on August 12, 1969. Briefs were filed by Northwestern National Bank of Minneapolis, my client; by First National Bank of Minneapolis, a party in a virtually mirror-image transaction to Northwestern National Bank. And I believe possibly by the Bank of Montgomery, which is also involved in some problems with the same individual. And a hearing was held on or about August 16, 1969 -- excuse me, it was originally scheduled for August 16th and was changed to August 23rd, I believe, 1969, before the

Supreme Court, on this Order to Show Cause why the two named individuals should not be held in contempt.

And the Supreme Court's Order and Opinion was ultimately filed on September 5, 1969, which found that by virtue of the death--

Q We have that opinion.

A You do?

Q Yes. Mr. Busdicker, were you present at the Supreme Court at the time of the argument for the motion for contempt?

A I was.

Q Was Mr. Daly present?

A He was, and as I recall, on his own behalf and as counsel for Justice of the Peace Mahoney.

Q Was any transcript of the proceedings taken at that time?

A There was a court reporter present and the Chief Justice announced that the proceedings were being transcribed. I have never seen a transcript of that proceeding, however, and I do not know whether the reporter's notes were actually transcribed or not.

THE COURT: This is as to the argument?

MR. DAVIS: Yes, Your Honor.

THE COURT: At the hearing in August?

MR. DAVIS: August 23rd.



MR. DALY: August 23rd, I believe it was.

Q (By Mr. Davis, continuing) Was there any appearance by Martin V. Mahoney?

A Only through his counsel, Mr. Daly, who indicated that he was appearing specially on behalf of Justice of the Peace Mahoney.

Q Will you recount for the Court, as best you can recall, what those proceedings were? What Mr. Daly advised the Court?

A Well, I certainly couldn't recount in complete detail what Mr. Daly's arguments were. I can indicate that Mr. Daly had filed, on his own behalf and presumably also on behalf of Justice of the Peace Mahoney, a letter dated August 2, 1969, that is filed with the Supreme Court; which attached as exhibits: A copy of the Daly Eagle and also a copy of a document entitled, Myers' Review, apparently an issue dated May 27, 1969. I don't know if you have that.

Q That is in evidence.

A All right, then I won't go into that any further. In this letter, Mr. Daly raised some of the arguments that he referred to in oral argument, before the Court; and it is my present recollection, these arguments included the argument that the order of Justice of the Supreme Court Peterson was invalid; for the reason that it had not been issued out of the

Clerk of the Supreme Court's Office; for the further reason, that it had been predicated upon a petition for Writ of Prohibition, that had not been verified; but more importantly, that the Order of the Supreme Court, dated July 11, 1969, was invalid as an unconstitutional and improper usurpation of the jurisdiction of Justice of the Peace Court.

And while I would not attempt to quote Mr. Daly's argument at that time; my best recollection is that Chief Justice Knutson asked him one or more questions directed to whether he and Justice of the Peace Mahoney had been served with and studied and understood the Order of the Supreme Court staying all proceedings; the July 11, 1969 order.

And Mr. Daly indicated that they, he and Mahoney, had in fact received the order and had in fact studied it and considered it very carefully. My recollection is that Mr. Daly said something to the effect of: We laid it down along side the Constitution and found it lacking. I don't want to be held to that as a quote, however.

The argument was made by Mr. Daly that there was no Constitutional limit on the jurisdiction of Justice of the Peace Courts; that the Statutes of Minnesota, which do limit that jurisdiction, were unconstitutional and violative of a number of acts, including those I referred to a minute ago; not only the Federal and State Constitutions, but the Northwest Ordinance and some of the others. And that that, therefore,



no order by the Supreme Court court can in any way restrict or infringe or withhold any proceeding from Justice of the Peace Court.

And an additional argument that was made was that the Supreme Court was disqualified from acting on this matter, by reason of the fact that they received their salary in bank money, in effect, if I can call it that, Federal Reserve notes.

Or the other argument that Mr. Daly and Mr. Mahoney made, bank created money. I don't know if I should amplify on that or not; I am not sure that I can. But in the Finding of Justice of the Peace Mahoney, that was entered in violation of the Supreme Court Order, there was a finding that by bookkeeping transactions between the Federal Reserve Banks and national banks, such as Northwestern National Bank of Minneapolis, illegal and void money was created. And the argument to the Supreme Court was they were disqualified from acting, by reason of the fact that they were paid in either bank money or Federal Reserve notes and were therefore prejudiced.

MR. DAVIS: I have no further questions.

THE WITNESS: If I may, just -- no, I have nothing to add.

MR. DALY: If you want to, go ahead.

THE WITNESS: No, I was wondering if I had set forth as fully as I could, the content of the arguments before the Supreme Court and I think I have.

CROSS-EXAMINATION

BY MR. DALY:

Q Well, now, your bank was served at the time appointed, before the hearing before the Justice of the Peace, Martin Mahoney and you didn't make any appearance, did you?

A That is correct. And if I may explain that.

Q Well, no one on your behalf made any appearance?

A I beg your pardon?

Q No one on your behalf made any appearance?

A No representative of Northwestern National Bank of Minneapolis made any appearance before Justice of the Peace Mahoney, for the reasons that prior to the time when the summons called for the bank to appear, which was 7:00 p.m. on the evening of July 11, 1969, the Supreme Court had issued an order staying all proceedings until further order of this Court, quashing and setting aside the summons, which called for us to appear at 7:00 p.m. and ordering Martin V. Mahoney to vacate and set aside the summons.

The basis for the petition for Writ of Prohibition was that the purported summons and complaint in Justice of the Peace Court was wholly beyond and outside of the established



jurisdiction of Justice of the Peace Court for a number of reasons; just reciting some of them--

THE COURT: I don't think we want to litigate that again. They were all raised before the Supreme Court. I have no right to review that order.

Q Well, the only thing I am trying to get out, that you made no application to Justice Mahoney personally for any relief?

A That is correct.

Q On behalf of your client, isn't that correct?

A That is correct.

Q Either before or after he signed his findings?

A That is correct.

Q And it was my claim before the Supreme Court, insofar as the statutes with reference to a Writ of Prohibition, you didn't follow the statutes, that was my claim?

A That may have been your claim, Mr. Daly. I didn't follow your argument at that time and I don't today; because we followed the precise provisions of the Rules of Appellate Procedure and the statutes regarding Writs of Prohibition and further the decided opinions of the court, the Supreme Court of this state and other states.

Q But my claim was that you didn't follow the statutes with reference to a verified petition before the Supreme Court for a Writ of Prohibition, isn't that right?

A That was one of your claims.

Q And that the Writ of Prohibition was not issued out of the Clerk's Office of the Supreme Court; that was another one of my claims?

A But the thing you were talking about was not a Writ of Prohibition; but rather an Order of the Supreme Court in connection with a proceeding for a Writ of Prohibition.

Q Well, you were following the Civil Appellate Statutes, were you not?

A I was following the Rules of Appellate Procedure, the Statutes of the State of Minnesota and the Opinions of the Court.

Q You had no order or you made no application to the Justice Court personally, that was denied, that you could take and appeal from, isn't that right?

A My client, Mr. Daly, was subjected to a summons and complaint, which was violative of the Statutes of the State of Minnesota in a number of particulars.

Q This is your claim; but you made no application to Justice Mahoney for any relief?

A This is true.

THE COURT: Before going to the Supreme Court.

Q Before going to the Supreme Court?

A I am not denying it; I never have denied it.

MR. DALY: All right. Well, that is



all the questions I have.

MR. DAVIS: I guess that is all,  
thank you.

THE COURT: I think this court is  
going to recess, unless you have a witness here.

MR. DAVIS: May I have just a moment,  
Your Honor?

THE COURT: Yes.

MR. DAVIS: I have nothing further  
tonight, Your Honor.

MR. DALY: I didn't offer the two  
books; but I want to offer Respondent's Exhibits D and  
E. I referred to them; I assume you have no objection?

MR. DAVIS: No objection, Your Honor.

THE COURT: They will be received.

MR. DAVIS: We have, and maybe we  
should make a notation, we have Exhibits 37 and 38, I  
believe, which we have not offered.

THE COURT: And I don't have Exhibit  
36.

MR. DAVIS: Mr. Daly, as you properly  
pointed out, the subject matter covered by Exhibits 37  
and 38 has not been included in the specifications and  
I have withdrawn the exhibits. If you wish them, you  
can go ahead with them.

MR. DALY: No, I don't.

THE COURT: We will recess until  
tomorrow morning at 9:30 a.m.

(WHEREUPON, court adjourned for the  
day at approximately four-forty-five o'clock p.m.)

\* \* \* \* \*

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*WAG CONT'N*