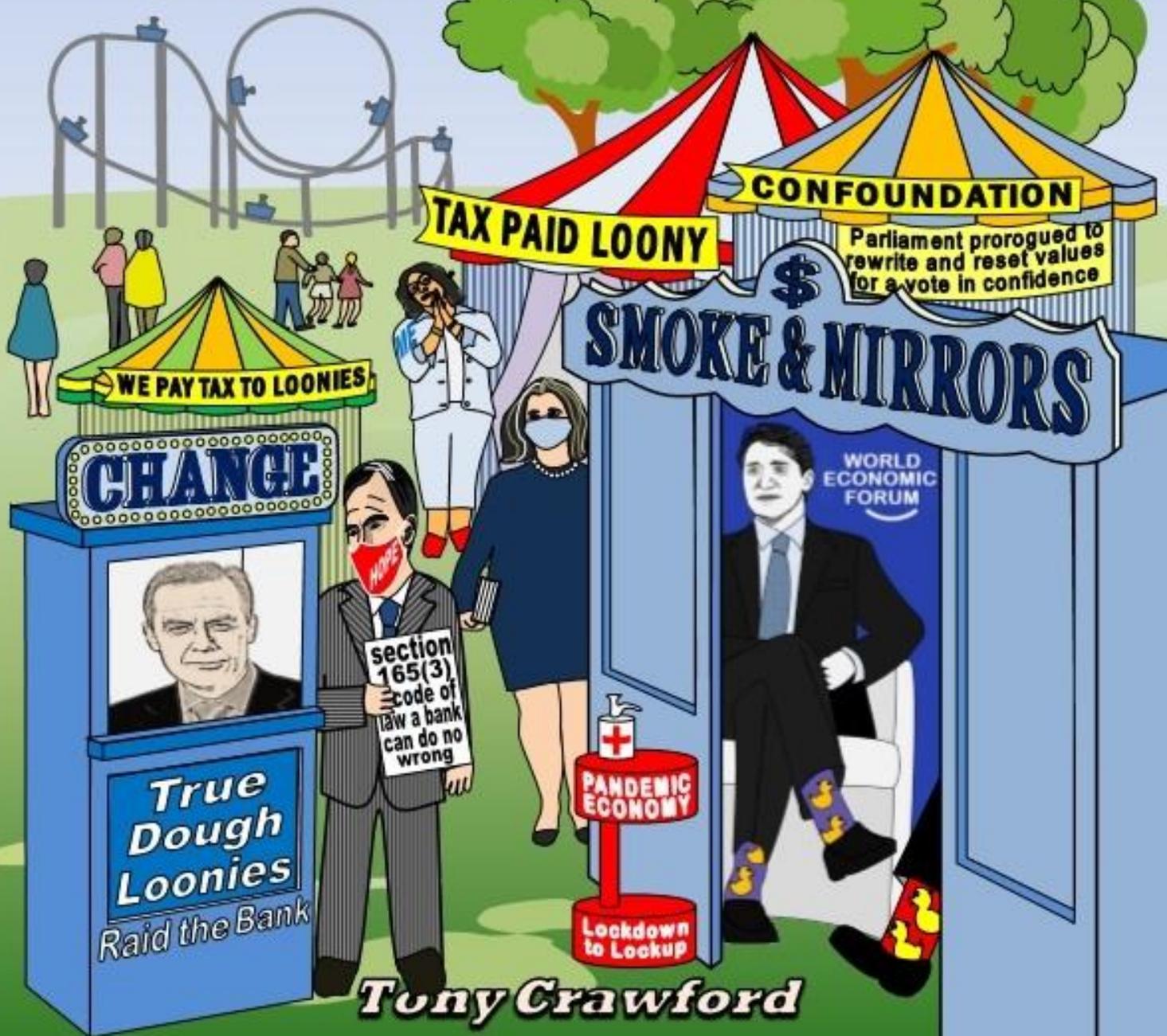


# CONTAGING

the tax invasion plan  
twice fooled carny mark



# CONTAGING

## THE TAX INVASION PLAN TWICE FOOLED CARNY MARK

### **Section 165(3) rule of law has a bad bank effect of making sense fake money**

Where a cheque is delivered to a bank for deposit to the credit of a person and the bank credits him with the amount of the cheque, the bank acquires all the rights and powers of a holder in due course of the cheque.

Confoundation is a place where code of law and ethics are counterpoised that a really bad bank can plead its own wrongdoing in legal defense of quasi tort of conversion for a twice paid collecting bank.

### **Confoundation judges defer unruly bank law to lawmakers to define legal principle**

Any taxpayer can sign a promise to pay money for a private imaginary dollar as a tax-credit Windbill 'Maker' that a Treasury conversion will coin a public notional-national-debt real dollar to its 'Holder' in due course, which is a twice paid tax-credit Windbill deficit dollar.

Crawford, Tony  
Title: Contaging  
Subtitle: the tax invasion plan twice fooled carny mark  
Edited by Jill Crawford  
Cover design and illustrations: Tony Crawford

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First Edition Title: *'Contaging, the Tax Invaders Plan'*

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Narrative Refs: CBC, Legal Transcripts, TVCogeco Your Vote 2006, and US Syndicate Coasttocoastam

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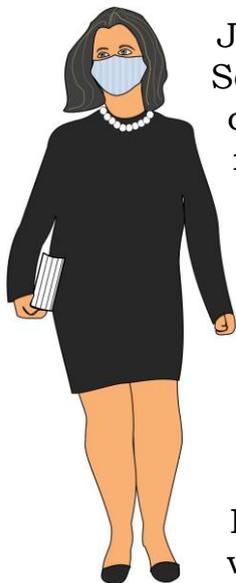
# CANADIAN TAXPAYER CLASS ACTION FAILS TO CLOSE THE MAGNA CARTA LOOPHOLE



This storybook is for public interest in the taxpayer “*Class Action Proceeding*” Court File T-2010-11 to restore the Bank of Canada to its original purpose of a public bank and clarify bank law behind a so-called Magna Carta loophole in the budget process, which the Supreme Court of Canada ruled out, May 4, 2017.

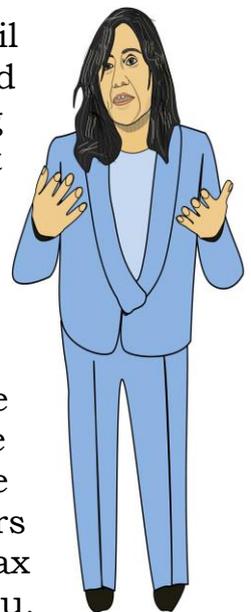
Instead, Justice Russell advised taxpayers complain to their representatives to change bank law. However, Finance Minister Bill Morneau and Prime Minister Justin Trudeau didn’t review the law, and distributed public money in private deals involving their families paid by enterprise that reissued government grants.

The con made headline news and Bill Morneau resigned August 17, 2020. Former Bank of Canada governor, Mark Carney might have taken to politics, but he joined an investment firm selling securities. And, Justin Trudeau appointed Chrystia Freeland, Minister of Finance on August 18, 2020.



Justin Trudeau prorogued Parliament in retreat until September 23, 2020. There was a Throne Speech and carry barker call for a vote in confidence of wearing masks, washing hands, and a minority government spending spree antidote to an economic lockdown and cure for social lockup, the way we live now.

Contaging is dedicated to Anita Anand who is our MP, Minister of Public Services and Procurement. We filed our concern of systemic tax fraud with the Finance Committee for the 2017 Tax Plan. We hope you enjoy our novel approach to construe a Private Members Bill that bank transaction control numbers will track private and public account balances for tax security in a transparent budget process. Thank you.



## **Judges Defer Unruly Bank Law to Lawmakers to Define Legal Principle**

Tax avoidance was headline news in 2016 when Democrat presidential candidate Hillary Clinton, challenged Republican Donald Trump, he'd not paid tax for 20 years, which he bragged, *"That makes me smart."* Still, he implied tax reform would help all Americans, when he said, *"The wealth of our middleclass has been ripped from their homes and distributed all across the world. But, that is behind us and we are looking only to the future."*

Justin Trudeau also promised reform in 2016 as Canadians voted for him to end tax scams for the rich in 2017. *"We have a system that encourages wealthy Canadians to use private corporations to pay a lower tax rate than middleclass Canadians. That's not fair, and we're going to fix it..."* he said.

But it was a different story in 2020 when Prime Minister Trudeau voted to hire a WE Charity business to reissue government grants. Investigation his wife, his mother, and his brother were paid representatives shut down as he prorogued Parliament and made an uneasy deal with another party for a confidence vote to continue without an election, September 25, 2020.

US President Trump also struggled to stay in power as the New York Times displayed his tax returns in the news on September 28, 2020. They showed real-estate losses and expenses offset to investor capital gains in company balances of accounts in the crafty makings of a tax-credit billionaire.

Finance Minister, Bill Morneau described the legal system behind unequal taxation, he said, *"The systems we are talking about are currently legal. So, what we are really doing [changing the law] is closing down loopholes."*

Contaging is a true to life search for the meaning of money. Especially, bank section 165(3) crafted by MP, Jean Chretien around 1966, and legislated in the 1970s when Prime Minister Pierre Elliott Trudeau started to use foreign private banks to print Canadian dollars offshore, rather than Public Bank loans to print cheaper money onshore, in the constitution, since 1939.

Contaging and Magna Carta Loophole Gullible Taxpayer Law defines how a bank traffics signature-specific-identity-theft to fill out and collect bank and nonbank notes in the complex workings of bank-loan dependent subprime mortgage derivative real estate deals. The court purged bank data analysis and dismissed the Taxpayer Class Action suing to clarify section 165(3), as judges defer unruly bank law to lawmakers to define legal principle.

## Introduction

This second edition ‘*Tax Invader’s Plan*’ first published in 2005, ahead of the Global Credit Crunch, includes bank IT – Information Technology design that systematized systemic fraud ‘*Tied Selling*’ securities in the 1900s. It concerns an OSC – Ontario Securities Commission investigation of a whistleblower file that a reward may be donated to the Oakville Trafalgar Hospital.

On July 8, 2020, the Globe and Mail reported the OSC, “*Creating an entirely new capital markets tribunal,*” mainly, “*Between smaller, independent market dealers and behemoths in the banking sector. It has singled out ‘tied selling,’ in which banks use preferential interest rates or incentives to compel companies to raise capital through their own affiliates. Although, already banned by federal banking law the task force said it heard from dealers and issuers that commercial lenders continue these practices. This raises the possibility of forbidding such ‘exclusivity arrangements’ and requiring a senior banking officer to attest that no such bundling deals have been struck.’*”

Contaging is about usurism, which is the doctrine that moneymaking is the highest good and that moral duty is fulfilled through usury.

The first edition included a letter from the author’s Member of Parliament, who responded to his usurism issue in June 2005, as follows,

~~~~~

***I note the difficulties you have experienced with your dealings with the bank, and I have a copy of your letter from the OSC. I trust your file will be reviewed, as you have requested, and, where possible, measures taken to afford better consumer protection to you and others who find themselves in similar situations.***

*Sincerely, Bonnie Brown, M.P. Oakville.*

*June 16, 2005*

*The Liberal Party of Canada.*

~~~~~

Past NDP Federal Leader, Jack Layton lobbied for taxpayer protection in Petition 44 to reopen an OSC File and launch an investigation into banks, which MPP Andrea Horwath read in the Ontario Legislative Assembly back in 2009. This whistleblower essay follows the money and complex financial workings of bundled loans concealed in package deals.

**We the undersigned petition the Legislative Assembly of Ontario as follows:-**

That an investigation concerning *'Identity Theft'* be conducted into Banks, financial institutions and lending houses' *'Lending Policies, Practices and Procedures'* (as per reopening OSC File # 20050316-17043) to identify weaknesses in the law and lending system procedures for appropriate amendments to the law to strengthen specific areas of responsibility for potential debtor's *'Identity validation'* and *'Financial due diligence'* that will safeguard peoples' wealth and equity in property from fraudulent loan applications specifically in cases of third party representations using notarized *'Affidavits'* by/for loan handling lawyers that may benefit themselves and/or their *'Affiants'*.

**NAME (PRINTED)**

**ADDRESS (PRINTED)**

**Signature**

JACK LAYTON

House of Commons



Contaging is a business narrative reenactment of secret commission tied-selling tax-deductible securities fraud bank-credit dependent tax shelter schemes that can't be sold or defraud without trick loans. It is a cautionary tale to raise public awareness of need for transparency and taxpayer protection concerning *'Signature Specific Identity Theft'* in the legal workings of exotic financial instruments, known in the industry as toxic loans.

The bank denied the possibility of unethical practices in financial markets that voluntary protocol is sufficient regulation for consumer protection. It testified the industry is unaware of changes to the law, or need to change law for consumer safeguards or taxpayer protection, which still relies on.

Sociological jurisprudence is socioeconomic theory that laws alone cannot regulate the conflict between social interests and values, but that the courts must decide some issues. Conversely, criminological jurisprudence is theory that laws alone cannot regulate the conflict between criminal ways and means that the courts must decide which lie to try, or establish a DPA – Deferred Prosecution Agreement to rule in justice for a price.

Confoundation as an imaginary place where political sport is Contaging, the tax invasion plan how banks profit from the twice fooled carny mark. This is a story of bank system experience that aside from public officials, any similarity to persons or entities is coincidental in the writing style of a novel approach to raise concern about double presentment and to close a Magna Carta loophole gullible taxpayer law, which issues twice paid deficit dollars.

If you have a problem with Magna Carta Loophole Gullible Taxpayer Law that Crawford published in 2019, and Contaging in 2020, your complaint should be to your representative, and not to the author, Tony Crawford.

## Snapshot Economics

The account of money differs across the great divide where Prime Minister, Justin Trudeau said the tax budget will balance itself, while US President, Donald Trump hid his tax returns in the politics of snapshot economics, which is the way tax-credit billionaires count in the big picture.



The 1215 Magna Carta Loophole was established for the Bank of England behind the first deficit economy in the world in 1694. It was discovered in the 'COMER' lawsuit in 2017 when Canadian taxpayers sued HRH Queen Elizabeth the Second for clarification of ancient tax law how 'Double Presentment' distorts the budget to the benefit of the superrich the world over.



*"The wealth of our middleclass has been ripped from their homes and distributed all across the world. But, that is behind us and we are looking only to the future"*

The Federal Court of Canada denied trial of debt to foreign banks instead of its 'Public Bank of Canada' behind twice paid deficit dollars hidden from the Treasury, not reported in the budget, which is 'Magna Carta Loophole Gullible Taxpayer Law.'

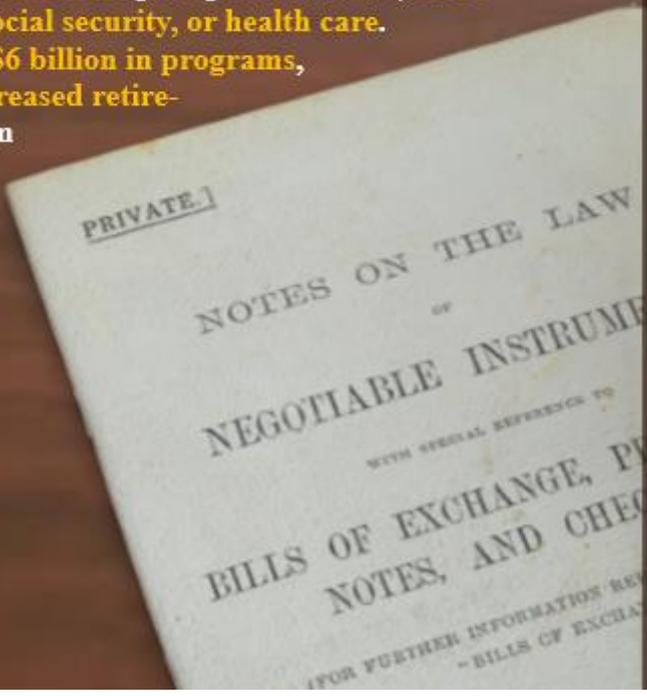
If the government had used its Public Bank of Canada 1974 to 2012; it would **not** have had \$500 billion national debt, it would have **saved more than \$1 trillion interest** instead of cost of money paid foreign banks, and had a **\$13 billion surplus** in the budget.

The largest **expenditure was interest** paid private banks; **more than national defense, or social security, or health care.**

The government **cut back \$6 billion in programs, 20,000 public jobs, and increased retirement to 67** to tax more from longer working lives.

Crawford reviews private **NOTES ON THE LAW** how public money flows to tax-credit billionaires.

 North American Publishing



**Crawford's Magna Carta Loophole Gullible Taxpayer Law**

# **Magna Carta Loophole Gullible Taxpayer**



**Double Presentment  
Anthony Crawford**

AMAZON ISBN 978-1-78955-858-6 [www.anthonycrawford.ca](http://www.anthonycrawford.ca)

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## **Rubberstamped and Papered Notes**

Sally Van Scrawl was concerting with her manager at the bank and she steadied her gaze on Cyn Fordoe.

“They doubled up last time, and they want to hit him again?”

“They say he’s an overpaid idiot. Always busy and he doesn’t have a clue about money, he’s a sitting duck, he has no idea...”

“It’s blank!’ Sally was angry, “Duh? Look it, there’s no app.”

“Hmm, well, there’s not much time. Tell Mykel to tell Mickul to get another signature. They’re both earning pensions aren’t they?”

“He says blank notes are a cinch. People don’t know what they’re signing, but not a statement of affairs, not hers, especially with his account in arrears already. Another app would be a dead giveaway. There’s no way round it... she’s bound to ask questions.”

She looked at Cyn again, “See? That’s the problem.”

“If we send an app for her to sign she’ll figure what his payments are about, that she sends us. She’d question it. So here’s what we’ll do, 38,000 isn’t much. Fill out a cheque and we’ll sort it later.”

Sally was doubtful, “Another cheque on his account?”

“We already have his name on account. Mykel notarized Mickul’s witness of his signature. Get her signature and write up a cheque. It’ll be another bonus for you. Go on, just finish the job.”

“Phew! Are you sure?”

“He signed another blank note. Jus’ get Mickul to get her to sign as a sitting duck, an’ then fill it out on account, who’s to know?”

~~~~~

# Financial Crimes

Oh, what a tangled web we weave,  
when first we practice to deceive.

Sir Water Scot, Marmion, 1808



## **The Tax Invasion Plan**

General Mo Mus stood before a stage-wide screen word '**DEBT**' in bold capital letters over '**G8 Double Presentment**' in lower case.

The silver screen told the troops all they needed to know about the G8 tax invasion plan. "We're all allied in greed. It's your job, and our bank for making sense fake money."

"Debt is the ultimate weapon of mass disruption. You will operate as bank agents and financial advisors telling people how money grows on trees." Graduating recruits laughed at the general spin. "You are trained in old money rules of law. You are graduates with a mission for a new world order. You will be victorious in money making maneuvers for a '*Global Credit Crunch*'."

The General urged his troops into battle,

"You are the very best of all our graduates. We expect you to serve Mammon beyond your wildest dreams. You will live the lives of consumers, as people do. You will prey on their fear of income tax. You will sell tax saving schemes that pay obscene bonuses to bank executives and you will profit from unreal debt of papered notes."

Mo Mus looked as though obsessed. He rubbed his hands together, "Greed is not sustainable. Financial systems will crash and fail in tax avoidance and evasion schemes at the heart of our tax invasion plan." He held on to the dais more firmly in a white-knuckled grip.

The General leaned forwards to speak to indoctrinated ears as the screen projected his passion in a close up image of his rallying call. "We fight for a new world order. Fight with me." He proclaimed. "Defraud with me." His face shimmered with sweated fervor as he addressed his battalion. He transferred warmongering for the mob to internalize a personal mission. "Fight with me, paper tax credit notes with me," he beat on the podium with an increasing tempo.

His troops were riveted. "Stand up and fight with me." He raised his arms to look as though he lifted the room in his bare hands.

The graduating class stood up on cue. Background music amplified volume and tones a notch. 🎵 “Stand up! Fight! Stand up to defraud with me,” 🎵 he trumpeted his words, just short of screeching.

An army of uniformed men and women in blood-red dress shirts and brown trousers swayed slightly as they all sang in harmony. 🎵 “Fight, 🎵 sign up 🎵 to defraud with me.” The general allowed a couple more bars and then he brought his hands down to pat the air down to indicate a little moderation.

The music subsided, noise dropped, people stood in rapt attention.

“You are ordered to do battle with numbers. There is no need for guns and knives you were trained to use before you came here.”

He nodded and smiled at the expected display of teeth. “You will be agent provocateurs. You will incite debt crises among tax-paying plebs in capital markets. You will work on your own in self-preservation. We will not see you until you return in 10 years to celebrate a glorious victory over the bourgeoisie.”

The graduates murmured as he continued, “There is no danger. We have an *‘Affidavit-Taking-Debt-Creating-Moneymaking-Machine’*. It is tried and tested and will not fail you. It is designed for economic warfare in your arsenal for shadow banking. The merest whiff of your filthy lucre will corrupt. People are conditioned to trust banks and governments and they wouldn’t dare find fault with papered notes that launder tax credits for cash through tax distributions to the one percent. It’s capitalist lore! And our law won’t stop you.”

He looked at his trained operatives who knew it to be true. They looked on in admiration. They felt invincible.

“Brokers will assist you. Bankers will use courts as their agents to collect trick loans secured by bank notes they stamp in red. There will be mayhem. Politicians will turn on their constituents. They will print money to bail out the debt you create in their default.”

Mo Mus lifted up on his toes to lean further out, over the podium.

“Countries will suffer recession and they will blame each other. They will cut liberties for more control and tax future generations saddled in debt from all your ways and means.”

He paused, and looked, and he steadied himself to back to his feet.

“The grand mission is the Magna Carta Loophole in our battle for Mammon. You are the fourth wave of our tax invasion plan.”

He clacked his heels that a click carried over the speaker system.

“The first wave was financial revolution in the 17th century when the Royal Household converted tax-credit receipts to tax-debit bills printed as money by Royal consent to exchange through a Central Bank behind the first deficit economy in the world in 1694.” He looked at them, “The second wave was countrywide banking that moved gold and silver coin returned to the Bank matched to paper bills until the Gold Standard ended in 1931.” He smirked, “All they have now is zero-balanced account of money born of credit of people who don’t know what their worth and pawn it away.”

He fumed, “We will continue to weaponize money through shadow bank deregulation to charge tax-credit interest on notional national debt from *‘Rent-Seeking-Tax-Arbitrage’* we started in the 70s and 80s called *‘Contaging’* behind the 2008 *‘Global Credit Crunch’*.”

He paused for breath and dramatic effect, “It’s time for you to collect the twice-paid tax-credit principal of *‘Double Presentment’* principal, which is Magna Carta loophole gullible taxpayer law.”

He directed them. “Change your uniforms for business attire. You are banksters now. You might become governor of a Central Bank, a Prime Controller, or President. We are all here to do God’s Work in your stead. Your mission is to con to coin your papered notes.”

He saluted. “Report back in 10 years. Go fourth and multiply.”

His troops stood to attention to salute as he left the stage.

~~~~~

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## **Proclamation by the Grace of God and Our Sharper Leader**

### **‘SITTING DUCK’ BANK LOANS DO NOT EXIST.**

The departments of Bank Law and Summary Judiciary (All praise the Prime Compounder and Gallows Prosecutor) hereby make a solemn proclamation to dispel delusions promoted by the followers of fashionable discontent that toxic loans force liquidity problems in financial markets and the global credit crunch. There is no truth in rumors banknotes created untold debt that should be regulated instead of forgiven by world governments at taxpayers’ expense.

We refer to folklore emanating from the extraordinary litigated life of the infamous Robby Ducky in his secret bankbook story.

It will be clear to readers the author strayed into realms of fantasy which fail to impress even the most cynical and radical among us. The debtor’s portrayal of banks conveying improperly witnessed notes filled out to pay tax credits twice over is clearly ridiculous.

Aspersions the Supreme Court (All praise the Gallows Prosecutor) colluded with lawyers to obstruct justice has no foundation in fact. It demonstrates sour grapes about self-made misfortune. Years of bank litigation delivered rulings that judges found no evidence of wrongdoing always summarily dismissed as a conspiracy theory.

Indeed, the Appeal Court confirmed no wrongdoing by the bank as it persuaded the bench there were no genuine issues for trial, which could not succeed in Confoundation Case Law in any case.

The author’s allusions to so-called ‘*Sitting Duck*’ loans are simply wrongheaded and disingenuous. Clearly, there is no such thing as a bank demand note for an unaccredited loan in our financial system.

Nor is there any connection to sovereign debt, climate change, or recession brought on by external forces of unregulated disorderly economics systems in the Great Divide. There is no connection to non-bank Third Party Notes in the largest \$32billion bankruptcy of an unruly financial conduit in Confoundation banking history.

Alleged impact of so-called ‘*Sitting Duck*’ loans and ‘*Red Notes*’ differ from conformist views of our Eminent Overseer. (All praise the Chief Proctor). According to Confoundation values, (All Hail our Sharper Leader) we do not confiscate money from citizens who all share the same pipedream of the commonwealth.

The very idea that shadow bankers and investment brokers invented an ‘*affidavit-debt-creating-taking-money-making-machine*’ to launder a forged tax credit through the Treasury for a loony to cash a loonie is absurd. It is simply the evil ravings and trumped-up rhymes of a fractured mind.

The Fouter Central Agency for Conversions and Collections consented to publish confession (All Praise the Gallows Prosecutor) to bring a wayward author to his common sense after humiliating failures, poor reviews, and general rejection of well-balanced considerate judges. Robby Ducky will no doubt learn he surpassed the limitations of fervent imagination. Upon reflection of favors for release he will be encouraged to more constructive endeavors to be content in society and live long and prosper.

Also, the Confoundation (All Hail our Sharper Leader) does not want to appear despotic and readers will certainly confirm it is futile and indeed misguided to mock conventional rule of money in the Ruly English state of economic stability the way we live now. (All Praise the High Chancellor, Supreme Prosecutor, and Chief Proctor).

From the illustrious office of the highest authority in the Confoundation, we assure the United People of the Great Divide we have studied all the facts of the case before the Confederate Court, and in conclusion we are all convinced and emphatically state;

There is no case for prosecution. The matter is closed and this decree is our final word from the Supreme Court and legislative assembly that saving income tax into private financial ruin and public notional debt is a personal problem for such and likes of Robby Ducky.

Signed, ***Lurid Bison, Ceboid,***

Deputy Minister of the Gallows Prosecutor, on behalf of our Most Omnipotent and Sharper Leader and Master of the Great Divide.

~~~~~

## **Your Most Majestic Mastiff**

The Summary Judiciary of Confoundation and Great Divide,  
and Master Fouter of the Central Revenue Agency for Tax Collections,  
(All praise the Gallows Prosecutor).

Your Most Majestic Mastiff,

I Robby Ducky, in all humility and in gratefulness for the honor to write you, do herewith bestow myself upon your abundant, splendid and most sympathetic leniency, and extend my pleadings and prayers for a fair trial with utmost courtesy and all due respect as follows:

In return for alluded compassion and stereotypical forgiveness oft-times extended to iniquitous types who live in Confoundation. And, I take upon myself, as directed, to confess to lapses in decorum. I regret it will be a convoluted story; as I inform you of my sins, albeit creative, encompass treachery and contemptible disrespect of general accounting principles. My violations include almost every edict and diktat in the Confoundation Naissance Act of 1966. And, I confess to being a conniving if not a most convivial scoundrel.

Your Most Majestic Mastiff was sage and most prudent to order immediate incarceration upon hasty summary judgment by the Supreme Judiciary (All praise the Gallows Prosecutor).

Therefore, I withdraw and discontinue all counterclaims in gratitude for gracious allowances such as splints for my fingers that I may yet hold a pen, and transfer to a closeted cabal with high windows for enlightenment to write on paper most generously provided to list all my retractions.

The truths of these are supported with letters and real pictures and indeed real court records of alleged despicable acts. In my reflection and constant questioning guilt-wracked tormented soliloquy, and knowing your interest in Mykel L'Æmori who still champions more growth in loonie markets– I confess to converting non-bank notes to money from empty promises given currency in my name signed in acceptance of true dough loonies whereof paper given currency thereof. Indeed as judged, I confess my folly is due to lost conscience and sensibilities not unlike *'Alice in Wonderland'*.

In essence, I am guilty as charged of attempting to loot public coffers exacting heinous crimes of confounding tax avoidance and evasion against the Confoundation and trusting people in the poor divide.

It is accident of birth and unfortunate karma that my frailties are on the wayward side of contorted law. I beseech and beg for kind indulgences and leniencies in consideration that misfortune befalls people with little choice of their fate and unseen forces that we suffer miserable lives. It cannot be helped that cheating is the nature of a wretch like me.

While writing confessions for special treatments and other tremendous dispensations, my mind takes its leave into a rabbit hole make-believe world, forsooth like Alice, that the Confoundation might condescend to a teeny-weeny trial. (All Hail our Sharper Leader. And All Praise the High Chancellor, the Supreme Prosecutor, and the Chief Proctor). To wit: Lewis Carroll, Alice in Wonderland,

***“If I had a world of my own, everything would be non-sense. Nothing would be what it is, because everything would be what it isn’t. And, contrary wise, what it is, it wouldn’t be, and what it wouldn’t be, it would. You see?”***

A fool and his money are soon parted, I would not have signed blank notes and ‘*Statements of Affairs*’ the equity court could not have not known were exaggerated, indeed, and no doubt, the Confoundation did not know it was easy for me as a tax-credit ‘*Maker*’ to make money from nothing more than tax-credits given to its ‘*Holder*’ to launder debits from the High Chancellor. I am discovered in debt to secret commission loans with signature affidavits notarized by the honorable Mykel L’Æmori.

By your leave, I would beware ‘*Signature-Specific-Identity-Theft*’ that bank alert banks will discourage con artists, and vice-versa. Especially, in case of mistook liberties of peoples’ financial and personal information used to setup bogus unnumbered tax-credit savings loan accounts.

I present a sorry story of malfeasance motivated by a lust for loonies with abject apologies, and all humbleness, and forever in your debt.

Signed in good faith and fine spirit and all due respect, *Robby Ducky*.

~~~~~

## **ABC Paper Debt Wish**

“You can go in now.”

Sally, Bræn and Cyn rose up together like synchronized puppets on a string. Cyn fiddled his tie that it nudged to a slight angle. He had no idea if it was straight, or not. A smartly dressed aid to the chief and personal secretary, smiled without comment, and opened a highly polished door that ended the executive wait game.

“Sally Van Scrawl, Bræn Chyld, and Cyn Fordoe are here to see you.” The lanky lady closed the door behind them that left them looking face to face with the president of the MOB.

City people in finance know of Phil Morsacs from his presidential image in bank journals. He stood up from a well-padded deeply dimpled executive swivel chair behind a massive burnished solid oak desk with a fine green leather inlay. He looked exactly as most pictures often show him wearing a dark blue pinstripe suit, and light blue shirt with a white collar, and navy blue tie.

“I’m Phil,” he said holding out a hand that expressed a business greeting, “Sally, good to see you.” He continued round clasping hands others reached out to grip. “You must be Bræn Chyld from Lemon Brothers,” he shook offered hands vigorously. “Hi Cyn.” He held on to Cyn’s hand and steered him round the conference table to a corner view of the city downtown to the waterfront, “You’ve been with us, how long, is now?” he murmured.

“Thirteen years, from Queen’s ’75.” Cyn blurted it out a bit, but he relaxed as they admired the city view on to the lake. Phil rested his arm on his highchair as he spoke.

“How did the move to Osowa go? Settled in? Good school?”

“Oh yes, great, we love it.” Cyn flushed as he gushed. “The town’s expanding with more people moving in. It’s a nice neighborhood and the schools are good.” He thought of banking and said, “Our branch is a good location and business is growing all the time.”

“Good to hear, good to hear. Bræn you’re new to the MOB, eh?”

“Yes sir, I was in risk management with Bare Stones and then I got into selling Trumpet Tower apartments for Lemon Brothers.”

“Good banks, we need your kind of experience. They say you have ideas about closing loans, so let’s hear more about it.” Phil turned and pulled out a chair at the head of the table. He sat down with his back to the window. “Take a pew,” he invited everyone.

Bræn stood near to the president’s right, but Cyn took a seat to the left. Bræn decided to sit next to him. He strode round as the door opened and the lady from reception brought in a tray with cups, a flask of coffee, sugar, cream, and dark-chocolate coated biscuits.

Bræn and Sally sat down as the president’s personal assistant set the table and then she said, “Jush is on his way, sir.”

“Jush Cegaul is bank law,” Phil smiled and looked at Cyn, “I want his opinion about this ‘*Off-site Loans Closings*’ idea of yours.”

“Well it’s our Bræn Chyld, he knows the details,” Cyn hedged.

“We’ve got wealthy clients who need financial advice. It’s about people buying into rental income real estate. This is a tax shelter scheme that charges interest on investment loans to claim tax credit losses. It’s a good investment in Wealth Management Services and there’s more profit in retail if we accredit loans to close sales.”

“Do you have one in mind?”

“Yes sir, Mykel L’Æmori owns a commercial building downtown in Kaleidoscope Properties. He was with Ardent Bailiff law firm and he’s developed a tax shelter scheme he wants to finance.”

There was a knock on the door and a thin smartly dressed man walked in with a manila folder in his right hand pressed tightly to his chest. “Phil,” he murmured with a nod as he sat down to the right of the president, who introduced him to the others.

“Jush Cegaul, Bræn Chyld, Cyn Fordoe and Sally Van Scrawl.”

“Right,” said Jush, “we talked on the phone and I looked into it.”

“Good,” Phil said as he looked round, “We were just about to start with Cyn Fordoe.”

“Yes.” Cyn swallowed to relieve a dry throat. “We have a picture.”

He coughed and he felt a bit choked. He wanted a drink, but no one touched the coffee.

Bræn chipped in to help, “We reckon \$20million tax-credit loans. It’s a bluebird,” he said with a wink and a smile that ended up as a bit of a smirk. He leered as he handed out photographs of an old building and store frontage with a painted sign, *Mounting Gear*.

They looked at the handout, “Good,” Phil said approvingly.

“Yes.” Cyn recovered his voice a bit. “As I said, the lawyer paid \$4million a year ago. He refinanced a \$5million rent encumbered mortgage in a tax shelter for investors to account the interest cost of money in business losses offset to personal income tax credits.”

Phil looked at the picture and probed, “Are we in it already?”

“Sunshine has the lien on Kaleidoscope.” Cyn paused to say more. “L’Æmori knows the game. We can put up \$10million in notes to sell 200 units at \$75thousand a piece. He takes \$5million investor notes at \$25thousand per unit to secure the mortgage. We get it all back in tax credit interest charges on personal loans. It’s a steal.” Cyn placed a Kaleidoscope brochure on the table.

Phil had been an investment banker before joining the MOB, and he quickly summed it up. “He paid 4 million with a 5 million loony mortgage on property we sell on to people for 10 million who take it on in personal loans to save income tax credits. Right?”

“Yes sir, at 14%.” Cyn noticed Phil raise an eyebrow.

“Investors claim tax credits to carry our interest on his debt to us.”

“Four times negative equity,” Phil was quick, “who appraised it?”

“Bedeo Danwuddy.” Cyn pointed to an office tower just to the east of the MOB with its sign in view from the 24th floor.

“Our friendly frauditors,” he encouraged Cyn to continue, “go on.”

“Alright, here’s the plan,” Cyn was more confident. “L’Æmori sets up 5 million in investor notes to resell his mortgage and we lend 10 million in equity loans to qualified investors who want to buy in.”

“Why risk \$10million negative equity?” Phil waved his hand over the pictures.

“We don’t. We credit client loans based on subscribers’ net worth in their own property. L’Æmori documents their debt to him due to investor notes and investors’ personal debt to our demand notes.”

Phil nodded knowingly at Jush who flashed an inscrutable smile.

“It’s going to be a hard sell if punters spot 2 notes in the deal.”

“But, easy if they don’t,” Jush responded with a look fixed on Phil to make his point abundantly clear.

Phil looked at Jush a moment longer, “Ah! Alright, I’m hooked. Tell me how the Kaleidoscope deal works.” He looked at Bræn, and then at Cyn, that either one could answer the question.

“Well first,” Cyn extended his left-hand first finger and pinched it between his right hand thumb and forefinger, “L’Æmori bundles our notes in deals which include bank-loan terms and conditions.”

He paused, “second,” he said holding his second finger, “investors sign deals, promissory notes, bank waivers, affidavits, and loans at red dots, leaving everything else blank, especially our loan notes,” he paused again to describe how bankers swap signature witness.

Cyn moved his grip to a third finger, “Third, L’Æmori is a lawyer. He notarizes bank *‘Affidavits of Subscribing Witness’* that clients’ signatures identify them legally liable having signed the deal.”

He held onto his pinky finger and jiggled it to make the point.

“We accredit investors to afford to buy rental units they fill out notes for loan amounts. Then we process daylight loans to close sales to pay L’Æmori who fills out investor notes for units sold.”

He peeked over the commercial papers in his hands.

Cyn straightened fingers to show an open left hand he slapped with his first two fingers of his right hand to make another point.

“We swap L’Æmori’s notarized witnessing of his investor notes to our demand notes witnessed by his sales reps, to set up loans,” he said triumphantly. He slapped his hands shut to grasp his fingers in a fist that he shook to illustrate the crafty bank entrapment.

Phil got the idea. Still holding his chin up, he lolled his head over to an angle to look at Bræn, “Done this before?” he quizzed.

Bræn smiled and said, “Yes sir, the witnessing we’re talking about is an *Affidavit of Subscribing Witness*. It’s in the deal signed by investors at the point of sale witnessed by dealers who are bank sales reps notarized by brokers, who are bank agents.” He handed out the business diagram knowing he would have to explain it in simple terms. Even to savvy bankers ahead in the game.

“Tax!” Bræn said, “Lemons had a TIC– Tax Innovation Center for the rich. This is an SIV– Structured Investment Vehicle designed to create assets with the sole purpose of making claims on loans and mortgage derivatives to reacquire debt-free real estate.”

It was important Phil bought into the scam for the bank to profit from tax deductible securities fraud. Bræn wanted to frame it for Jush to agree to tax-leveraged fraud in Confoundation law, he said as he pointed to his chart, “It’s a 10-Step Transaction”.

Bræn illustrated *‘Off-site Loans Closings’* chart. It had colored red and blue sachets in a bowl which in a flash of brilliance he pulled across the table near to his diagram to demonstrate.

“Think of this sugar bowl as a tax shelter point-of-sale and red and blue sachets as packaged mortgage and loan promissory notes that perform as money in the credit market. It starts at number ①.”



Bræn described the bank process behind the tax shelter scheme.

“The taxpayer signs Notes **A** and **B** for a sales rep to file the tax benefit on behalf of the tax saver, Step **4**.” He lifted the package a moment to show Step **4**. “Sales reps are paid bank loan referral fees to witness signings which the agent for the bank notarizes to identify borrowers by their signatures named in Step **5**.”

He moved the red packet **A** across to the lower right hand corner. “The bank checks the package is complete in Step **6** to accredit how much the investor can borrow to save tax in Step **7**.”

“The deal closes in Step **8**.” Bræn said as he slid blue sachet **B** from the bottom left across the middle to the top right. “We date Note **B** as paid on account in Step **10** as the promoter, signs Note A in receipt of each loan payment in Step **9**. The loan referral fee is paid from the back office to the sales rep in the front office.”

He pointed to the blue Note **B** in the top-right, “It’s a tax shelter deal. All we do is setup tax credit savings loan accounts. Sales reps fill out blank bank notes how much tax savers pay us they save.”

Bræn picked up the note to jiggle in the air. “We date our notes for closings.” He grinned and picked up the red sachet, “Sales reps fill out tax-saver notes for how many units sold from accreditation. We invoice interest on investor loans that tax savers claim Note **B** tax credits, while rental income pays the mortgage that taxpayers claim Notes **A** as losses for the benefit of income tax saved due to ABCP– Asset Backed Commercial Paper,” he pointed to the title.

He put the sugar packets back in the bowl and then leaned back.

Phil looked at Bræn and he saw Sally and Cyn smiling. The branch sat waiting for an executive making-sense-fake-money decision.

Phil followed the idea, but he needed confirmation.

He turned to Jush, “Sounds like we fill out notes to evidence loans for people to invest equity in their homes to buy securities?”

Jush nodded, but he was quiet while he thought of how to answer.

“How do you make it legal?” It was the one important question, and the president of the MOB needed to hear what he wanted to know from his lawyer for the bank.

“Car dealers handle loans for people in show rooms to finance sales. In this case, sales reps sell tax shelter schemes and do all the financials as a fiduciary. We need the borrowers’ authorization, which is written up in an agency waiver. Dealers have to witness client signatures so they don’t have to sign a loan application at the bank. All we do is assess personal and financial information for a bank loan to borrow money to invest. We credit what we believe they can afford, but, they don’t know we exist.”

Jush paused and opened his folder to lift out a legal document. “We rubberstamp blank but otherwise signed bank demand notes,” he explained briefly as he considered the law.

Jush knew bank staff didn’t really care, but it was his duty to the bank president to be frank. Phil had to know the rules how to make money from new business he was getting into.

“Have we got it covered?” Phil asked a question that made Bræn’s heart sing. Cyn and Sally stared at Jush with intense anticipation.

He said, “There are some risks we have to make sure we’re safe on certain points of law. These are dependent loans so nondisclosure is a given. Dealers can’t disclose business relationships with banks any more than we can reveal our relationship with agents.”

“We’re talking about people who sign notes that dealers fill out to qualify credits that quantify debt for units sold. Sales reps explain the mortgage but they can’t disclose a bank loan with the mortgage terms and conditions. We can’t acknowledge or include liability to repay a mortgage when we assess personal credit for an equity loan to borrow to invest, so bank loan terms and conditions are written into the tax shelter scheme.”

“It’s tricky. Neither party is compliant with bank regulation.”

Cegaul shrugged, “Our lending decisions establish secondary risk, so we need waivers and acknowledgements and dealers have to sign an agency agreement they notarize signature affidavits.”

He took in a deep breath, “We have to be careful people don’t find out they sign a banknote with a non-bank note for a codependent lending decision.” He let it sink in. “We just sell loans.” He was blunt and he looked around for reaction.

Only Phil seemed interested in the law that Jush carried on.

“It’s a package deal for high income earners to invest tax savings to own rental income property. We close the deal so we confirm investors sign two notes for two lines of credit to carry both the loan and mortgage. Tax-saver investor notes are worthless until they’re backed with bank loans that add true dough dollars to the deal, which means two papered notes after closings. You see?”

Phil rubbed his chin, “Do they have to be witnessed to be legal?”

“Our notes have to be signed blank. We rubberstamp our logo and fill out loan applications to fill out credit amounts before we date them to close sales.” Then he answered the legal question.

“Technically speaking time wise they’re not witnessed.”

“Well Jush, do we have a way to do the job?” he wondered.

“With right legalese, but it would be tricky if it ever got to trial.”

Phil accepted the risk, “What are the chances of that?”

“We swap bank agent notarized witnessing who signed non-bank notes to bank notes to identify people by their names; they can’t deny they signed cheques. We say they are sophisticated investors so that the courts have to work for us as debt collectors.”

Jush smiled thinly, “We sue for summary judgment to avoid trial so we don’t have to be judged. We can’t lose. It’s bank law.”

“Right, good... who fills out banknotes?” Phil asked with a smile.

Cyn looked at Sally who grinned, “Sales reps do it.” she gushed. “Gee, there’ll be so many notes. I guess we’ll all do it.”

They laughed. They all thought about profit and laughed together.

Phil smiled and reached out to pour a cup of coffee. He stood up and carried it to the window and looked out while the others took the presidential cue to pour and drink and enjoy a tasty cookie.

They came together in a corner and stared out as tourists might in a high tower restaurant to enjoy a city skyline. Phil drank his coffee and returned his cup to the table. He looked at Bræn's chart again and pointed to the first box under the words '*Tax Shelter Deal*' to ask Jush a bank business question.

"Jush, how do we make non-bank notes legal?"

Jush considered the rule of law, "FOR VALUE RECEIVED, the undersigned (herein called the "*Maker*") promises to pay..." Jush tightened his lips and nodded confirming, "Yes, that'll do it with a contra proferentem waiver and right to collect as the holder for good measure." He looked wistful in contemplation.

Phil pondered the tax-credit revenue streams shown in business outcomes, "So tax savers claim both notes for tax benefits?"

"Both notes generate tax credit in revenue shortfalls," Jush said.

"The government allows borrowing private equity to reinvest in personal income tax deduction. Investor notes are treated the same except the interest cost of the mortgage is offset to the income tax shortfall in future revenue. Rent pays the mortgage that investors don't actually have to pay a thing. It's just a way of accounting to convert business losses into personal tax credits that continue until mortgage renewal or the property's sold. If the investment property increases enough to pay out bank-demand loan notes they'll be none the wiser. If they break even it's a job well done."

"Fat chance at 4 times negative equity, eh?" Phil observed wryly.

"Hmmha." Jush laughed. "People don't realize how much we need their signatures to use up their tax credits. And they complain when we tell them how much they lost of their own making."

“That’s what we’re here for, shareholders expect it,” Phil mused presidential. He shook the paper in his hand to stay on topic, “But they claim interest on both notes for income tax credits?” he asked.

“Oh yes, they certainly do that.” Jush wondered where the bank CEO was going next in conversation.

“So there is tax evasion, I mean, if anyone got really anal about us filling out notes they signed, they could go to jail for tax evasion?”

Jush wasn’t known to josh, but he chuckled as he blurted, “That’s rich, we rubberstamp notes to leverage peoples’ private wealth on public credit, and they’re found guilty and go to jail.” His eyes bulged as he trembled at the joy of just thinking about it. “Wow, what fun there’d be in chambers! They’d love to judge it.”

Bræn was quietly congratulating himself as maliciousness crept in his plan. Phil poured another coffee and rejoined the group.

Phil turned to look at his new hire. “Right Bræn,” he said, “I like the way you think. You will do well here.” He looked puzzled, “But, tell me, after number 10 in your diagram. What’s next?”

“Well, it’s actually 13 steps. We setup Notes A and B in 10 steps to collect interest on principal until subprime mortgage default in Step 11. Then we reacquire property and collect promises to pay tax credit principal. That’s how we get our money back, see?”

“Thought so... good, ABC, yes, and what’s the SDL arrow?”

Bræn realized Phil didn’t miss much as he explained terminology, “It’s a *‘Sitting Duck Loan.’* It’s TIC code for namesake debtors.”

The acronym amused Phil; he chuckled, “That’s okay. But, it’ll be ABCP, P for Phil. “Harrumph! ABCP, it’s pretty good, huh?”

Everyone smiled as Phil poured himself another coffee.

Phil was thoughtful as he grinned, “If this works it’s my project,” he lifted his cup to his lips while he pointed a pinky towards Sally, “If it doesn’t, it’s yours, eh?” They laughed at the banker’s wit as he continued to say.

“What we have here is an ABCP team.”

Sally, you’re in charge of packaging debt in these tax shelter deals. Bræn, I want a 10-step transaction checklist, Cyn, I want you to set up one account for all tax shelter deals that will track all tax-credit savings loans through a single financial conduit, okay.”

He summarized, “To my ABCP Team,” he raised his cup to toast.

They all smiled and raised their coffee cups, “The ABCP team.”

Bræn lifted his cup in mock salute of a tactical victory.

Phil looked at Jush, “Jush, double-check that bank agent contracts work for lawyers who notarize affidavits for their own benefit in their own scams. Then I want to see you about the law,” he looked at the others and the meeting ended with everyone, “Okay?”

Nothing was said. “Good, let’s get to it.” The talk was over, except that Phil touched Jush’s arm to stay a while for another word.

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## **Unidentified Financial Obligations**

The bank CEO wanted to discuss bank law with his lawyer, “Our Bræn Chyld has the right attitude for good ideas,” he said.

“Yup,” Jush waited for the president to say what was on his mind.

“Have you told him about Confoundation catch 44?”

“He’s only just got here!” Jush answered just a bit too hasty.

“He’ll know soon enough. University types are writing papers. They say it’s not fair the way judges collect for us.”

“Judges won’t talk about it,” the lawyer said. “It’ll not change how banks give birth to money born of credit. All we’re doing is raising credit from unidentified financial obligations.”

The CEO looked at his lawyer and grinned, “Did you say UFOs?”

“Yes, I think it best we wait and see about Bræn Chyld.”

“Do you?” the bank CEO was not having it. “Here’s what I think. He’ll do anything for money. Get another L’Æmori deal going while you bring him on board. I want a quickie, okay?”

“Fast track a UFO?”

“I want a deal that sells and defaults and collects in a year.”

The lawyer speculated, “We could double down on this one.”

“No, this one’s good for 10 years. Put some stick about. Okay?”

“Okay, a different project then?”

“Yes,” and the CEO asked, “How does Catch 44 work anyway?”

“They got bank law down to 44 words.”

“That’s pretty good, how does it go?”

The lawyer quoted from memory. ***“Where a cheque is delivered to a bank for deposit to the credit of a person and the bank credits him with the amount of the cheque, the bank acquires all the rights and powers of a holder in due course of the cheque.”***

“Okay, we’ll test it, but keep me out of it, if the writ hits the fan.”

“Me too,” the bank lawyer tensed up, “a quickie won’t be easy. We don’t want to get caught with our pants down.”

“Nor me... if anyone goes down it’ll be Bræn Chyld. Mmmm?”

The lawyer smiled thinly, and the CEO paused to think. “Put these ABCP cheques down to ‘*Sitting Duck*’ loans.”

He rattled fingers on the desk sounding like a drum roll. It was a sure sign of executive decision. “Target a small project out of state out of mind is best. Check on cheques and let me know,” he said.

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## **Affiant Rules**

The office speakerphone squawked, “Kaleidoscope.”

“Mykel L’Æmori.”

“Yes sir,” a conscious operator said. “Can I say whose calling?”

“Jush Cegaul. MOB law.”

“Yes sir, please hold... transferring you, go ahead Mr Cegaul.”

“Mykel L’Æmori here.”

“Yes, Mykel, it’s Jush from MOB Law.”

“Oh yes, they said you’d call, how can I help?”

“It’s about the Façade deal. I want you to know about bank law, before you see our people at the Osowa branch. OK?”

“Right.”

“I need to be sure you understand ‘*Off-site Loans Closings*’. It’s banking so, you’ll have to learn the rules. How many reps do you have on staff?”

“Hmm, Wobey Gone, is VP Sales, we have a secretary and 4 reps. We pay sales commissions to financial advisors in the field. Can’t say how many there’ll be out there, some are more successful than others. They come and go, you know?”

“Well we don’t want anything to go wrong, the main thing is the bank documentation. We hold you responsible for legal compliance.”

Cegaul waited a moment, “You’ll have to sign agreement to handle bank loans. I’m talking legal; you know about compliance?”

“No problem, I know how to handle documents.” Mykel felt hot.

“Right, Bræn Chyld and Cyn Fordoe will tell you about our bank business operations, I’m talking to you about MOB law.”

Mykel assumed Jush knew he was talking to a lawyer, “Protocol?”

“Yes. After someone signs as the ‘*Maker*’ of a non-bank note, we have to make sure the law works to collect, you understand?”

“Oh, right,” said Mykel. “We have that covered in the first line of the investor note, FOR VALUE RECEIVED, the undersigned (herein called the ‘*Maker*’) promises to pay, et cetera. Don’t worry about legalese. We have the script. You can check it if you want.”

“We will. We’ll check the contract, and loan package. You know I need to see acknowledgements and agency waivers to confirm its legal, right?”

“Hmm.” Mykel indicated understanding as Jush continued.

“Second, we need named signees. You’ll have to notarize signature affidavits yourself. Exclusive! I don’t want any old notary taking an affidavit, right? You do understand?”

Mykel thought he’d better sound convincing, “Absolutely, you’re talking about ‘*Affiant Rules*’. I don’t pay reps unless they bring the contracts to me, and I have to notarize their witnessing of bank client signatures for you to close a deal.”

“Right, you’ll have to do more than tell them. It’s very important. We have one checklist for you and one for us to check each deal and our signature affidavit is notarized by you and correctly dated before we set up loony loans for the MOB to transfer loonies.”

Mykel was getting alarmed, “I’m a ‘*Taker of Affidavits*’ that’s all there is to it. My scribble is hard to read; I don’t write my name or stamp my ID. You don’t need any of that, right?”

He felt pressured, but he sounded just as far as he was willing to go, and only as much as he would do for the bank.

“Mmm. It’ll do, so long as you’re the only notary. Okay?”

Mykel was relieved to hear the end of it. He felt empowered and conceit returned and he smirked at the phone as if to the bank, “I’ll do as many as you want,” he said.

“We’ll see,” Jush said bluntly. “Now, about MOB demand notes, you have to make sure they’re signed blank. We do accreditation for your reps to fill them out. We date them when we advance the loan proceeds to you on the last offered date. That’s how it’s done. No exceptions. Is that clear?”

Finally, Mykel knuckled to authority, “Yes sir,” he said.

“You’ll need help with ‘*Off-site Loans Closings*’. We’ll send data-entry people to your office to do closings as you sign in acceptance of investor notes that’ll make the loonies flow.”

The line was silent as it dawned on Mykel how careful he had to be with bank documents for compliance. He had to learn protocol to set up a step transaction geared to cheat people out of their money to save income tax. “Do you want to see our ‘*How to subscribe*’ guidelines?” he asked Jush.

“Yes, I do. I will go over it and send it back.”

Jush kept the upper hand, “Sales reps have to know what has to be signed and witnessed. I will check your Kaleidoscope procedures personally, if you want to be in, you’ll have to sign a bank agent contract and an ‘*Off-site Loans Closings*’ agreement. Cyn will get back to me. If things work out I will see you at my office to go over the details. You have to contract to join the MOB.”

Jush took Mykel’s silence as agreement, “Thank you. Goodbye.”

“Yes, thank you Jush. Goodbye.” He put the phone down slowly then a moment later Mykel L’Æmori rubbed his hands together as he thought of money, money, money lots and lots of money. He beamed a big cheesy grin with satisfaction written all over his face.

Jush was happy too and looked pleased as he reported to Phil Morsacs. The Kaleidoscope deal was ready to go. It would convey thousands of signed blank cheques, and the MOB was ready for them.

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DRAFT

## **Bank Loan Game Rules for Sitting Ducks**

“Here’s something to read.”

“What is it?”

“It’s a novel approach to banking.”

The property developer looked at the book and shuffled in his chair facing the bank officer who was seated in a high back chair behind a large oak desk in his office. His name and job title; Cyn Fordoe, Osowa Branch Executive Loans Manager showed in polished silver letters on a black plastic box for business cards with a pen on the end of a ball-link chrome chain. There was a tray on his desk with a coffee mug that was filled with small change, loonies and toonies.

“Cyn, I thought you said it would be easy.”

Mykel held Cyn in his gaze, but instead of a steady look for an answer, he let his eyes wander to look at professional certificates and a scenic poster in a frame on the wall that promoted high goals in business achievements. L’Æmori was an impressive man with a stocky frame and high somewhat exaggerated prematurely balding forehead combed back in a mane of mousy hair over his ears and bushy growth to his neck. His face was unblemished, somewhat babyish. It was hardly featured except for a pair of shiny clear-rimmed glasses. He was smartly dressed in light slacks with a dark jacket and fitted pale-pink shirt sporting a nicely-coordinated red tie.

Mykel was used to taking charge of conversation. He faced Cyn with a steady look of blue eyes above a thin smile. He portrayed a questioning superior stance. The expression hardened to a glare of someone waiting for an answer. It put Cyn on the defensive.

“Oh well, it’s... there’s lots of money involved, you know we have to be careful,” Cyn’s tone was protective and slightly subdued.

Cyn had looked forward to meeting L’Æmori. He had underlined the meeting in his diary. Management told him millions hinged on the meeting going well. He thought he was ready for it.

They had met before and written each other about the appointment, but Cyn was ruffled a bit from his awkward start to conversation. Next time he would think of a better approach than handing out surprise reading material.

Cyn began to get used to the idea it was about exploiting money, pure and simple capitalism, their meetings would be similar, and continue like this for years to come.

He looked at the lady who joined the meeting with L'Æmori. She was also neatly dressed in business attire and looked quite elegant in a pleated navy-blue skirt and matching jacket in a lighter tone. The jacket had padded shoulders that made her look bigger than she actually was. Her blouse was detailed in brightly colored embroidery complete with a natty cravat tied in a loose fluffy bow. Her eyes were brown and her hair was dark and curly. Her face was round and distinguished with a slightly beaky overbite and a dimpled chin with downcast lines given to traces of sadness.

There was a lull as Cyn put his business card inside the book. "Anyway," he said as he looked at the cover and murmured, "It's signed by the author. You can read it whenever..."

L'Æmori glanced at it, "Okay, thanks."

The securities broker leaned forward and sluffed the book aside while he looked up with a slight frown. He opened a leather wallet and pushed two Kaleidoscope business cards across the desk face up with a quick hand like a card dealer in a casino. Cyn began to read them, Mykel L'Æmori President Kaleidoscope Properties, and the other, Wobey Gone, President, Kaleidoscope Equities.

Wobey looked at Cyn as he read her business card, "I'm in charge of investment sales and operations. I just started," she said.

Her hair was short and frizzy in a fashionably unkempt boyish cut in tight curls that accentuated her ears and bulbous earrings chosen to match her necktie. Cyn noticed her right eyebrow was curved and relatively unmoving, whereas the left flattened out to a slanted corner. It was the more animated and seemed to have an effect of her looking surprised, sometimes when she spoke.

It preoccupied Cyn a moment. When the men made eye contact again, Mykel probed, “You said the bank will front our main street project we talked about?”

“Oh! Yes, of course we will, Mykel,” Cyn paused to think, “we’ve done these before, er, yes, tell me more about it?”

It was an open question and Cyn leant back in his comfortable chair. His elbows found familiar recesses in worn leather armrests and he raised his hands together that his fingertips touched the tip of his nose in anticipation, as if in prayer. It was a good image he thought. It was his bank training. He remembered sales; get to know clients and let them do the talking... it tells you what you need to know. It gives you time to think, and you to gain control.

Mykel handed Cyn a Kaleidoscope brochure. He was brief and to the point. “It’s all in the brochure. We own a famous old building in a good location downtown in the business core. It’s appraised at \$5million and we have a \$5million rent encumbered mortgage. We have good tenants and reliable income in a \$10million business model. It’s a registered rental income producing real estate tax shelter. We want to pay out the mortgage to raise capital to acquire another property next door. I wrote you, it’s all in there.”

Mykel put another glossy brochure on Cyn’s desk and tapped a stubby index finger on a letter that was clipped to the cover.

Cyn looked at the letter, and pretended to read it. It was what he knew already. He curled the letter behind the brochure and held it from springing back. He looked at the Kaleidoscope mascot, a gold tricorn centered in magenta background with a picture of an office and address in gold letters, 41-43-45 Façade, Hogstowne.

Cyn recognized it, “I’ve seen this downtown. It’s a good location. Isn’t this Budsmoor House on Façade, near the market on Saint Florence Street?”

Mykel nodded, “We have it in a private Offering Memorandum. We don’t have to file a prospectus because each unit is less than a hundred-and-fifty grand. The offering closes December 1, 1989. We’ve looked into other banks to fund sales, but some of them have 13 signatures on 15 pages.”

“That’s banking for you, lots of pages to sign. You know more about legalities than most,” Cyn murmured. He knew Mykel had been a lawyer with Ardent Bailiffs, and he smiled at the thought of what they were about to discuss. He paused a moment to open a drawer to reach out a contract document. “This is what bank lawyers have to deal with,” he said.

Mykel looked at Confoundation law script. “Yes, yes.” He sounded irritated, “I’ve seen all that. What about the other one?” He flicked a dismissive hand at the paperback edition on the desk, as if to shoo it away.

Cyn noted the gesture, “Ah, yes, I thought you’d like it our way.”

He went to his files again and took out a package of documents that he placed on his desk. “Our better banking guide has fewer signatures. We’ve got it down to 4 on 5 pages. All we do, let’s say... all you do... is put a MOB loan in the deal and you get people to sign a promissory note for the mortgage and another one for the loan how you sell your tax shelters for all the money you want.” Cyn tempted Mykel,

“That’s more like it, how do you do it?”

Cyn warmed up to the confab. He put his hand on the bank guide and nudged it along the table, towards Mykel. He began to think it would work out. They all wanted the same thing, money. “Well that’s the point; we don’t do it. We sign you up as our agent and your sales reps do the banking required to close sales.

Mykel looked at Wobey Gone who returned a raised eyebrow.

“It’s a package deal.” He lifted his hands with outstretched fingers as he raised his shoulders and bobbed his head in a shrug. “It’s all this legal stuff we have to work with. We have to be sure sales people fill out bank documents. You know, when you buy a car and a salesperson does an application for a loan in the showroom to finance it. It’s all done right there. People sign for a loan, we approve it and they get the keys to the car they drive away.”

He paused, “It’s the same with investment vehicles, except people don’t drive anything away, but they still have to borrow to buy the vehicle.”

Cyn smiled at his analogy. “We have priced these at \$75,000 a unit. You get \$25,000 a piece, we get \$50,000.” He looked at Mykel, “We’ve got to be careful we’re not seen together. It’s important we’re not held liable for endorsing investments, or anything about tied loans to close sales. Investment deals and bank loans have to be handled separately, especially from a legal point of view.”

He looked at them both to confirm they understood the con.

“You promote tax deductible securities to people who qualify to save income tax credits, just as you would anyway. If a tax saver needs financing, you need a sales rep to get them to sign bank documents that you send to us, right?” There was no reaction, so he continued, “We use the information you send us about people and their finances to fill out bank loan applications and check if you qualified the right sort of people. All you have to do is send signed notes to us for how many units they can afford. We confirm their personal credit, and you to get the money.”

“So we’re third-parties to bankers?” Wobey asked Cyn.

Mykel could have answered, but he thought better to leave it as a test. And he nodded in approval for what he heard the banker say well enough in quick reply.

“Well, it’s mostly accountants and financial advisors who work as reps and bank go-betweens to tax shelter sales.”

Cyn explained the bank relationship, “Sales depend on them doing anything to sell a loan. But we can’t do it without a tax saver signed waiver your sales reps are not agents for the bank. It’ll be better for you if the MOB isn’t ever held liable.” It sounded a bit threatening and Cyn stifled a laugh, “Harrumph, we just take care of your paperwork.”

Wobey Gone felt she’d lost something in bank translation, “What are you talking about? What kind of paperwork?”

“Er, you have to use our documents to cover legalities. It’s very important you know how signature affidavits work. They have to be in context and properly signed.” He swiveled in his chair to face a desk drawer, which he opened to lift out a package. The papers were fastened in the top left with a staple under a cardboard corner.

Cyn folded the cover page and said. “It has to be legal. You can’t change this, but we can customize instructions in the blank spaces. That way you can make a sales kit with all the forms we need in your materials to handle bank loans. There are only two references to the MOB in the top-left that we staple over to hide for obvious reasons. The intent of signing is in the ‘*Statement of Affairs*’ small print and the banknote that once they sign you send it to a financial institution of your choice.”

He emphasized the point, “That’s us, we tell you how much to fill out. The tax shelter deal includes a mortgage and a loan. We need clients to initial the personal loan option to confirm they want to borrow to invest to participate in the tax shelter deal. It’s amortized over 25 years with a 10 year term so it looks like the mortgage.”

Cyn glanced at Mykel as he thumbed his way to a cheque size note tucked in the staple-corner. “This is a demand note you have to get people to sign blank. We tell you how much credit to fill out for investors to buy into the deal and then we date it to close.”

He looked at it thoughtfully, “The bank’s cost of money is here in the small type, it’s hidden under the corner staple, you see?” Cyn carefully opened the staple from under the cardboard corner to reveal a promissory note with a red dot positioned for a signature.

“We separate it from the tax shelter deal to check it was properly signed blank with an Affidavit of Subscribing Witness worded and signed in witness and notarized by you before we rubberstamp our logo name on it to approve what we call a ‘*Sitting Duck*’ loan filled out with our bank name for the credit we give on account.”

Cyn looked up with a strangely twisted smile as if he realized what he’d just said. He put the papers down and they looked at each other a bit slack jawed. Cyn couldn’t stop himself saying, “We can help you find people with high income and good net worth.” He swallowed, “You wouldn’t want us refusing referrals, would you?”

No one spoke; Mykel or Wobey might have said something witty about Cyn talking about ‘*Sitting Duck*’ loans. Wobey was still thinking when Mykel answered the question with a grunt of appreciation for Cyn’s dark humor, and his candor about shadow banking practices.

Cyn looked pleased with himself as he continued to explain banking. “Our forms are included in the appendices.” He pointed to the attachments. “This is an ‘*Affidavit of Subscribing Witness*’, it has to be notarized by an affidavit taker... you know, that the sales rep testifies they witnessed a taxpayer sign your tax saver note.”

He pressed his index finger on the all-important document. “We need signature affidavits to identify people who sign agreements for you to sell loan dependent tax shelter schemes in their names. We do it all behind the scenes to adjudicate credit. We’ll soon let you know if they don’t have enough equity in their homes. You might call them but it’s better if they don’t know you handle loans. It’s up to you, but we leave it to your reps to find people who want to save tax credits. There’s lot’s out there.”

Cyn noticed Mykel wince as the conversation centered on risk.

“Don’t worry, I doubt there’ll be duds, it hardly ever happens. After all, it’s up to your reps to find good prospects.”

Wobey had a question, “How’s that?”

“We’re only concerned that you prequalify tax savers. We want your sales reps to target high income earners who have good net worth.” Cyn found another page, which he turned to the other side. “This is a tax-credit worthy statement of affairs,” he said. “When you sell the idea people can buy property paid from tax credits saved, you have to qualify them by how much income they earn and how much tax they can save. You give us the same personal and financial information on the same form, which they have to sign here, see?” He pointed to a red dot signature line.

He put the form back in its place in the package. “You use this form to assess potential tax savings. We use it in the MOB to fill out loan applications to assess their credit worth.”

There was a lull in conversation, so he said, “The information you assess people for being tax-creditworthy is the same as we use for personal-creditworthy. You sell investments, we sell loans.” He pointed to the form he’d just reordered in package sequence. “This is the same form to apply for a personal loan except there’s no reference to a bank. We fill out bank loans from what you send us and we call your sales reps if we need any more information.”

“The main thing is the bank ‘*Affidavit of Subscribing Witness*’ so that people don’t have to sign loan application agreements. We don’t have much trouble if your reps do a good job in pre-qualification. Anyway, if anyone comes back with a poor credit rating, I’m authorized to override alerts for more than we need,” he corrected himself... “er, more than you need to close your sale,” he said.

Wobee asked what the bank would do. “Do you talk to investors?” Mykel thought it was a dumb question, and he waited for Cyn answer.

“No we don’t call applicants, maybe a carny mark, but its best we don’t. According to regulation we should call them to confirm amount terms and conditions, but we assume reps explain all that stuff ’n nonsense.” Cyn shrugged as looked at his future agent eye-to-eye.

“It’s similar to a car sales rep who faxes a loan application in for approval that they can sell a car. The dealer confirms bank terms and conditions that the buyer signs knowing the dealer will get the money, and then we bill the buyer to deposit monthly payments.”

Wobey spoke up, “But in your example, customers fill out forms for car loans. This borrowing to invest is a totally different thing.” She glared at Mykel with a look of exasperation, “Look if our sales reps say no cash down, it’s going to be a pretty hard sell if we ask people to fill out applications for loans to go into debt to receive tax credits they use to buy property.”

Mykel the promoter raised a hand, “We have to see if they have taxable income to qualify, so we don’t have to tell them. There’s nothing wrong saying no cash down, it’s true. We write them about operating cost of the mortgage. It’s a way of converting income tax-credits into cash.” He spread his hands, “We report rent-paid interest for tax-credit losses if the bank gives the credit to invest.”

“Well if you say so, but how do we get them to fill out forms with-out them catching on they signed an application for a bank loan?” Wobey questioned as she raised her eyebrow to Mykel.

“Like Cyn says, we don’t tell them,” Mykel said. “They don’t have to fill out bank forms. The MOB pays loan referral fees to our sales reps who witness who signed notes, which they fill out for us.”

Wobey looked at the PLSA – Personal Loan Service Agreement on Cyn’s desk, “I’ve seen those before. When I applied for a loan, I took insurance. It was an option, what if someone wants insurance?” she said, pointing to the bank document.

The men glanced at each other in amusement, if not exasperation. It was Cyn’s turn to clarify. “This form doesn’t go in your sales kit. We write them up in the branch from their ‘*Statements of Affairs*’.”

“Look, if anyone talked insurance they’d talk about debt. We don’t want people to even think about it. We don’t mention it, no one asks.” He felt he had dealt with the controversy and that the confusion was over.

Cyn gestured to the package. “People sign things for people they trust. It’s only paperwork. We can work with anything on paper. Clients can’t read what we do in the back office. We use computers for accreditation and all we need to know is that people sign notes for money to invest. Still, it’s better for us if we know something about your clients.”

“Maybe the bank should be in sales. You know how rich people are.” Wobey was just a bit too quick in her mind to hold back on a note of sarcasm that came through in her voice.

Cyn ignored the jibe, “Okay, I have a wealth list I can give you.”

He displayed client names on a screen and pressed a print button, then in a condescending tone, “Look I’ve said, all we do is credit. That’s my job. You sell investments, right?” Wobey nodded.

“Right, well we can’t be seen to have a vested interest even though our loans and your mortgages double up income tax credits. You announce deals in the market and financial advisors do sales, it’s nothing to do with us.”

Cyn sat back and composed himself to conclude, “Explaining tied-loan selling is not good for business. Income tax savings depend on debt. We don’t want people reading to ask questions before they sign.” He took a deep breath, “We look on you as our ‘*Point of Sale*’ for loans. You’ll need to create a sales force we can work with. People who walk the talk, we like dealers who know how to close sales. People trust accountants who know what we want.”

Wobey Gone agreed, "Accounting firms send people to tax credit product announcements." She raised an eyebrow, "I guess it'll be okay, but how will accountants know what to do?"

Cyn didn't hesitate, "When they fill out income tax returns they setup people up to want to save tax. Tax savings are an easy sell. People like to hear about them. Chartered accountants are good at fudging loonies, so loony's think they can save a tax-dollar to spend."

It wasn't funny so Cyn carried on, "It's an easy sell, and normal practice for accounting firms to work with brokers and bankers for commissions. All they have to do is follow bank law."

"We have '*Off-site Loans Closings*' law. It allows us to authorize a BWAB." He glanced up to explain, "Bank-Within-A-Bank."

He gave them a bank memo, "This is head office," he said. "We'll contract you to pre-approve and commission tax-credit loans. All you need to know is the steps and forms you have to fill out, and what information we require from you."

Cyn wanted to make it clear, "A BWAB is a step transaction. You have to integrate it in your sales, which we take over."

Cyn read the procedure from Step 1.

"Step 1: obtain all the relevant information on applicant (that's the client) from promoter (that's you) and properly research the application immediately upon receipt (that's us)." He eyed Mykel, "The project part is done already. All you have to do is check what you send is properly signed and witnessed." He continued, "Step 2: once all the stipulations of authorization have been met closing documents are to be prepared for the promoter, that's you Mykel, to know what signatures are required," Cyn advised, "We give you forms with red dots ready to sign for the job."

Cyn picked up a sales package and handed it to Wobee, "You start sales with these," he said with meaning, "Step 3 simply says you get contracts signed ASAP so we can get on with accreditation."

He glanced at the forms and looked up and smiled as he continued to explain the step transaction.

“Step 4: the promoter handles an Affidavit of Subscribing Witness for each loan application, which is Appendix 4.

He looked at Mykel, “You know about that part, right? You will be the Commissioner of Oaths for all your sales reps to sign witness who signed what that we can identify taxpayers as tax savers to close Kaleidoscope tax shelter deals.”

Cyn put a loonie on the desk from his coffee tray, “Do you have a dollar bill?” He grinned as he held out a hand while Mykel pulled a banknote from his billfold. Cyn took it and tore it in half and he stapled one half to the package and put the other half under the loonie coin. “You start with one note in the deal. It’s worthless until we accredit taxpayers for loans. We’ll tell you how much a tax-saver can borrow to invest that your rep fills out bank loan demand notes for cost and investor notes for units sold. We pay the loan to you and you pay referral fees to your sales reps, and the job’s done.”

He continued reading the bank process, “Step 5: upon receipt of documents from the promoter, complete audit of all documentation prior to releasing funds. We suggest that audit and processing be centralized in an Area Office to ensure effective control.” He put his hand on the folder, “We do everything in this branch. We’ll approve as many as we can for as much as we can.”

Cyn read, “Step 6: subsequent to approval and prior to advancing funds the customer is to be contacted by a Bank Officer, to review all terms and conditions of authorization.” At this point he lifted himself up and sat on his hands. He pursed his lips in a silent whistle, and rolled his head about a couple of times. Then he eased his hands free and swiveled his chair to face his computer where upon he brought his right forefinger down and hit the enter key on the keyboard with gusto like a pianist on a singular high note. He turned around and put the two halves of the torn dollar bill together and gave Mykel the loonie coin just as he had said he would. He tilted his head to grin, and squint a long exaggerated wink.

He picked up the torn paper money and smiled, “This is the rip-off tax-credit note, it’s ready to paper,” he clucked.

“Step 7: immediately after the funds are advanced a letter of confirmation (Appendix 5) is to be sent to each individual investor.”

Cyn stopped reading and he put the bank guide down, “We wait a while to send out letters requesting twelve postdated cheques.”

Mykel pocketed the coined loonie, “How quickly do you approve loans?”

“We need a week or two, longer if there’s credit issues. It depends on you. It’s quicker for everyone if you get all the red dots signed in your first sales calls. That’s what we expect in Step 3.”

Cyn waited for them to nod agreement, which they did.

“We will give you packaged deals with red dots where we need signatures and dates. Good salespeople get a deal signed in a few, maybe fifteen minutes tops.”

He glanced at Mykel slyly, “The only delay there might be is to notarize signature affidavits. Hmm?”

Wobey interrupted, “It’s a job for accountants or financial advisors who process tax returns. All we have to do is get their signed deals to you, you lend money to send to us, and we calculate interest for clients to claim rent for tax credits.” She raised an eyebrow, “Do you send receipt to clients, or their accountants?”

“That depends on different client relationships,” Mykel said.

Wobey spoke slowly. “There’s no cash down, and if they expect to make mortgage payments after your letter requesting postdated cheques, and they claim tax credits for rent paid mortgage interest that we pay and receipt for their income tax deductions, and we have the mortgage,” She looked at Cyn and wondered out loud. “You invoice cheques for deposits, right?” She saw Cyn confirm it with a brief nod and turned to face Mykel with her half surprised questioning look. “How the heck do we tell them tax credits go through a personal bank loan savings account?”

Mykel stroked his chin and he nodded. He could have answered, but Cyn cut in, “Some of them don’t ever figure it out, even when we collect principal on account years later. But by then it’s... well its past statute of limitations.”

Cyn paused to let it sink in.

“It’s legal, there’s nothing for us to worry about... it’s all up to you... how you market, what you say to clients, we don’t care as long both our notes are signed.”

Mykel said, “Me too, I don’t care, if all you want is notarized affidavits to identify who signed notes to buy securities I’ll do it. It’s just business. All we want is money.”

“Ah, yes, that reminds me, there’s a clause in the agreement where a client authorizes us to release loan account funds... er, to close business. It’s something else you have to customize. You have put a company name to where money goes in the script. I recommend you get an independent law firm to set up an interim account for us to credit and debit your tax shelter sales and business account.”

“Got it.” Mykel said; “I’ll do it through the old firm.”

The printer had stopped listing wealthy clients and Cyn handed the prospects to Mykel, “Does it notarize affidavits, Mykel?” he asked him cheekily.

“Yes! Ha-ha... you’ve done your homework. Good idea.”

“The MOBs not the only bank doing this, there’s lots of scams out there accountants will sign witness to anything,” Cyn said casually. He picked up the tax shelter deal and reordered the pages, which he tamped squarely on his desk. “Good, well that’s pretty much all there is to it.” He peeked over pages that he unconsciously pressed to his bottom lip. “We’ll have to check your sales package before it goes out. Legal will want to go over it to make sure it’s bullet proof, but other than that, we leave everything to you.”

Cyn put the package back in the desk drawer and sat back in his chair while they looked at each other as if contented schemers.

Mykel rubbed his hands together as Cyn, the banker continued, “I put Kaleidoscope in the system already. We use a prefix to cross-reference bank loans to investment product codes. It’s all set to go. We only have to wait for my friend in Head Office.” Cyn turned to his computer and to type a message. This time he clicked the keys with purpose. “I sent a word to Central Region to check where you are with your submission.”

He looked, “Er, nothing yet, I’ll just give him a call to find out.”

He dialed the phone and started to talk to someone about Kaleidoscope. “He’s here now, we’ve discussed it” he eyed Mykel, “I’ll tell him.” He put the phone down and smiled. “My friend approved it.” He said as he stretched his hand out to shake Mykel’s hand, which he spontaneously reached out to grab with pleasure.

“Okay?”

“OK!” Mykel leaned back quickly to release his sweaty grip.

He sat bolt upright and rubbed his hands on his knees to dry his sticky palms on trouser cloth. He sat stiffly with his elbows out as he pressed his hands on the fabric of his pants. He looked happy.

Cyn continued. “The contracts will be here tomorrow, Head Office will have all the usual conditions for you to sign, it’s just detail; pricing, units, client profile, dates, terms, etc. You’ll have to sign a MOB ‘*Off-site Loans Closings*’ agreement that allows you to send secret commission bank loans with inchoate notes, just the way we talked about.” Okay ?”

The banker looked at Mykel L’Æmori for confirmation.

“Right, no problem. We could start soon?” It was a question.

“Shouldn’t take long, no more than a week to get started, probably September. This is one project. I expect you’ll want to talk to us about another one for next year. Didn’t you have a, ‘*Hill Top 90*,’ or something, you mentioned?”

“It’s out west, 90 Hilltoplarza.” Mykel was more visibly relaxed.

Then he said to Wobee, “We’ll finish the 89 video.” He turned his head as a movement on the screen caught his eye that he had to say, “Cyn, there’s something flashing on your computer.”

Cyn looked, “Oh, that,” he chuckled and pointed to the screen.

Cyn explained, “It’s a ‘*Set Your Sights on St. Lucia*’ screen saver.”

“They’re really pushing us. This year’s prize is St. Lucia.” He rhymed to the Conga, “♪♪♪ We’re going to St. Lucia, ♪♪♪ to spend our filthy lucre, ♪ duhmmm ♪ dhmm ♪ dhum♪”

Wobey Gone couldn’t help herself, “♪ Mmm ♪♪♪ very nice, are you going?”

He looked at her, then Mykel, “I have a few deals, with you on board with this one it’ll rate for sure.”

“What if we discount investor notes?” Mykel thought out loud.

“Even better, I figured you’d see it that way. It’ll be a cinch.” Cyn was gleeful. “This is our way of making money make sense.”

Mykel quipped, “It makes more sense to me, better than all those forms customers sign with other banks.”

“Oh, yeah, way better. Nothing goes wrong, MOB legal makes sure of it,” Cyn said with a wide grin of total satisfaction.

He made a fist and jabbed a thumb in the air over his shoulder, “I have to report tax-credit-savings loan accounts to Head Office. It’ll do wonders for Phil and help his bottom line. Ha! Ha-ha.”

They all smiled at each other with faintest nods of complicity.

Cyn looked at them and he rested his hands slightly apart on the papers in front of him. He smiled as if he had nothing else to talk about. They took the hint, Mykel and Wobey rose from their chairs as Cyn stepped round his desk to see them out.

“Oh, don’t forget this,” Cyn said, as he turned and picked up the paperback offered when the meeting started. “It’s nothing really, he-he,” he laughed, but it sounded slightly forced, even nervous compared to his recent chuckles, “I think you’ll like it, it’s what we just talked about. Just the way you want...”

Mykel turned and took it in his left hand that moved up and down in time with his right in another handshake. “Mmm, thanks.”

He read the title, “*The Perfect Sting*”.

And then from the back as he turned the book over, “*Bank Loan Game Rules for Sitting Ducks.*”

Wobey watched Mykel as he put the volume in his briefcase.

They left the bank heading for the car park, both not saying a word. Mykel looked serious as he contemplated the bank what next effect. Wobey looked pensive as she absorbed the new meaning of making sense fake money. That and the prospect of getting people into debt for want of saving income tax credits due to mortgages sold as investments on real estate in registered tax shelter schemes.

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DRAFT

## Capital Letters

“Yes sir, please hold.”

“Mykel L’Æmori.”

“It’s Jush, I’m calling about your *‘How to Subscribe’* guidelines.”

“Yes Jush, what can I do for you?” Mykel waved to his assistant Marion O’Bleary to come over as he held his hand to shield the phone mouthpiece. “It’s the 89 deal.” He whispered to her.

“You have to be clear on bank-demand notes being signed blank. I’m sending you a fax. It should be there in a minute.”

Marion found the file to put on Mykel’s desk as fax paper spewed from a printer. She went to check the cover page as it nudged out backwards. She read the letters upside-down and lip-synched, “BEMOH,” confabulating the name, but close enough.

“It’s printing now,” Mykel said. “Have you changed it much?”

“No just the bank section about investors signing blank notes.”

“Right, if you hang on, we’ll be on the same page.” Mykel said watching the fax paper feed out line by line. The machine stopped, and Marion advanced the roll to tear it free at a rip-off line.

“Here,” Mykel smiled as Marion handed it over. “Yes, I have it now.” He scanned the page and quickly recognized the change.

“Hmm,” he read the form, “Line 4, loan documents.” He read the words in silence. Jush knew what Mykel was doing and waited until he heard him say, “Its fine, we can retype ours, no problem.”

“Good, that’s all I want to hear,” Jush was matter of fact as usual.

He continued, “You made two references to a financial intuition without naming it, which is correct.”

Jush paused to let Mykel look at MOB legalese.

“What you call a ‘*Statement of Affairs*’ is a ‘*Net Worth Statement*’ at the bank. It’s all right, but you have to add what I sent you after the signature line for a secret commission a loan.”

Mykel reread the last part of the fax, which he spoke out loud.

***“I authorize Kaleidoscope to obtain credit from the financial institution of its choice. I certify that all the information in this Application is true and complete and understand that it will be used by the financial institution to determine my creditworthiness. I agree that the financial institution of Kaleidoscope’s choice may give to, receive from, and share and exchange with others, including credit bureau and persons with whom I have or may have financial dealings, credit and other information about me.”***

“The MOB is the bank of choice and you need this after the signature ending the statement of net worth on page two.” Mykel carried on confirming what the bank lawyer wanted to hear.

“Yes, but don’t name the bank.” Jush didn’t want to discuss non-disclosure, adding, “How are you getting on recruiting agents?”

Mykel noted duality to correct Jush, “Sales reps,” he said adding, “Fine, we’re on track, but how about MOB bundles?”

“They’ve been proofed and we’ve sent 200 to print next week. They’ll be embossed with red dots on signature lines. We need to include your contract pages with ours because they use a machine that staples a document together inside a cardboard corner.”

“Good, it’ll be okay then.” Mykel was learning bank talk and how to deal with Jush and the MOB, “We have a dry run with Cyn and Bræn on Monday, I’ll have changes done by then. Anything else?”

“No, that’s it. I’ll call if there’s anything, thank you Mykel.”

“My pleasure,” Mykel leered at the phone.

He looked at Marion as he put the handset down. “Uppercase!” he scoffed. “He wants to make sure we capitalize the MOB.”

Marion saw the funny side of what Mykel said, and they grinned simultaneously at the unintended pun.

**KALEIDOSCOPE LIMITED PARTNERSHIP 89**

**HOW TO SUBSCRIBE**

Please complete the following documents:

**1. SUBSCRIPTION AGREEMENT**

(a) sign, witness and date page 5 and complete information

**2. INVESTOR NOTE**

(a) sign, witness and date page 4

**3. STATEMENT OF NET WORTH**

(for investors who are applying for 100% equity financing)

(a) complete all details listed on the Statement of Net Worth, sign and witness

(b) you will be required to provide 2 years proof of income which should include the front page of the last 2 years Income Tax Returns including a copy of the Schedule 4 and Schedule 7 for each year if applicable. (If self employed the bank has requested 2 years financial statements for the business)

**4. LOAN DOCUMENTS**

(a) sign and witness the loan documents included in the package as indicated (**DO NOT DATE THE DEMAND NOTE** as this document **MUST** be dated on the day the funds are advanced by the bank)

**5. RETURN OF DOCUMENTS**

(a) Return the completed documents to our office:

Kaleidoscope Equities Corporation  
c/o Marion Bleary  
P.O. Box 13 Queen's Dorkey West  
Hogstowne Fontario M5J 1A7

If you require any assistance, please contact our office at 6360 0212.

“You’re getting good at shadow banking,” Marion said as she looked at the fax what to change for the MOB.

It wasn't difficult, "It's DO NOT DATE THE DEMAND NOTE in capital letters, and the rest is small print," she looked at Mykel and said with a smile. "The smaller the font the better, eh?"

"It's their game." Mykel shrugged, "they seem to make up the law as they go," he said.

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DRAFT

## **Affiant Scripts**

“This should interest you, Mikey.” His business partner Yul Perysh reached over the desk they shared to hand him a glossy brochure.

Mikey scanned the magenta cover that showed a jaunty black and gold trimmed tricorn over a photograph of a stylish building with; *‘Exceptional Investment Opportunity’* above a company name in bold gold letters, *‘Kaleidoscope Equities Corporation’*.

Mickul Fudgit was at his desk with Yul opposite. He was enthusiastic, “It came in yesterday. They’re giving presentations to recruit sales reps next week.”

Fudgit and Perysh were partners in Shiny, Glun and Graydown in Okayville west of Hogstowne. The company had several wealthy clients, and Mickul was interested in selling securities and mutual funds that they could get into more profitable business. Better than grunt-work accounting numbers they did for a living. They had more exotic financial instruments in mind.

“People moonlight securities,” his friend and business partner said. “Call up to register and let me know, we’ll talk about it later.”

Kaleidoscope offered a seat in their last Friday session. They faxed an agenda with directions to the orientation meeting. There was a follow-up call to confirm. “There’ll be sandwiches and coffee and we’ll give you a pass for underground parking off the street. Do you have any questions? Okay, we’ll see you then, then.”

Mickul had the look of an accountant, or maybe a teacher. He was about thirty with dark hair in a buzz cut graying round the temples. He was a bit shorter than average height with a slight build.

He always dressed in suit and tie to work in the office where he met clients. He had carried on from his father that accounting was why he wore thick-rimmed glasses. It made his bushy eyebrows look as though joined together and his nose looked unnaturally attached to his glasses centered over a narrow face and small square jawbone. Mickul’s forehead was frowned with horizontal and vertical lines crossed in a checkered wavy pattern that a beautician might recommend lighter framed glasses.

Mikul Fudgit's glasses accentuated the furrows in his brow. Two deep vertical lines above the bridge of his nose made it look longer from his eyebrows. It gave him a serious countenance that would quickly change to a toothy grin he sometimes flashed under his dark bushy mustache. It gave him an exaggerated look of innocence in an overfriendly smile.

Mikey always enjoyed a drive into the city. He had good reason, his friend was a car dealer, and a client arrangement allowed a first option on any car that came in with short lease. He could choose a car to match his mood, which was mostly fast and furious and luxurious. This time he was driving a high-end roadster that was more than he could afford to buy, but for a while at least, he could enjoy the use of it, as though it was his own.

He took the shoreline into the city with the ragtop down. It was a scenic route. Traffic didn't give way for speeding but this one had acceleration that he could overtake many a less powerful car. He sat comfortably in fine leather upholstery and he burned rubber in the warm sunshine. Mickul listened to music from headrest speakers that he relaxed his driving grip on the dimpled tan leather steering wheel. As usual the accountant in him mused about the money it would take to own such a high-end expensive car.

Mickul was quick with numbers and he had it figured out as he slowed down to approach the Budsmoor Building on Façade. He took his time waiting for traffic lights to press a switch to open the trunk that the soft top withdrew as a hardtop lifted up and over and settled into position to clampdown on the windscreen. Magic. Pure magic.

Mickul the CA was very pleased. He sensed looks of admiration for the performance. He locked the roof down with safety catches as the lights turned green to go ahead and through a gate with a sharp right turn on the corner into the Budsmoor underground parking lot.

Mikey loved cars. He followed signs to Kaleidoscope parking and stepped out to find his way to the elevator lobby. A wide grin was firmly planted on his face as he walked up to see a good looking receptionist and ask directions to Kaleidoscope.

The meeting was on the ground floor and he was early. He picked out a table near the door for a quick exit and set his briefcase on a chair.

Mikey had time to look over food and beverages. He chose a couple of pastries and poured himself a coffee. He paused to pick up a chocolate chip cookie, and then he went back to his seat.

He was nibbling food as people turned up. They did pretty much the same as he had done. The clock on the wall moved ten minutes past the scheduled start until a lady walked in and strode up to the podium. She tapped the microphone into hollow annoying clicks.

It got attention with muted groans and a grimace or two.

Everyone looked her way as she coughed, and smiled, and said, “We have more people coming, and we’ll start in a minute.”

Someone else did turn up who looked relieved to see the meeting hadn’t started. He picked up a coffee and took an empty chair and table to himself. It wasn’t exactly crowded and the newcomer was quite content to sit alone.

In a few minutes the lady returned with a man in stride to face the group at the microphone. The woman spoke a greeting to say, “My name is Wobey Gone, and I’ll tell you more about this wonderful old building, which is our office, and the outstanding investment opportunity it represents to you and your clients.” She held on the podium and leaned forward, “But first I would like to introduce our company president, Mykel L’Æmori who will start the meeting.”

Mykel stepped forward and rubbed his hands together as he saw his audience. “I want to welcome you to Kaleidoscope Properties, and hope you will enjoy our hospitality and a presentation as we discuss the business opportunity there is in this place.”

He broke his hands apart and raised his arm in a concentric wave towards a framed picture of Budsmoor House upon a tripod easel.

He looked around and said, “This is a perfect investment for you and your clients. This is the last of our office presentations and we’ve had an excellent turnout and interest in a great opportunity. We have a good accounting firm to represent us to your clients.” He paused, “But, we should get to know each other... before we get down to business.”

“Would you,” he gestured to a woman nearest the front row to start. “Please tell us, who you are, and the firm you represent, and what brought you here.”

Each of the attendees said something about themselves until Mickul’s turn in the back row. He hadn’t really paid much attention to anyone; he didn’t really want to get to know people.

He said, “Hi, I’m Mickul with Fudgit and Perysh. People call me Mikey. We just heard about this, and if I was to say why I’m here, it’s because I love fast cars.”

It got a laugh the first levity in the meeting. He meant he’d enjoyed the drive, but Mykel read meaning into what he heard was tinged with guile, and he eyed Mikey as someone to reel in.

Mykel weighed up each attendee and made a mental note from first impressions. With the introductions over, he continued into a sales pitch, which he’d done many times before, all about saving income tax.

“It’s in a prime location in the downtown business core, and it’s close to fine restaurants and interesting stores and coffee shops. Budsmoor House is steeped in history, and you may have noticed we are close to the Saint Florence Market, which is an added attraction for our tenants. It’s financed with a bank,” he said. “The best thing about this deal is no cash down, and no carrying costs.”

Mykel showed a list of tenants and annual rentals and expenses.

“We have a private Offering Memorandum if required. What we have is an excellent sales package, which will help your clients see the opportunity, and get them into a tax saving mood.”

He paused a moment to smile, “We have a video, brochure and map, and a spread sheet account of projected rental income. We preapprove clients for income tax savings to qualify as investors and if financing is needed. The offering closes December 1, 89 and it pays excellent commissions and bonuses.”

He looked around, but his eyes seemed fixed on Mickul.

“Well that’s the overview. Now we’d like to show you a video that explains some of the details. It’s about thirteen minutes,” he said, and he pressed a button that lit up a television image. The screen filled with magenta and gold outline of a navy officer’s tricorne which slowly dissolved into a picture of Mykel walking in the scene with his name captioned next to his corporate title. It was the exact same scene they were in. Everything looked the same, even to his clothes and appearance standing next to an easel with the same picture of Budsmoor House featured on it.

Mikey had noticed Mykel’s habit of wringing his hands together when he talked about money, which was now on video. He smiled to himself about the observation as he watched the performance. He started to take notes. But there wasn’t much to write about, it was mostly geared to real estate in a sales pitch for potential buyers. He wanted to know more about sales and commissions.

Mykel spoke about the deal with enthusiasm, and it sounded good. It was not much different to what he had said in person, there was little mention of financing or money required to become a shareholder. The video highlighted the key benefit of the government incentive with ‘*No Cash Down*’ and ‘*No Carrying Costs*’ in large bold letters. Mykel introduced Wobey Gone in the video as she stepped into view with her name and title on the screen. Her talk was about the value of the property, the financing and rental incomes.

The screen melted into a list of benefits with ‘*No Cash Down*’ at the top. Another line appeared with a voice-over, ‘*No Carrying Costs*’. Wobey tended to drone as a line graph chart traced increasing profits above level operating costs over a picture of the property with a standard disclaimer, which she read, “*Assuming typical tax deductions from carrying costs.*”

The video ended with a list of benefits before fading out with upbeat music and a photo mosaic of Budsmoor House in street and aerial views as a distinctive landmark in a wonderful city.

That was where the video ended.

Wobey stepped up and switched the video player and television off. She looked about and said, “At this stage we invite you to read our brochures and enjoy a cup of coffee or tea while we break for a few minutes. We will start in about five minutes for questions and meet you individually and let you know more about Kaleidoscope operations and support and how you get paid from sales.”

A few people talked among themselves as they milled around the coffee table. Some picked up brochures and company materials and looked around as though they needed to check whether they were free to go, or not.

The meeting which had started with 13 attendees was down to 6 by the time Mykel and Wobey came back. They didn't seem to mind. There were no questions. Mickul watched them from where he sat. They walked about and met people to chat for a couple of minutes. Two of them shook Mykel's hand and left. Then Mykel walked over to where Mickul sat waiting for a word.

"That was a pretty good line about cars," Mykel said.

"Well it was the only thing I could think of when you asked what brought me here," He flashed a disarming grin, "I meant the ride here, not to mention money."

"Ah, yes I figured that" Mykel smiled. "Well Mikey, what did you think of the presentation?"

"Great," he lied, "and it's a really nice building."

"Oh, yes we're very happy with it. It's going to be a winner."

"Do you have any other properties?"

Mikey wanted to size the company and he wanted to know what they were selling.

"We're allied to several projects subject to financing. We plan to add more properties each year over the next several years."

"You seem to have lost people," Mikey said looking about.

"Some of them only came in for brochures to take to their offices. We'll see. This kind of deal isn't for everyone."

"What kind of deal's that?"

"Property, people are still a bit nervous about mortgages after all the fuss about banks and those apartments up for sale a couple of years back."

“Did that affect business?” Mikey sounded surprised.

“Hmm, financing is always the problem; we have to comply with bank and mortgages guidelines.” He looked at Mikey critically. “You’ll need to know how this job works if you want to be in on it.”

Mikey was interested and it showed. He nodded in agreement.

“The government tightened up mortgage rules and some bankers were sent to jail for doing property flips,” he said knowingly.

“It was called the ‘*Caddysheik*’ deal,” Mykel said. “Three trust companies issued exaggerated mortgages. The sale would’ve gone through if the media hadn’t got a hold of it, and all those people,” he sounded peeved, “if all those do-gooder politicians hadn’t gone and poked their noses into the increased rent issue.”

“I remember, it was in the news for months.”

“We’ve changed a few things since then.”

Mikey questioned the hint, “Like what?”

Mykel explained, “Well, the ‘*Caddysheik*’ deal used an affidavit that faked a hundred million loonie deposited in an offshore bank to fund the flip. The banks signed hundreds of affidavits into the Land Registry that reapplied offshore credit for mortgage funding to comply with the seventy-five percent equity rule.”

He paused to face Mikey, “Our deal works the other way round.”

“How’s that?”

“Well, we inflate property value to increase the mortgage cost but we don’t have to worry about 75% deposit rules because we sell a rent encumbered mortgage on property as the investment. Investors sign promissory notes to repay the mortgage that we report rent paid interest on account of business losses for personal income tax deductions. We collect rent and the bank collects cash for the cost of income tax credits against personal net worth borrowed to invest. That way debt is secured by investors’ equity in their own property, instead of what’s in the deal.”

Mikey clued in, “so you’re free to do what you want.”

“Yes. Budsmoor stays on my books so there’s no need to report to Land Registry. It’s a syndication that’s all in the banking.”

Mikey was enthralled. “Phew, it’s so good,” he effused, “and, with equity in the property offset like that, you could borrow on those investor notes again, anytime.”

Now it was Mykel’s turn to be impressed with Mikey, “You’re quick,” he said with inflection that invited there was more to talk about.

Mikey was thinking, “And no affidavits making sense fake money to mess with either.”

“Well not for us. It’s the bank that needs signature affidavits to commission tied loans to close sales, but it has nothing to do with the land registry. The bank does all the paperwork. Everything’s done behind the scenes to keep authorities out of my hair.”

L’Æmori absentmindedly stroked his balding head.

“All Kaleidoscope does is report mortgage interest charges for investors to claim rent as business expenses for tax right-offs. The bank also invoices mortgage derived interest for tax credits.”

Mikey thought he understood it. The prospect of letting people think the government helped taxpayers fund securities fraud was fascinating. “It’s pretty slick,” he said. “Was it your idea?”

“Nar, not really, the bank we’re working with was a big player in ‘*Caddysheik*’. When the government tightened rules they figured out another legal loophole. All they had to do was amend a few contracts they’d used before. Structured investment vehicles are getting better all the time. They do lots of business. All we have to do is sign our clients up for what they call ‘*Sitting Duck*’ loans.”

Mikey took prankishness and underhandedness for granted in bank terminology, “Is it safe?” he asked.

“Sure it’s safe. There’s no risk, it’s all onto taxpayers.”

They thought a moment and Mykel said, “The bank invoices tax saving payments that locks investors into debt. They save tax credits when they make payments to the bank. That’s all there is to it. And it’s legal. You can sell as many of these you want. You’ll need to hire an accountant yourself.” They laughed at the idea.

“Cory and I have been thinking about it. Accounting is a family thing. She’s working on a license to be a limited market dealer.”

“Well that’s different; we’re looking for sales reps, but it’s best if accountants close these deals.” Mykel looked quizzical.

Mikey didn’t miss the point and he quickly confirmed, “That’s okay, I’ll be her agent. No sales calls... she’ll like that.”

“Right, I guess you’ll continue accounting, but I doubt your firm will want to taking commissions if you’re selling investments to their clients, eh?” Mykel queried.

He grinned, “They won’t know if it’s not me. It’ll be a company in her name.”

“Well if you want to do business with us, you should register one quick, she’s bound to pass the dealer exam and you’ll need to put the money somewhere. Watch you don’t spend it all on cars.”

“That’s what we’ve been thinking about. We thought of calling it Micory Investments.” They looked at each other for a moment. Mikey flashed a toothy grin and laughed, “We’ve been thinking about that too. A sports car with a MICORY license plate... that would be great just great.”

Mykel looked at Mikey in a friendly sort of way, “The bank pays you to witness signatures for me to commission loans how much you need to close sales.” He gave Mikey a form. “This is how you witness signatures as an affidavit which I have to notarize for the bank to setup new bank accounts in tax saver names.”

Mikey read it quickly and then felt a need to read it out loud, ***“I verily believe that each person whose signature I witnessed is the party of the same name referred to in the instrument.”***

“That’s it.” the schemer said, “You probably want to start selling one in your wife’s name. It’ll be good practice, and it’ll start you saving your tax on all her sales, eh?”

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DRAFT

## **The Bank is Always Right no Wrongdoing Law**

For the longest time, Robby's knowledge of accounting had been from sidelines of disinterest and stubborn indifference.

There's a joke he remembers accountants never make mistakes, only '*credit/debits*'. It's a professional thing, something you have to understand to enjoy the funny side. Accounting is what it is.

Robby had poor attitude for accounting with no interest or aptitude for it to take up a career in tabulation. He held it in such low esteem he most certainly didn't have the right personality to do the job.

He imagined accountants as dower Dickensian character working alone in a dingy room toiling by candlelight to balance the bottom line down to a penny farthing. The austere stereotypical character doesn't come from birth, but is only acquired from countless years of number crunching. Solemnity is the gift bestowed to people who join the profession.

Robby was sure he didn't want anything to do with it. But there was no escape from the '*Alice in Wonderland*' dreamlike world of Confoundation lore known as the go to place for a snow job. He was victim to what he thought was tax fraud, inevitably drawn into crafty banking beyond his wildest dreams.

Robby's attitude and instilled ignorance of economics made him a target for a clever con. It's fair to say he and those with the same mindset will be taken for an easy ride in Confoundation. A quick con goes by unnoticed. How many understand the dark side of banking to know or see what next? Most people live simple lives, sublimely unaware of losing anything to someone in a bank with devilish hand in deceit.

There are so many traps and the rising tide of debt is proof positive financial literacy is a serious matter of personal concern. As if life isn't tough enough getting harder every day. The more that bankers, lawyers, advisors, accountants, and realtors are seen involved in financial rip-offs, the less people trust politicians behind the law, especially lawbreakers who seem to get away with it.

The rich get richer and the poor get poorer in the great divide.

Over the years, complexity increased the odds for honest mistakes and accounting errors, but Robby is convinced it's more likely deliberate and calculated fraud. He's even surer of it now, but holds on to a faint hope that someday he'll get over being forced into constant review.

It's a myth economics is a numerical science of accounting that credits and debits fix all errors. Fairytale economics is more a financial miracle to those who pray to receive manner from heaven.

**“You know exactly what it's about and who it is I am!”**

The call started with a screech and ended with a loud crash of a phone slammed down in anger. Robby hadn't a clue what it was about, or who it was who called. He figured something... he knew for sure it was a heated caller with a serious message.

It was all about money. The lady on the phone told him so in no uncertain terms... stop playing games, and pay up. Right away!

It wasn't a good day to reach Robby. A thirteenth day is one he tends to spend more quietly than others. He doesn't know if a 13 is a good omen, or just plain bad. Whatever... when a 13 turns up, he sees foreboding in it, especially a Friday and he looks forward to its passing, hopefully without drama and peacefully gone.

This call found him in the kitchen where he sometimes works near by a coffee maker. Robby had been in a soulful reverie when the phone had rung at the start of a new century in February.

The voice gave him a jolt and he was slow to catch on. It was thick with accent, quick and full of rage, made him edgy right away.

But to the most part he was simply stunned and stupefied. All he could think of was to ask what it was about. It got him nowhere.

The lady wasn't telling. “You should have settled this, a year back! And you know what it is what that I am talking about!”

It went on sounding shrill, loud, and foreign. Robby remembered asking, several times, “Who are you?” But there was no answer to his question.

All Robby knew was the lady said it was her job to get money she said was owed from those people... like him. His heart ached. "It would help if I knew what you were talking about. Please... just tell me who you are."

But the phone went down with a huge bang that left everything quiet, and Robby in deep concern.

Robby was seated on a barstool raised up to a kitchen countertop. It had become his place to work on a computer laptop from time to time, forever. He used to have a separate office with a comfortable chair to himself in a previous life and different place. Today, he works in a timeshare of household space and domestic chores.

His wife, Bobby, tells people he has strayed too far from his room downstairs. It's a mass of boxes after moving and he hadn't found the heart, or willpower to sort through things yet. He might get a round-tuit, but not just now, someday.

Actually, he hadn't reorganized himself to work for years.

His office is like a disaster area where in the absence of a bulldozer everything remains untidy. It's like a child's room that never gets sorted because the occupant is completely unaware, incapable, or in the case of Robby Ducky totally traumatized. It's as well the mess is out of sight round a corner in the basement. Still, Bobby would like a proper door fitted to hide the mess from anyone who might take a peek in that direction. Something to separate it from an otherwise perfectly clean and tidy sanctuary they called home.

The phone was on the kitchen wall, and Robby stared at it for a while. Bobby was out at work and there was no one else to talk to.

Time drifted by, and presently, he poured another coffee as he sat down to think it over.

Then it dawned on him. The phone was fitted with a newfangled call display feature, and the caller's number might show. It did and all he had to do was press a button to redial the code.

The business strained voice was easy to recognize and Robby started with his name and question, "Was that you... just called?"

“Yes!”

“Okay, can you tell me who you are?”

There was jazz in the background as she identified her company and occupation, “This is the MOB and I’m in collections.”

He knew he was paying a mortgage to the bank.

“Okay.” he said, “What it’s all about?”

“We have a loan here in collections and it’s my job to find you and make you pay it.”

Robby was surprised, “But I am still making automatic payments, you know that, why is it in collections?”

“You know we want it paid and I’ve been told to make you do it.”

Robby had been in touch with the MOB and he recalled recent conversation with a bank branch representative. He asked the lady, “How can I have a mortgage at a branch you’ve got in collections? Why are you chasing me while I’m paying it down?”

“We stopped scheduled payments. You’d better call your account manager at the Osowa branch.”

“All right, but I want to tell you, this call is a surprise, it’s very upsetting, and I don’t have the health to...”

“I have to collect, you’d better call your account manager,” was all she had to say. The phone went click, and it was dead... again.

Robby was shaken. He couldn’t bring himself to phone anyone, at least not right away. He had talked to the MOB about the mortgage a while ago. The bank had written him about it after he had paid it some 11 years ownership in commercial real estate. His accountant Mickul Fudgit had told him it was debt to a mortgage partnership that would be paid out in an upcoming sale.

But the MOB sued it wanted collect right now.

They'd called about a year ago to update Robby's circumstances to continue monthly payments on renegotiated outstanding debt. The conversation had ended with a representative telling him he could continue sending monthly amounts. Robby remembered she had sounded quite pleasant and personable, "You people have had a rough ride on this," she had said sympathetically.

"I'll be glad when it's over and sold," Robby agreed with her from the bottom of his heart, "er... thanks for renewing the mortgage."

Robby didn't realize why she said what she about *'this'*, or what was meant by a *'rough ride'*. In years to come he would realized how naïve he must have sounded, all that time, way back then.

That was how it stood just a month ago in a letter to confirm the bank making sense make money offered a competitive rate in new payment amounts. The branch emailed its concession, and Robby had replied with a letter as to what they wanted to know about his situation, his health, and current income.

It seemed to him he'd done whatever the bank wanted.

As far as he knew he hadn't missed a payment albeit a stretch on family resources. It had consumed his life in a downward spiral.

It was like Robby had a hole in his pocket. He was approaching retirement and he looked forward to his daughter's graduation. He and Bobby hoped to manage on less income in future years. It wasn't easy, but Robby thought it would improve, he thought if the tax shelter property was sold... the mortgage would go away.

But the call from the MOB was in contrast to that.

All he could do was dial the number given to find out what was happening. When he spoke with a representative at the extension she said it was out of her hands. She told Robby to hold on.

"I'll connect you with the bank branch manager. Mrs. Church will speak to you now..."

The manager set the tone immediately, “We’ve already told you to pay this loan and you haven’t done that.”

“But I wrote you about the mortgage and I have a letter from you about making automatic payments.”

“Not anymore. We canceled all that. We’re not accepting any more payments from you.” Robby held the phone and remained quiet.

“Don’t call again, I’ve sent your loan to collections. Goodbye.”

The phone went dead.

Robby had no idea he owed a ‘*Sitting Duck*’ loan as a namesake debtor to a criminally minded all-consuming bank.

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## **Forensic Accounting**

Robby met Gofa Beers CFP– Certified Fiscal Punter when people who'd put money in the Kaleidoscope deal hired him to audit the loss. Gofa was a forensic auditor experienced in many a storybook sleazy tax shelter scheme. He wrote people about Kaleidoscope and more than 200 accepted his offer to represent them.

Robby met Gofa at a meeting about the same time he heard from MOB debt collectors. It was Gofa's job to examine the deal, trace the money, and report his findings for review. He presented his work in a conference room that was filled to capacity seating about 250 unhappy investors rapt in attention.

Robby arrived late and he walked along the back row. He found a vacant seat next to a lady who smiled and whispered hello. She introduced herself as a lawyer in a government department.

People had heard from the MOB by now, and several had already repaid the collecting bank. It was grudging as they realized things were not right and they wanted to know if there was any way to get their money back. They were all upset with Mykel L'Æmori's as the managing partner of Kaleidoscope properties.

Gofa used an overhead projector to explain things. The real estate, the debt, current cash flow, what people had, and especially what they didn't have. He said it was clear there'd been some mischief and he was fairly upbeat about legal recourse.

The way Gofa talked about tax incentives for ownership in rental income property wasn't entirely clear. There were title issues. He said partners could vote to sell the property to settle the mortgage, which would repay the lending bank.

Gofa went on to describe loonies in bank loans in their names even though they weren't supposed to have paid anything up front. That's what you people were told, "*No cash down*," in the sales pitch, and "*No carrying cost*" that rental income from commercial real estate was used for paying down the mortgage.

But Gofa's analysis showed about \$10million still owed the MOB.

The more Gofa talked about it, the more it sounded like fraud.

Robby was bewildered about the massive injection of cash into the hands of the general partner, L'Æmori. He couldn't figure how it could be, especially where it came from. He still thought of it in terms of a mortgage the way it was described it all those years ago. Mikey still put it that way and only recently told Robby Ducky selling the property would pay mortgage out. As far as Robby knew, Mikey had always reported his income tax credits saved as payments to a mortgage partnership.

Gofa's explanation sounded similar, but more complicated. He said there had to be enough from the sale for the shareholders once everything else was paid. The numbers were on his chart.

"There's nothing left," he pointed to expenses in the bottom line, "the market has changed and there's debt on the property."

Someone stood up and asked, "Isn't our mortgage secure with a lien on the property?"

It was the one question on everybody's mind.

"Well, yes, and no. Your money is shown here, but it's not debt to a mortgage. Some of you wouldn't know, but, er... this is money you, er, borrowed from a bank for how many real estate units you bought from Kaleidoscope in the tax shelter deal."

Gofa continued to explain, "It's what Kaleidoscope was paid by a bank that qualified you to save tax credits. The sales pitch was misleading about '*no cash down*' that it wouldn't cost anything to buy a partnership unit. When you people signed the deal, most of you signed up for a personal bank loan for what you bought."

Gofa paused; he looked at the numbers on the screen from the overhead projector, and turned round to speak to his clients. "The money from your debt to the bank gave Mykel L'Æmori about five million loonies to resell his mortgage on his property for about \$5million. New money from the bank was free title so one offset the other in terms of bookkeeping. It could, and should have been used to account for the mortgage. But, Kaleidoscope used it to buy property and take out another \$5million mortgage in another tax scam partnership deal in 1990."

His hand hovered over the numbers on the overhead display.

“Now you people, er...” Gofa coughed and corrected himself, “Kaleidoscope... had \$5million cash from \$10million you all just borrowed, which you all have to pay back to the bank yourselves, plus \$5million original debt, plus a new mortgage for \$5million, which is all free money in clear profit to Kaleidoscope and the bank. In other words, the deal tripled your debt.”

Gofa paused, “You all became partners in debt with nothing in it except tax savings from rental income that paid mortgage interest and derivative loan interest charged by the underlying bank.”

The financial auditor looked over a transfixed audience.

“You signed up for more debt than you could ever have known was a tax scam that hooked taxpayers to pay out a Kaleidoscope mortgage for L’Æmori.”

He paused again, “Your investment was supposed to be covered by cash flow from rental income. But twice the mortgage didn’t leave anywhere near enough cash for that, so you were all saddled with payments. Each deal was written up as a tax shelter scheme and the tax allowance is on record with investment numbers, 89, 90, etc. All the interest charges on debt qualified as personal losses for tax credits. But now the principal is due including the mortgage and the bank loan, which was not disclosed.”

Gofa looked around the room, “That’s the long and short of it.”

People were stunned, and many like Robby still didn’t get it.

Gofa clarified, “That’s why your debt is not a mortgage and that’s why there’s no registered lien to protect any of you for what you still owe as investors. All of you are in debt to personal equity.”

Then to emphasize the debt crisis, “You might have known the financials if you’d seen a prospectus. What we’re talking about is unsecured personal loans. You claimed tax losses due to mortgage and bank loan promissory notes. The mortgage will be settled by selling it and dissolving the tax shelter, but if you haven’t paid the bank already, it will be sued to collect sooner or later.”

The room, which had been quite quiet reduced to a deathly hollow sound of defeat, almost total silence.

Then Gofa said, “You might wonder where all the money went... well that’s a good question. Records show it seems to have gone into renovations and management fees.”

He raised a number of Kaleidoscope brochures and said, “It looks like L’Emori bought more property in more tax shelter schemes with the same financial arrangement with bank that sold tax scams before. In fact the bank had several deals with L’Emori who was managing partner and major shareholder in that some of you are still claiming tax benefits today.”

Robby hadn’t seen any profit except personal income tax credits he had saved as invoiced by the MOB for 10 years. The lesson was heavy going and way too much to absorb.

Even though Robby knew how much was at stake his thinking was dulled by the subject matter. In fact he was bewildered and bored. He turned his head towards his conference neighbor, the lawyer.

All Robby could say was, “The whole thing looks like a scam to me. Isn’t this what people call a Ponzi?”

The only response was a glance and a quiet nod as Gofa continued talking about money in his presentation. “Let’s look at what it means if you sell,” he said.

“There’s debt in the existing first mortgage for \$5million and then another \$5million taken out in a second mortgage. Today, there’s still several million in management fees and renovation expenses. These are the operating expenses. There are fewer tenants paying rent to carry the cost of the mortgage. It adds up to about ten million loonies not covered by income. It’s not a good business proposition and it’s going to be hard sell to attract a buyer.”

“I’m sure you understand empty space doesn’t show too well to sell.” He raised his voice, “The value on today’s market is about 9 million, maybe 10 if it were better managed and fully occupied.”

He dabbed a pudgy finger on negative numbers in the bottom line and said, “There’s not much of a business case.”

The microphone amplified his conclusion he spoke to a hushed audience. “You’ll be lucky to break even,” he said quietly.

Gofa turned to another chart that showed a list of possibilities. One of these was to fire Mykel L’Æmori as the general partner and find a new manager to try to holdout for a better price, then follow-up with a class action lawsuit to recover losses due to fraud.

That was Robby’s choice, suing Kaleidoscope, and he looked for any signs of agreement from the lady-lawyer next to him. Several people talked among themselves and Gofa fielded questions that were expressed more as personal opinions about the options on the table listed on the overhead screen.

Gofa took a few moments to review pros and cons of a class action. But, when it came to consensus, the general feeling was to be rid of a bad investment and put it down to experience. Some opted for market valuation and review and the agenda closed with a plan for Gofa to get back with more information to discuss a month later in another meeting.

Sitting next to the silver-haired lawyer, Robby asked her about a class action. He mentioned his own problem, the same as everyone else’s, but she didn’t have much interest in his case.

The lawyer said she was in public office, and that she couldn’t act for a private person. Instead, she suggested Robby find a lawyer who knew more about SIV– Structures Investment Vehicles and shadow bank operations to construct a third party defense.

People left, and a crazy life of lawyering started as judges lined up to protect banks and betray taxpayers, one by one, for years.

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## **Vested Interests**

“So you see the problem?” Won Jokebs challenged Gofa Beers.

Some 200 investors had paid Gofa Beers to inquire and report what Kaleidoscope had done with personal income tax credits, people thought they had saved into paying a mortgage to own commercial real estate. He had told them he would get to the bottom of things to give a full account and even get their money back.

But, none of it worked out that way.

Money changed hands but none of it to console taxpayers duped to squander credits. Quite the opposite, each loony paid for an audit to follow loonies spent on lawyers to defend bank lawsuits to collect. Bank lawyers kept whatever they knew to themselves that mortgage derivatives were a closely guarded secret to a bitter end. Bankers and allied lawyers denied any wrongdoing in one court after another, judges refused trial and politicians wouldn't talk bad about banks, and nothing happened to change bank law.

Gofa found Budsmoor House records in the Land Registry. It was clear Mykel L'Æmori signed deeds for Kaleidoscope to purchase 41-43-45 Façade and he transferred title to a registered tax shelter a year ahead as he planned to resell his own mortgage on his own property as an investment to trick gullible taxpayers by design.

Now, 10 years after MOB '*Off-site Loan Closings*' Gofa reviewed bank loan documentation in the name of Robby Ducky and others how Mickul Fudgit contrived to defraud tax savers and taxpayers in the marvelous convoluted workings of tax scams for the rich.

Gofa felt quite chuffed having found the mortgage deed behind the Kaleidoscope 89 Project. Schedule B was signed by L'Æmori that for the consideration of a loonie the owner consigned future rental income to the mortgagee for just \$1.00. It was the smoking gun. That and the affidavits L'Æmori notarized bank paid witness of signatures to secret commission trick loans to resell his mortgage on his own property to tax savers geared to swindle taxpayers.

Gullible taxpayers would be pleased to hear from Gofa Beers.

It was obvious L'Æmori misled taxpayers.

The underwriting bank could not have not known the conflict of interest of its agent in tow. L'Æmori was the owner of 41-43-45 Façade and tenant in his own Kaleidoscope Company head office paying rent into his own mortgage resold as an investment dependent on the bank.

The secret was out. Gofa tallied tax revenue to calculate the profit from securities fraud as clear as any Confoundation snow job could be on a bright and sunny day. He prepared an account of mortgage derived tax-credit cash flow. It showed L'Æmori had a vested interest selling his own property, and the MOB had a vested interest selling codependent loans.

Gofa had done a good job for his clients with plenty of evidence to send to the OSC– Overlord of Securitized Containers. He felt there was a good case for an investigation. He had a word with Robby about it, and he wrote as much to his clients.

Won looked at the \$5million property with a \$5million mortgage and \$5million consigned to investor notes, and \$10million in bank-loan demand notes at 10% simple interest in the paper trail.

“No one will ever investigate this,” the securities broker said.

Gofa knew it was true. The OSC had reviewed his allegations but chose to close the file with a letter advising insufficient evidence. And, in any case they said securities fraud was a civil matter.

The OSC had already looked at his spreadsheet report. It explained tax shelter contingent debt SIV– Structured Investment Vehicles.

His numbers showed bank loan notes and codependent non-bank notes charged interest cost of conceived debt is money on account of income tax credits, until default. Tax savers owed bank loan notes in private losses as much as taxpayers owed non-bank notes in public losses. Tax deductible tax fraud converted papered notes laundered to cash into real money through the tax return system.

“Taxpayers pay rent into mortgage derivatives and tax savers claim tax credits they save on personal income tax?” Gofa queried.

“Mmmm,” Won murmured, “good, isn’t it? It generates tax-credit losses. Those would be profits to investors if we distributed rent, but Confoundation tax law doesn’t work that way.” He grinned at the idea. “If we paid rent to investors they’d have to report it to tax which would mean more income tax in government coffers. It has to be their public loss to be our private gain,” he concluded.

Won made it sound normal. “We report investor debt to save tax. That’s how these tax shelter schemes work. Everybody wins.”

“You syndicated your own mortgage,” Gofa sounded matter of fact. “You resold the mortgage that people had no idea they were not buying rental income commercial real estate with tied loans. The government offsets rent paid mortgage interest to tax credits until you withheld payments.” He looked at Won, “You set it up to reacquire your own property with investor IOU’s that paid out your mortgage with notes for the bank to collect that L’Æmori notarized reps witness who signed tied loans how was sold in the first place.”

“They know all about it.”

“Who?”

“The Confoundation.”

“The government condones this?”

“They approve all kinds of tax credits for all sorts of things,” Won craftily dodged the question.

“That doesn’t mean taxpayers understand a scam like this. They didn’t know L’Æmori notarized bank-paid witness to commission bank tied loans to close sales. Do they have any idea making sense fake money monetizes securities fraud through taxation, eh?”

“Mmmm.” Won conceded to well-deserved finger pointing.

“The way I see it, bank notes traffic tax avoidance in the private sector behind tax evasion in the public sector.” Gofa was excited and he sounded determined. “It’s one heck of a Ponzi scheme, I’ll give you that, but I still have to answer to clients.”

“They’re carny marks,” Won said smugly, “they’re there to be swindled. That’s what they want. Look, Confoundation law is for banks to prove they do no wrong. They’re law abiding, they’re not responsible for tax deductible fraud. If people don’t know the law it’s a personal problem, *Caveat Emptor*, right?”

“You say the government is behind tax fraud?” Gofa countered.

“Well, it looks the other way.” Won was insistent, “Look its legal. Several banks went to the Supreme Judiciary in the Accuser case. Upstain ruled ‘*Caveat Emptor*’ that investors didn’t read what they signed, even though they couldn’t read what was written later.” Still, the Gallows Prosecutor says tax savers are sophisticated and that taxpayers know what they’re doing as corporate citizens.”

“Not with cheating banks and papered notes they don’t.” Won was contemptuous, it annoyed Gofa and he stood up for his clients.

Won kept on. “The government sides with banks. It’s the old debt is new money rule they want economics to keep on going round and growing. That’s why Justice Upstain ruled borrowers have to prove the bank agency relationship between us.”

“Would the mortgage prove you were allied with a bad bank?”

“What mortgage?” Won looked at Gofa and smiled as though he was onto something else hard to prove, “which one?”

“Yours.” Gofa pointed to the spreadsheet. “The one in foreclosure how Kaleidoscope triggered your trick bank loans to collect, the one you don’t want me to expose to your investors.”

Won looked at the spreadsheet. “You’ve done your homework,” he said as he turned it round on the table in plain sight.

Gofa persisted, “Is the tax loss priced in the scam when it’s sold?”

Won was smarmy, “I thought you meant yours.”

“What?” Gofa was thrown off kilter a moment.

“Its only business, if see it our way.” Won suggested.

It was then that Gofa realized there was an offer on the table.

“You have a mortgage, mm?” Won twitched an eyelid, not quite a wink, more a blink that wasn’t so obvious unless you saw it.

At last Gofa played along, “Not sheltered like yours,” he said.

The conversation stopped, waiting for Gofa to decide.

“I have to get back to investors,” he said. “There’s another review in a couple of weeks.”

Won took it as agreement. “It’s just between us. I’ll talk to Mykel, he’ll talk to Cyn for a bank decision... it shouldn’t be too long.”

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## **Change the Law to What we Want**

Conversation with the MOB coincided with bank interest in a lawsuit that Phil Morsacs wanted a word with the bank's lawyer. It was about a lawyer defending his accountant Mickul Fudgit when the MOB sued them both in debt to the same tied-loan Kaleidoscope deal.

Fudgit sold his first Kaleidoscope deal to his wife and he sworn witness his wife signed a blank cheque to the MOB that closed the sale. It was the same as he sold his lawyer who counterclaimed for himself, and for his accountant's wife. It put the onus back on the bank to have to prove whatever wrongdoing in its own practice was legal.

It was contretemps for Cegaul who held a grudge against Fudgit, whose connivance chalked him up for all kinds of trouble.

"So, how did the quickie go in the Fudgit affair?" Phil Morsacs grilled his lawyer the moment he set foot in his office.

"Not good." Cegaul said. He sat down and crossed his right leg over his left knee resting both hands in his lap.

He took a deep breath, "We have a problem finding a judge who will rule for us to collect 2 investment loans. One is evidenced by a cheque signed by a lawyer witnessed by our rep, who was his accountant, notarized by our agent selling tax shelters for cheque amounts including our referral fees to the accountant who witnessed another cheque signed by his own wife he also sold, as well, and we're suing both to collect."

He paused, "The trouble is the lawyer pleads the same bank law as the Defendant as we do the Claimant. It means a judge must rule our fees paid to a CA to witness to a secret commission by our agent for credit we consigned to the accountant's wife and to his lawyer from 2 tied loan sales is legal for us to collect 2 loans evidenced by 2 cheques signed by 2 drawees, but not legal for both conscripts to defend in principle."

The CEO cut in. "I presume our witness, the accountant is witness in both their defenses of secret commissions, which is the conundrum?"

"Yes, no judge will sentence the legal contradiction." Cegaul tightened his lips, "It can't be done," he grumbled, "We'll have to concede."

“Right, anything else on Fudgit?” as if he didn’t know already.

“Yes, he scammed someone called Robby Ducky. It’s a concern.”

“He was here yesterday and left me one of his books.”

“What? Here?”

“Yes, ‘Contaging’ you can have it, it’s not a bad read.”

Cegaul took the book, “Did you see him?” he worried for his boss.

“No. He waited until my secretary told him I’d been called away.”

Cegaul thought better of saying anything else.

“So where are you with the Ducky case?”

“He did work for us designing front office sales and back office loans so when we sued him in 2000 to repay a Fudgit and L’Æmori Kaleidoscope deal he worked it out from his bank system design to follow procedure in 2002. So we’ve had to redefine bank law.”

“You’ve changed bank law? What have you got it say now?”

Jush handed it over, “It the rules we need to sue Robby Ducky,” he said.

Phil said, “Seems okay,” he looked at Jush, “what about cheques?”

“Well, we have 2, 4 and 5.” Jush pointed to the law.

The lawyer took a breath. “We’re most exposed on 1 and 3. Robby Ducky found the memo that L’Æmori was our agent.” He read the bank law: “*The financial institution is not a party to the main agreement... Obtaining financing from the financial institution is not a mandatory or integral part of the transaction*”.

The lawyer stopped reading, and said, “The trouble is he has proof he wasn’t in town to initial the change to the cheque on the closing date. And, there’s also the note written by the bank. It’s so easy to recognize Sally Van Scrawl. If it went to trial, he’d win on that sure.”

### 5.3 Duty to Investors

*The developer or promoter of a real estate or other type of investment scheme will invariably have an established relationship with one or more financial institutions. A common scenario is where individual investors are given pre-printed loan applications from that financial institution at the time of purchase.*

*The loan documents will generally clarify that each loan decision is being made based on the creditworthiness of the individual investor independently of the agreement between the investor and developer, or promoter. The financial institution is making no representation as to the merit of the investment scheme, and owes no fiduciary duty to the investor. At the time, the Offering Memorandum (“OM”) for the investment opportunity usually expressly excludes the bank from any liability for any misrepresentations in the OM.*

*Despite these obstacles, investors have often tried to escape their liability under such loans by claiming breach of fiduciary duty by the financial institutions. The onus is on the investors to demonstrate the existence of a fiduciary relationship. The claim will generally fail, particularly where:*

- 1. The financial institution is not a party to the main agreement.*
- 2. The financial institution does not in any way participate in the marketing or promotion of the venture, including the preparation and distribution of the promotional material, nor is it mentioned in any of the promotional material.*
- 3. Obtaining financing from the financial institution is not a mandatory or integral part of the transaction.*
- 4. There is little or no direct contact of any sort between the investors and representatives of the financial institution.*
- 5. In addition to being educated and sophisticated in their own right, each investor is at liberty to obtain independent legal advice.*

*However, where a potential investor made personal contact with the financial institution to obtain advice regarding the investment and advice was given, there may be an issue as to whether the financial institution owed a duty of care to the investor to advise him or her of exactly what investigation the financial institution has done of the investment structure or to warn that the financial institution was not promoting the investment and that they should make their own decision to seek independent advice:*

*(Abstract from) Fiduciary Duties (2004 – Rel.1)*

Phil rubbed his chin. “Neither note is legally witnessed?”

“They’re blank cheques. We rubberstamped them to make them payable to us and we told reps what credit amounts to fill out. We dated them for closings. Technically, they’re not witnessed.”

“What about the initialed cheque that Ducky signed?”

“He wants the original to see if it was his accountant or the bank.”

“So we’re suing a photocopy of a forged note?”

“It’s black and white. He wouldn’t have known about different colored ink if audit hadn’t questioned the branch about it in their memo to Cyn. It’s in bank testimony before the court.” The bank lawyer was obviously frustrated. “Robby Ducky questioned handwriting in discoveries. He has a memo from Bræn Chyld that he advised the bank not call allied clients to check their notes, which they all signed and we filled out as cheques.”

“That’s bad! It proves willful intent to defraud, right?”

“We changed the law that photocopied cheques are good enough.”

“Okay. But it’s hard to contest.”

Cegaul grinned a tight-lipped sort of smirk, “Yep,” he parsed.

“Hmm, but Robby Ducky is a good system analyst, eh?”

“Brilliant! He doesn’t miss much. We could do with him on our side.”

“So we lost to Fudgit and now we’re losing Robby Ducky?”

“No, a judge will rule against law in system analysis for trial.”

“Well okay, send his analysis to IT to see what they can make of it to improve bank system design. And talk to lawyers about how to block his comparison of code of law to binary code in socioeconomic systems.”

Cegaul nodded, “Mmm.” It was as much as he could say as he got up to leave to work some more on the Robby Ducky file.

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## **Anything but Worry about a REIT Good Thing**

Robby had pretty much come to terms with the bank situation and the prospect of losing more than he'd ever lost in his life.

He knew he didn't have the money to pay, so it was something of a distant, if not a moot point. His biggest concern was losing his home, and constant worry of losing it wasn't doing him any good.

One day he was listening to a radio show about worry. It caught his attention:-

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'... feeling helpless can be more a cause of worry, than the problem itself. The cure is to understand the problem and to figure out best options for a solution. Even if a problem appears insurmountable, you'll feel a whole lot better... just doing something about it.'  
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Robby knew how it had affected him. His daughter said as much as he worked on legal documents in the kitchen. "Daddy doesn't look very happy these days."

Her Mom looked wistful, and said it was all about money, "It's a pretty serious problem, that's why he has a long face today."

That was all of 20 years ago.

Robby's daughter became a cute teenager, in her twenties her large brown eyes tended to disarm that young men would swoon, and she would flash a look, and say the right thing.

"Never mind Daddy, just think how wide your smile will be when you kick some butt, eh?"

Robby never forgot those words. It sounded more like him from happier times and younger days. Indeed he looked forward to a possibly brighter future when it might yet be true. The radio show continued talking about A-type people with larger than life personalities. How they simply thrive on problems and hardly ever worry about anything.

It didn't really matter much. Robby got the message and it confirmed his feelings; he had to figure out *'What'* his accountant had done, and *'How'* the MOB had such a grip on him, and *'Why'* the law was no help at all?

Lawyers had messed about long enough saying there is no law.

Somehow he'd taken out a six figure loan charging double-digit interest. It wasn't something he would have done knowingly, and never on his own. Bobby wouldn't have allowed it if she'd known. But neither of them knew. Robby couldn't remember it, and in his heart of hearts, he knew he would feel a whole lot better if he knew exactly how it happened.

Robby's road to reading law in system design started with calls to fellow partners in Kaleidoscope deals. It put him in touch with more people in debt to MOB loans than he would ever have thought possible. They were angry and ready and eager to talk about their bank experience. They all had something to say about L'Æmori.

Robby wasn't the only financial casualty. Not just him.

He kept in touch with Gofa who had new figures and wanted to invite investors to another meeting about a month later.

This time he wasn't nearly as bullish about a Kaleidoscope class-action.

"Firing the general manager L'Æmori will probably make the mortgagor refinance," Gofa said as the meeting got going and people wanted to know the options. "It would mean a new rate of interest and maybe a cash-call or two just to keep the whole thing going," he told his clients.

Gofa didn't explain the mortgagee was L'Æmori in his company name with a 51% partnership share that not one or all of the other partners in syndication could ever possibly vote against him.

The idea of good money after bad to another cash call didn't go over well to a sorry group of largely beaten people.

A lady stood up and the audience went quiet as people looked at her to realize she was crying. "My husband died with all this going on," she sobbed, "and the MOB is suing a cheque he signed."

She sobbed, “He’s dead and I have to sell my house to repay a loan I knew nothing about.” Her quiet voice was poignant as she tried to control herself to finish, “I have nowhere to go, and I don’t know what to do.” She remained standing, obviously heartbroken in distress.

The crushed woman glanced at Gofa but he looked away having nothing to say in commiseration, or to add about the bank. No one could think of what to say. They looked to Gofa who kept on talking.

Kaleidoscope had announced a buyout offer a few weeks ago, but it was rejected not enough. It was too hard to swallow. Gofa could only think of his agenda. A lady next to the distraught woman touched her arm gently, and she shrank back into her seat.

Gofa introduced Won Jokebs and went on to say people should make the most of selling, in light of a new offer.

Won had attended the previous meeting for Kaleidoscope but this time he spoke to disgruntled investors. “We’ve have had another offer,” he said. “It has nothing to do with Kaleidoscope and it’s a million more and closer to market. You’ll do well to consider.”

Gofa through the financials and said the offer made a difference to people who should think about it, and vote for it. It went into the minutes of the meeting and Kaleidoscope sent out a ballot for people to vote to sell, or not. Robby spoke to Mickul who said it was a good way out of a bad job and would vote to sell.

He recommended Robby do the same, to see an end to a money pit.

But Robby didn’t trust Mickul Fudgit and Bobby was cynical. It smelt fishy, but most partners agreed to it. So Robby signed to let it go, but it didn’t solve the problem of the MOB suing money to collect trick loans.

And it was inevitable people received next to nothing from the sale with just a few loonies from Kaleidoscope in the end.

It wasn’t long before Gofa called Robby about his clients, their reactions to it, and about him, he sounded upset.

Gofa said he’d had an earful from almost everyone concerned.

He told an unsettling story of a 70 year-old lady who kept calling about her husband. He was already frail and the stress of being chased by the MOB was just too much to bear. He had suffered a heart attack while reading the Kaleidoscope letter of accounts and measly disbursements. He died in hospital soon after.

Robby also called Gofa, but not to complain about what happened.

A conversation with another partner who voted to sell revealed where the money went. The deal had just closed and Robby heard more about it from his new accountant.

“Oh yes, the property you’re talking about still involves L’Æmori. You know the company was sold to Avaloan?”

“Well, it’s in MOB Capital Markets for sale again. It’s on the web with pictures and everything. You’ll know it when you see it.”

Robby called Gofa right away to give him the Internet address. He looked it up while they were on the phone. In a moment he said, “Darn, this would have taken months to pull this together. They must have planned it all along.”

Robby slept on the news before he called Gofa about the OSC the next day. As they spoke, Robby figured he would like to see what Gofa had written. So, he said he wanted to see the complaint file to the OSC the next time they met.

“Sure let’s do lunch. I’ll bring you the file and we can go over it.”

He was more interested in a flip to a new owner. Façade appeared to have been reacquired by Mykel L’Æmori reselling it in capital markets in an allied company REIT– Real Estate Investment Trust called Avaloan.

When they met, Gofa talked about all the complaints in the mail that continued. He was worried people had the wrong impression that he’d had something to do with their misfortune. After all, he had made a strong argument for people to think of voting to sell.

Robby kept his thoughts to himself; he didn’t say what he thought of Gofa, he simply said L’Æmori was back in with the MOB.

Robby wanted to know if he could rescind his vote. “This isn’t the right time to do that,” Gofa said. He didn’t give much of a reason, but it seemed to shut down the option. Still, not one to back off, Robby tried another approach.

“Okay, what about it being a good case for the OSC to inquire?”

Gofa said, “That’d work, investment promoters aren’t allowed to buy back their own property especially if they’re partners. This is a non-arm’s length deal. It should have been disclosed to investors when they voted to sell. It might be enough to go after L’Æmori.”

“Okay, let’s do it.” Robby told him.

That was months ago, almost a year, and although Robby called him to see how it was going, it took much longer than expected.

Not that Robby really knew what was involved, or even what to expect how long the OSC would take. He was probably impatient, but as time passed he wondered who else would do a better job.

One day, about six months later, Gofa phoned Robby about his Kaleidoscope complaint to the OSC.

“I sent it up for review, but they sent it back for lack of evidence.”

It was just another disappointment, and obviously a setback. They talked about how L’Æmori reacquired his own real estate in brand-spanking new renovated office space at fire-sale price.

The bargain basement price was highly suspicious.

Gofa told Robby Ducky to report the non-arm’s length deal to the police, but they did nothing, and refused to investigate all his other allegations about the Kaleidoscope affair, the same as the OSC.

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## **Business on Account of Busyness**

Robby enjoyed meetings over coffee and business lunch from time to time. This was one of those occasions with forensic accountant Gofa Beers, who'd become befriended in the MOB affair. It was to catch up on news and to pick up a report, which Robby thought was overdue. They hadn't seen each other to talk for several weeks and Robby was looking forward to a good brew and a man-sized portion of fish and chips. He wasn't disappointed about the hops, the meal, or the conversation as it all turned out.

It was about two years since the bank had called him about debt in a bank account evidenced by a signed cheque. He agreed it was his signature, but denied he'd initialed a change. A lot had happened since then. Robby's persistence won him judgment to counterclaim and examine the MOB about the bank's claim against him. It was an unusual development. A new lawyer advised the case that his accountant, Mickul Fudgit and investment dealer, Mykel L'Æmori had had a hand in creating impossible credit for a trick loan.

Robby's lawyer said they'd figured it out and there was enough evidence to defend. And, Gofa also said he had financials to name third parties involved in the scam.

Kaleidoscope Equities Corporation didn't exist anymore. The property name carried over to a new REIT, which Mykel L'Æmori managed for the MOB featured in the press. Robby has a problem with that. He thought he still had some rights that might come out of his counterclaim about alleged wrongdoing still pending trial.

Robby didn't know much about the Kaleidoscope deal. It was set up by his accounting firm Fudgit and Perysh who had been the only contact throughout. Mickul Fudgit had coached Bobby how to record monthly business for annual tax returns and report staff wages and government dues.

Robby and Bobby Ducky had been far too busy and trusting to think of anything wrong. Even if they had doubted Mickul, everyone called Mikey, they wouldn't have known what was wrong, or what to do.

They trusted the accounting firm and tax reports they did for years.

In business, it was Robby's job to plan the work, and work the plan.

Bobby did the invoicing and monthly journal entries, which she gave to Mikey to tally yearend and report taxation. He calculated annual figures and arranged meetings to discuss the numbers. His focus was to follow CA- Cheating Accountant rules. "Numbers must add up," he told Bobby who had done a good job at bookkeeping. Bobby Ducky had followed Mikey's expert guidance the way he said was law.

So had Robby, he was an energetic man and enthusiastic entrepreneur in the IT- Information Technology sector. He had pioneered computer science that he co-invented structured system analysis methodology for business process redesign. Robby had the ability to visualize technology how it should work that people could operate and technologists could relate to workflow to design and code a better business system. He was blessed with a dry sense of humor that encouraged teamwork for results. He was popular with clients that his methodology became well known and even famous for how it changed software development in the 1990s.

Robby wrote a JAD guide for step-by-step structured system design that involved people in a workshop setting geared to plan and construct a working business model to prototype technology before writing code. He found time to write methodology on flights between jobs and mostly late at night in his office. It was well reviewed and it became an IT best practice. Robby was a workaholic and he was usually preoccupied with designing systems that was how he lived his life.

Accounting hardly ever crossed his mind. Going into business was good for Robby, and those around him. Yearend reporting showed his blissful ignorance of money, and his obvious dislike of accounting.

It was a point of amusement to everyone that even his accountant didn't seem to mind. The company did well and he was only expected to answer simple questions, nod wisely, sign papers, and go straight back to work.

In Mickul's experience, Robby wasn't good at signing papers. For one thing he was rarely in his office. And even though it was just steps from home, there were several unsigned reports. Financials generally found a way to the bottom of the in-tray pile. Mikey would ask Bobby to chase Robby to sign, but it wasn't much help, so he devised an accountant way to solve the problem.

Whenever Mikey wanted proforma he would assemble pages with carefully positioned bright fluorescent 'Post-it' tags for signatures. He would hover and lift pages with one hand and point to places to sign with his free hand where Robby had to sign. Robby would ask if it was all right and Mikey would say it was fine, and then he'd say what he always said, "We can do the accounting now."

The feel good factor created an annual tradition with an invitation to Mickul Fudgit to join the company Christmas party. It wasn't a big affair, but it took up a good-size table in a restaurant.

As well as company records and annual statements, Mickul talked to Robby about personal income tax. That was how he got Robby into Kaleidoscope. But tax savings didn't work the way Mikey said they would. Over time, the Ducky's asked about tax receipts that should have matched tax losses that paid the mortgage. But Mikey was vague about it and simply say it would all work out in the end.

Each year Mikey said, "Don't worry, you are a lot better off with tax deductions," or "right now they're looking for new tenants and things will get better in time." And after several years of negative returns, "Kaleidoscope is still looking for a buyer. It'll all work out when it's sold."

Tax management was difficult to talk about and Mikey complained to Bobby that Robby was bugging him too much.

Eventually they all just stopped talking about it.

But then one day when Mikey mentioned Kaleidoscope was going to sell the property it got Robby to ask the same old question... the same thing all over again, "When?"

And the answer was the same, "Soon, just wait."

But it wasn't soon enough. It was probably predictable; eventually Robby was unable to keep up with the work. In the end he saw less and less of Mikey, and if they did meet neither Robby nor Bobby could ask their accountant about their retirement plans.

It was a constant worry that turned into a legal nightmare after paying thousands of loonies into so-called mortgage payments for 10 years.

Then at the end of term, the MOB wrote Robby he was mistaken the debt was a loan and not mortgage sued in court to collect.

The bank eventually made it clear Robby didn't own property on which he'd spent income tax saved to pay down a mortgage. They said he'd saved tax credits into a loan which he'd borrowed to invest. Now he owed a hundred thousand loonies in default evidenced by a photocopy of a suspiciously counterfeit cheque presented in court to collect.

Bobby recognized the handwriting of Mickul Fudgit and Robby defended what he believed was a forged cheque the bank told him was a demand note for loan he had taken out for money to invest.

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DRAFT

## Feel Good Radio Shows

Robby always had time for a radio. He had one on whenever he did anything around the house, and especially when busy typing. He was most interested in talk shows. They inspired him and his ears always perked up to financial scandal and seamy politics.

A radio program started with stories of shady practices that talk shows were not only possible, but numerous and international. One of the speakers described a similar scandal from recent times. He complained banks only exist to make money and would do anything to turn profit, especially for high wages and massive business bonuses.

That was the essence of a CBC – Confoundation Broadcasting Company talk show that featured a brief discussion about business ethics. The panel’s point of view ranged from a *‘nothing’s changed’* perspective, to a more optimistic view that; *‘businesses are more aware and paying more attention these days’*.

There wasn’t much disagreement among guests on the air, one wanted to teach ethics and guidelines for better business practices, institutional rules, and stronger law enforcement.

The radio host went on to ask what ordinary people could do.

Robby was listening, and he talked to his radio, “Not much,” he said

The radio spoke back in agreement according to the speaker with a *“nothing’s changed”* view. *“As long as corporate governance remains in the hands of business executives who make the rules, we will see more and probably ever more creative scandals...”*

In this panel discussion whatever hopes the public might think of, the panel didn’t have much faith in regulatory bodies, which they described as paper tigers. *“They have no teeth. What is the point of voluntary guidelines for banks in this day and age?”*

Maybe talking about banks and law had gone too far. The host sounded nervous and stifled conversation about rule of law as the show came to an end with the usual accreditations and a callback number. *“Well that’s all we have time for today.”*

*“I’d like to thank our guests, and leave a question to our listeners. Do you think most businesses act ethically? Have you lost your faith in them because of scandals we have seen? If you want to share your thoughts, call our vox-box at 225 2525 or write us at Station A, Hogstowne.”*

Gofa met Robby near his office and they went to a pub for lunch.

The CFP was a big man with an engineering background. It had probably molded him as a down to earth sort. His face was large and round and would break into a smile whenever he relaxed or had a good answer to a good question, or almost anything. And although he dressed for work in a shirt and tie, he left it loose with the collar button undone for a more casual look in his large loosely fitted clothes. He worked in an office that he shared space with a technology company.

Gofa had a problem. “Computers!” he was exasperated, “I haven’t had an email for days, now I’ve got hundreds.”

Robby sympathized and asked if he’d had a break to get away.

“No, I’ve been busy with in-laws after a car accident. Mom was driving and Dad’s just getting out of hospital.” Then he said, “They’ve stopped her driving, so I have to take them everywhere.”

Gofa paused and finished, “It’s come at a bad time for us.”

The two of them had a great lunch and enjoyed the usual binge on frothy beer and fatty food. They talked about need for consumer protection in the bank sector. Robby went over his troubles with the MOB, and Gofa spoke about his Kaleidoscope experience.

When Robby received distribution from years saving tax credits in what he understood to be a retirement savings plan it came as a cheque for \$1,313.00. He placed the amazing booby prize in a picture frame above the MOB’s hundred thousand loonie cheque written in the crafty hand of his accountant, Mickul Fudgit.

But Robby blamed the bank for what had happened more than he did his accountant. It was ludicrous nonsense from lawyers that his accountant had planned and executed a multibillion dollar tax scam all by himself.

Robby alleged the MOB colluded with third parties in a predatory lending scheme that despite ample evidence of misrepresentation, falsification, and breach of bank law bordered on willful, if not criminal, negligence... yet they still sued a pretty obvious forged note in court to collect. Indeed it was so clearly fraudulent Robby had no doubt it had to go to trial.

But, the MOB pushed its lawsuit to collect alleged indebtedness to an undocumented unnumbered loan evidenced with a photocopied cheque with fraudulent initials as if there was nothing wrong with it.

Robby told Gofa he had included his forensic audit in the counterclaim against the bank and its agent and sales rep. He didn't know the scope of the tax scam and like others he couldn't get the concept straight in his head. Robby couldn't believe Confoundation banks were doing what the news said about other corrupt banks in third-world countries. The MOB sued with intent to collect despite compelling evidence of fraud.

It was years later Robby Ducky discovered the commingled account for another cheque signed in his name as well as his wife Bobby. It was a tipping point triumphant moment that he needed a longer picture frame to show how a second cheque trafficked with the other. He looked on it as a trophy from the wicked spoils of Confoundation law.

He told Gofa he would write another book.

People said Robby Ducky was wrong to complain about banks. But, in fact, he wasn't the only one. Indeed there were many gullible taxpayers and duped investors before him. Time went by, and more and more people tumbled into debt crises not of their own making, in shady deals, to the profiteering likes of Phil Morsacs in oversight of Cyn Fordoe.

The difference between Robby and other investors was that he saw it as a computer system geared to defraud by design. It was obvious he had no credit when the MOB gave him more to invest than he would or could ever have borrowed himself to spend. It took more than he paid for the house he lived in, so he knew it had to be a brilliant con job.

But, all he wanted was now was a judge to give him a fair trial.

Gofa's forensic audit was a picture of a bank computer system coded to defraud by design that Robby wrote a book called, *'The Perfect Sting'*.

People called him about it. A talk show wanted an interview to explain how he became victim to securities fraud and tell his bankbook story of lawyers and accountants in his experience of the scam. The producer suggested Gofa Beers join the program to add an expert point of view.

Robby was surprised a television show was interested in his bankbook story. He figured it was more the popular topic of sleazy banking than praise for his knowledge of money and writing skills.

The media was full of stories of corruption and fraud and scams of all kinds. A government inquiry into misspent advertising money was front page news of the day. It was reported as the trial progressed and then a judgment that handed out a wicked deterrent to a convicted criminal. Instead of a fine and in lieu of jail, the judge sentenced the mastermind of white-collar crime to a community service stint of teaching business ethics to students in several universities.

The first and only muckraker class started with students taunting, "*Professor Odd Scam!*" There was a skirmish outside the lecture hall and the infamous fraudster was embarrassed in the news.

Robby Ducky sounded good on the radio. He had previously called live talk shows. It was a quirk of fate that allowed Robby to ask his bank question in the broadcast of a Federal Election campaign. Robby was the first taxpayer as number one on hold.

"Our first caller is Robby. You are on the air..."

"Thank you. If the candidates knew of a '*Sitting Duck*' scam that tricked people into tied loans with investments, would they side with public awareness, or bank profiteering?"

Three of the candidates knew of Robby and recognized his voice, one said, "*We know the caller and have seen his van that expresses his indignation about banks. 'Tied Loans' are illegal, public awareness would be a top priority of course.*"

But the question exposed dark reality of government indifference.

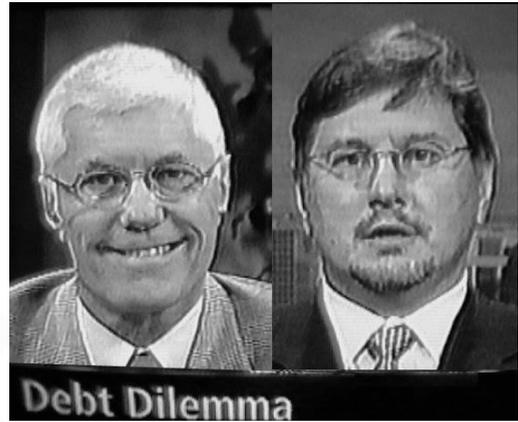
For the first time the politician Robby had written so many times before had to say something about the issue. Finally, an answer was required.

The politician would have to explain why complaining and writing the Confoundation and some 20 government agencies had been a complete and utter waste of time. The incumbent was last to speak and stood out alone as more cautious about consumer protection.



*"I also know this case.*

*And, I've been to the Finance Committee about the issue. There is nothing we can do, but let me add... our banks are among the finest in the world."*



Robby was ready for a live interview and the producer phoned Robby to confirm Gofa would be there. He told him how to get a security pass and where and when to meet him at the news desk.

Robby was more relaxed than he might have expected even of himself as victim of signature specific identity theft. The anchor introduced it a 'Debt Dilemma' with Robby the author of an important book. It was easy, all he had to do was answer questions. The first question was, "What made you write your book?"

Robby told his story what happened and the interviewer asked Gofa, "How many times do you hear stories like Robby's?"

"Far too many unfortunately, since the late 1980's quite a few. I'd say well over 200 to 300 a year."

Robby didn't think about it quickly then... 200 to 300 a year!

It was an interesting thing for a CFP to admit on television. Let's do the math, say 20 years with 200 to 300 average 250 a year. A new one added each new business day! Consider average debt at \$80,000 by way of Kaleidoscope being a good bad example.

$20 \times 250 \times 80,000 = 400,000,000$  nearly half a trillion dollars.

Interest would be more than a billion. But this was just one financial pundit, it was obviously a far bigger game than Robby knew.

How many billions, how much could it be? A cool billion in Gofa's estimation of undisclosed trick loans.

That would bring out a few complainers, wouldn't you think?

What if each day a bank paid \$80,000 to an agent with a notarized 'Signature Affidavit' that an unsuspecting loony wanted to borrow loonies lured to spend tax savings to invest in a tax shelter scheme?

Robby wasn't quick with numbers. He couldn't do math to make a point on television, he was excited to see his 'Perfect Sting' book on the screen that raised another question, "How did it start?"

"It started when they called me a 'Sitting Duck'. Lawyers told me the game. All I had to do was write what was happening, where the evidence came from, and how the government responded to my letters."

"Like a diary?"

"Yes, but very hostile. You can't imagine the anger over this."

Robby continued. "They blame me. They call me a sophisticated investor while they call me a 'Sitting Duck'. On my side I couldn't find a lawyer who hasn't got a conflict of interest, or wasn't afraid of banks. They don't want these cases. I've heard of double-dealing lawyers on side with banks to make sure people like me can't a trial to win. Victims are abused and legalized to death. They give up, or go crazy. I had to write my story."

"How long did it take?"

"It took about 3 years. I'll write another after the trial."

"Do you think you'll get your money back?"

"They tell me it's a clear case of fraud I can't possibly win."

"So why are you fighting it?"

“I can’t pay. I didn’t have credit to borrow to invest in the first place, and I don’t have credit now. They know I can’t pay but they sue me anyway. Isn’t that crazy? If these allegations ever went to court and a ruling came down against them there’d be a public outcry to reform banking. They have to have to keep it quiet and ruin me the same as other people in debt to ‘*Sitting Duck*’ loans. They take houses and garnish pensions and I’ve heard of suicides. The MOB is the biggest player; they have billions in demand notes to collect. But, for me it’s all about self-respect. I don’t like being called a ‘*Sitting Duck*’. I need an apology.”

“Is that what it’s all about?”

The camera caught a look of a hopeless grin, “Oh yes, they don’t understand. I’ve lost way more than money.” The interviewer said nothing.

Then Robby said, “We didn’t come here for this. We can’t let banks trick us out of our money using improperly witnessed bank notes filled out to collect. I want it to go to trial. But, what people really need is consumer safeguards and taxpayer protection in Petition 44 for an inquiry into predatory lending practices.”

After the show taxpayers called MP’s about Petition 44.

People didn’t know much about CDS– Credit Default Swaps and ABCP– Third Party Notes. Derivatives were just finding way into conversation about financial markets. They were concealed and complicated and long lasting before default. It would take years before casino banking tipped to a global credit crunch with a number in debt followed by 12 zeros.

On reflection, and knowing what people know today, it’s just possible Gofa didn’t have all the facts. There was so much more to Robby’s story than a report that only scratched the surface. That was it, or Gofa had been bought off and was part of the game.

Robby wondered if Gofa had been nobbled by L’Æmori or the bank. It made sense when he gave evidence against Robby that only helped the court rule for the bank against trial. Who’d ever know? Blameless or not, Gofa had endorsed a non-arm’s length deal that L’Æmori reacquired Kaleidoscope tax shelter property as a bank agent holding papered notes taking 5 million loonies off the sale price in a wicked parting shot. It’s called a haircut in the trade.

It was all a long ago. The weave of time provided another surreal déjà-vu moment when Robby met Gofa for another telltale talk over a beer and fish and chip lunch. When they got back to the office Gofa handed him the complaint file just as it had been returned to him from the OSC.

“This is what I sent to the OSC about Kaleidoscope,” he said.

Any doubts about Gofa all but disappeared. The file was bigger than expected in 3 spiral-bound volumes in considerable detail. It was clear testimony to all the work that went into it. Gofa flipped through pages to explain the table of contents saying, “They told me we didn’t have enough evidence to show criminal intent. They say it’s just a civil matter.”

“Just a civil matter,” he said it with contempt, “that’s Confoundation for you.” He looked at Robby, “When will people see there’s something is wrong with bank law?” He looked at his work, “Nothing wrong!” he said as he stabbed a chubby finger into a page of names and addresses. “They know it’s wrong,” he said pointing, but Robby couldn’t read anything written from where he sat.

Gofa found one of those people, “This man, he won’t talk to me... and see here, this lady calls me almost every day to tell me she blames me for her husband losing all her money.” He looked at Robby, “I’m fed up with Kaleidoscope and L’Æmori. They need a comeuppance someday.” Their eyes fixed, and Gofa remembered it was the bank in charge of litigation against Robby Ducky, so he added, “but mostly the bank.”

Gofa put the binders into the box and closed the lid to hand it to Robby.

Robby was impressed and thanked him. He tucked it under his arm with the long edge resting on his hipbone to take the weight like a mother would do to a carry a weary child.

He left the office and wondered what the heck to do with it...

Robby had the scoop for whatever he could do about the MOB in case of legal recourse... But, deep down in his heart, he knew it might never happen because he still didn’t know the law.

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## Upon my Word

Mickul Fudgit put Kaleidoscope glossy brochures and several partly filled out contracts in his briefcase. He counted and checked 5 ‘*Sign Here*’ tabs were where he wanted people to sign their names. He was on his way to advise the benefits of saving tax credit loonies in tax shelter schemes to his most wealthy clients. One was a university professor and the other a restaurateur just a couple of blocks from his office in Okayville. They’d all come round to his accounting methods.

The professor had scheduled a meeting during a lunch hour as the only free time he had to see his tax accountant. The university was some 40 minute drive in another car that satisfied Mickul’s alter ego. A jet-black European sports coupé with deep-pile carpet and plush leather seats. Very sleek, very comfortable, and very smooth and very quiet except in full throttle. Mikey was keen and in the mood to drive. Vroom, vroom.

Cory and sister Fran loved it. Fran told Mikey she wanted it when he was done with it. They both knew how he was with cars. He parked it across a 2-car space dividing line and got out and walked to the entrance. The professor was waiting for him in the university lobby and they walked along a corridor to a refectory. It had been modernized as a food court in cafeteria style with traditional and specialty menus in different aisles.

They parted ways for choice of food and joined up at the cashier. Mikey paid for lunch and then zeroed in on a large round table in a secluded dimly lit corner. He put his briefcase on a chair and then shuffled round to another seat opposite to sit face-to-face to the prof across the table.

The two of them ate and chatted about busy lives and impossible work schedules. Time passed eating until the professor looked at his watch, “I haven’t much time there’s a lecture scheduled.”

“That’s all right, I only need signatures,” Mikey said as he reached over to open his briefcase and lift out a set of papers from the top.

“It’s okay,” he said. “All you have to do is sign.”

He opened the folder, “I’ll fill out the details to see if you qualify for tax credits. Kaleidoscope will check it over and I expect you’ll get the tax break we talked about.”

“Well that’s what it’s about,” the professor said with feeling.

“Mmm,” Mikey sounded sympathetic. He placed his papers on the table and smiled a pearly grin, “We’ll do better than you did last year,” he said. “If you’re approved... I think it’ll be a break for you. It’s such a good deal. There’s no risk. You’ll get all your savings back in tax deductions.”

“Look, it’s time to go. I’ve got to pick up my notes.”

Mickul said, “Right, I’ll show you where to sign.” He stood up and began to fold pages away that revealed signature lines for the professor to sign with a pen, which was handed to him. It was a fine instrument and the professor looked at it for a moment before he signed the first line with a yellow Post-it ‘*Sign here*’ next to a large red dot. The crafty accountant lifted pages one-by-one, until he had signatures needed to close the deal.

Mikey took the package back and sat down and flipped through it to check it over a moment. Then he turned to a page to look for something and said, “You have to initial here,” he paused as the professor did as he was told, “and here,” he pointed to where he wanted another initial.

“There we’re done.” Mickul retrieved his pen and turned to signed pages to sign his name as witness.

“I have to go now, is that all there is to it?”

“Yes, thank you... that’s it.”

“Is it the right thing?” the professor said wondering.

“Believe me, it’s perfect for you,” Mickul said, “I’ll take care of everything, I’m sure you’ll get all the tax benefits you need.”

The professor looked at Mikey and then at his watch and said, “I have to dash, there’s never enough time these days.”

They shook hands but the professor was already thinking of the lecture he’d prepared. He looked up to head out as their hands separated from a limp handshake that was quickly parted.

Mickul watched him go.

He had done his job in 20 minutes, chatting and eating. Signing? He figured signing took a couple of minutes. Mickul knew he was good at getting what he wanted, and quicker and slicker all the time. He figured the professor would have forgotten all about it by the time he reached the theater door.

Mikey was in no hurry to leave. He finished his coffee at his leisure and lifted his briefcase on to the table. It was still open and he put the papers into a hanging folder and closed it shut. He clicked the locks and patted it fondly like it was a pet. He picked it up and walked away to leave and find his car for what was next in mind– driving.

When Mickul got back to his office he put the professors' file into a cabinet folder containing similar legal papers.

His drawer was full of neatly stapled folders with cardboard document corners. He closed the credenza and noticed he had a new job in his in-tray, which he saw was Robby Ducky's company books.

The accountant started to work quietly. It took about an hour and he printed out a couple of worksheet copies before he was satisfied with yearend numbers. When he was done, he took the folder to his assistant and asked her to check it over for any errors she could see, and make the usual number of copies with a standard cover letter and disclaimers.

Mikey stopped at the water cooler where he took a sip and threw a paper cup in a bin before going back to his desk to start another job.

Mickul picked up the phone and pressed a button to dial a number, "Granmarfleas" a youthful voice came back over the line. "This is Mickul Fudgit, is Jay Pee Fussy there?" He waited but the youth came back to say the main man was busy and would get back to him.

"No. Tell him it's about his yearend report. I need signatures and I'll be over in 10 minutes." It was 9 minutes. The restaurant was just down the street, about 3 blocks. When he strode in with his briefcase in hand he could see how busy the place was. Several tables had been pulled in a row for a group he recognized from Lynshumal Investors across the road.

He approached JP's wife, Maria who was taking orders that he waited to ask her to let JP know he was there for signatures.

Maria served her tray, and then stopped to take another order.

In a few minutes she came by with a coffee for Mikey. She said JP would see him as soon as he could. She looked around and pointed for him to sit at an empty table in the area from where they'd pulled tables and chairs to set up the party arrangement for the investors group.

Mikey drank his coffee and waited with papers ready to sign until JP came over to see him. He smiled and said, "You couldn't have picked a busier time than this."

The accountant chuckled, "It's got to be good for business. All I want is a couple of signatures to close the year then you can get back to work."

Years later, for the life of him, JP couldn't remember signing for a bank loan. He admitted papers, but couldn't remember signing a cheque.

The lawyer collecting for the MOB wanted to know, shaking the cheque in the air, "You signed the app and bank note, huh? Didn't you read it?"

It was just the same with Robby who couldn't recall how, or when. Bobby certainly couldn't remember signing a cheque either. The dates didn't help. It made no sense as he had receipts from out of town the day he was supposed to have signed a contract one day, and a bank note filled out and dated as if he'd signed another day, when he was also away.

Mickul left the restaurant and walked briskly to hurry back to his office. He dropped the latest signed Kaleidoscope deal in the folder with more the same. He locked them up, and left with a cheery word to his assistant saying good night, and that he would see her in the morning.

That evening he thought about bank loan applications. The professor would be a cinch with a regular income and a large house and a small mortgage. The restaurateur would be easy as well. Robby would be more difficult. He knew Robby had a mortgage on his house with a retail bank and line of credit with a commercial branch to keep his business afloat. Home improvement bills and office renovation and sundry expenses helped. Robby had worked hard and the property was nicely renovated. It was worth more than Robby had paid for it a few years ago. Mickul slept on the problem and in the morning he made an early start to make another sale for Cory how she earned a living from his accounting ways.

There was nobody in the office when Mickul turned up, so the first thing he did was make a fresh pot of coffee. It was the '*early bird rule*' of communal office that was expected. He poured a cup that he put on his desk to cool while he unlocked drawers and filing cabinets.

Mikey found Robby's file and took out the '*Statement of Affairs*' he knew the bank wanted personal and financial information. He wouldn't get it right the first time and was used to using worksheets. That's what they were called. He took a photocopy to make drafts to fudge numbers until he got what he wanted.

The CA sat down as he looked at the form.

Mikey picked up a pencil and began to chew the eraser pensively. He'd prepared a worksheet for company books and he knew Robby had had good cash flow. They followed his advice to record house improvement expenses in the company shareholders account. Mickul listed personal and company payments to calculate how much income they should take out of the shareholder's loan account to '*pay back*' personal expenses at the end of a business year, which would rebalance the books.

That was the business practice Fudgit and Perrish started when Mickul was their accountant. Robby didn't really understand it; he was more used to bi-weekly wages, which had always been taxed at source.

Mickul had a different approach and the Ducky's trusted him when he told them it was easier to account than payroll deductions.

The accountant calculated how much they needed to write up in journal entries to add sporadic '*spent money*' on company books, with corporate and personal income tax returns. Office renovations had been expensive and it showed in the highest incomes ever seen on the company books.

The Ducky's had been in business about 5 years and the variance triggered an audit by the CRA- Confoundation Revenue Agency. At first Robby didn't mind, he was naïve and thought someone would just come along and check how things were going. He expected to get advice and encouragement how to grow the business to hire more people who would pay more taxes to the public account. The auditor must have thought Robby a complete idiot. Sequesters are measured by what they get out of business, giving advice to grow business isn't what tax collectors do.

The auditor sat in the company office with company books some 5 days.

He helped himself to coffee and free sandwiches for lunch. It seemed expected. The Prime Compounder wanted loonies, which the auditor found in Mickul's numbers. He calculated a smaller business work area to living space ratio and adjusted operating costs and tax allowances accordingly. The difference was enough to justify the visit from the CRA.

At the end of the week Robby owed the government about \$13,000 more personal tax, which Mickul said could be paid with a company cheque, to cover later in dividend calculations. The auditor wrote a new account with instructions and authority for Mikey to log the personal penalty to the shareholders' joint loan account. The accountant said it was not too bad, "it could have been a lot worse." So Robby thought it best to leave it between the CRA and the CA... and just get on and forget it.

Robby had had enough of the Confoundation audit experience; he just wanted to get back to taking care of business.

As ignorant and as disinterested as Robby was he didn't realize Mikey was in cahoots with the Confoundation that the CRA planned to come back 3 years down the road, for an even bigger bite.

To Mickul the reassessment was an opportunity. When it settled down, he approached Robby about wealth management and tax reduction. This was the Kaleidoscope solution. The accountant focused on tax avoidance as if it was normal, even essential, "You have to realize it's better to work for more income to save tax, then you'll have more to spend."

"The loony trick is to save your loonies going to the tax man."

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## **The Kaleidoscope Solution**

The Fudgit's befriended the Ducky's through their children who visited each other's homes swapping rides to and fro to school, mornings and afternoons, one day to the next. The Fudgit's pool was a big draw.

The accountant explained tax savings to Bobby who didn't really buy into the idea. Robby didn't understand it either. But he was noncommittal. He didn't actually say "No". He was indecisive and rarely refused anyone. It didn't matter to Mickul who simply took what he wanted to deliver as many signed cheques to the MOB for as much tied selling as possible.

Mickul had access to client personal and financial information he needed to do what he did. It was simply there for taking to traffic to the MOB.

In the Ducky's case personal and business credit was a problem. It was already maxed out. Mickul knew they had a company line of credit on home equity. But he figured home-office renovations increased personal net worth. If he included company assets doubled up as personal, and if he ignored company debt, Mikey could make it look to the bank as if the Ducky's had enough credit to borrow lots of money to invest.

Mickul had already filled out '*Statements of Affairs*' for the professor and restaurateur with plausible equity padded in the assets column more than liabilities. Having done it once, he was in the sales mood to set up another sitting duck. He thought about the man and all the fun he had consulting, something to do with business systems, JAD and ABCNotes—Advancing Business Concepts, he didn't know... whatever!

The CA smiled to himself. Who's to say accounting's dull? Mikey gambled with people's money. He loved it. Never mind the risk that wasn't his. He could be a lauded a hero, or a chastised zero, it was such a thrill.

Mikey leaned back in his office chair and stared at the ceiling. He chewed on the eraser end of his pencil thinking of numbers that might just work. He smiled as he balanced and twizzled the round shaft lightly between thumb and forefingers that it bounced and rattled about his teeth. It was a habit. He didn't mind the sound of wood clacking in his head.

It was similar to a dentist checking for cracked and hollow molars, but the sound was soothing to his psyche learned somewhere in his past.

Suddenly the frown disappeared as Mikey grinned and sat bolt upright and twirled the pencil around from his mouth to start writing.

He pressed hard as he put his thoughts on paper.

He didn't stop writing until it was done. Then he sat back to read it.

There wasn't much to it really... personal about Robby Ducky, his home address and SIN– Social Insurance Number. Mickul inflated house value threefold up to half a million loonies with equity in the company another quarter million. He wrote zero *-NIL-* nothing in liabilities. Then he wrote a memo to Bobby to add generous management fees in the payroll ledger to pay the CRA penalty. Next, he filed joint incomes at about \$150,000. Mikey knew he could justify the numbers in his clients' tax returns. All he did was transfer property construction costs to the company shareholders' loan across to personal income tax owed on account.

The money trap was set. Mr. and Mrs. Ducky were rich on paper, even in the scrutiny of their own tax returns, which Mickul could fill out later. It depended how much credit the bank would give to close another deal.

Mickul work hard for his bank-loan paid witness referral fees.

It was still early in the morning when the office filled up while he put his manufactured debt worksheets aside. Mickul felt it should be later in the day as he left his desk for the kitchen for another cup of coffee.

Yul Perysh turned up, Mikey poured a coffee and they chatted a while. They were in the kitchen when their assistant arrived and the accounting work started the same as usual. Mickul sent a payroll adjustment memo to Bobby on September 5<sup>th</sup> with advice to report pension deductions as required by the 15<sup>th</sup>.

Kaleidoscope guidelines told Mickul what next to do for the bank. The accountant had accomplished 'Step One' and he smiled as he read the bank what next effect to close a sale, which was easy.

Getting all the bank documents signed at once put 'Step Two' and 'Three' done already in 'Step One'. The next phase, 'Step Four– the promoter is to complete the 'Affidavit of Subscribing Witness' continued on just the way L'Æmori described Confoundation banking, how tax scams work.

Mickul was looking forward to selling more tax shelters. He knew Mykel was still working on the '89 project waiting for the MOB to authorize a loan, and he wanted to know when he could get on with *'Step Four'*.

The accountant was keen and he wanted to gloat a bit. He left a voice mail for Mykel, "Hello Mykel, it's Mickul, I got 3 more sales last week to send in. I can bring them in to your office, if you like?"

He didn't have very long to wait, the bank signed up to sponsor Façade on September 13<sup>th</sup> after Mykel was at Cyn's office to pick up the MOB *'Off-site Loans Closing'* authorization how to handle a secret commission third-party demand loan to close another allied sale.

With funding arranged and selling underway, Mykel sent a memo to reps to let them know when and where to send signed agreements and MOB loan application *'Statements of Affairs'* to close tax shelter sales.

When Mickul read Mykel's memo, he knew exactly what to do. He went to his credenza to find related *'Statements of Affairs'* he had ready to date pending funding, which was September 18<sup>th</sup> to send on to L'Æmori.

Next, Mickul signed each *'Affidavit of Subscribing Witness'* for the MOB that gullible people like Robby signed in trust. Mikey only had to witness signatures for the bank agent *'Taker of Affidavits'* to notarize each with an official seal of a Commissioner of Oaths.

It was common practice Mickul had done many times before. He knew a lawyer in town to call to notarize what he needed to convert a lie to truth with a notary signed oath that made his tied selling legally binding.

Mikey picked up the phone and dialed a number he knew from memory. "Hi... it's Mickul." He chatted a few minutes and then he said, "I've got a couple of *'Affidavits of Subscribing Witness'*, It'll only take a minute... sure, I'll be there about 11 o'clock then."

Mickul had to get all MOB documents dated to do the job. He fed Robby's *'Affidavit of Subscribing Witness'* into a typewriter rolled up to position to type his location, Okayville, and then he tabbed to the next line, where he typed the day's date, September 19, 1989. He was just done when the phone rang. He swiveled in his chair to answer. "Mickul Fudgit," he said.

“It’s Mykel, I just got your deals and I want to know when you’re coming in with contracts to sign?”

“Okay. Hi,” he said cheerfully grinning at the phone, “I can bring them in just as soon as I’ve had a lawyer sign my affidavits.”

“What? Yes, that’s me, remember? We do that right here, right? You have to bring them in to notarize,” Mykel said in menacing tone.

Mikey had forgotten, “You have a notary in your office?”

“Yes!” Mykel snapped. “I told you, G’damit! It’s me in the sales manual.”

Mickul thought quickly and said, “We should do it now, eh?”

“That’ll be fine, I’ll buy lunch.”

The meanness eased and Mykel spoke more pleasantly. “It’s a nice day, get into your car and bring them to me. The sooner I see you the better.”

The idea of lunch with Mykel sounded good to Mickul, and he picked up his sales agreements and put them in his briefcase. Then he left the office with an excuse to satisfy his endless passion of driving. They met about 11:30 and Mickul started saying that he’d forgotten Mykel was a Commissioner of Oaths.

“I was a lawyer at Ardent Bailiffs,” Mykel said, “I don’t practice anymore but I’m still a notary public. I still take affidavits. It’s my job to see these bank deals go through the way the MOB wants them.” He looked at the forms, “Okayville is the wrong location. You’ll have to change it.” He gave the form back to Mickul to change.

Mickul realized what typing he’d done wrong and he looked at Mykel who pointed him to a typewriter at his receptionist’s desk. The CA fed the paper through to the offending line to rekey ‘X’s through Okayville, and then he back-typed over it to read Hogstowne, instead.

Then he scribbled a signature and Mykel doodled his own, saying. “That’ll do it, these forms go to the MOB, and as we go to lunch.” He looked happy. They both looked happy.

Mickul waited for Mykel to get his coat to go outside where it was chilly. Mikey opened the door as Mykel spoke, "You'll have to bring all your '*Affidavits of Subscribing Witness*' to me. I sign them and send them on to the MOB. The less people know, and the fewer lawyers, the better."

Mikey would have spoken but Mykel continued, "Anyway, I don't suppose you'd want to pay legal fees." He smiled and quipped, "Who knows, you might even sell one to a lawyer. Hehe haha."

They both smiled at the strange possibility of the idea of a lawyer falling for whatever the MOB planned as they set out to enjoy lunch together.

The CA was amused Mykel signed signature affidavits without qualm. Just a cursory review to check bank documents were signed and dated as required for as many trick loans the MOB wanted to close sales with blank signed cheques to fill out credit for debt that never left the bank. No concern or preference how to swear an oath, hand held over heart in solemn declaration, a book of faith, but nothing for Mickul Fudgit.

Mickul Fudgit had no conscience faking numbers to setup identity theft and falsehoods sworn as truth under oath, which he signed for the bank.

The bank agent, Mykel L'Æmori, was the same. He commissioned secret loans and he notarized each '*Affidavit of Subscribing Witness*' to identify each tax-saver the person of the same taxpayer name for whoever signed up for the scam. Millions subscribed to a rent-seeking-tax-arbitrage tax shelter scheme that couldn't be sold or defraud without it.

It was just a question of time before the '*Global Credit Crunch*'.

The bank made tax scams for the rich. It was legal, no one broke the law. Except taxpayers whose blissful ignorance of the law was no excuse for, Caveat Emptor... let the tax saver beware.

Some 300 investors in Kaleidoscope never knew of the bank hidden in the back office. They were uninvolved and unaware of trick loans and never saw the money. It was a secret between the bank and its agent and thousands of sales reps the MOB paid to witness whoever unwittingly subscribed to tax deductible securities fraud.

The more trusting and more gullible and the quicker the better.

In a while, Mickul didn't have to witness in person that he took to calling Mykel and swearing on the phone.

Mykel and Mickul were like minded and they got on well together. All they had to do was create and leave a paper trail for the MOB that looked as though things happened in sequence of whomever in serial events over time witnessed by whoever lied for whatever legal outcome.

It was their financial miracle. They had similar views about money and would do anything for it. Mykel found Mikey a good listener as he talked of plans to buy more properties and how to suck more foolish taxpayers into more devious tax avoidance schemes.

"We have a quickie planned out west called Hilltoplarza." Mykel said. "It's a low cost commercial strip you can sell to clients who need to save just a bit more tax into a small venture."

"Is it the MOB? Are they funding it?" Mickul asked.

"It's their project they call a 'Quickie'. All they want me to do is notarize signed witness of signatures who sells what. The MOB's the best. We have a few things to sort out, but it'll be ready soon."

Saving tax credits in RRSP- Registered Retirement Saving Plans was encouraged that companies told employees was a good idea.

Mykel was just as prolific creating new tax avoidance schemes as Mickul was at selling them. They knew what they were doing and worked together. They were a superbly well-coordinated team.

Mickul the accountant had a way with clients who trusted him.

Most of his clients didn't have a clue what he was talking about, or what they were really getting into. Only the revenue agency and banks and CA's knew the rules of tax deductible securities fraud.

Mikey recommended Robby buy a Kaleidoscope 90 to balance out his portfolio. "You've already saved income tax from the 89 this year, and a quickie will save a bit more," he advised his client.

And again, it was only for saving tax! No mention of the cost.

Mickul showed Robby immediate profit from Façade that the '89 showed cash flow offset to rent in the first year, "See, this is how it works, there's no cost. Why give money to the taxman when you can buy ownership in property at government expense?"

Financials were scheduled with no account of a bank loan in its first year that the 1989 LIBOR- London Inter-Bank Offered Rate of borrowed tax-credit money was invoiced in 1990 post-billed to mortgage partnership interest, but not receipted until 1992, which was the next previous tax year in 1991, 2 years after it was first sold in 1989.

The CA did math for Robby to file tax returns with no reference to debt owed to bank loans. A the 12 month separation of tax returns hid the cost of one tax shelter scheme saved in one tax year followed to the next.

Mikey presented a '90 package. "All you have to do is sign here."

Mykel was crafty delaying tax shelter receipts just short of annual tax returns. Or, it might have been Mickul who filed his numbers late and attached receipts just in time to figure math in Ducky' returns that they didn't have time to see the tax they signed was not a true account. That was the tricky way of reporting 1989 tax in 1990 tax returns that Mikey got Robby Ducky to sign another deal.

The bank called Mickul about a missing statement of affairs, but it would have given his game away if he went to see Bobby to sign another, So Mykel faxed the old 89 to the MOB to do the 90 job.

The bank drew cheque on June 29, 1990 in the distinctive hand of Sally Van Scrawl who filled out a cheque for a \$38,086 quickie.

Robby still didn't know anything about cheques carried in the balance of an unnumbered account as the MOB invoiced 12 postdated cheques for tax savings deposits the same as before. It was years later when he found out to complain to the Association of Bonkers who simply excused it as sloppy banking known to happen in Confoundation ways.

Robby wasn't the only one tricked to sign blank bank-loan demand notes that closed sales. Mikey was a member of the Okayville Rotation Club where he held several meetings to peddle Kaleidoscope and other tax scams to clients, who were his friends.

There were other tax shelter representatives, but Mickul was the most successful Kaleidoscope bank-paid witness of signatures for loans that he made a bundle. Mikey was also rewarded with tickets to baseball to watch from a private booth at the Sky Blue Dome. His first sale was to his wife and when he sold a lawyer and then a politician it was cause for great celebration. It was such a hoot, Mykel showed Marion, and they tittered as he notarized one sworn signature witness after another to sell yet another snow job.

The MOB was happy with Mykel who notarized bank-paid witness for more bank-loan tied selling that made tax-credit money. Phil Morsacs advised more Kaleidoscope deals to the MOB Board of Directors.

Mykel L'Æmori became a celebrity in Confoundation lore that he was invited to business events. He often lectured economic theory at business schools where he would always tell his little joke about how much tax he paid the taxman for making so much money.

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## Unknown Unknowns

After the television interview, Robby had a word with his lawyer about it. They agreed financial regulation would be a good thing for consumer protection. He advised Robby to explain system design to Confoundation authorities to improve transparency, for more control of banking.

It wasn't right lawyers' notarized bank-paid witness of signatures for so-called '*Sitting Duck*' loans.

Robby's lawyer advised the case would interest MPs. Legal advice turned to political opinion that the former Minister of Finance, now the new House Martin would want to know about MOB law. The lawyer suggested Robby send his evidence of tax fraud to the Finance Committee to follow up with an investigation and change the law.

Robby had already described the bank system '*Off-site Loans Closings*' predatory lending practice. He had a copy from the court and was riled enough to send it the government right there and then that very day.

When he got home he called his MP. It was a Friday afternoon and the office secretary told him to get his report to them as soon as he could. It seemed his representative was interested to do something. It was timely and Robby wrote a covering letter, which he delivered in person.

It was a couple of weeks before there was a message on his phone ready to play, "*Yes! Hello, I'm calling on behalf of your member of parliament. And I'm just calling to let you know that we have received your file and we are, er, investigating it. I know that you requested a private member's bill be introduced on the issue, but we don't feel that a private members bill is the right way to go because they go into a lottery and they're only drawn a couple of times a session. There's just a very low chance it will be selected. We've actually taken this to the minister and representatives in the Bankers' Association. And we're kind of investigating it, once we get some information about this issue we'll get back to you.*"

Robby played it again, but only to make a note of the caller's name and telephone number. He was grateful for indicated support, but after weeks the outcome was disappointing. Just another message that simply closed his file: "***We asked the bank about your allegations, and they say they don't do it anymore.***"

“The MOB says it doesn’t do it anymore,” Robby repeated out loud. He sat quiet still for a while, just staring at the telephone.

That was all the Confoundation would say about the issue. As time went by Robby felt it wasn’t good enough. He wrote a question in follow-up after talking to Gofa, who hinted, “Why don’t you ask them to identify the section they don’t do any more? That would tell you if they reformed the law, what they used to do in the past.”

Review of the law would prove if the banks were regulated or not. It was a good question for public debate that Robby was nominated to campaign for financial consumer safeguards and taxpayer protection. But, there was not a word about bank reform in Confoundation, where people were told their bank system was the most regulated in the world.



A reporter took a picture of Robby driving his van going between court appearances and on the NDP campaign trail mentioned in the news. There was some progress that the NDP Party Leader signed Petition 44 to reopen his OSC file to investigate securities fraud, which he explained in his book involved ‘*Signature Specific Identity Theft*’.

But there was nothing about his allegations in the national news.

While the Confoundation appeared to show interest in the affair, the establishment pushed back with relentless indifference. Robby reported evidence of securities fraud to the police. He wrote government agencies by the dozen, but they all ignored it with standard rejection letters such complaints didn't belong and should go to somebody somewhere else. Most departments followed up with advice they had no jurisdiction to intervene, or they couldn't, or wouldn't, do anything about it.

Robby wrote the MOB about another loan tied sale in the bank's own Affidavit of Documents before the court. It was strange it included an incriminating cheque obviously filled out by the MOB. But, there it was, for what it was, so Robby asked the bank to explain it, which the lawyer refused and lied in court it didn't exist.

That was how Robby discovered who the bank employee was who filled out another loan application 90-demand note for imaginary credit, the same as the 89-demand note, the MOB sued years to collect.

Robby didn't know the bank presented 2 signed cheques to evidence a secret loan in default until he found it in bank system data in the bank court record. The second cheque on account was the smoking gun.

Indeed, there it was clear evidence in the bank paper trail the MOB had dated its first note filled out as cheque with another cheque tallied in the total cost of money conceived of income tax credit born of a fair hand and unmistakable script of Sally Van Scrawl.

People were victims of unknown bank unknowns gradually known as UFO- Undocumented Financial Obligations.

Namely notes filled out as cheques on account of loans to collect.

Robby wrote the House Martin about a bank creating debt in his name and need for a bank system transaction control number that a credit rating agency could follow money born of credit, real or imagined, for the sake of financial stability.

He requested a '*Sitting Duck*' Private Members Bill for consumer safeguards and taxpayer protection.

Robby wrote his own story, *“The Perfect Sting,”* which he sent to the bank and government agencies to illustrate tax fraud as ever more obvious and even more-hard to ignore.

But there was no review, politicians, judges, lawyers, news reporters just ignored it. Real evidence made no difference to the MOB, which was seriously bent on collecting its photocopied forged note, which they sued 10 years through the justice system, in their legal right to collect.

The House Martin didn’t answer Robby’s letters and government did nothing about *‘Sitting Duck’* loans. People ridiculed Robby as a resentful debtor that his defense was a figment of his imagination with a made up conspiracy theory to avoid paying debt of his own making.

Robby felt compelled to continue writing to see his way through so many unknown unknowns. He wrote a motion to have the Court dismiss the case given the bank’s own witness identified who in the MOB had filled out the second note in discovery. He filed an amended Factum, which he felt sure would compel a judge to rule in his favor for trial.

But blocking evidence and obstructing justice was another unknown the hapless plaintiff did not expect. It wasn’t so easy to get a Factum before a judge for trial of what was increasingly clear tricked taxpayers into ever more debt than just his own. There were hundreds of thousands of Robby Ducky’s wanting to know why the Gallows Prosecutor had them all suffer the uncertainties of litigation without authorities intervening to look into obviously criminal banking.

Why hadn’t the House Martin done anything about Petition 44 that NDP politicians and people of the Great Divide had signed for an investigation into the predatory lending practices of shadow banks? And why wouldn’t the OSC review his complaint file?

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## **Accounting Scripts**

It was some 3 years to the day the CRA Sequester called about another tax audit. It was to question why Robby and Bobby Ducky had borrowed money from their own company to pay their own wages. So, they would have to pay deemed interest at current rates of interest, which over the years had risen to about 15% approaching 20% since the last audit.

They figured Robby owed another \$60,000 tax penalty.

Robby couldn't understand it and he wanted to know how it was. The Impounder had an explanation that was as creative as anything he'd ever heard. They said that paying the previous penalty produced a retroactive negative balance going back into previous years. It meant as company owners they had borrowed from their company line of credit they should have used for operating expenses, not their own wages. It depended how you looked at the company books. Robby pointed out he always invoiced his consulting fees that he didn't need to borrow what he earned as his invoicing was always paid.

The auditor said, "That's true, but you also had to pay your staff and business expenses. They come first, so there's nothing left to pay you... the previous tax penalty you paid from the loan in the shareholder's account put you in deficit. You borrowed from yourself."

"But I invoiced for my time. I was always paid less than invoice, how can you say I had to borrow from myself to get paid?" Robby pleaded with Mickul who sat next to the auditor at the table.

"You had to pay operating costs including cost of money interest charges. Cash flow goes into negative sometimes." Mikey explained it to Robby, "If there's nothing left you have to borrow from the company." He summed it up, "That's why the CRA sees it negative to charge deemed interest on your personal income, which is what they tax."

"But my work for clients brings in the money."

"Doesn't matter," the auditor said quickly.

Robby thought, "Look, the way I see it, the company cash flow didn't go negative until you created a 13 thousand loony reassessment,"

“Right,” the auditor said without expression.

“That was last time. You just made it up to tax more, right?” The auditor didn’t answer. “And previous to that everything was positive. I mean real, we had ready money on the books to pay income tax, right?”

“Yes.”

“You told us to backdate a tax adjustment, paid from the shareholder’s loan account that numbers we’d previously reported in positive cash flow turned negative. So, according to you we didn’t have enough money to pay wages back then, even though we did, at the time.” Robby found it hard to choose his words as he struggled with the convoluted math.

“Yes,” the auditor repeated, “you borrowed from what you earned.”

“So now you look at revised numbers, and you say we owe thousands of loonies for the cost you deem is the benefit of borrowing, even though it wasn’t actually borrowed at the time, not until after we paid your tax reassessment. Now you want 5 years 17% interest on made up debt that never actually existed, all because you interpret I borrowed from myself on the balance of what I earned to pay myself?”

The auditor stared, “Yes, it was borrowed.” There he said it again.

Robby knew it sounded as though he was babbling, but it must have made some sense to his accountant.

“Not from you the person,” Mickul explained, “from the company”.

“I earned the money. It came in from doing work.” Robby responded.

“Yes.”

“Look, what if we challenge the reassessment,” Robby pleaded. “Can we put positive cash-flow back the way it was?”

“No. It’s too late, you already paid it. Why didn’t you challenge it back then?” the auditor was quick, and he smiled at the struggle.

“Huh! That’s easy,” said Robby, “I just wanted to be rid of you.”

“I didn’t know you messed about with numbers the way you do.” He said

Nobody said a word until Robby spoke again. “It’s crazy. You’re saying if our cash flow ever goes negative due to accounting, if Bobby and I take income, you deem negative interest on it as a taxable benefit.”

“I don’t make the rules,” the auditor said without shame, “I just work for the Confoundation government.”

“The way I see it is the government has a huge deficit! Does that mean every politician that we taxpayers pay, should declare a deemed interest on personal income tax until the deficit’s gone?” Robby glared at them.

Mickul was glad Robby hadn’t noticed the cash flow on company books was to pay Kaleidoscope tax credit savings out of the business line of credit, but he saw the paradox. “Hmmm... that’s really very good Robby,”

But the auditor was not impressed and spoke a simple truth. “The Confoundation doesn’t operate by those rules. It doesn’t work that way. You pay your tax by our rules. You can’t argue with the government.”

Robby gave up. He’d exhausted all the reasoning he could muster.

His head hurt as much as his heart. He knew it was the end of his company and working life as he knew it. The more he worked the more tax they confiscated. The more he was penalized. It was over.

In the weeks that followed, the auditor and Mickul agreed to a payment method to settle the tax bill. The government sent another letter that authorized Robby to borrow another \$60,000 from the shareholder loan account, with instructions how it was to be reported.

It sickened Robby. He had worked so hard to be free of debt. He didn’t like debt. He still didn’t know Mickul was the cause of more debt to taxes generated by interpretations of broken money rules.

Robby only knew he had to do what a lot of business people had decided to do. He had to fire everyone including himself, and treat everyone as independent contractors. Everyone had to invoice for their own time and material. It would put an end to deemed interest on borrowed money how anyone could earn a living.

The company spirit was over and it was never the same again.

Robby's lifetime goal was to be debt free. Tax audits destroyed all that. But in time, he rallied round and got up to start all over again.

Robby and Bobby did what they had to do to solve the tax problem. His generous nature came up with converse rationale. He figured it was the government's way of sharing the commonwealth of hard working people. It was crude and grabby, but it was at least a democratic way of giving more to less fortunate people more in need and wanting more.

System planning and software design was fun, Robby enjoyed his job and his workshops and he decided to work even harder.

Years later, he explained it to another lawyer, "I think Mickul wanted me to have a tax problem," Robby moaned. The lawyer agreed and said it didn't have to have been done that way. "Your accountant could have declared it an executive perk on the company books. You could have put the money to much better use. You could have spent it on client entertainment" He smiled, "You know... bribe a government department for a contract."

But that was just hindsight that played into Robby's future life. There was another whammy down the road. What Robby didn't know was that Mickul had set him up for an even bigger debt that he wouldn't know about for several years to come. He was looking forward to carefree retirement, something the banks advertised as '*Freedom fifty-five*' was just another pipe dream.

Financial freedom was on many people's minds. Robby was 55 when he discovered the trouble he was in. He was in a world of doom and gloom and fear mongering at the turn of the century. Computers everywhere were predicted to crash on too many date-sensitive zeros, and stop the march of dimes.

But not the endless march of crime in tax evasion rip-offs... Debt which had once been reported as mere millions of loonies in the global credit crunch got bigger in zeros, billions, and trillions, beyond counting, and even more, and then some...

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## **Revalorized Tax Credit Worth**

Robby followed MOB bank workflow to learn how money born of credit value deceived could be conceived of nothing real but still received.

“Here’s another application from Kaleidoscope.”

“How does it look?” Cyn asked Sally as she handed him a printout of MOB CCAP– Credit Crunch Adjudication Process calculations.

“It’s okay, I guess. He’s got a good credit rating. He signed it, but his wife didn’t. I’ve estimated an average income for her as well. You told me to do that, right? They have an expensive house in Okayville with no mortgage. Lucky devils! They’ve developed a business that pays them pretty good, and they have good dividends as well.”

“What’s their business?”

“Consulting something about computer systems, ABCNotes whatever that is. It’s a good practice. Regular cash flow, but not much in assets.”

“Right, the income sounds okay, I’ll mark it approved. Did it come in with a waiver and signature affidavit?” Cyn referred to notes.

“Yes sir.” Sally knew which ‘*Note*’ was he was talking about.

“Rubberstamped our note and PLSA?” he checked.

“All done,” Sally handed it to him carefully. “It’s still wet, don’t smudge.”

Red ink glistened on forms the bank started to fill out.

“It’s another Mickul Fudgit, eh?” Cyn looked at the signature affidavit, “Yup, thought so. He’s getting good at doing this.”

Cyn signed on to his computer, and opened a file with a password. He tabbed from the first entry and typed in details that started and updated an automatic log citing date and time.

Screen headings defined inputs; AC Misc., and Rte Comments. He knew what to do and typed a message and pressed the enter key.

'13:13 REPRESENTS REFERRAL FROM KALEIDOSCOPE  
TO A PURCHASE OF ONE UNIT OF PROJECT 89'

Cyn looked at signatures on personal tax pro-formats. He continued to type a computer Teletype message. It took a few minutes before he sent out his tied selling loan approval decision.

'13:55 BASED ON OUR CLIENT TNW OF 580 M. TDSR AT 6%  
EXCELLENT STABILITY AND JOB TYPE. EXCELLENT  
CREDIT EVIDENCE BY BUSINESS BANKERS REPORT.  
RECOMMEND 50,000 PDLT 12/300 P+1% J/S UNSECURED.  
SUBJECT ANNUAL REVIEW. THANK YOU IN ADVANCE.

CYN FORDOE.'

Cyn felt good with 3 '*loan applications*' from Kaleidoscope that morning and several in the system already. Bank logos stamped in dried ink and everything tickety-boo. He tapped a tuneless ditty with his pen on a cup full of pens, and he waited for the computer to respond. The first credit-alert turned up with an error-code message as the computer clock ticked through a thirteenth hour.

'13:57 RECOMMEND INVESTIGATION'

Cyn looked at the errors flagged. He received 9 more credit alerts before he finally forced it through. It was automatic debt. The bank computer did everything, it was quick and Cyn didn't have to use real credit. Any number on the asset side would do. All he needed was loan applications approved to get unsecured debt transactions into the bank system.

The MOB system accessed data inputs and filed an updated message in the loan application log. The MOB knew more about the Ducky's than they knew about themselves. It was only a matter of moments before another CCAP error message turned up for Cyn to handle.

'13:58 HITS 1' as the clock turned.

Then 20 minutes later, another credit alert to respond.

'14:19 UNDECLARED 21,000 LIEN LOCATED AT MAIN  
BRANCH'

'14:21 ADDED UNDECLARED LOAN AND VISA'

'14:32 CONFIRMS LIEN IS TERM LOAN OF 46,000 AT 1540 MONTH'

'15:09 CYN, THERE SEEMS TO BE UNDECLARED LOAN, CALL CLIENT'

'15:14 UNABLE TO CONTACT ACC MGR. CANNOT CALL CLIENT'

Cyn signed off a sinful day and when he returned the next morning he found Sally looking at a report from a property search.

"This is what we got on Robby Ducky," she said, and handed it to him. "Didn't those people say they have no debt?"

"Mmm," Cyn opened the file to review the application, which he handed to Sally to take a look.

"Well he didn't pay \$300,000 for his house he says he did. It says here it was only \$95,000 and he assumed an existing \$60,000 first mortgage." She looked up, "Its way off, shouldn't we stop it?"

"Not yet." Cyn stapled the report to another page in his file folder.

"He must really want to impress us." Sally said with a chuckle. "Didn't the loony say his house was worth half a million?"

"It's okay. It's one of Mickul's clients. I'll call him about it." A message appeared on the CCAP log while he was on the phone.

'12:23 CYN, CAN'T FIND LNDG BR PLS ASSIST ADJUDICATE CREDIT'

Cyn saw the message and looked at the report from public records again.

As well as property details and purchase price it listed two mortgages. There was \$60,000 assumed in the purchase, plus a \$100,000 second mortgage at the Okayville Tiny Bank commercial branch. That's what the Ducky's credit alert flags were all about.

“This is going to be difficult,” he thought out loud.

The banker looked at the net worth statement he knew had been signed blank by Robby Ducky... and filled out and witnessed by Mickul Fudgit.

Cyn started to fill out a PLSA, which between the two of them, banker and accountant, is how, at least on paper, Robby became a wealthy man.

Mickul had written that Robby Ducky had 3 very expensive cars, a house worth half a million loonies, a quarter million in company assets and \$200,000 life insurance and \$70,000 in RRSP's.

It figured Robby was worth a million dollars, with hardly any debt.

Robby, who was paying 17% interest on a line of credit to keep his business afloat, and having paid the Prime Compounder another tax whammy, would have wished it true... being a millionaire back then at the age of 45. He would most certainly have retired.

Cyn called Mickul to get more information on about Robby Ducky.

‘13:57 UNDECLARED ASSET SOLD NET 50,000 AS PER ACC’NT’

Cyn looked at the latest message on the screen. “Good. That’ll show the client had been sloppy filling out the loan application,” he thought. At least that’s what Cyn would say if he was ever asked.

There are bound to be errors when people list assets and liabilities to borrow money from banks. Anyway, it was up to him to decide if the MOB should take the risk. But, Cyn didn’t think twice about whether the Ducky’s could afford it or not. He didn’t care. Going to St. Lucia was just a matter of simply approving another fabricated loan.

Cyn made money from debt as though the Ducky’s were rolling in credit.

Mickul boosted their joint incomes at yearend, his by \$60,000 to cover renovations, and hers by \$30,000 to the Prime Compounder. If there’d been no company and no shareholder loan account, there wouldn’t have been need for dividends on count to spend on the books. But Mikey did the accounting, and as he always used to say to his clients, “I’ve made the numbers work.”

The trouble was Robby's income wasn't just in Mickul's mind as the only creative accountant. The government with the advantage of law was just as inventive at making money from nothing to collect through taxation.

After Sally Van Scrawl had done forging an allied note for Cyn Fordoe, the bank issued an undisclosed loan to invest without acknowledgment. It was a serious abuse of trust that Phil Morsacs misinformed gullible taxpayers the likes of Robby Ducky totally in the dark of a bank making sense fake money, which Mickul kept secret for years to come.

Mickul didn't need to explain the Ducky's apparent high income to tax. His numbers were partly correct in the private account, and compatible, even possible, in public account. The way the government reassessed tax for deemed interest, the bank fudged numbers to deem credit billed in demand of next-year postdated cheques to carry on a trick loan.

But creative accounting wasn't enough; Cyn had to bend the rules.

If Cyn had used real property value, Robby's net worth would have been far less than the bank made it up to be. Cyn had to include both Ducky's income, which was not much. Nor had the wife signed the Kaleidoscope deal, but she was wed to Robby, so as far as Cyn was concerned she was just another '*Sitting Duck*'. It was good enough for the MOB to fabricate her income in the total consigned credit for net worth.

Even for Cyn, as anxious as he was to go to St. Lucia, the Ducky's net worth was far below adjudication guidelines that he had to ignore 9 private bank system raised credit alerts allied to the deal. Selling public tax avoidance depended on taxpayer cumulative credit for the bank to advance funds to Kaleidoscope. Cyn made money from the tax credit he afforded to taxpayers to buy into tax deductible moneymaking deals.

Cash-reward is a critical factor in a Ponzi scheme.

In this case it paid for an accountant to fudge numbers and for a bank officer to turn a blind eye to bank regulation in willful ignorance of credit alerts. Cyn completely disregarded thresholds, which he overrode to advance impossible debt through the bank computer system. He filled out forms for a '*New Client Loan*', which he signed and dated as though things happened as required through procedure, including everything except the all-important contact for client signed confirmation.

When it came to record keeping, Cyn knew the difference between what he'd written on paper and data entry in the computer. He also knew the tax '*Statement of Affairs*' as a '*Loan Application*' was hardly credible.

Indeed with 9 credit alerts, including an unpaid \$100,000 mortgage and suspicious penmanship that altered the interest rate on debt is money to the bank. Cyn should never have forced such a loan for tax credit money to invest. But private credit for public tax-credit worth was a crooked deal for bankers to profit from tax deductible securities fraud. So, the wayward banker paid for as many signatures as their agent notarized '*Affidavits of Subscribing Witness*' reps' sworn oaths; '*I verily believe that each person whose signature I witnessed is the party of the same name referred to in the instruments*'.

Mykle L'Æmori notarized Mickul Fudgit sworn witness taxpayers signed tax-shelter negotiable instruments to identify tax savers who unwittingly signed tied-loan demand notes filled out as cheques for a bank to sell tax-deductible securities fraud for its own benefit.

Years later a lawyer told Bobby Ducky the MOB should not have drawn her into the deal. They had no right to her credit information without permission. "They broke a trust you had a right to assume. But they can claim they did nothing wrong, it was your accountant who gave them your signature with your information. You could sue the bank for professional negligence and willful oversight. It would be a difficult argument, and it would only prove you were a victim of a con for a secret commission loan tied to your husband's participation in tax avoidance."

The lawyer continued, "They will rule Robby's counterclaim will cover financial impact, so you can't claim loss. It would be very expensive and even if you won, there wouldn't be any money in it for you."

It was well meaning advice, but it assumed Robby would get a fair trial in a Confoundation court, which of course never happened. Robby was amazed by the court record; the number of times the bank referred to him as a '*Valued Customer*', while the MOB called him a '*Sitting Duck*'.

Cyn had done everything he could to ignore unpaid mortgage hits that still came back like a '*Whack-a-mole*' fury head that pops up as they do in a carnival game. He simply ignored all the credit alerts that shouted "*Boo*," and never tried to whack it at all.

The Prime Compounder ordered papered notes legal to collect.

It was Confoundation law to expand the money supply while it protected bankers and lawyers, and of course politicians were in on the Act...

What else could judges do?

The bank was pleased with Appeal Court ruling Superior Court judgment against trial of the bank. Cegaul was anxious to start his *'Examination for Execution'* to collect what next for the MOB.

Cegaul hauled bank boxes on wheels into the office where he took a seat to face Robby Ducky and his newest latest lawyer. A fax came in for the lawyer for the MOB who said it was business accounts from Gofa Beers seemingly on side with the bank.

The lawyer for the bank listed undertakings for examinations. He wanted 5 years of business and personal Tiny Bank accounts, and 7 year history of credit card transactions. Cegaul ordered release of Ducky business records and wages paid his son who had worked as a trainee between university years. The bank said it was entitled to claw back money if it could deem whatever amounts were gifted.

Robby had no choice but to pay court ordered debt. He couldn't bear the idea of lawyers chasing money and arguing nepotism in family company billings. Lawyers arranged to settle for \$80,000.

Cegaul approved the amount, but his legal fee at \$30,000 was not negotiable. Robby wrote a cheque to the bank, but he paid the balance in cash to satisfy the lawyer who had asked for immediate payment. He took wads of loonies to the law firm where real dollar bills were counted in front of an independent signing witness. Robby left with a receipt and signed acknowledgement the bank would clear paid writs.

It could and should have ended litigation.

Robby realized how unfairly the Confoundation justice system was totally biased in favor of banks after years of litigation the lawyer for the bank had to lie in court to obstruct justice to avoid trial.

It was perjury when the bank denied there was no second note.

Perjury was a better option for the MOB to avoid trial than risk spending any more time on the Robby Ducky affair, which they'd managed to keep under media bans for nearly 12 years, already.

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DRAFT

## **Double or Quits**

“Kaleidoscope Properties” the telephone squawked.

“Mykel L’Æmori. Please.”

“Yes sir. Can I say who’s calling?”

“Cyn Fordoe, Osowa branch.”

“Yes sir, please hold... transferring you now, go ahead.”

“Mykel L’Æmori here.”

“Yes, Mykel, it’s Cyn.”

“How’s it going?” Mykel hadn’t made quota. He’d expected a call from the MOB, and he figured he knew what it was about.

“We’re going through loan applications, you’re short.”

Mykel was also worried about sales and said, “Fudgit got 2 more at the Okayville Rotation Club last night. One’s a lawyer would you credit.” He couldn’t hold back the tone in his voice. “We have another Rotation scheduled in Hambelton next Friday.”

“Any prospects?”

“A few, we’re still working on it.” Mykel thought for a moment, “We have a good reference at the University Hospital and we’ve written doctors in the faculty. Mikey’s there to help Wobey show the tax savings video and we’ve laid on food and wine.”

“Mikey knows how to close ’em.” Cyn agreed with a chuckle.

“So we’ll let you know.” Mykel said wanting to end the call.

There was a click and a voice came over, “Mykel its Bræn here.”

Mykel realized he was on a speakerphone, “I’m thinking,” said Bræn. “It doesn’t look good. I don’t think you’ll get enough buyers in time to close.”

Mykel was startled. It wasn't what he wanted, not so soon anyway. "We still have time," he said.

"Not enough in my experience." said Bræn.

"You're only just past 50%." Cyn added sounding concerned.

"There's more in the works to come, I've told you."

Bræn said, "Maybe, if you'd got 80% we could double a few, you know, to make up the difference."

Mykel knew Bræn was right. It was a difficult declining market. "We'll have to talk about it. I'll call my reps for a blitz."

"You could let us know who you think is good to sell more units." Bræn said seriously.

"More?" Mykel wondered what Bræn had in mind.

"No! We just wanted to know if you think you can qualify some of your investors to save more tax credits, eh?" It was a question

Cyn jumped in, "If you know who's an easy target, we can review credit through CCAP. All the notes are blank. Your reps can fill them out for whatever they can get."

"Fill them out?"

Cyn wanted to increase credit for loans to sell more deals. "Yes, they're still blank, we don't fill out the amounts. We send them back to you and your sales reps to fill out what you think your tax savers can afford to spend to invest."

Mykel thought about it differently, "We've given you signed notes already. You make credit decisions. You decide. Why don't you just fill them out?"

Cyn recalled when Wobey Gone had raised the same objection, but he didn't expect to hear it from Mykel, "No, you sell securities. If you want the money, it has to appear your clients signed cheques as though they were filled out and dated at your point of sale."

He emphasized regulation. “We can’t be seen to be involved in sales, so we can’t fill out our loan demand notes. We date them to close on time. But, it’s not as though we were there.”

Bræn spoke into conversation to make the point about procedure clear, “There is no other way to do it. Is there?”

“Mmmm,” Mykel mumbled, “er, I don’t suppose so.”

“Right,” Bræn continued, “If you advise any opportunities we’ll do what we can about credit, then we’ll tell you how much to write.”

“I’m sure it’ll work out,” Cyn said reassuringly. “Call your reps, we’ll wait and see what comes in. Okay?”

Mykel accepted the task, “Alright, okay, I’ll be in touch.”

The talk was done. Mykel heard Cyn and Bræn in stereophonic harmony, “Right, bye then,” they both said together as the line went dead.

Cyn looked at Bræn and said, “What do you think?”

“I think we’ll double up some orders.”

“Mmmm, betcha Fudgit’ll be the first in line.”

It was a pretty safe bet a crooked banker knew the odds who’d be more likely to swindle a bit more out of a gullible taxpayer.

And, just as Cyn said, Mickul was willing to double up.

Double deals wouldn’t have been so easy if quantities had been filled out on Kaleidoscope contracts and bank-demand notes filled out when the packages were signed in sales. But that wasn’t the bank organized way of *‘Off-site Loans Closings’* how sales followed contingent bank tied-loans that secret commission loans had to fake credit for the bank to bill later, completely the other way round.

Getting signatures was the name of the game, especially a blank cheque provided enough flexibility for a sales rep to fill out unit quantities sold and total cost according to bank lending decisions.

'14:35 FURTHER TO OUR ORIGINAL INPUT WAS INCORRECT.  
MR. DUCKY WISHES TO PURCHASE 2 UNITS TOTALING 110,354 WE  
REVISED THE TOTAL TDSR WHICH REFLECTS TOTAL PAYMENTS  
INCLUDING OUR PROPOSAL OF 3,787 OR 18%  
PLEASE AUTHORIZE'

Cyn won the bet when the message Robby Ducky wanted to buy another unit was logged in the CCAP system. But there was still a problem.

When Mickul Fudgit filled out the bank's demand note as a cheque for one hundred and ten thousand, three hundred and fifty four loonies to sell 2 units, the accountant wrote \$110,354.00 interest rate cost of new money. But the CA misunderstood bank guidelines and wrote a wrong rate of LIBOR interest in error. The cheque had to be changed and initialed by the drawer for it to be legal to collect by the drawee.

Mikey wasn't the only one confused about banking, how to fill out a note for the MOB. Several sales reps wrote '*Prime + 1%*' instead of a number '*over prime*' in the small-print of loan demand notes subsequently filled out as cheques on account of bank credit given to tied-loan sales.

The bank needed a decimal number for a proper rate of interest.

Aside from increasing amounts to be written on demand-notes for people to borrow more to invest, several notes had to be altered and initialed as if drawers had agreed to change the rate of interest. It wasn't easy, and with no time to do it, it was an administrative nightmare for the bank.

What a fiasco! How could a bank present dozens of loan demand notes made out to look like signed cheques with a MOB logo stamped and filled out payable to the bank for people to initial changes to the cost of money without it looking suspicious and raising questions?

Controversy could trash MOB allied '*Off-site Loans Closings*' that Cyn Fordoe had to do something. He didn't mind creativity and he wasn't too much troubled forcing loans through CCAP. But changing numbers and forging initials was felony, and potentially, if not certainly criminal.

There were too many loonies on the brink. He could justify debt the same as he knew a judge would excuse the moral hazard. If people signed cheques it was their own stupid fault not knowing what they signed.

Cyn reviewed bank law, which he was confident would be protected.

Mikey's exaggeration of Robby's net worth had been enough for Cyn to approve an investment loan for \$55,177 to close the sale of one unit. The bank computer confirmed the first transaction. When it came to double, or quits, Cyn forced more credit through with new net worth of an extra six hundred thousand loonies. But altering the value of a promissory note was a reach for the bank to risk being caught changing a cheque.

It had been done before: the IDA– Indifferent Dealers Association had investigated the MOB for professional misconduct, which it denied, but the bank admitted that a banker had signed documents for the sake of so-called client convenience and he paid a \$100,000 fine.

The MOB had to make a decision to how to continue processing cheques to close tied selling. Cyn had approved \$10million trick loans. He didn't want to lose his bonus for helping people borrow money. It was his job.

The bank had to make one of two difficult choices: forgery or requests that cheque signees' initial changes to incomplete undated promissory notes on account of undisclosed unsigned unacknowledged unnumbered allied to sale dependent loans.

There was no time for letters that would surely raise questions in the maneuver. But somehow, and miraculously, all cheques were changed and initialed as required that led to another problem...

Cyn was busy ignoring credit alerts for Robby Ducky right up to the very last day of closing when he received a bank memo about Robby Ducky, with a CDN– Collateral Deficiency Notification attached.

The bank audit department wanted to know more about Robby Ducky's \$100,000 mortgage, as well as various signing irregularities. The loan application stated clear title that despite warning flags, Cyn refused to check if the Ducky's had a \$100,000.00 debt on their house. And the bank audit department wanted to know why? But more than that, Audit wanted to know why a loan-demand note had been signed with one pen, and changed and initialed with another pen of a different color ink that looked highly suspicious to those in the bank whose job it was to ensure responsible banking.

But, Cyn Fordoe ignored the advisory about conceivable forgery and an unpaid mortgage, still on account.

Anyway, it was too late already.

Cyn was well into the CCAP *'Decision Summary'* screen to enter his credit decision behind determined effort to force credit on to Robby Ducky for a bank loan as required. The job was nearly done.

The concern how Robby Ducky had signed a demand loan promissory note with one pen color and initialed it as a cheque to change its value with a different colored pen had to wait. Audit was concerned because it wasn't just one note signed by Robby Ducky; it was lots of bank loan demand notes transposed to cheques in the Kaleidoscope 89 deal.

Others weren't so lucky. Many a duped taxpayer was sold more units to promissory notes converted to cheques that sales reps filled out to sales.

The bank relied on its forged cheque to sue Robby Ducky to collect debt in default by summary judgment. The lawyer showed it to Robby who in truth admitted it was his signature. But he denied filling it out and he couldn't remember initialing the change.

Bobby was convinced it wasn't Robby's hand, and indeed Mickul Fudgit confessed to filling out the amount, but denied he forged initials. Robby couldn't remember seeing it filled out, or it being changed, or initialed, which Mikey said must have been a banker who initialed the change.

Cyn need not have worried who initialed what to change as none of the bankers, or their lawyers, or their judges cared.

All the changes were allied in time for the scheduled closing. The bank needed signed cheques to evidence loans with or without credit alerts and errors hidden away until each and every secret commission bank loan was sued in a Confoundation court presented to collect.

The original bank PLSA – Personal Loan Service Application for Robby to borrow to buy 1 unit wasn't changed to accredit 2 units sold. It wasn't even signed. Nothing was signed so it didn't matter, all that mattered was law on side of the bank to collect.

Perhaps Cyn had no time to go back to update bank PLSA documents to double allied loans. Or maybe it was just forgotten, or perhaps it wasn't necessary to change written documents behind credit lending decisions. All that mattered in the end was computer data that finally transferred \$5million credit through 'Off-site Loans Closings' to Mykel L'Æmori.

All that mattered to Cyn was any closing is a good closing as long as it lands someone else's credit to debt owed in the bottom line. But it was more likely Bræn writing the Community Banking Manager that helped Cyn in his hour of need to cover up his extraordinary acts.

TO: A FREND  
COMMUNITY BANKING MANAGER

DECEMBER 1, 1989

RE: CHANGES TO KALEIDOSCOPE 89 BANK NOTES:

IT HAS COME TO MY ATTENTION THAT THERE MAY BE SOME CONCERN OVER THE VARIOUS COLORS AND / OR PRINT OF THE BODY AND / OR FIGURES OF KALEIDOSCOPE 89 LIMITED PARTNERSHIP DEMAND NOTES.

AS YOU ARE AWARE WE OBTAINED APPROVAL FROM CREDIT DEPARTMENT ALLOWING OFF SITE CLOSINGS FOR THIS PACKAGE. THE UNITS FROM THIS OFFERING WERE SOLD IN THE SELLING PERIOD WITH A TENTATIVE CLOSING DATE, IF FINANCING WAS REQUIRED BY THE INVESTOR, THE DOCUMENTATION WAS SIGNED AND SUBMITTED TO THE BANK IN ACCORDANCE WITH CREDIT AUTHORIZATION OF SEPT 13<sup>th</sup> 89.

SINCE THE CLOSING DATE WAS NOT FIRM AT THE POINT OF SALE, AND THE PRIME RATE NOT KNOWN, THE DATE AND PRIME RATE WERE NOT COMPLETED ON THE DEMAND NOTE. IT WAS AGREED THAT THIS INFORMATION WOULD BE COMPLETED WHEN THE CLOSING DATE WAS ESTABLISHED, ALL OF WHICH WOULD BE CONFIRMED WITH THE CLIENT.

ON THE BASIS OF DISCUSSIONS WITH OPERATIONS / AUDIT, I AM OF THE OPINION THAT THERE IS NO RISK ASSOCIATED WITH OUR DOCUMENTATION AND AS SUCH WILL NOT PRESSURE THE PROMOTER / AGENT OR CLIENT TO SIGN NEW DOCUMENTS.

BASED ON THE FOREGOING IT IS NOT NECESSARY TO REPORT THESE AS COLLATERAL DEFICIENCIES.

BRÆN CHYLD

Bræn knew the *'Wild West'* reputation the Confoundation has and still enjoys as the best go to place for a *'Snow Job'*". He figured the MOB was good with law that contort would never be challenged in court.

Bræn Chyld wrote an *'as you are aware'* style memo that parties had agreed to a tentative closing date at the *'Point of Sale'* and that neither the Promoter/Agent or client need be informed of the actual date and rate of interest filled out with no need write and sign new notes.

It advised no risk in bank documentation and no further need to report signing anomalies as collateral deficiencies that all cheques were dated December 1, 1989 waiting for the MOB to collect in due course.

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DRAFT

## **Check the Cheque that Closes the Deal**

Credit alerts, double downs, and signing irregularities were just some of Cyn's administration duties to contend in the Ducky affair. He checked bank loan documents and signed the acknowledgement Robby Ducky had signed blank, before it was filled out with the name of the bank in the deal, being the MOB. But just as 9 credit alerts and even advice of potential fraud hadn't fazed him, the bankster didn't think twice about signing his witness of it, which he wasn't, but still dated for the record.

Without ever knowing or meeting the Osowa, Manager Executive Loans, Cyn Fordoe signed Robby Ducky up as a new client. He pulled out a *'New Account Record'* to fill out a client account and *'Personal Summary'* in the bank *'Applicant'* name of Robby Ducky credited with \$500,000 equity to spend \$100,000 to invest in a Kaleidoscope tax shelter scheme, which he dated November 29, 1989.

Cyn didn't read the *'Customer Agreement'* typed above his signature line that in bank protocol the actual borrower as the recipient debtor should have signed. *'I/ we (the undersigned) agree to the terms and conditions as shown on the reverse of the following and acknowledge receipt of the Better Banking Guide Personal Deposit Services.'*

Paperwork was a nuisance to Cyn. He just scribbled anything in lieu of a name, which should have been properly signed by each and every client.

Initials could have been *'CF'* or *'CD'* but it didn't matter. The way Cyn signed documents was barely legible. The writing in the bottom right-hand corner indicated it was a client receipt, *'2 - Customer Copy'* across the middle in bold letters next to the MOB bank logo, with a perfunctory *'Thank you for banking with the MOB'* in the middle on the bottom line.

He put it in Robby's file, but instead of mailing out the customer copy he simply ripped it off and trashed it in a bin. Cyn took a second look at the bank checklist on the inside cover of the Ducky's folder to check what next in the guidelines to finish the job.

He ticked, *'Client Advised about Advancing Funds'* as if he'd called Robby, which he hadn't, *"They can't prove I didn't call"* wafted through his mind as he checked the date of the contract note was the same date as the *'Affidavit of Subscribing Witness'*, which of course it wasn't.

Cyn was absent minded as he thought “*How could it be?*” and ticked it done. He checked ‘*Dealer Advised*’ twice, once for ‘*Confirmation Sent*’ and another BF for ‘*Bring Forward for Future Solicitation.*’

Mykel the promoter/agent for the MOB, and Mickul the sales rep for the agent called to be sure Cyn sold 2 units to Robby Ducky.

The phone rang while Cyn was busy computing, “Cyn Fordoe,” he said.

It was Mykel the bank agent so Cyn continued typing as he spoke.

“Mykel... Yup, we have it here. Mickul just called me and I forced it through... No, your numbers didn’t work. It doesn’t matter... I’m authorized to approve up to \$150,000... it’ll be okay... chow.”

The following day, December 1, 1989, was the closing day.

It was a busy day on November 30, 1989. The MOB had to move branch operations into the Kaleidoscope office downtown in the city. The bank setup an ‘*Off-site Loans Closings*’ production line with hands on deck to get everything done for dozens of ‘*Daylight Loans*’ that organized crime had to check bank documents signed, sealed, and delivered by midnight.

MOB technical support checked network connections to CCAP as retail bank people sat with investment dealers processing the final step. It was arranged by the MOB to document secret commission loans evidenced by personal cheques paid to the bank that issued its own cheque to close the deal with mortgage partnership investor notes filled out as cheques for all units sold by the end of the day.

It required extraordinary teamwork of everyone they could muster.

Bræn, Cyn and Sally worked side-by-side with brokers who filled out tax saver and taxpayer names with the assistance of bankers from the branch to get everything done on time.

It was well rehearsed and everything ran smoothly.

Robby’s note landed on Sally’s desk which she remembered had been more difficult than most. She checked Mickul’s handwritten loonies, and dated it and passed it on to Cyn to let him finish the job.

Bræn also dated cheques December 1 with 89 in the space after 19 for the year. He separated documents, which he passed on to Cyn as he picked up another package. “These are of yours,” he said.

Cyn took them with a sigh. He didn’t care who did what for which investor. He was completely focused on the job in hand. He had no time to think contrition. Cyn couldn’t distinguish Robby Ducky from anyone else even as he checked the cheque amount of the demand note was the same as the loan. He had just a few minutes to do his part of data entry in the computer process that setup one tax saver after another as a gullible taxpayer buying into massive tax deductible securities fraud.

Cyn reviewed the ‘*Terms and Conditions*’ screen with CCAP data entry lines and completion codes from adjudication. He checked the client profile screen for Mr. and Mrs. Ducky and tabbed the cursor to the line for property search. He typed in the bank code for ‘*No Encumbrances*’ and then he pressed a function key to access the ‘*New Account Setup*’ screen where Cyn typed Robby Ducky’s SIN– Social Insurance Number, there it was, he was nearly done.

The MOB account code allied with a Kaleidoscope product code for the 89 and Cyn looked at the note before keying \$110,354 and 12/300 terms at 1% over prime being 14.5% in 1,370.00 monthly payments. Once keyed in, the data entry changed the file status to ‘*COMPLETED*’ and he pressed the keyboard data enter key on the transaction to close another tied selling ‘*Daylight Loan*’ tax deductible scam.

The last step was a ‘*Closing Screen*’ that only required a financial conduit destination code to an Ardent Bailiff account that transferred funds to L’Æmori’s old law firm. It was as easy as pressing the enter key. There, it was done. Robby’s credit went on its way with all the other tied loans to one or more Kaleidoscope tax shelter units sold... Good!

Cyn looked at the bank loan application checklist and ticked the last item, ‘*Confirmation Sent*’. But, there was no intention of any disclosure to give the game away. A clerk at the end of the line opened each folder to double check each tax-credit investor note and bank-loan demand note was filled out, signed and dated with an ‘*Affidavit of Subscribing Witness*’ signed and notarized and attached to identify the person who subscribed to the scheme as a tax saver was the same name as the taxpayer who signed the demand note filled out as a cheque, which closed the sale.

The banker removed cardboard document corners to separate all the documents to bank and bank agent respective files. Bank demand notes were separated from Kaleidoscope investor notes for Mykel L'Æmori to sign each tax credit in witness whereof in acceptance of money thereof.

After months of preparation the MOB finagled \$10million private debt behind Kaleidoscope selling its mortgage on its agent's property sold as an investment in commercial real estate offset to \$5million public debt due to tax credit value in non-bank notes.

The last '*Off-site Loans Closings*' transaction for allied loans took place in Kaleidoscope on Façade in the last hour of the first day of December. It got a hearty cheer from bleary-eyed retail and shadow bankers.

Everyone looked at Mykel L'Æmori in his final act of signing the last investor note in acceptance of true dough loonies. He signed it and put his pen down and stood up and looked around the room. He linked his fingers together and straightened out his arms with a twist to push his sticky palms outwards until his finger joints let out a showy crack of fully spent relief.

It was loud enough for people to hear him crack. He rolled his hands inwards out of habit and rubbed them together with glee. His face broke out a smile as sure sign of job satisfaction, and he grinned at his team, and they all smiled back. There was a moment of quiet, and then everyone let out another loud cheer.

L'Æmori looked to the banksters who made all his sales possible. "Well done," Cyn said, "good job," he said as he went round to meet and greet people and shake one sticky hand after another.

It had been a long day and Mykel rewarded the MOB with pizzas, which were delivered in time for a party. There was food and wine and drinks to everyone's taste. They filled plastic tumblers and raised a hearty cheer sometimes with a holler as they drank and relaxed in the blessed relief of another bank job done.

Cyn was surrounded by boxes of documents that some would go to back to the MOB while others stayed with Kaleidoscope. People smiled and shook hands and everybody thanked everyone else for a great big \$15million snow job so well done.

The CYA letter was attached to bank documents in files on one side of the office and taxpayer signed original tax credit notes on the other.

All that remained was for Cyn to put the cheques in a safe place.

It was his job to see the scam safely homeward bound in the end. He called dispatch for a security van with instructions where and when and what to pick up from Façade and deliver to the Osowa branch.

Cyn left the group and followed the security van to watch over the last step in the branch. The all-important document boxes were stacked up on special trolleys made for the job. Each had hand written labels of names and numbers above shiny grommet finger holes on the dark-side banking that a wavy pattern of metal ring twinkled in the moonlight.

The van arrived at the Osowa branch and Cyn got out of his car to unlock and open the backdoor. He pressed buttons for the code and went in to open up the safe. He and security cameras watched the men who pushed the dolly inside and placed file-boxes under an overhanging sign.

LOG ASSETS AND STORE IN ALPHABETICAL ORDER.

The driver checked the load and Cyn signed a docket the security guard also signed a copy for the bank and one for dispatch. Cyn's hand lingered over boxes to delicately stroke his beloved haul.

He patted one fondly knowing everything the MOB needed was in a safe place to prove the validity of bank documented fraud.

He stepped out and closed the vault and listened to the reassuring lockdown noise of iron bolts closed shut and a 'Locked' light on as Cyn watched the courier van leave and speed away. He thought of his bonus as he carefully locked the back door, and drove away to home.

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DRAFT

## **Do What Next to Finish the Job**

The day after Kaleidoscope closings was the same as any other day for Cyn except the reverie after such a rush. All the work making sense fake money was done and interest started to count after the midnight hour on each and every 'Daylight Loan' in the system.

He sat back and relaxed.

Cyn reported the Kaleidoscope deal to Phil Morsacs in full expectation of his Christmas bonus in his firm belief making money is doing God's work. He knew he would be highly praised and be a hero for his innovative lending game.

Prayers travel fast in computer bits and bytes and when he looked at his computer screen he was overjoyed to see his name Cyn Fordoe going to St. Lucia. It was his name, Executive Loans Manager along with Bræn Chyld and Sally Van Scrawl winners in the branch. What an honor. He leaned back in anticipation of what next would surely be an invitation from the CEO of the MOB himself.

Robby Ducky carried on as a gullible taxpayer not knowing he would save his own income tax credits into personal financial ruin and notional national debt. He was completely unaware he'd signed a Windbill as its 'Maker' that its 'Holder' traded in private and public markets at the same time to profit twice over. He had no idea he'd signed a cheque delivered to bankers who filled it out to themselves to collect in due course.

When the MOB sued Robby Ducky about Kaleidoscope he began to think what happened that took him years to actually learn the law.

Mickul Fudgit was better at accounting numbers than writing words in letters that he preferred to send greetings cards to clients, which he often delivered in person. Cory was Mikey's partner in crime and they sent their greetings to the Ducky's as he delivered the Kaleidoscope package deal to the house just a week before Christmas.

The General Partner signed an unreadable signature on behalf of a numbered company, "*in full swing of a new and promising decade is almost upon us, we want to take this opportunity to wish you a happy holiday and a happy and peaceful new decade.*" How nice.

December 18, 1989

Dear Mr. Ducky,

We are pleased to confirm the offering by Kaleidoscope Limited Partnership (89) of 166 limited partnership interests closed on December 1, 1989, and that your subscription of two limited partnerships was accepted on that date.

We want to take this opportunity to thank you for investing in Kaleidoscope Limited Partnership (89). Every effort has been made, and will be made, to ensure that the investment lives up to your expectations.

The record book relating to your investment is enclosed. It consists of your personal investment summary, a copy of the limited partnership agreement, a copy of your subscription agreement, a copy of your investor note, and a certificate evidencing your limited partnership interests. We will provide you with the material necessary to file your tax return, including audited financial statements, by the end of March next year.

As you know Kaleidoscope Limited Partnership (89) will make cash distributions following the end of each calendar quarter. Accordingly, you can expect your first distribution cheque in January of next year.

We will make every effort to keep you apprised as to the status of your investment. If you have any questions in the meantime, please do not hesitate to contact our office.

Finally, we ask that you assist our communication efforts by advising us to any change of address or errors in the address we are currently using.

As the holiday season is now in full swing and a new and promising decade is almost upon us, we want to take this opportunity to wish you a happy holiday and a happy and peaceful new decade.

Yours very truly,  
Kaleidoscope Limited Partnership (89)

On behalf of the General Partner. --9933 Hogstowne Ltd.

Kaleidoscope attached a covering letter to its photocopied notes Robby didn't see until he opened the package in January 1990.

Kaleidoscope Limited Partnership (89)

Mr. Robby Ducky

PERSONAL INVESTMENT SUMMARY

Date Closed: December 1, 1989 # of Interests: 2  
Property Location: 41-43-45 Façade, Hogstowne, Funtario  
Amount Invested: 110,354.94 Equity  
61,647.06 Investor Note  
172,000.00 Total Investment

FINANCING

Branch: MOB, Osowa Contact: Cyn Fordoe  
Terms of Loan: Prime + 1% floating to be reviewed annually for the next ten years. Blended principal and interest payments based on a 25 year amortization.

PARTNERSHIP HIGHLIGHTS

General Partner: --9933 Hogstowne Ltd.  
P.O. Box 13 Queen Key West  
Contact: Daveh Gone or Mykel L'Æmori  
Cash Distributions: 100% of Distributable Cash at the end of each calendar quarter before January 1, 2000, will be distributed to the Limited Partners in accordance with their respective Pro-Rata Shares. Distributable Cash will be distributed at the end of each calendar quarter thereafter as follows: 25% to the General Partner and 75% to the Limited Partners in accordance with their respective Pro-Rata's.  
Liquidity: On a periodic basis the General Partner will have the Property Appraised and will formulate a recommendation respecting disposition or retention of the Property. The recommendation will be put before the Limited Partners at a meeting duly called for that purpose. The Limited Partners will have the opportunity to accept, modify or reject recommendation by Special Resolution which by definition requires approval by at least two-thirds of the votes cast at a duly constituted meeting.

The package included an investment summary in a folder which Mickul Fudgit also delivered to Robby Ducky to confirm his tax shelter scheme 'Terms and Conditions' of a rent paid mortgage at Prime + 1% floating cost of money reviewed annually over 10 years. He described tax property financing amortized over 25 years and cash distributions from rent paid each quarter.

So there it was: Robby Ducky had become a partner in tax scam he hadn't a clue, which a lawyer and banker and his accountant knew all too well. Cyn Fordoe enjoyed a high-fiving day as he settled into billing interest on \$10million tax credit savings loan accounts.

Bank billing was an invoice remittance request for mortgage derivative investment loan terms and conditions that Robby Ducky still didn't know Mickul Fudgit had set him up with a secret commission bank loan that Cyn Fordoe felt so good about. Remittances were mailed out December 14, 1989, the week before Christmas.

Cyn Fordoe felt the same as Mykel L'Emori who also basked in the glory of implementing a tax-credit loophole to pay out his own mortgage on his own property from tax losses on the backs of gullible taxpayers who had to work even harder to claim more taxes than they would otherwise do.

The bank agent tax shelter promoter was ecstatic.

He was \$5million better off having resold his mortgage on his property to gullible taxpayers who borrowed \$10million tax credits saved to do it. He relaxed in his chair and contemplated his good fortune holding investor notes to sell on as CDO- Collateralized Debt Obligation in credit markets, and still have his mortgage paid out whenever it failed in default.

He thought of Bedeo Danwuddy and their audit report contrived to fool tax savers. Of course it was a paid for lie, but never mind, the cost was all in the deal. For now, he sat back in wait of a cheque from the bank.

Cyn was proud of his letter to tax savers how it continued the con.

The letter from the bank arrived for Robby Ducky with an unreadable name signed Executive Loans Manager advising repayment terms of an unnumbered \$110,354.00 investment loan requesting 12 postdated cheques for \$1370.78 amortized 25 years from January 2, 1990.

When Cyn Fordoe invoiced for Kaleidoscope units sold, it was the first and only contact in the shadow bank effect of selling secret loan dependent tax deductible mortgage backed securities fraud.

December 14, 1989

Dear Mr. Ducky

As you know the MOB provided equity financing for your recent Kaleidoscope 89 Limited Partnership unit purchase and we are pleased to confirm the details of your investment loan.

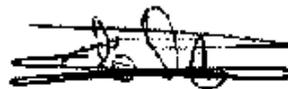
LOAN TYPE/NUMBER:	Personal Demand Loan, Term Basis
AMOUNT:	110,354.00
INTEREST RATE:	Prime + 1%
REPAYMENT TERMS:	1370.78 per month on a 25 year amortization
METHOD OF PAYMENT:	12 post dated cheques

Your loan has been set up for a term of twelve months with payments commencing January 2, 1990. In this regard, we would appreciate you forwarding us a series of 12 post dated cheques in the amount of 1370.78.

While your loan payment amount was set up for a twelve month period, prime rate may fluctuate from time to time which would necessitate adjustments to payments. This should only occur if there are dramatic increases to the prime rate. Should this happen we would certainly provide you with reasonable notice.

At the end of the first twelve month term and annually thereafter, we will be in contact with you to conduct a renewal review. If you have any questions in the meantime, please contact the undersigned. Thank you for allowing us to be of service to you.

Yours truly,



Executive Loans Manager

Mikey had no trouble persuading Robby the letter from the MOB invoiced his mortgage partnership subscription dues, which he receipted income tax saved that way for 10 years until it finally seized in default in 1999.

Both letters were misleading with unreadable signatures.

The legal style was contrived that unless recipients actually denied the 'as you know' preface to whatever the letter implied in truth, or not, is generally known as negative billing. Robby might have seen through the damaging option if he hadn't trusted Mikey who was so convincing about contorted ways and means.

The bank effect of the pre-executed tied-loan tax-shelter schemes was invoiced deceit a year ahead of issued tax receipt. Cyn Fordoe sent his letter of introduction and request for mortgage-loan terms and conditions for Kaleidoscope 89 Limited Partnerships in 1989.

A letter advising recipients contact an unreadable scribbled name as the undersigned without a name and telephone number was not an easy thing to do. Almost everyone spoke to their sales rep or financial advisor as the wrong person for clarification. "It's a government tax incentive for you to invest in property with a tax deductible mortgage, you pay first, then you claim the credit, and they pay it back in tax deductions."

Off-the balance sheet financial products and services were not the same as traditional banking, which was deregulated over the years to operate more like industry that invoiced its manufactured products sold.

The MOB wrote letters of introduction to income tax savers who had no idea a secret commission bank loan was involved in the deal.

How could they know a bank invoiced an undocumented unsigned un-numbered undisclosed unacknowledged personal equity lent considered spent was not a mortgage partnership it was billed to be.

It was a perfect sting if taxpayers had been warned about tax deductible securities fraud tax savers would not have saved income tax credits into private financial ruin and public national debt.

But a making money make sense bank logo was appealing that people didn't see it was a MOB just making sense fake money.

Some people knew how the tax loophole worked that they were on the winning side of casino banking. But many were duped like Robby Ducky who had no idea they contributed tax welfare from the hardworking middleclass serving the rich who lived on the sleazy profits of storybook tax shelter schemes.

One of these was the infamous ‘*Art Flip*’ scam, which was eventually Fudgit’s undoing in 2004. He inflated the value of a work of art donated to charity for an income tax credit until the CRA won a court order against him that ruled the value of the tax receipt was limited to actual paid cost for art, not its higher appraised value. The judge also ruled the accountant breached his fiduciary relationship by obtaining a secret commission that was not disclosed to the tax saver.

Not everyone had to go to court to argue about Mickul Fudgit. A few people stopped the flow of imaginary credit in their names, including Mr Plumber who phoned the MOB to ask more about the deal. It was only chance that his call went through to the branch.

A helpful telephone operator put the call through.

“Yes, I think that will be the Osowa branch, “I’ll connect you.”

“Cyn Fordoe speaking.”

“Yes, I’ve a letter t’about mortgage payments.” Mr. Plumber spoke on a speaker phone that his wife also listened to the conversation.

Cyn was surprised, and the brogue put him off guard. “What?”

“It’s t’mortgage in’t ya letter.”

The branch sold mortgages and Cyn thought he would redirect it through the service menu, “Yes sir... right, what’s your account number?”

The caller said, “It don’t ’ave a number,” he looked at the letter, “t’old on t’missus might find it.”

Cyn was busy and he didn’t catch on to what the call was about.

“Nar, there ain’t no account t’number ’ere.”

“You have a letter from me?” Cyn scrolled to identify the caller, and then it dawned on him, “Is this about Kaleidoscope?”

“Yup, that’s it.”

Having started badly Cyn made it more confusing with jargon. “Its equity financing for you to subscribe to a tax shelter scheme,” he said.

“Is that t’same t’as mortgage?”

“Well no. No not in this case, er, yes,” Cyn didn’t want to have to explain, but as the conversation went, he didn’t have to.

“This is Mrs. Plumber,” another voice piped in. “We don’t bank with you. We’d rather not. Why don’t we just pay Kaleidoscope?”

“That wouldn’t work,” Cyn became and sounded more concerned.

“Oh, it’s alright, we usually pay cash for everything,” she said.

“That’s t’ow we ’andle money,” Mr. Plumber said. “We’ll get on t’blower an’ talk to sales rep, thank’ee kindly. G’bye.”

Cyn lost his chance to keep his client talking to try to save the deal.

“Hmm, goodbye,” he said to the phone. But it was already dead.

The banker knew what he had to do. A closed deal that turns bad had to be carried by the sales rep, or be sold on. He pressed a dial button for Mykel L’Æmori that rang into a message to speak after the tone, “Hi Mykel, this is Cyn calling. We have a dud with people called Plumber. You’d better call the rep who sold it to take it back. Let me know who it is and we’ll swap it out. Okay?”

He had other things to work on. Audit still questioned the Robby Ducky account that Cyn wanted to stop being notified.

He went back to his screen to inquire on the Ducky file and was just thinking about it when Mykel L’Æmori returned his call. He picked up the phone.

“Cyn?”

“Mykel,” Cyn sounded relieved. “Did you get my message?”

“Mm. Yeh, we found the rep is Trixie Clawback. She knows all about it. She’ll take it up to sell it on to sell it on to another client.”

“That’s alright then.”

“It’ll be okay, she has someone in mind. So it looks good, mmm?” Mykel wanted to know when to send out his own letter to welcome tax credit savers to Kaleidoscope. “We have to deliver over Christmas.”

Cyn confirmed he was satisfied bank funding was secure. “Other than Trixie, all the others are hooked and good to go.”

The conversation ended and they said goodbye, and Cyn got back to the Ducky’s file to put off the audit department.

He quickly typed a plausible explanation of fabricated wealth.

TO/DESTINATION: LISIA

FROM: CYN FORDOE

DATE: DEC 14, 1989. SUBJECT: ROBBY DUCKY

THE LIEN THAT REFLECTS 100 M HAS BEEN  
CONFIRMED BY MANAGER AT T/D TO BE PAID DOWN TO 4800 & IS  
PART OF HTX TO CCAB – ATTACHED

NO FURTHER REPORTING REQ’D.

Cyn closed the file for reporting and the deal was done.

Mickul Fudgit had convinced Robby Ducky the advantage of saving tax credits and to pay tax savings with postdated cheques just as the bank requested. There was also an annual report from Bedeo Danwuddy that all tax savings were properly accounted and legal as they should be.

It seemed to work and Mickul Fudgit advised saving more tax in another Kaleidoscope deal, which worked the same as all his other tax deductible securities fraud. All he required was a signature the same as before.

The second tied selling was easy for the MOB that all the bank had to do was fill out another cheque drawn on the same unnumbered account set up for a \$110,354 cheque dated December 1, 1989 tied to its 89-2 deal plus a cheque the bank filled out for \$38,089 dated June 29, 1990 tied to another 90-1 deal combined in 1 tax receipt dated February 27, 1991.

December 1, 1989 \$110,354.00

Branch 1-351

On demand I promise to pay to the order of Bank of Montreal the sum of One hundred and ten thousand three hundred and fifty-four 100 Dollars and to pay interest monthly at a rate of ~~1.0~~ 1.0 per cent per annum above the Bank of Montreal's prime interest rate per annum in effect from time to time, up to and after maturity, compounded monthly from the due date of such interest until actual payment at the above mentioned branch of the Bank of Montreal. As the date of this note such prime interest rate per annum is 13.50 per cent.

Value received.

DMI - 6024-721  
OOI - 6024-748

0357  
6003-798 Jan 17/91  
Branch/Agence - Montreal Centre  
Branch/Agence - CSull

Month	Amount
Jan 90	X 13,078
Feb 90	X 2
Mar 90	X 5
Apr 90	X 20
May 90	X 60
June 90	X 100
July 90	X 25
Aug 90	
Sept 90	
Oct 90	
Nov 90	
Dec 90	

TOTAL DEPOSIT  
MONTREAL: 10348

June 29, 90 \$38,086

Branch 1-351

On demand I promise to pay to the order of Bank of Montreal the sum of Thirty eight thousand + eighty six 100 Dollars and to pay interest monthly at a rate of 1.0 per cent per annum above the Bank of Montreal's prime interest rate per annum in effect from time to time, up to and after maturity, compounded monthly from the due date of such interest until actual payment at the above mentioned branch of the Bank of Montreal. As the date of this note such prime interest rate per annum is 14.75 per cent.

Value received.

The First Canadian Bank / La Première Banque Canadienne

Confirmation of Bank Charges / Confirmation des frais bancaires Feb 27, 91

In response to your recent request, the Bank of Montreal confirms the following Bank Charges paid during the year: 1990  
En réponse à votre récente demande, nous confirmons par la présente, les sommes versées à titre de frais bancaires:

Branch/Agence: <u>351 Main</u>	Interest on Loan / Intérêt sur prêt: <u>\$1440.73</u>	Investment / Placement: <u># 8027750</u>	Service Charges / Frais de gestion: \$
Priority Fees Paid on Your Behalf / Taxes foncières payées en votre faveur: \$	Around-the-Clock Depository Rental / Loyer de service de dépôt à toute heure: \$	Safety Deposit Box Rental - Box No. / Loyer de compartiment de coffre: \$	Safeguarding Charges / Droits de garde: \$

for 90-1 investment # 2826.70

COULIX  
Manager / Le Directeur

Customer Signature / Signature du client

Which is how Robby Ducky became a twice fooled carny mark in a tax scam geared to fool taxpayers he was yet to learn... twice over.

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## **True Dough Loonies Raid the Bank**

Robby Ducky was not the only gullible taxpayer tricked into debt.

A government approved RRSP– Registered Retirement Saving Plan to save income tax credits to invest to own commercial rental income producing real estate was a popular concept. It appealed to thrifty people advised by Chartered Accountants and Certified Financial Planners to apply for CRA approval to save income tax credits, as much as investors could afford.

But taxpayers didn't know how saving tax credits caused financial harm. That came out later when banks presented cheques as evidence of loans in default to collect through Confoundation courts after Ponzi collapse.

Taxpayers testified they'd been duped into debt with trick loans, which in Robby Ducky's case lawyers advised he follow the money. They probably didn't expect him to trace it back to tax-credit dollars, which he redrew from bank system step transaction workflow and cash-flow design.

Robby Ducky saved 10 years' income tax credits into a lifetime of debt.

He wouldn't have been able to figure it out without bank system records he knew nothing about until presented in court. The account log showed bank approved credit despite 9 credit alerts about an unpaid \$100,000 mortgage, and MOB choice to ignore signing irregularities, and double down twice the credit to double up a sale with a pretty obviously forged cheque, and another cheque the bank filled out all by itself, to itself, for another namesake '*Sitting Duck*' loan dependent tax shelter scheme.

But Confoundation bank law is law. Robby Ducky admitted he signed a tax shelter scheme in 1989 and that he had a tax-credit benefit until the bank presented a photocopy of an apparently forged cheque sued in 1999 until summary judgment debt without trial in 2009. Pleadings for trial lasted 9 years, 2000 to 2009, until eventually refused.

Robby Ducky denied knowledge of a bank loan and he wanted to know where the cheque had come from. Who wrote its numbers and words? Who changed its rate of interest? The bank sent a 12 year computer file transaction log, which was fine enough for an experienced bank system analyst to configure step transaction workflow, and follow the money.



Analyzing a bank computer system is an expert thing that many wouldn't do it, but Robby Ducky could back-engineer his design work for the MOB to decipher a fully working Ponzi. It was a fascinating project.

His approach to bank system analysis was to find business process gaps that once the bank gave him its CCAP user guide he compared protocol to bank logic in documentation and file management inputs and outputs. All he had to do was connect workflow steps and bridge gaps from what he overheard from lawyers say in conversation, and winning a court order to examine the bank to read the transcript.

Still, Robby Ducky was constantly behind and had a lot to learn.

But not so far back that he couldn't catch up to follow the LIBOR cost of making sense fake money in Ponzi interest cash flow and principal losses through tax shortfalls his accountant filed in tax returns.

Robby Ducky was an expert system analyst and he adapted structured computer design methodology to compare legal sentenced words of law to manage a job process... to software binary code to control its progress.

Early computer language JCL– Job Control Language stipulated protocol to control process, and DOS – Disc Operating System programed inputs and outputs to manage procedure. Robby thought of JCL as the rule of law and DOS as work instructions, in this case to raid the bank.

When he worked for the bank his mind was more on existing system automation for established business purpose, which was fully staffed. He didn't know the front and back office system was designed for a bank to swindle cheques from gullible taxpayers, which he was already a duped tax saver with a mortgage derivative loan geared to defraud by design. It was only when the bank lawyer described the system in examination and a university professor defined the ABCP '*Acquire-to-Distribute*' model that Robby Ducky really understood what the MOB was all about.

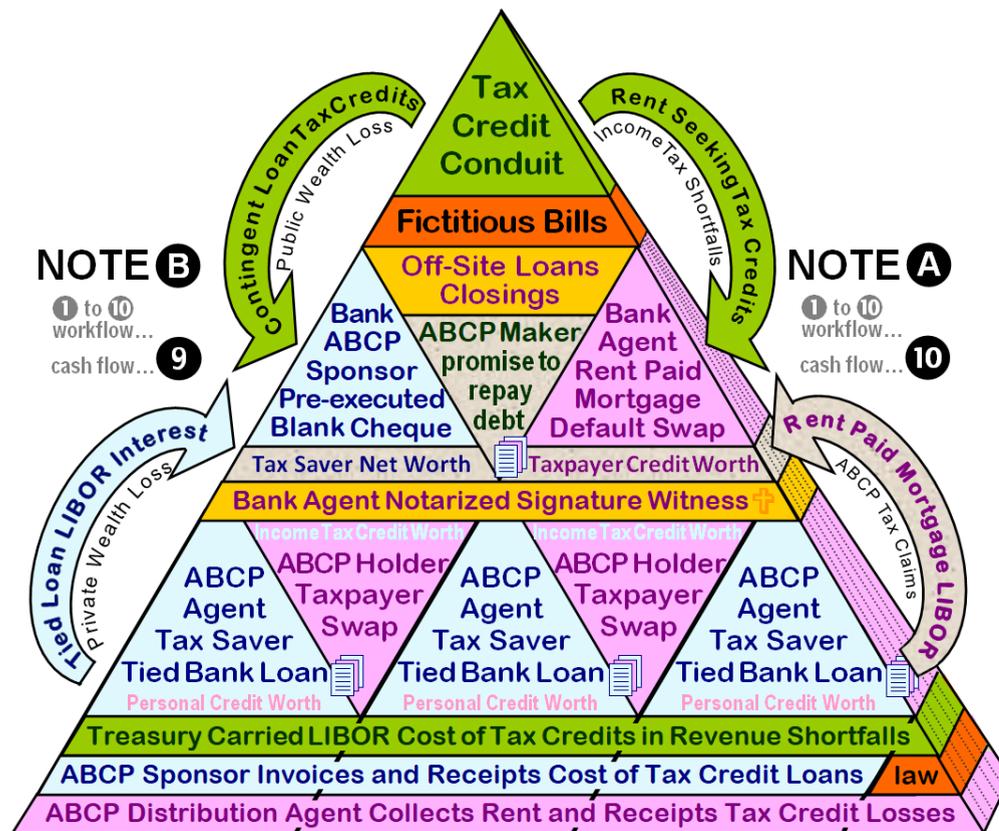
He realized what he'd done was sign private and public credit notes.

He did what he could to explain fictitious bills and recommend a bank transaction control number for a more transparent account of banking where interest on unreal principal cost of money generated a profit on paper laundered through a conduit of tax credit savings loan accounts.

ABCP reps witnessed gullible taxpayers sign codependent Retail Bank and Shadow Bank promissory notes copied to trade in public and private markets at the same time to bill subprime mortgage derived interest twice over until mortgage failure to rollover in default of notes to collect.

The analyst drew Ponzi pyramid how a 'Fictitious Bill' accounted interest on principal on 'Tax Credit Conduit Ponzi Interest Cash Flow' due to 'ABCP Maker promise to repay debt' in 'Off-Site Loans Closings' with 'Bank Agent Notarized Signature Witness' who signed Note B in Step 9 was one and the same person who signed Note A in Step 10.

### Tax Credit Conduit Ponzi Interest Cash Flow

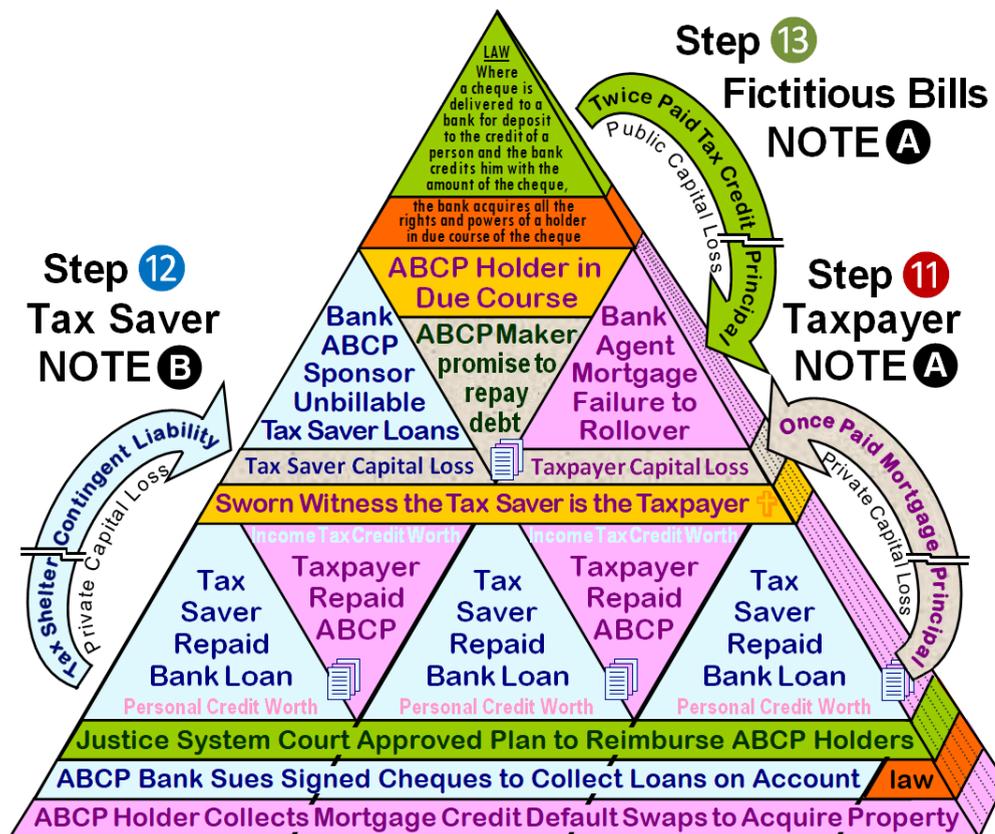


Ponzi cash flow followed bank step-transaction workflow to sign fictitious bills including the 'ABC P Maker promise to repay debt' transferred to the 'ABC P Holder in Due Course' in the Confoundation way of bank law.

The analyst still didn't know bank process what to code in principle, so he carried on defining bank procedure regulated by the rule of law.

He drafted a 'Tax Credit Conduit Ponzi Principal Losses' pyramid to show 'Tax Saver Repaid Bank Loan' and 'Taxpayer Repaid ABCP' behind 'Private Capital Losses' how tax shelter property was acquired in Steps 11 and 12 due to 'Once Paid Mortgage Principal' at taxpayer expense, and bank 'Twice Paid Tax Credit Principal' in the 'Public Capital Loss' of a 'Court Approved Plan' in Step 13 to pay his 'ABCP Holder in Due Course' given bank-paid 'Sworn Witness the Tax Saver is the Taxpayer' sued in dishonor of 'ABCP Third Party Notes' is money owed to 'Fictitious Bills'.

## Tax Credit Conduit Ponzi Principal Losses



Robby Ducky did good work as a system analyst for the bank, and he was a good witness with good recall of securities fraud, which authorities didn't want to know. They pushed back, especially lawyers who blocked his way through a 12 year legal quagmire geared to obstruct justice.

His dictionary defined the 'Fictitious Bill' that raising capital from using someone else's credit on loan is known as 'Kiting'. And that what he'd actually signed was a tax-credit 'Windbill'.

Robby Ducky still didn't know bank law, except that ignorance is no excuse, and lawyers wouldn't tell him. He found it later, long after judgment for the collecting bank. Nor did he know the bank agent was noted in default to defend in perhaps the longest played out obstruction of justice in Confoundation legal history for the briefest Case Law:

***'The essence of the defense in this matter is that the appellant failed to read the loan documentation when he took out the loan or at any point in the following ten-year period when he made payments on the loan. The loan documentation makes it clear there is no genuine issue for trial in relation to the Bank'***

Robby Ducky remembered the package he'd seen and signed in 1989. He recalled how his accountant obtained signatures and reported his tax for 10 years through 1999. He would never forget the bank lawyer lied when he denied codependent cheques on account in 2008 to avoid trial, which judges accepted as true and refused to reconsider in appeal for trial in 2009. He thought it was over in 2012, but there was more litigation yet to harass through 2017.

When the police refused to prosecute, lawyers told Robby Ducky no law was broken to lay a charge that would stand up in court. It was a good description of bank law he still didn't know, but would soon find out to enjoy humor in the joke, *"What's the best way to rob a bank?"*

The answer is *"To buy one"* ha ha-ha. But, that's the moral hazard in tax deductible securities fraud when true dough loonies raid the bank.

Robby Ducky was spellbound by the language of law that he had to find a dictionary to follow reason for injustice, which lawyers pled and judges ruled from legalese... it was always confusing and he could never get it straight. In fact, it rearranged all his thinking in his head.

~~~~~

## **Ruffled Feathers**

One day a large parcel arrived by courier and Robby remembered what he had in mind to promote his storybook spoof on banking. It was his famous '*Sitting Duck*' costume. He was keen to see it as he cut through red tape and paper wrappings to open the box.

He looked at the soft yellow velvet layered with subtle fringes.

He had dressed like this in drama school and said, "Yello my friend".

Robby pulled out huge piles of yellow material which he spread out to a cartoon shape of a flattened duck. He thought out loud as he held it up in front of him. "Perfect," he said.

Robby Ducky's duck costume was more amusing than convincing. It was complete with a look of feathers, wings, legs, a goofy head with big eyes, and a wide orange beak. He took it to the bedroom where he stepped into a middle opening to climb into the bodice.

He looked at himself in the closet mirror, and simply had to smile.

The gear was wired to a metal frame and he giggled as he fiddled with a belt buckle he remembered not to jump when it clicked into place. The body swelled out with a bulge in the back for a tail.

He removed his glasses and picked up the headgear that except for a beak and feathered topknot fitted like a ski-mask balaclava.

He stretched it over his head and began to connect Velcro tabs to fasten tightly round his neck. Then he wriggled his arms through loopholes to attach floppy wings to his elbows and his hands down to loosely fitted mittens padded for effect. It was really good.

Robby bobbed and flapped his wings to admire the heady birdy look of his costume in the mirror. It was a funny outfit and him still wearing his blue jeans, two skinny legs made it look ridiculous.

The paperback writer smiled as he thought he should have read instructions to dress first in yellow tights to cover up his legs, and orange-cloth webbed feet over his regular walking shoes.

Robby was thinking about ‘*Sitting Duck*’ loans to write a fiction from his ‘*truth-of-the-court*’ transcript that read like comic relief. He knew he couldn’t actually name real people in such a fantastic story of imaginary credit made up in his name. The court had ruled no credible evidence for trial and his lawyer warned Robby Ducky the bank would sue him if he ever published his tort of conversion collecting bank experience.

He wrote a storybook sleazy tax shelter scheme that all he really wanted to do was implement a transaction control number for more transparent banking. It was a matter of redemption, but as Robby looked at a stupid big yellow bird with denim blue jean legs... he began to get cold feet.

The phone rang.

Robby as a ducky turned quickly and stepped out of the mirror. He was hampered with metal fittings that weighed on his bum and overstressed legs. It made him step an awkward gate that he waddled and swayed as he reached down to pick up the phone. The yellow bird bibbed and bobbed and slowed to an unsteady but at least an upright station. The costume designer would have been pleased to see the effect.

It was a struggle for Robby to be upstanding and he lashed out his wings trying to keep his balance. He couldn’t help his arms lunge forward as he grabbed the sides of the table to stop from keeling over. He stood and crouched over the phone with his beak touching the table top and his tail in the air.

Robby paused to take a breath.

The phone was in front of him and he tried to read the telephone number on the call display. The bell kept ringing as he squinted, but he couldn’t read it without glasses. It was impossible anyway. There was a veil in the hood that hid his human eyes behind big painted black dots raised up in huge white crescents.

He could just make out the speaker button, so he pressed it to hear the caller on the phone. It was the bank’s overenthusiastic lawyer. Robby remembered the blatant lies he read in the court transcript. He would never have called Cegaul “*my friend*,” never. He tried to lift his head off as he pushed and pulled one way, then the other. The bank lawyer had no idea of the commotion he was talking over.

If the Gallows Prosecutor had wanted Robby's head it wouldn't be easy to lift and separate right then and there. Velcro fasteners held on tight like feathers to a sheet. Robby could hear plastic tearing sounds that blocked his hearing what the lawyer was saying for the bank...

He became deaf to his own heavy breathing and ever more and more exhausted from such an insane and terrible struggle.

Robby gave up trying to get his ears out of his costume head to listen.

He calmed down to try to hear through billowing downy over his head. He spoke up the best he could, and the lawyer assumed the distortion was simply due to a poorly connected telephone line.

The MOB lawyer had already written Robby Ducky the bank had decided to continue suing its loan to collect. This call was to confirm the lawyer's problem with banknotes, which Robby had left as money in his office to pay his legal costs having won summary judgment no-trial for the bank.

Robby's counterclaim had forced the MOB to deny connected notes and concomitance to avoid trial of Confoundation bank law

It was evident Mickul Fudgit gathered signatures for the MOB and that sworn witness notarized by Mykel L'Æmori conjoined people who signed cheques as persons of the same name subscribed to tax avoidance. But not Bobby Ducky who refused to sign the tax shelter deal. Still, and even so, the bank had forged a cheque in the stylish hand of Sally Van Scrawl.

Now after years in court, Robby had to pay judge ordered debt to the bank with a cheque for \$80,000 and \$30,000 delivered to its lawyer signed as counted cash received receipted in his office.

But, the bank lawyer phoned Robby's lawyer to complain he had been shortchanged a thousand loonies.

The lawyer for the bank was angry in a controlled composed sort of way that comes with court experience of legal practice. It was about his court award. "There's two issues," he said, "First we can't take cash. And second, we're missing \$1,000."

"I paid all the money you wanted."

“You shortchanged us a thousand dollars. Are you saying that the girl at the desk took it?”

“I’m not saying that.”

“You have to make up the difference.” The lawyer demanded.

Cegaul had written he wanted Robby to come back to his office to pick up the cash and repay his due with cheque. “We can’t take a large amount of cash, we want you to take it back and give us a cheque. Or, a banker’s draft, we can meet you at the bank and we’ll put it in the bank lawyer’s account.”

Robby Ducky decided he would rather go to the bank with a draft than handing more cash to its obviously psychotic lawyer. It was strange and he enjoyed the dark humor in seeing a cashier fill out a bank draft made out in the President’s name of the MOB signed with a rubberstamped logo and stenciled signature to do the job. He delivered it in person to the Head Office on Buy Street. It should have been enough and Robby hoped it would end the affair given that someone signed to remove paid writs.

But right now the lawyer was shouting at Robby on the phone.

Robby had read the bank letter. “You’ve been paid,” he quacked. But the lawyer was unaware of the bank effect of his call on Robby Ducky. How he struggled to keep his balance, “You’ve threatened to sue me all over again. You don’t make idle threats.” Robby gasped as he raised his voice. “You and the MOB terrify me. I’ve given you the money you scammed. What is it with you? And money?”

Mr Cegaul struggled to explain his problem with money as much as Robby did trying to keep his head under the weight of his costume.

“I’m really not threatening you, sir. Look, your wife can come here and sign a cheque if you feel uncomfortable.”

Robby was much more than uncomfortable.

The heat in his silly costume was hot like a furnace. He was sticky with sweat that ran down his neck filling his shirt collar that he wore was becoming totally soaking wet.

The lawyer was as short of temper as much as Robby was short of breath. "I can't breathe," Robby gasped. "I can't breathe..."

The debt-maker tort conversion collector was oblivious to any stress caused while he tried to add more reason for Robby to listen. "The bank will sign a mutual release."

Robby found the energy to speak from anger within.

"I don't want a release. I don't want anything more to do with the MOB. I just want you and the bank to stop suing me."

The line went quiet and Robby continued to struggle in frustration of all the bank confusion.

"I don't understand anything in this." Robby spoke his mind. "It's not possible. It never ends. How is it you got all my evidence of your fraud thrown out of court? I just don't understand it."

The lawyer had been on the phone several minutes. He couldn't say anything about the court judgment. Even he'd had enough.

"You lost, Mr Ducky, I will talk to the bank and we'll see if they want you to sign a release. OK? Goodbye."

Robby lifted the handset and let it drop into its cradle as the lawyer hung up, and he was disconnected.

He made his way to the bedroom to get out of his sweaty garb.

Robby finally freed his head and looked at his soggy tousled hair and sickly greenish face over his fat yellow belly on blue legs reflected in the mirror. It was an appalling sight. Robby saw it out of focus, and it was then that he realized the depth of his despair.

He stared at the mirror until he was calm enough to decide how to get a bill downy off his back. He finally stepped out of the charade to move aside and let his costume drop to the floor. He was more than ready to sit. He looked about and saw a stool to park his butt in front of Bobby's dressing table at the other side of the room.

It was 10 years the MOB sued its loan and called him a '*Sitting Duck*'. He objected to being named after a trick loan, but he saw it in the mirror, and he said, "Yes, I'm a Sitting Duck".

Robby rested his real head with his hands holding his chin as he looked into the mirror angled towards the mirror in the closet door behind him. It created multifaceted reducing kaleidoscope images going back forever.

He could see himself from where he sat in front and backward images of continuous reflections of MOB towers in contracting views of Buy Street in the summer haze of faraway smoke and mirrors.

He saw himself coming and going frontwards and backwards, in a weird world of bank system computations financial confutations.

He could see through the enormity of the scheme. Robby spoke to all his mirrored images. "Money lies in Confoundation."

"Banking isn't just a one way street. It has to balance credits and debits coming and going," Robby said. "Sitting duck loans go one way, sovereign debt the other."

Thoughts of accounting nonsense filled his head. "Where do homeless accountants live?" he asked himself in the first mirror of himself as he pointed a finger in ever diminishing rear view images back to himself. He paused... "Tax shelters," he chortled.

Mickul Fudgit had quite a story to tell and he would have squealed if the MOB hadn't been forced to let go scot-free.

Robby knew why the bank lawyer had to lie in court to avoid a trial. Apart from Mikey getting Bobby to sign another blank cheque for a secret commission loan to sell another tax scam for the rich... the bank didn't want the world to know how it looted the Treasury and robbed the Queen of Confoundation and all of the Commonwealth.

He questioned the mirror, "Did the Queen lose money from my signing sovereign debt?"

Robby answered himself and he said, "Yes she did." Then he sang '*In Praise of Notes in Red*' that floated round his head.



He whispered, "I would like to apologize to the Queen for my part in her sovereign debt."

He had written a cryptic note on a loonie bill. 'Does' above a picture of a youthful Queen and underlined 'pay' in the legal tender part, 'I promise to pay the bearer on demand the sum of 1 dollar.

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DRAFT

## **Newcomers to the Money Game**

Bobby understood why Robby had wanted to write his Queen but was sure it would do no good. They'd moved to Confoundation not knowing its reputation as the ultimate '*Wild West*' in the Commonwealth.

The Queen watched over old law they knew from back home for new law in Confoundation Robby and Bobby didn't know was different. The Queen still watched over judges who chastised Robby for his conspiracy theory. And, the Queen still watched a judge dismiss evidence against the bank and accept a Factum from a lawyer to replace the one Robby had properly filed in court. And the Queen witnessed the bank deny the coexistence of one promissory note to avoid trial of codependent others.

Bobby thought, "Who's to say a Queen isn't a card in the game?" She shook her head to get rid of banking notions in her mind.

A doctor released Robby with advice to Bobby to help him to relax.

But, Robby's lawyer didn't want Robby to relax, and he pressured the Ducky's the very same day to sign releases to discontinue counterclaim defenses against the MOB for the sake of Robby's health. "You see what happens. They say these cheques evidence a bank loan. Even a photocopy is good enough. No judge will ever let you to challenge it in court. It's time you signed what the bank wants. It's time to quit."

It wasn't what Robby wanted to hear from another lawyer who seemed just as determined as all the rest to obstruct justice as the previous lawyer from Oink and Company was not the right man for the job.

Robby instructed the latest lawyer argue the bank invoiced 1 tax shelter scheme at twice its unit cost. He still wanted to litigate his counterclaim and filled out a Motion for Particulars to explain his evidence before the court. So he engaged another lawyer to sue his previous lawyer who had turned out just as crooked as all the rest.

Robby knew his evidence would never be allowed in court. His lawyers wouldn't do anything except bill their fees and quit.

"I'm here to protect you," the latest lawyer said. "You need parties to sign mutual releases, or else the bank will sue you for years to come."

And so, a lawyer drafted a proposal how the MOB would remove paid writs if the Ducky's quit counterclaim defense, and eventually he phoned he had agreement that everyone else would quit.

But once that was done the latest lawyer for the Ducky's quit.

Once again they had no legal representation. It was hardly relaxing.

The lawyer for Avaloan filed a Motion for Particulars which was due for hearing just days away. All the lawyers were bent on contortion and confusion and Robby Ducky had to file a *'Motion to Respond'*, which his previous lawyer had said would be used in discoveries.

Robby Ducky knew defending against the MOB without a lawyer would be futile. Neither Robby nor Bobby could figure out why their lawyer had quit when they'd pretty well given up. They assumed it was betrayed that made everything so hard, just to keep up.

"I returned the duck-suit," Bobby told Robby in bed.

"It's okay, I think I need a bulletproof vest," he wasn't really joking as he answered, "I don't think I want it anymore."

"Mmm." Bobby glanced at the time on a television screen that spelled out tickertape news. "It's half past crazy," she teased. The news showed a young Queen speaking at the United Nations and much older today, she celebrating 50 years of democracy, it made Bobby think. "Will you still write the Queen about your sovereign debt?"

Robby looked at the ceiling from his pillow, "Maybe," he said.

Bobby watched pictures of fire bombs and people waving banners.

"Working longer to retirement isn't so cozy in France. There are millions of protesters, and fires on streets, all over the country."

Robby listened as Bobby read the news he didn't want to watch.

"A Prime Controller across the pond is having a party to celebrate a new coalition. They're singing songs and saying nice things for power sharing because it takes two to quango," she was joking.

Bobby paused on news about austerity and service cutbacks.

Nothing seemed real in the news as she carried on.

“The right complains about labor pains. They say the left, left them in debt. The Finance Minister promises to balance the budget.”

“He says he will be firm but fair. They say they can’t cut spending on defense, so they’re going to eliminate child allowance to pay for the military. A Lord in the House of Lords complains welfare feeds and breeds poor people, so he’ll vote for the cut.”

“What about welfare helping rich people breed.” Robby spoke up. “Saving a billion on child allowances is nothing compared to a trillion to rescue banks. If it wasn’t for that there’d be more to go round.”

“The Minister says he has to act to make sure taxpayers won’t have to pay triple interest-on-interest-on-interest to banks ever again.”

Triple interest got his attention. Robby looked and repeated headline news the same as Bobby. “They have to tighten spending in the billions to keep a triple-A credit rating for banks. They plan to reduce a record deficit of 11% domestic product to 2% in 5 years. Just listen to the spin.”

He looked on in disbelief, “There’s no need to bailout Confoundation banks because they’re the most regulated and best in the world.”

The newspapers were not as flattering about the economy outlook as the CBC. Bobby gave finance pages to Robby to read the ‘*Austerity Gamble*’ headline and, ‘*Welfare State Takes a Pounding*’ detail on another page.

Robby studied the strange ways of financial numbers. “They lose several billion a year to tax fraud so they’re going to spend 1 billion to reduce it. I expect that’ll be the billion they took away from children.”

Robby read the article. “They’re cutting programs 15% including what they spend on the Royal household. The opposition objects to the cost of it. They say the government is too ideological. Isn’t that fantastic? There’s no debate about ideology. They’ve just got us all worked up about austerity, child allowances, university fees, and more working years and less in retirement.”

Young and old took to the streets in unison about paying so much more for getting so much less. When a student put a boot through a political party-head office window, it made front page news. G20 leaders spoke of economic stress in the world.

“They say there’s a currency war, so they’ll launch a trillion QE2 on a tidal wave of debt that’s going round the world.”

Bobby carried on reading highlights. “They can’t print debt is money fast enough. It costs more than a dollar to print a transparent dollar and they’ve already printed a 100 billion \$100 plastic see-through bills they have to destroy because they don’t fold the way they should.”

Robby read about the defective money. “They’re going to burn it,” he said, “at least it’s transparent,” but it wasn’t really funny.

Lawsuits landed all over, everywhere. Fall Street News reported a banker was convicted a 150 year jail sentence for having made off with \$9billion bonus on a \$65billion scam.

Confoundation rule of law was much quicker in justice for a wayward Buy Street banker who sued a photocopy of a forged cheque 10 years to collect that never made the news.

“They’re forced to liquidate public assets to payout private liabilities. A government in the EU has cut \$5billion from its social services and has increased tax \$10billion to pay \$100billion borrowed at 5% from a bigger member that borrows its own money at 2%.”

Bobby paused for breath and gasped, “I can’t keep up with this.”

Robby read an ‘*After the Crash*’ account by the Prime Controller of the 2009 G20 Summit. They’d met briefly at a Fall Street Future of Finance Initiative where Robby had been a Confoundation delegate. They’d shared a few forgettable word about the trouble with banks that didn’t impress and had no effect on anything.

Reviewers quoted quotable quotes from the PM’s memoirs. “The PM says the crisis started with subprime mortgages, but he blames the banks for having to nationalize a rock that might not have been a national bank, but more an offshore company.”

“He did write that banks abuse clients, it’s here,” Robby read, “If there is no criminal law and thus there are no criminal prosecutions to deal with these flagrant abuses, there should be... he must’ve thought about it.”

But Bobby wasn’t impressed, “He’s a hypocrite,” she said, “You made a case at the G20 to ‘*Strengthen Underwriting Standards*’. No else one did that. All he did was reward his cronies. He didn’t follow up to criminalize what banks do when he knew they were breaking the law. He could and should have, it’s that simple.”

Robby agreed, “The ‘*Kircoddy Donkey*’ didn’t get great reviews, but he did sum up what happened in just 3 words.”

“So tell me,” Bobby said waiting to hear.

“Capitalization without capital. That was his mantra in a nutshell.”

Bobby wondered. “Did he say who capitalized what, or who?”

“No, he blamed the deficit on £50billion bonuses paid to bankers.”

“Well you wouldn’t expect him to say banks laundered non-bank notes to make money on bogus claims for tax credits, eh?”

“He must have known.” Robby said tight lipped. “I did explain it.”

Bobby was sympathetic. “They have to ignore you my darling. He was Shadow Chancellor so he must have known. Democracy only gives a person 1 vote in 5 years. It’s long enough to ignore you.”

“It’s such a massive scam you’d think they’d do something.”

Bobby knew her husband didn’t want to sign a release for the bank and its agent, and their accountant, but lawyers said the MOB put a lien on their home, which they would not clear without getting their releases.

“So, are you going to write the Queen how her judges made you repay a trick loan because they blamed you for her sovereign debt crisis behind their global credit crunch?”

“They told me to follow the money, which I did in system analysis. It shows the law is obviously geared to defraud by design.”

“Do you know the law?”

“I’ve absolutely no idea. It’s all a big secret.”

“I don’t think bank system analysis will amuse the Queen.”

“Ha, ha, that’s very funny,” he chortled. “I’d never have known if it hadn’t presented 2 cheques in its documents.”

Bobby had become philosophical, “It was my loss too.”

“But it’s very complicated,” Robby said. “If the MOB hadn’t paid our accountant to get your signature with mine and if the bank hadn’t been so greedy to close another sale... to fill out another cheque...”

Bobby said, “We’d never have ever known, eh?”

Robby smiled, “Judges don’t want the Queen to know either.”

“Mine was the second note which the bank told the court didn’t exist?”

“Yes, the first one was rubberstamped to the MOB from me.”

Robby was thoughtful, “I’ve no idea why it was filed as evidence. It’s as though they wanted me to find it. Yours was handwritten by a banker to pay the bank an allied amount in words and numbers, and rate of interest, and date, and everything,” he said.

He was quiet for a moment, “I sometimes think they wanted me to prove signature identity theft is legal for banks to convert notes to cheques to sell things and then cash up from judgments for judges to collect.”

“That’s so scary! No wonder they had to lie to avoid trial.”

“It’s scary to think judges rule bank law for shysters to collect!”

Robby Ducky still didn’t know what the law was. He had no idea.

Bobby Ducky had seen how lawyers and judges carried on in court and people suffered the same heavy-handed lawyering as Robby in more courtroom shenanigans scheduled yet to come.

“It doesn’t make sense judges ruled that you knowingly saved income tax credits into your own financial ruin and notional national debt.”

“It doesn’t make sense until you realize private banks steal from public wealth,” he said. “It’s unbelievable.”

“I still don’t understand why they told you as much as they did.”

“I know! That’s the part that bothers me. They didn’t just tell me, they gave me tons of stuff to connect the dots.” He looked at the bank system workflow, “It seems they wanted me to figure it out.”

Bobby laughed, “There’s not many understand systems like you.”

“Mm, the bank defined it well enough in the business system objective.” Robby read the bank’s memorandum about funding Kaleidoscope limited partnerships. “It announced the MOB’s objective addressed to a list of managers that described Kaleidoscope as a bank project, **“To acquire and own an income-producing retail store and office commercial building at 41-43-45 Façade.”**

“That’s what the MOB did,” Robby smiled, “That’s the scandal,” he said, “And they didn’t like my Ponzi charts either, nor the handwriting analysis who filled out 2 cheques” he bemoaned.

Bobby looked at his system analysis. “You’ve just got to tell your story for people without a PhD to understand.”

But, Robby Ducky still know the law, which he had no idea was the real dark secret of banking.

All he knew was a Superior Court judge ruled Summary Judgment for debt without trial of a seemingly criminal bank that apparently forged cheque to collect through the justice system.

Then, the Court of Appeal endorsed its lower court ruling.

Madam Justice told Robby Ducky he could not have not possibly misunderstood his misfortune to the bank in a double negative.

**“You could not have not known you had a loan.”**

Eventually he found a Dictionary of Law with Old English words rooted in Latin that translated legalese to explain bills, cheques, and notes. He realized all his debt was money born of a promise to pay, and he learnt about the Windbill used to raise capital in financial markets.

That was 2009. Litigation continued through 2011 with all releases and consents signed by the Ducky's to get the MOB to clear paid writs with Affidavits of Subscribing Witness of Consent notarized by lawyers to be rid of claims and counterclaims before the court.

It was a famous case and Robby and Bobby Ducky were heroes in their own secret bankbook story. He became a bank whistleblower in 2012 and joined a Committee on Monetary Economic Reform with old comers in a *'Think Tank'* wanting to change bank law.

But he still had no idea what law it was to change.

That didn't become clear until 2020 with 20-20 hindsight Robby Ducky finally understood bank law. He reviewed Petition 44 bank system design and he added 44 small print words of bank law wherever they belonged.

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## **Contorts Turn Slowly in Justice**

Contorts turn slowly in justice that people hardly notice.

It was back in 1989 when Robby Ducky became a sitting duck to a bank selling secret-commission loan tax deductible securities fraud how bank stars converted tax credit/debits to tax debit/credits owed the rest of us.

The scam was a package deal that a taxpayer signed mortgage contract in the first part and a tax saver signed a blank cheque in the second part of a secret commission loan codependent tax shelter scam. By definition the secret part was concealed in 1989 and remained hidden until 1999. That was when the Ponzi collapsed and the bank sued to collect by rule of law in 2009. It was years later in 2020 when Robby Ducky discovered '*Bank is Never Wrong*' law, which had been passed some 50 years before in the 1960s. Lawmakers had conspired to construe conjuration in the Confoundation rule of law book to confiscate the commonwealth.

The '60s and '70s were Confoundation tax-scam heydays; the '80s was the tail end when Robby Ducky started to save tax to invest instead of paying it. It seemed a like good idea at the time. His tax deal played out some 30 years from 1989 to 1999 until the bank sued to collect in court from 1999 to 2009 in the wake of a financial disaster called the Global Credit Crunch, then 10 more years in justice higher courts of law.

The government commissioned a university professor to study the 2008 crash and the implications for regulation of financial markets for the Expert Panel on Securities Regulation to consider consumer safeguards. The 2009 ABCP '*Debt Crisis*' Report was published about the same time as honorable justices ruled summary judgment for tort of conversion to the collecting bank. The report included an ABCP '*Acquire-to-Distribute*' model that labeled bank confiscatory ways and means including roles and responsibilities, which Robby Ducky pleaded for trial denied.

It was incredible to watch Confoundation rule of law unfold as one judge after another refused the hapless Robby Ducky his day in court to plead evidence of alleged criminal banking that was plain to see.

And then the way it happens how history tends to repeat itself, judges came down on the taxpayer class action for clarification of bank law that a judge who refused trial at least advised people to change the law.

Academics in Confoundation universities studied bank law, and several professors published their concerns about the bad bank effect.

***‘Where a cheque is delivered to a bank for deposit to the credit of a person and the bank credits him with the amount of the cheque, the bank acquires all the rights and powers of a holder in due course of the cheque.’***

Lawyers knew Confoundation law literally vindicated a bank blameless in all cases that it could even plead its own wrongdoing in legal defense that a trial judge had to rule no wrongdoing construed of unprincipled law is lawful, even despite of real defense.

It was a brilliant contort to defraud with impunity. That the mere delivery of a cheque to a bank which gave credit to a person transferred all rights to the bearer of the cheque in due course for whatever amount filled out by the bearer, or whoever was its maker for its holder to collect.

Few had a real defense like Robby and Bobby Ducky, who still had no idea what section 165(3) bank law was, or why judges favored the bank.

But the MOB and its agent Mykel L’Æmori and bank-paid witness sales rep Mickul Fudgit did know bank law. The accountant practiced it on his wife at home. He witnessed her signature, which L’Æmori notarized for the bank to credit how much to fill out a cheque to the bank to transfer loan proceeds to L’Æmori who closed tied loan selling tax shelter deals.

Kaleidoscope mortgages failed to rollover on schedule after 10 years tort.

So, when the MOB went through secret commission tied-loan cheques used as evidence of debts to collect there was a problem with one their own who knew the rules filed a real defense that tested the law.

Cyn Fordoe, Mykel L’Æmori and Mickul Fudgit were professional cons. Not to mention Phil Morsacs, but the MOB was a special case.

Fudgit also sold Kaleidoscope to his company lawyer and they all enjoyed the benefit of saving tax credits until subprime mortgage in default with its contingent secret commission loan tied to selling sued by the MOB.

They filed conjoined defenses the bank must prove its claim in court.

***‘The defendants further deny the amounts due and owing as claimed and puts the Plaintiff to the strict proof thereof. The Defendants therefore submit this Action be dismissed with costs.’***

The bank loan-paid witness representative put the burden of proof of law on the collecting bank.

Paradoxically, either party could plead neither or both were legal. One or the other did wrong. But not one right, the other wrong, or even vici versa. How could a judge rule one or the other more or less guilty, when both prayed for judgment on the same side of a potentially criminal act?

The conundrum was due to the Defendant pleading lawfulness of the same law as the Claimant’s right to sue the rule of law in principle. The case was dismissed. What else could any self-respecting judge do?

So the MOB turned on a confused and contused Robby Ducky without a lawyer in his defense of bank contorted law.

He still didn’t know the law and he continued to think about workflow and cash flow that he recommended a universal bank transaction control number would resolve lack of transparency in the banking system.

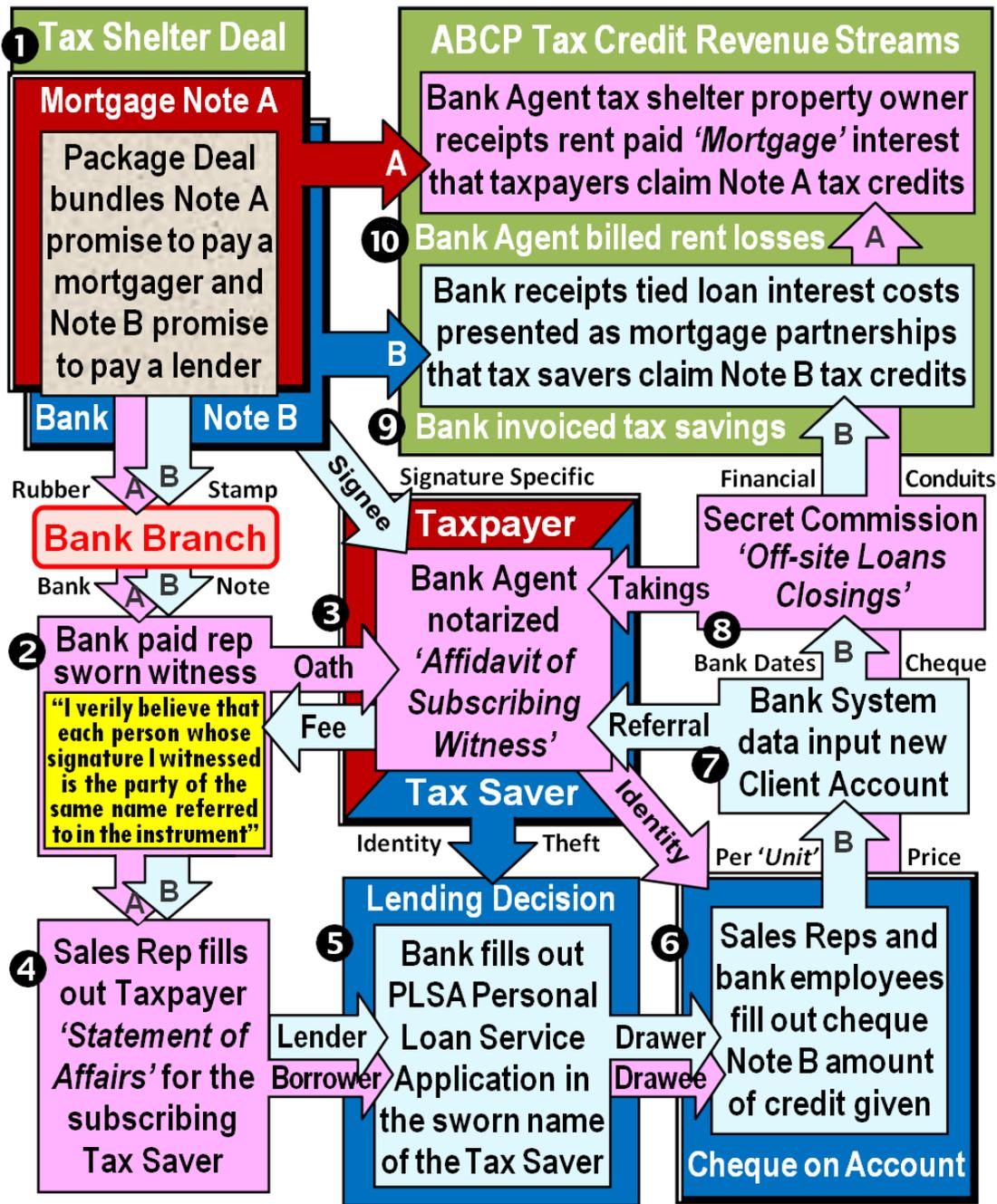
The lawyer for the bank persuaded the judge to disallow workflow and handwriting analysis and a lawyer who had quit representing Ducky swapped the Ducky’s factum for another with no defense, and the lawyer for the bank denied comingled notes as conspiracy theory, it was easy for a judge to rule debt without trial for the bank.

Still, a judge allowed Robby Ducky to question the bank in discoveries when it witness denied its second note existed, and testified under oath, ***“But there’s no secret circle of funds.”***

The very idea of a secret circle of funds got Robby Ducky to think less about the Ponzi setup, and more about tax-credit money, and where it went in cash flow, which after 10 steps, had 3 more to go.

The system analyst drew a block diagram from workflow to follow the *‘Signature-Specific-Identity-Theft’* step transaction how the bank agent notarized a bank-paid *‘Affidavit of Subscribing Witness’* to identify the taxpayer and tax saver as being one and the same person.

# Ten Step Bank 'Off-site Loans Closings' Securities Fraud

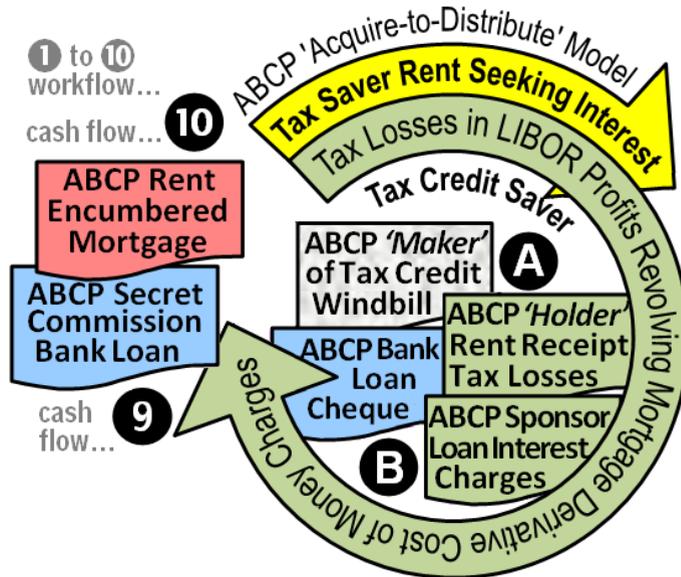


But Robby Ducky still didn't know bank law, or purpose of a signature affidavit that had yet to understand how it played out in the big picture.

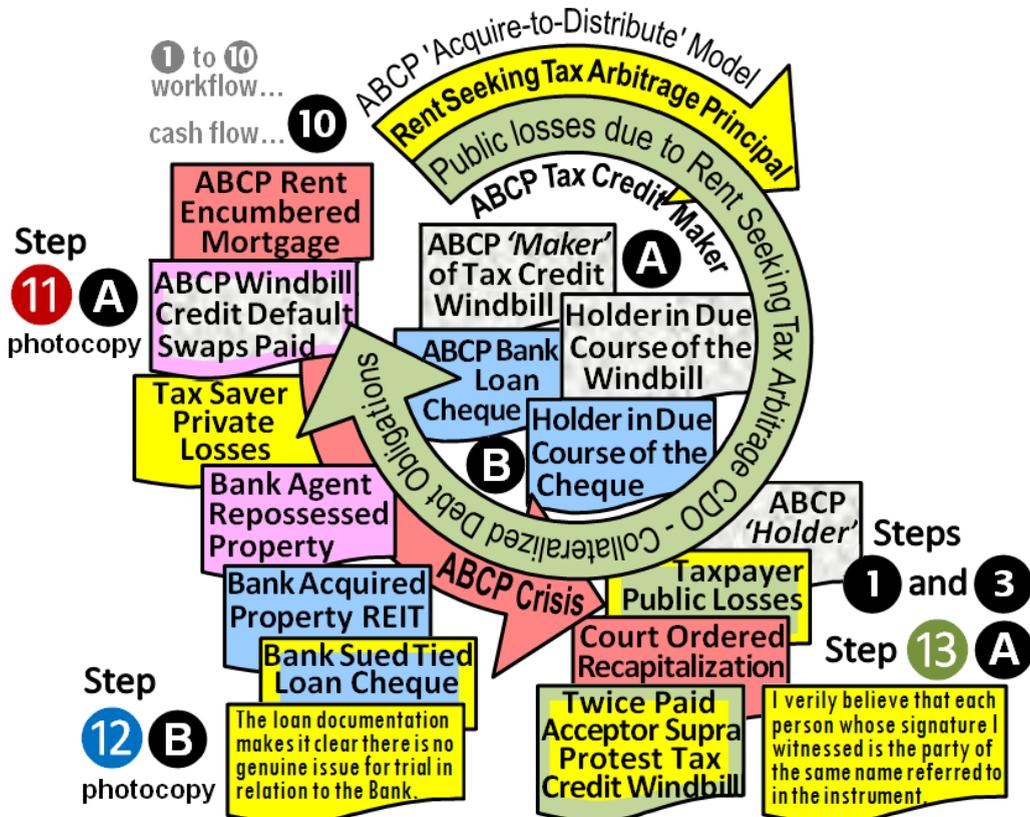
Robby Ducky turned a page to illustrate how a Windbill turns.

# Thirteen-Step Transaction Tax Credit Windbill Cash Flow

## Duplicate Promissory Notes Tax-Credit Windbill Interest



## Double Presentment Twice Paid Tax Credit Windbill Principal



Bobby was pleased, “Good that’s better than workflow,” she said.

“It’s a bank secret circle of funds after secret commission tied loan sales.”

“The bank lawyer made you think of it,” Bobby cooed, “didn’t he?”

“Most of the lessons were in court,” Robby understated, “it’s an unbelievable conspiracy theory.” He grinned, “Everything they said was over my head. This is tax-credit Windbill interest. What do you think?”

Bobby could see Robby’s Windbill turn, “It’s good,” she said.

“I didn’t know what a Windbill was until a lawyer told me.”

“It’s a *‘Thirteen-Step Transaction Tax Credit Windbill Cash Flow’* from the bank effect of secret commission loans.” Robby indicated the rotation. “These are *‘Tax Credit Saver’* Notes **A** and **B**, which keep on turning the *‘Tax Losses in LIBOR Profits Revolving Mortgage Derivative Cost of Money Charges’* in Steps **9** and **10** until its failure in default.”

Robby defined the legal principle how to monetize counterfeit principal.

“It isn’t just swapping signatures. It’s also duplicating promissory notes to charge interest on the tax-credit Windbill principal to cash twice over. Step **10** continues to mortgage failure in Step **11**, which is *‘Public losses due to Rent Seeking Tax Arbitrage Principal CDO– Collateralized debt Obligations’* in *‘Tax Saver Private Losses’* due to *‘ABCP Windbill Credit Default Swaps Paid’* on account of the *‘Bank Agent Repossessed Property’* and *‘Bank Acquired Property’* and then the *‘Bank Sued Tied Loan Cheque’* in Step **12**.”

“You made them struggle to collect, eh?” Bobby sounded pleased.

“They struggled more for the rule of law in principle than principal.”

Bobby had gotten used to cryptic clues, “Go on then, tell me.”

“Do you remember how quiet it was until the bank came back?”

Robby looked at Bobby. “Well they wanted a judgment to rule a Case Law to uphold the bank effect of making sense fake money.”

Robby pointed to Step 12 again. “This is the law they sentence debt without trial,” he read it from the chart, but he knew it by heart. **“The loan documentation makes it clear there is no genuine issue for trial in relation to the Bank...”**

“It’s very crafty,” Robby tapped his finger on Step 13. “The property went back into a REIT in bank capital markets. Then we had the ‘ABCP Crisis’ when ‘ABCP Holders’ sued for ‘Court Ordered Recapitalization’ of the ‘Twice Paid Acceptor Supra Protest Tax Credit Windbill’ owed to Note A in ‘Taxpayer Public Losses’ in Step 13.”

“Was it another photocopy?”

“I think it was the one I signed as a tax-credit Windbill ‘Maker’ in Step 1 before bank-agent notarized bank-paid witness Step 3. It identified me as the tax saver of the same name in dishonor as the taxpayer liable to the ABCP ‘Holder in Due Course’ in Step 13.”

Bobby paused to catch up, “That was 1989 wasn’t it?”

“Tax-credit interest on principal started in 1989. I repaid the photocopied amount when the bank agent defaulted on his mortgage to collect his CDS in 1999.” Robby pointed to Step 11. “Then I paid court ordered debt to the photocopied cheque in Step 12, in 2009. Then ABCP holders sued taxpayers to repay Third Party Notes, which I wanted my original receipt, but they refused, so I can’t help thinking Step 13 was the real thing.”

“It’s so contrived. How did you figure it out?”

“It was the way lawyers composed a lie in a sworn affidavit as if true.” He pointed to Step 13 and read the ABCP ‘Affidavit of Subscribing Witness’ as it was sworn in 1989 in bank workflow, **“I verily believe that each person whose signature I witnessed is the party of the same name referred to in the instrument.”**

Robby turned back a page and pointed. “The MOB presented cheques on an off-book tax savings loan account that had nothing to do with you. Fudgit got me to sign bank documents in Step 1 and he witnessed my ‘Signature-Specific-Identity-Theft’ in Step 3. All he had to do with your signature was give it to the MOB and it went straight into Step 8 to fill out another blank cheque on the account, and there it was gone.”

Bobby smiled, "They're certainly crafty with those affidavits, aren't they? I didn't know we had a checking account with the MOB."

"We didn't until they were written out and dated by the bank. Anyway, the judge ruled I could not have not known I had a secret commission tied loan. It was a secret, how could you have known?"

Bobby loved Robby Ducky. "Do you know who filled out the cheque?"

Bank **7** **New Account Record**  
*Foud ole 6027-750* **Nov. 30 1989**

ACCOUNTS OPENED

Transit	Account No.	Acct. Type	Dep. Type	<input type="checkbox"/> Passbook	<input type="checkbox"/> Cheque Return
	<b>3203-798</b>	<b>707A</b>		<input type="checkbox"/> Statement	<input type="checkbox"/> Cheque Return
<b>0351</b>				<input type="checkbox"/> Passbook	<input type="checkbox"/> Cheque Return
				<input type="checkbox"/> Statement	<input type="checkbox"/> Cheque Return

EXISTING BANK OF MONTREAL ACCOUNTS

Transit	Account No.
Transit	Account No.

PERSONAL SUMMARY

APPLICANT Title **MR.** Surname \_\_\_\_\_  
 CO-APPLICANT Title \_\_\_\_\_ Surname \_\_\_\_\_  
 Given Name and Initials \_\_\_\_\_

CUSTOMER AGREEMENT

I agree to the terms and conditions as shown on the reverse for the following and acknowledge receipt of the Better Banking Guide Personal Deposit Services.

Account Agreement  Joint Agreement  Senior Plan  Junior Plan  Basic Chequing Plan

APPLICANT INITIALS \_\_\_\_\_

Authorized by \_\_\_\_\_

**1** **December 1, 1989 \$110,354.00**

Branch **1-351**

On demand I promise to pay to the order of Bank of Montreal the sum of **One hundred and ten thousand three hundred and fifty-four** 100 Dollars and to pay interest monthly at a rate of **13.50** per cent per annum above the Bank of Montreal's prime interest rate per annum in effect from time to time, up to and after maturity, compounded monthly from the due date of such interest until actual payment at the above mentioned branch of the Bank of Montreal. At the date of this note such prime interest rate per annum is **13.50** per cent.

Value received.

**1**

DM1 - 6009-721  
 001 - 6009-748

**0351**  
**3203-798** **Jan 17/90**

**Call**

Jan 90	X 1	130.78
Feb 90	X 2	
Mar 90	X 5	
Apr 90	X 20	
May 90	X 70	
June 90	X 60	
July 90	X 100	
Aug 90	X 25	
Sept 90	X 25	
Oct 90	X 25	
Nov 90	X 25	
Dec 90	X 25	

**9**

**2** **June 29, 90 \$38,086**

Branch **1-351**

On demand I promise to pay to the order of **Bank of Montreal** the sum of **Thirty eight thousand + eighty six** 100 Dollars and to pay interest monthly at a rate of **1.0** per cent per annum above the Bank of Montreal's prime interest rate per annum in effect from time to time, up to and after maturity, compounded monthly from the due date of such interest until actual payment at the above mentioned branch of the Bank of Montreal. At the date of this note such prime interest rate per annum is **14.75** per cent.

Value received.

**1**

The First Canadian Bank / La Première Banque Canadienne

**9** **351 Main** **1**

Confirmation of Bank Charges / Confirmation des frais bancaires **Feb 27 1991**

In response to your recent request, the Bank of Montreal confirms the following Bank Charges paid during the year: **10.50**

En réponse à votre récente demande, nous confirmons par la présente, les sommes versées à titre de frais bancaires.

Interest on Loan / Intérêt sur emprunt \$ <b>1440.73</b>	Investment / Prêt déclaré par l'emprunteur # <b>6027750</b>	Service Charges / Frais de gestion \$
Treasury Taxes Paid on Your Behalf / Taxes financières payées en votre faveur \$	Safety Deposit Box Rental - Box No. / Loyer de caissonnement de coffre \$	
Around-the-Clock Depository Rental / Loyer du service de dépôt à toute heure \$	Safeguarding Charges / Droits de garde \$	

**2** for 90<sup>th</sup> investment # **2826.70**

**COULINE**  
 Manager / Le Directeur

Customer Signature / Signature du client

“Oh yes, it was the banker who counted and signed off LIBOR interest charges with a signed receipt as well. It was the signature that confirmed who did what next for the bank. All I had to do was connect cheques ① and ② in bank workflow and cash flow.”

“They looked at bank documents the court denied trial. “The bank setup a New Account Record in Step ⑦, on November 30, 1989 for the first cheque dated December 1, 1989. It tallied interest, January 17, 1990 and filled out the second cheque June 29, 1990 and receipted both in the total on February 27, 1991 in Step ⑨.”

Bobby looked at the cheque, “Nice writing,” she observed.

Bobby paused as she remembered the legal nightmare.

Robby sounded subdued, “I had no idea at the time,” he said. They did everything they could to keep it secret.”

“Never mind, we know they know we know how it works.”

“A lawyer helped me hunt for words, which he said were in a law book, which I found in the end.”

Bobby knew the book he was talking about as it included rule of law in the Bills of Exchange Act, 1882 and Notes of Law for judges.

Robby picked the book up and said, “Pitman’s Bills, Cheques, and Notes by Barrister Slater in 1907. It described what lawyers told me I had done to raise money on my own tax-credit worth written out in legalese as an ‘*Accommodation Note*’, saying for credit received, which was the ABCP Windbill I signed as a tax-credit ‘*Maker*’ in 1989.” He put the book down, “The trick is the tax-credit saver is me the principle debtor with me the taxpayer as identified as the ‘*Accommodation Party*’, which is me as my guarantor in case of my default.”

“That’s so incredibly clever,” Bobby confirmed her understanding, “So, that’s how you paid ABCP on private account as the tax saver and again on public account as the taxpayer, it’s hard to believe.”

“Yes, it’s called double presentment that launders tax fraud through private and public bank balances. That’s how it’s paid twice over.”

“The bank said it was conspiracy theory the judge refused to believe.”

“That’s not fair,” Bobby complained to Robby.

“None of its fair except it’s all the same for all taxpayers.”

“It can’t be legal?” Bobby was aghast. “Can it?”

“They judge each step transaction is legal, so no one goes to jail.”

Robby said. “The scam runs the law to a question of dishonor. I told the judge I had paid out the subprime mortgage as a tax saver in 1999, and I defended it should not have been claimed as a taxpayer debt through double presentment in 2012. But the judge said my objection to paying a promise as a taxpayer in default proved I was the tax saver in dishonor by my own admission, so they made me pay it again.”

Robby reasoned, “They have proof it was me. But you hadn’t signed it.”

“But the MOB had my signature?” Bobby wanted to know.

“Yes, it got your signature on a blank cheque, which they filled out for you to spend on a tax shelter scheme, which you didn’t buy, so you didn’t sign the congruent tax-credit Windbill. That was me; I signed it as the tax saver with sworn witness me being the taxpayer who saved me in my dishonor as a fool. You weren’t dishonored to need saving,” he said.

Bobby snuggled close to her hubby, “I’ll up hold your honor,” she said, “It’ll save you, and then you can save me, eh?”

Robby was happy, he’d pretty well worked out the rules of the game but he still didn’t know the law that banks always win and never lose.

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## Consolation Prizes

Robby Ducky still didn't know bank law, but he did know the system and he figured he could connect enough dots from the bank to its agent as well as the bank loan sales rep for trial. Others had their day in court with justice served for them as far as a judge could go.

But none for Robby Ducky, the lawyer for the bank was determined to avoid trial and used every legal and procedure trick to protect the bank at all cost. It wasn't long in litigation before anger got to name calling and blaming Robby Ducky for his own misfortune not knowing the law, and especially called a '*Sitting Duck*'. The insult toughened the defendant to stand up and fight, which he did, but with a bit of dark humor of his own that in his madness he latched onto all things ducky.

He doffed a yellow rubber ducky on a cap he wore in a video about the MOB. "*I have to take my hat off to the bank,*" he said, tipping his cap by way of introducing '*Sitting Duck*' loans.

And in politics, he sewed a little yellow duck on his orange cap and one on his orange tie. He felt good about it, especially when a television news show producer had to lift his name from the bottom of the screen to the middle, to hide his little ducky. The constant ups and downs between his name and others gave away the politics.

He ran on Petition 44 for an investigation to strengthen bank law.

Petition 44 was endorsed by a Federal Party Leader and signed by some 2,000 constituents and read in the Legislative Assembly. But nothing more than that, and there was no follow up and no inquiry.

Robby Ducky was not so much upset about his own misfortune as he was about losing sovereign debt to organized crime. He wondered how many unnumbered secret commission bank-tied loans were being sued to collect. It had to be a lot, there were so many cases in the news.

He became a bank whistleblower in 2012. He put his electioneering garb away and he bought socks decorated with ducks along his feet and up his legs. It was a subtle badge of honor, and he loved to wear them.

Robby Ducky wrote a Private Information for Public Prosecution.

He beseeched his Queen and her High Officers of the Crown to change Confoundation law to safeguard financial consumers and protect taxpayers in case of criminal banking.

His defense how bankers made money from tax-credit Windbills made him famous. It was concise and precise and evidence of loan dependent tax deductible securities fraud was far too convincing for judges to let Robby Ducky have his day in court. The bank agent was noted in default of filing a defense, which was not hidden in another court and revealed for judgment in default. All the bank did was lie to avoid trial. It denied the coexistence of 2 cheques in the bank's own factum. The Ducky's factum was swapped out by a lawyer who had quit the file but appeared in court to interrupt and hand a condensed defense to the bench that the judge could pretend there was no evidence of wrongdoing by the bank.

Robby Ducky witnessed how crooked the Confoundation judiciary could be, and he wanted nothing more to do with it, ever again. He focused his thoughts on need for transparent banking and he recommended a bank transaction control number for a collective account of private and public wealth. But as time went by he was drawn into an even bigger lawsuit, which old comers sued the Bank Governor to clarify bank law.

The lawsuit was in the news, and the Plaintiff asked Robby Ducky to appear as an expert witness about computer job control language rule of law to program technology binary ones-and-zeros compared to principle of law, which is tried and sentenced as it has always been for years, long before computers, in so-called Ruly English.

Ruly English was new to Robby Ducky but he recognized the language structure, which like a computer program is assembled with a compiler, which adds rule of law to socioeconomic system analysis. He wasn't fluent, but he had methodology to decipher and arrange legalese as a working model of bank coded ways and means. Translation took time, which was a problem. It meant taking notes and going back over court records, but it worked. He learnt how to connect step transactions 123, and label bank workflow in easy to read ABC notes. It was a bridge to fill the gap between his technical knowledge and bank law, which he still didn't know, except through analysis, he was slowly catching on.

Robby Ducky compiled a '*Pocket Money to Ruly English Dictionary*' guide to his secret bankbook story, which was timely with good reviews.

Money was as mesmerizing to Robby Ducky that any shell game would fool him, if not defraud, in front of his eyes. Lawyers took him as a fool.

People might never have heard of Windbills if it hadn't been for judges' critical review of Robby Ducky's secret bankbook story in the news and bank conduct round the world. Readers thought of his whistleblower battle with the OSC was a modern day Don Quixote tilting windmills.

Bobby wondered, "Is it a Windbill, or a Windmill?" she asked.

"Either, windmills before 1882 when lawmakers defined Windbill law in the Bills of Exchange Act. They're credit notes that people sign to insure another person's debt. I signed a tax-credit Windbill as its '*Maker*' that made me liable to its '*Holder*'. Contaging is a trick that the borrower and guarantor are twinned as one and the same person. The tax saver con-signs tax credits guaranteed by taxpayer to invest who takes the risk."

"That's incredible. How can you say that?"

Robby prickled, "That's the trouble, it's done, but I don't know the law."

"Still, you know how to change legal fiction to real money."

"Ha ha," Robby chuckled, "Well, if I ever discover bank law, I'll go back to bank system design and I'd rewrite everything in a second edition."

There were others writing books about banking which were published in Confoundation. One writer created a '*Think Tank*' for economic reform which ran seminars and annual conferences. He was 93, when he sued the Bank of Confoundation governor for declaratory relief in a taxpayer Class Action that that a judge would clarify the meaning of bank law.

Robby thought he was too old at 60 to continue battling the MOB, but an old comer 30 years older stood up to the Central Bank. One day the protagonist asked Robby Ducky to appear as a bank system witness to testify for the Committee for Monetary and Economic Reform, which he agreed and the lawyer for the committee who explained the claim.

The old comer wanted to restore the Public Bank to its original purpose of issuing cut-rate loans to print money how citizens used to prosper in a thriving economic system with the benefit of cheap and steady money.

The second part of contort concerned criminal banking and the claim centered on declaratory judgment for the court to clarify the principle rule of bank law in the best interest of taxpayers in the great divide.

The lawyer positioned the constitutional challenge that alleged financial harm due to the LIBOR cost of a dollar borrowed from a foreign private bank printed offshore is more expensive than a Public Bank loan to print its own national loonie printed onshore billed as legal tender.

In the claimant's lifetime... a trillion loonies more!

The \$1,000,000,000,000.00 taxpayer claim was as scary to judges as it was to the Confoundation Bank governor who fled overseas to a new job as Governor of the Commonwealth Bank, as the King would soon retire.

A select committee was formed to review contenders to fill the position.

When the government invited public input Robby Ducky sent his whistle blower testimony to Parliament to review the bank star candidate alleged to have harmed the economy not proven in court. It made no difference. They didn't want to know, they acknowledged received input, but that was all, indeed as one carny mark to another, he needn't have bothered.

Back home in Confoundation, the departure of the Governor of the Bank was news as the taxpayer Class Action continued in nationwide news that the television talk show journalist asked the constitutional lawyer what he hoped for from the ruling?

***“My hope is that the Court declare that the government is bound by the legislation. It cannot simply handover that decision making to foreign private bankers,”*** the famous constitutional lawyer said.

The taxpayer Class Action also alleged fallacious account of tax credits hidden from the Treasury not reported in the budget. The lawyer was very clear the case before the court was about breach of Magna Carta rights especially, *‘no taxation without representation’* principle.

That was what Robby Ducky really wanted from the court. He found the meaning of ‘constitutional challenge’ in Black's Law dictionary, which among various torts the *‘Contort’* case before the court for a judge to define deregulated banking, taxpayers needed to know.

Robby Ducky thought of law an art, the same as accounting. He could understand it when he saw it in bank system analysis. Indeed, he was eager to review and update his workflow and cash flow diagrams with whatever words their Lordships chose to define the literal principle of bank law and practice compared to rule of law coded in system design.

The Contort was filed in court in 2011. The Crown and the Bank first line of defense was that a political issue was not judiciable, which a judge ruled against trial in 2012. The committee filed for leave to appeal, and the court conceded the litigant could amend the taxpayers' claim.

The committee was buoyed and Robby Ducky was ready to do his best to be a good witness in this case. He ordered a transcript of the hearing to study pleadings for trial, and defense of the still departing governor.

The Crown lawyer for the Bank defended the government could choose to borrow private debt from a foreign bank to print public money into national currency was chosen. He emphasized the importance of the budget process to keep a proper and transparent account, but he argued the wisdom of law is not in the bailiwick of a Confoundation court.

The Crown argued a government may not always act in the best interests of taxpayers, which is politic sport, and that the court, which is a private place to enforce law, and not a public place to debate the rule of law.

The judge wanted clarification, *"So in... in blunt terms, you're telling me if Parliament wished to act in an incompetent way, that's up to Parliament?"*

The lawyer for defense was ruffled, *"Well, your Lordship is certainly using blunt words. It's not for me to say whether, these are..."*

And the justice said, *"No I'm, I'm pitching it at a hypothetical..."*

The lawyer for taxpayers played on humor, *"Parliament can be, they can be, as nincompoop as much as they want, as long as they don't inflict constitutional violations."*

The judge laughed in appreciation of a political put down in legal wit, *"Heehaw, that's very reassuring, thank you, tshew."*

*"I know, but that's the law,"* the contort lawyer continued dryly.

*“However, that’s not the case before you. The case before you is that there is an executive breach of a constitutional requirement by the Minister of Finance with respect to the budget process and that as a result the legislation that comes out of Parliament breaches the constitutional right to no taxation without representation.”*

The lawyer explained the issue, *“Why? The MP’s are blindfolded. What is missed is the primary duty which is constitutional in the budgetary process outlining all revenues and expenditures as historically evolved from the Magna Carta and tied to the constitutional right to no taxation without representation.”*

There it was again, Robby Ducky wrote it down as fast as he could.

The contort lawyer continued the case before the court, *“I set out the codification of these principles in section 53, 54, and 90, and then state that by removing and not revealing the true revenues of Parliament, which is the only body which can constitutionally impose tax and thus approve the proposed spending from the speech from the throne, the Minister of Finance is removing the elected MPs’ ability to properly review and debate the budget, and pass its expenditure and corresponding taxing provisions through the elected representatives of the House of Commons.”*

Robby underlined ‘codification of these principles’ to check on later.

The lawyer referred to sections of law that allowed clarification, *“Well, you’ve got the Elections Act, with the right to vote, which is codified under section 3 of the Charter; you have a Minister of the Crown who’s subject to a federal tribunal under section 2 of the Federal Court Act, and section 17 of the Federal Court Act which allows for actions for declaratory relief.”*

Robby Ducky was learning which section of law mattered as the lawyer summed up the contort conundrum, *“So you have federal actors under federal legislation who are breaching constitutional norms and rights with the effect of extinguishing a constitutional right of no taxation without representation.”*

There it was again, it sounded more like a Magna Carta loophole.

But the lawyer for the Crown had the last word and he wanted proof of financial harm, so he pressed the individual and collective point of view.

*“I see no private rights at issue. In addition, they claim to be acting for everyone impacted in a way that translates into the infringement of an individual or collective right. If the rights of all are impacted, then the individual Plaintiffs will be able to describe in accordance with the rules of government pleadings how their individual rights have been breached, but they have as yet not been able to do this.”*

Robby Ducky thought of financial inequity across the great divide, which he described as systemic fraud how banking breached taxpayer rights. He had defined tax deductible securities fraud and the redistribution of private and public wealth when true dough loonies raid the bank.

The lawyer referred to democratic society, *“We say that is one component of the right to vote, the right to represented. And we say that was not breached here. An understanding of section 3 emphasizes the right of each citizen to play a meaningful role in the electoral process is also... of a full range of reasons that individuals participate in the electoral process, and that is why it is of such importance to a free and democratic society.”*

The judge concurred, *“That’s true. But I, once again, the bottom, er, your bottom line I think is, you’re telling me, if you have a problem with what occurred here, your complaint should be to your representative... and not to the court.”*

*“That’s exactly it, yeah... Yeah, that’s my submission.”*

“That was the bottom line,” Robby told Bobby Ducky. “I don’t think the taxpayer will get his day in court, if you ask me.”

“What can you do?”

“I don’t know, and I still don’t know bank law in the system.”

The rule against all taxpayers came down about a month later.

A committee meeting discussed legal options largely focused on judicial procedure that the 100 year old taxpayer could still appeal for trial at the recommend of the constitutional lawyer. People discussed the option in a meeting on video for a press release and the legal process started with paperwork for a motion for leave to appeal before the Supreme Court that continued into the following year.

A member thought to file a Motion to Appoint an Assessor to measure the financial impact, which the lawyer for the Crown suggested required if there was a trial. And, Robby Ducky filed his academic work how IEITC– Improperly Earned Income Tax Credits hid revenue shortfalls from the Treasury not reported in the budget in breach of Magna Carta principle, which was the banking issue before the court.

But lawyers and judges were quick to crack down to disassociate the committee member they threatened with legal costs if he didn't retract his motion to assess the facts in the case before the court. A judge ruled Rule 74 to purge and be rid of unwanted motions and testimony on file.

Pleading for leave to clarify bank code of law ended in 2017 when judges ruled against trial of law and fiscal account of it in the Confoundation budget process. They gave no reason for refusing the proposed taxpayer Class Action, which denied the 104 year old taxpayer his day in court.

He died in 2019 at the age of 105.

Still if nothing else Robby Ducky had done knocking his head on a legal brick wall. It was little consolation. He had learnt lots of legal tricks and courtroom shenanigans from the school of hard knocks, which was over, but for now, at least he could relax.

Another consolation in justice against trial of law was that the judgment advised taxpayers to complain about nincompoops in Parliament. It was still up to Robby Ducky to find the legal meaning of bank code of law how it fit into binary coded ways and means of bank system design.

It wasn't until Robby found bank law in academic works he realized it was not in court papers or mentioned in proceedings. In reflection, the law was not mentioned in committee that plaintiffs sued for clarification of law not knowing what it was. The mystery was courts seemed to know which law was not cited for declaratory relief they refused to judge.

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## **True Dough Loonies Raid the Bank**

Robby Ducky's head was pummeled through years of lawyering.

A retail bank sued a forged cheque some 12 years until judges ruled the bank case to collect individual debt without trial is legal rule of law. And,

A Central Bank defended a taxpayer Class Action for clarification of bank law that questioned the budget process for 8 years until judges purged financial and bank system analysis to nullify Magna Carta principle of no taxation without representation in the collective case is legal rule of law.

The Supreme Court denied trial of a taxpayer Class Action confronting the government and private bankers cannot raid the public bank.

Litigation is not for the faint of heart to fight a battle over legal fiction.

Law was just as stupefying as fascinating to Robby Ducky who from his own experience of legal fiction was refused in peer review. But, at least he had 20 years of quackery to write a crazy bankbook story.

Lawyers and judges put so much into blocking truth in justice he had time to think and write Magna Carta Loophole Gullible Taxpayer Law, which was published in 2019. It examined the contort heart of the court and he was glad to include the audio record and essays from the court transcript just to stay in sanity.

The Crown lawyer had pleaded the case, *"...there's no constitutional duty of presenting the federal budget to Parliament in a manner sought by the Plaintiffs, and the truth of the matter, My Lord, is that the Plaintiffs are not able to point to a constitutional provision, a section of the Constitution or a section of the Charter that says this is the way the Minister of Finance must present the budget."*

The Crown lawyer implored, *"...there is no breach of the principle of no taxation without representation. This starts at paragraph 12 of the factum. The principle of no taxation without representation is codified in section 53 of the Constitution Act. That principle, I submit, means that there may not be any taxation federally unless the tax is levied with the authority of Parliament. And respectfully, there is no pleading that it wasn't done in this case. So there has been no breach with respect to the budget."*

The bank lawyer also referred to Magna Carta, “...*Parliament is master of its own procedure in this country, the doctrine of legitimate expectations, the best that can do is it will grant procedure rights. My friend makes reference to the Magna Carta, which we know just celebrated, of course there were many Magna Carta, but the one from 1215 just celebrated its 800th anniversary. Our position is that it is important in a legal landscape, but it doesn't really bind, and it can be, it's amenable to ordinary legislative change. Our submission is that it doesn't assist the Plaintiffs to say, well, there is something like this in the Magna Carta.*”

The judge questioned the legal consequence, “*So if a bill comes before Parliament and the information is defective, I mean there is not enough information in it to make a meaningful decision, the remedy is what? You're telling me this...*”

The Crown explained democratic process, “*Well, I guess the remedy is this, is that we have elections every at least five years, the Constitution mandates. So the remedy would be is that people would vote in a party that would pass a different law.*”

Robby Ducky was just as amused as the Plaintiff in court who simply laughed out loud at the absurdity of a single vote changing the law the Crown contended... “*Now this, of course, subject that there are no constitutional problems with the law, which we are quite aware, that the law doesn't appear to ask state actors to enact in a way which would be subject to judicial review.*”

The judge condensed the question to legal nonsense, “*So, are you saying if Parliament wishes to pass legislation without having full wherewithal, the full knowledge of what the legislation is all about, that's okay?*”

The lawyer for the Bank and the Crown was glad the judge spoke broadly for all state actors, “*That is up to Parliament; because, my next point is that Parliament is supreme in its deliberations.*”

Robby Ducky told Bobby what he thought the case was about, “There's no contest,” he said. “It's flimflam. The taxpayer lawyer told the judge Parliament can be as nincompoop as much as it wants as long as it doesn't violate constitutional law, and the Crown lawyer said Members of Parliament have the power and right to be ignorant whenever they pass law through legislation. Even the judge thought it was funny.”

But Robby wasn't very convincing because he still didn't know the law.

"They say ignorance of law is no excuse, don't they?"

"They do," said Robby, "But apparently not if you're making it."

"So, which was the bank law you wanted the judge to explain?"

"I don't know," Robby confessed. "All I know it has something to do with hiding tax credits from the budget that it can never balance."

"Wasn't that the system error you presented in court in 2009?"

"They said it was a conspiracy theory and not credible defense for trial of the bank, but this time they used Rule 74 to have the item purged."

"Is Rule 74 bank law?" Bobby asked.

"No, it's a rule of procedure that wasn't in the pleadings."

So, once again Robby Ducky didn't get his day in court, but he did what the judge advised taxpayers do if they didn't like what had just happened to a taxpayer Class Action to change bank law.

He complained to his representative to about the judgment and for a Private Members Bill to close the Magna Carta loophole. It was the NDP Petition 44 déjà vue all over again. One Member of Parliament after another refused to look into million dollar tax-credit losses, a billion, or a trillion that judges refused to assess the financial impact.

The irony was the Prime Compounder told Robby Ducky there was no public interest in private charges on national debt.

It would be funny in a story if it wasn't true.

One day Bobby Ducky shouted Robby, "They're talking about '*Sitting Duck*' loans. It's on the news, he's wearing your socks," she pointed to the television and turned the volume up.

Sure enough, the scene showed G20 world leaders seated in a row of white leather chairs along the world stage of an Economic Forum.

The camera closed in on head and shoulder conversational views until it came to the Confoundation Prime Controller where the camera zeroed in on socks, then the person with his legs crossed and his hands in lap.

Robby listened to his speech a while, but it was nothing for him to get excited. "What do you mean, he's representing me."

"Can't you see his socks, isn't it just for you, my little Robby Ducky?"

"Wow you're right." Robby closed on the screen with his readers to see. "Those are great socks. Mine are red for being in debt." He concentrated on yellow ducks stitched into bright blue socks and whatever it was the Prime Controller had to say didn't really matter anymore.

It amused Robby, "It's great, but he's not representing sitting ducks."

They laughed, and Bobby said, "Well he's still saying something."

"His socks are saying more than he is," Robby said, "Mine are red, he might be pulling his socks up, or he's just pulling my leg."

Bobby watched and listened, "He's talking about Confoundation values, honesty, integrity, accountability, transparency and that our banks are the most regulated in the world and that they're always right."

"I don't need to see any more." Robby clicked off, "It's like a bad dream," he said.

It was a few days later Robby told Bobby, "It's a '*Quasi Tort*'."

Bobby was used to Robby's legal bombs. "Really?" she said wondering what he was talking about this time.

"You were right about the World Forum and bank is always right law."

Robby tried to remember, "These laws were passed when his father was in office. They didn't tell me," he said, "It's too late now."

"It's never too late," Bobby commiserated, "How do you know?"

"University professors criticized my case," Robby said happily.

“This is a *‘Tort of Conversion by the Collecting Bank’* paper,” he said about one, “And this is the *‘Bank is Always Right’* law,” about another.

He was excited, “It’s taken me years to put it in my dictionary,” he said. “It’s all about tort, which is Confoundation bank law section 165(3).”

Bobby looked somewhat blank, and Robby carried on.

Robby Ducky looked at the *‘Bank is Always Right’* paper to read the law: **“Where a cheque is delivered to a bank for deposit to the credit of a person and the bank credits him with the amount of the cheque, the bank acquires all the rights and powers of a holder in due course of the cheque.”**

“This is section 165(3). It’s great! This is the law made for making sense fake money. It doubles Catch-22 to Catch-44 in 44 words that bank stars can literally plead their own wrongdoing is legal defense.”

Bobby smiled knowing it best to say nothing.

“Look,” he said pointing to section 165(3), “It goes right back into my bank workflow, ABCP sales, secret commission loans, tax-credits, cash flow, charts, everything.” He looked very pleased with himself.

Bobby was fed up with Robby reworking system diagrams, “I thought you’d done with all that...”

“I thought so too,” he said, “But, now I know the law, I know where it goes, and how it works in the Magna Carter Loophole.”

Bobby knew it was Robby’s news and she let him enjoy his moment.

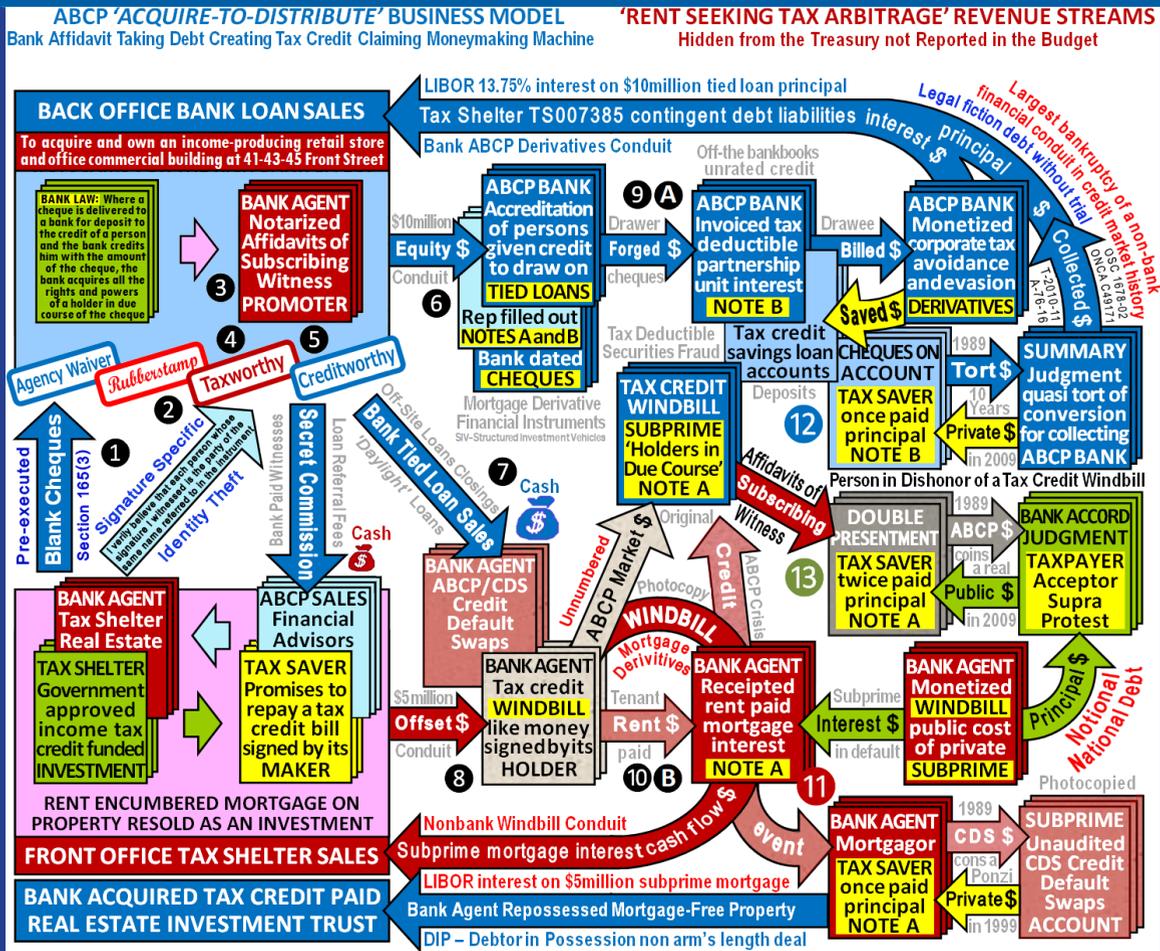
“It’s all here in the big picture,” he said, as he showed her a poster to advertise his Pocket Money to Ruly English Dictionary. “I can explain it in just a few minutes, a couple or three, but quick is what people want.”

Bobby had her usual comment, even about his book cover, “It’s busy,” she said, but she looked and read title from the top, “catchy title.”

“That’s what I want,” Robby was enthusiastic; “I can read a few words of principle of law at a time while I follow its rule of law by numbers.”

# MAGNA CARTA LOOPHOLE GULLIBLE TAXPAYER LAW

“Any taxpayer can sign a promise to pay money for a private imaginary dollar as a tax-credit Windbill ‘Maker’ that a Treasury conversion will coin a public notional-national-debt real dollar to its ‘Holder’ in due course.”



Crawford’s Pocket Money to Ruly English Dictionary © illustrates the law how to be most in debt, hidden from the Treasury, not reported in the budget, which is Magna Carta Loophole twice paid tax-credit Windbill deficit dollars.



“I have no doubt there are tens if not hundreds of billions of dollars that should be collected by the world’s fiscs that are not, because of the kinds of tax arbitrage that you describe.”  
Larry Summers, Former US Treasury Secretary



“The wealth of our middleclass has been ripped from their homes and then redistributed all across the world. But that is in the past, and now, we are looking only to the future.”  
Donald Trump, US President

“Can you explain it in 5 minutes?”

“I think so,” said Robby, “But, it’s not disproved in court.” He read the title and then the subheading,

**“Any tax saver can sign a promise to pay private money for a tax-credit ‘Windbill’ imaginary dollar as a taxpayer tax-bill ‘Maker’ that a Treasury conversion will coin a public notional-national-debt real dollar to its ‘Holder’ in due course.”**

“You signed a promise to make money like that?”

“Yes.”

“How’s it legal?”

“Bank law makes it legal. I’d say from our experience with lawyers and judges that our Case Law makes it even more legal. I didn’t know the law back then.” Robby confirmed, “It’s different now I know the rule of law and legal principal in context with bank principle,” he said.

Robby explained his color coded chart, “The bank in blue is allied with its agent in red to target tax savers in yellow who cheated taxpayers in green to invest tax savings in rental income real estate,”

Robby showed Bobby the tax shelter scheme brochure. “This is the rental income real estate the MOB conspired to acquire,” he said.

Robby illustrated the business relationship, “It’s a bank-within-a-bank front and back office tied loan ABCP sales in the bottom left front and back-office bank loans shown above it, in the top left.” Robby read the bank business objective to acquire commercial real estate from the bank lawsuit ‘Plaintiff’s Brief of Documents’. “It’s here at Tab 45 of 95.” Robby smiled and read, **“To acquire and own an income-producing retail store and office commercial building at 41-43-45 Front Street.”**

Robby read his Ponzi chart headings, “Which is exactly what happened,” he said. “This is the MOB’s ‘Acquire-to-Distribute’ Business Model on the left.” He moved his pointer from left to right. “And this is rent seeking tax arbitrage revenue streams hidden from the Treasury not reported in the budget, on the right.”

“It’s a fantastic bank affidavit taking debt creating tax credit claiming money-making machine,” he said.

He pointed back to front office tax shelter sales, “Government programs incentivize taxpayers to invest income tax credits to buy tax shelter schemes, which in this case the property developer sold his own rent encumbered mortgage on his commercial real estate as an investment.”

He described front office sales, “A tax saver promises to pay a tax credit bill signed by its maker that ABCP reps handle tax shelter agreements for the property developer and tax shelter promoter in the back office who is a bank agent. He delivers signed but otherwise blank cheques in Step ① with a ‘*Signature Specific Identity Theft*’ bank ‘*Agency Waver*’ in Step ② and ABCP sales rep swore witness, ‘***I verily believe that each person whose signature I witnessed is the party of the same name referred to in the instrument***’, which the bank agent affidavit taker notarized bank ‘*Affidavits of Subscribing Witness*’ in Step ③.”

“These steps implement bank law,” Robby pointed to read section 165(3). ***“Where a cheque is delivered to a bank for deposit to the credit of a person and the bank credits him with the amount of the cheque, the bank acquires all the rights and powers of a holder in due course of the cheque.”***

Robby stepped through MOB banking, “The bank is delivered blank cheques, which it rubberstamps with a bank logo as drawee and payee to assess tax-credit worth in Step ④ to credit personal worth in Step ⑤.”

ABCP bank accreditation of persons given credit could draw on tied loans in Step ⑥ that reps fill out NOTE ④, which the bank dated as a cheque to itself behind ‘*Off-Site Loans Closings*’ for CDS– Credit Default Swaps in Step ⑦. It conveyed bank agent tax credit Windbill NOTE ⑤, accepted like money signed by its ‘*Holder*’ in Step ⑧. Tax savings started when the ABCP bank invoiced tax deductible fraud with mortgage interest NOTE ⑤ billed to tax credit savings loan accounts in Step ⑨ and ABCP bank agent receipted rent-paid mortgage interest NOTE ④ in Step ⑩.”

Robby described the deal. “The scam sets up rent seeking tax arbitrage revenue streams hidden from the Treasury not reported in the budget,” he pointed to ⑨, “loan derivatives,” and ⑩, “subprime mortgages offset private income tax losses to public expense in notional national debt,”

“The ABCP Bank monetized corporate tax avoidance and evasion through the bank derivative conduit, here in blue,” Robby Ducky pointed, “And the agent monetized Windbill public cost of private subprime through a nonbank Windbill conduit, in red, until subprime interest on principal cash flow seized due to its mortgage failure in default,” he said.

Robby tapped Step 11 with his pointer, “A Step 11 credit event triggered CDS dollars with an unaudited payment of private dollars on account of bank agent mortgagor tax-saver once paid NOTE A. The bank agent as debtor in possession repossessed mortgage free property as planned that the ABCP bank acquired a tax-credit paid REIT – Real Estate Investment Trust from a scam,” he concluded with his pointer from right to left.

Robby lifted the bank agent tax shelter brochure into view, “In the way the bank agent collected its tax credit principal CDS amount, the bank collected tied loan principal sued for summary judgment of quasi tort of conversion by the collecting ABCP bank in Step 12 due to cheques on account of a tax saver paid principal NOTE B.”

Bobby interrupted Robby to question, “So, what’s a crazy tort?”

“Not crazy, quasi, it’s the fool and his money soon parted law,” he said, “*a wrong for which a non-perpetrator is held responsible, a tort for which one who did not directly commit it can nonetheless be found liable.*”

Robby looked at Bobby, “The bank sued 10 years until they construed bank law in a very brief sentence.” He found it in Case Law, “It’s here,” he read. **“...the essence of the defense in this matter is that the appellant failed to read the loan documentation when he took out the loan or at any point in the following ten-year period when he made payments on the loan. The loan documentation makes it clear there is no genuine issue for trial in relation to the Bank...”**

Robby pointed to his presentation heading, “That’s why it’s called an ABCP ‘Acquire-to-Distribute’ Business Model.” He pointed to bank law.

Bobby wondered, “If the MOB has law to forge cheques to collect, why did the bank have to sue you 10 years to prove it?”

“They wanted a president judgment notwithstanding real defense, which we had, especially with 2 cheques, to cite in Confoundation Case Law.

“The MOB had to lie to avoid trial, a judge had to deny trial of the lie, and appeal court judges had to deny trial of those in the lie in 2009. It was the same in the Class Action for taxpayers wanting clarification of bank law in 2017. Judges had to deny trial of bank law, and a Supreme Court judge had to invoke Rule 74 to be rid of bank system analysis purged from the court record.”

“What a rotten swizz. All those years in court, judges denied trial.”

“I know, but that’s what judges do. They couldn’t fault my theorem it had to be purged,” he said thinking of Step 13.

“Step 13 NOTE A is double jeopardy for taxpayers. Retail banks refused to hold illiquid tax-credit ABCP Notes and sued ABCP dollars that tax-credit Windbill ‘*Holder in Due Course*’ claimed all tax saver persons in dishonor of tax credit Windbills were liable to holders in the bank accord judgment, which is the taxpayer acceptor supra protest rule.”

“Okay Robby, what’s the acceptor supra protest rule?”

“It’s not another what, it’s another who. Do you remember Petition 44 to reopen an OSC file to investigate signature specific identity theft took by our accountant notarized by the bank agent back in 1989?” Robby saw she did. “A guarantor is acceptor supra protest, *“one who accepts a bill that has been protested, for the honor of the drawer or an indorser.”* Robby explained, “The taxpayer was me who repaid me the tax saver.”

“Tax-credit Windbill ‘*Holder in Due Course*’ sued dishonor of NOTE A, which was one of mine,” Robby said as he pointed to Windbill workflow and cash flow. “I think they represented my NOTE A, which I signed in 1989, and paid once in 1999, they sued for repayment in 2009.”

It was disconcerting for Robby to think lawmakers had written bank law to confiscate private and public wealth through court in justice.

He paused, “The ‘*Affidavit of Subscribing Witness*’ double presentment trick notarized by the bank agent as the affidavit taker when a bank paid representative signed an oath that identified me as the tax saver and also the taxpayer of the same name.” He moved his pointer to back office to show Step 3, “I wouldn’t have known if lawyers hadn’t shown me what judges do with affidavits.” He looked up, “Any questions?”

“The law makes taxpayers responsible and liable for criminal banking?”

“Yep. It’s big business. It goes against ethics professed by banks and the image our Prime Controller tells people about of Confoundation values. But it’s the same the world over. That’s why judges refused to hear the taxpayer Class Action for clarification of bank law.”

“How much did we lose?”

“We lost about half a million to promissory Notes and legal costs. The 2009 ABCP Debt Crisis Report was about \$117billion loonies, \$85billion in retail bank conduits and some \$32billion in shadow bank conduits.” He pointed to a picture of a former US Treasury Secretary on his poster he’d met at a pre-G20 meeting in 2009 and conference in 2014, he said, **“I have no doubt there are tens if not hundreds of billions of dollars that should be collected by the world’s fiscs that are not, because of the kinds of tax arbitrage that you describe.”**

“That’s an awful lot of money for taxpayers to lose.” Bobby said.

“Certainly is.” Robby said as he pointed to a famous real estate developer in a picture on his poster of the richest US President tax-credit billionaire in the world repeating what he’d said in his inaugural address in 2017, **“The wealth of our middleclass has been ripped from their homes and distributed all across the world. But, that is behind us and we are looking only to the future.”**

“Is it behind us now?”

“Not the way the way the OSC sees it. Tied selling was in the news that it’s as big a problem today as it ever was. The commission is looking into my whistleblower testimony file and I’ve written them to pass the reward on to our hospital.”

“Did the Supreme Court say why your testimony was purged?”

“No.” Robby remembered, “No, it was just denied peer review, no reason.”

Robby reflected quietly a moment and then said, “It’s strange to review the system prototype I made for the MOB I didn’t know it didn’t included a bank tax savings loan account number to show my credit rating.”

Robby looked at Bobby, “It’s not just my credit rating, it’s the national debt. You know poor standards that if banking was less moody, and more transparent, credit scores would have saved us all our loonies.”

“They don’t want your transparency they want to keep you in the dark.”

“Ha-ha, very funny,” Robby laughed as he looked at his poster. “Its funny lawyers didn’t want my bank system analysis in front of judges, yet it was lawyers who told me bank law and how it works in the end.”

“I don’t think they really care if you know how the law works in a system or not, or even if you tell people what’s wrong with the law, to repeal, or not. You can write all you want, but they know most people haven’t got time to read, all they want is time to work for money.”

Bobby was right, but Robby carried on writing to tell his bankbook story.

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## **The Return of the Prime Mover**

The reason Robby Ducky didn't know section 165(3), which lawyers and judges did know, but didn't actually name in the taxpayer Class Action for declaratory relief was a matter of security. The court had to deny trial of a secret financial weapon how true dough loonies raid the bank.

A Prime Compounder legalized section 165(3) in 1966 when lawmakers conceived to weaken the Bills of Exchange Act, 1882. It founded the tax invasion plan in 1974 with foreign private bank loaned money instead of national Public Bank loaned money to a political dynasty that started to raid the bank to enrich Prime Controller families and friends.

Life was more casual back then. People trusted bankers and lawyers who knew secret commission tied loan selling tax deductible securities fraud was legal. It was a dark secret that banks sued tort of conversion to collect debt without trial from legal Ways and Means.

Bankers explained the Global Credit Crunch was due to toxic loans.

Governments spread hubris everywhere to blame people it was their fault they borrowed more than their credit worth from a lending bank.

But not so bad in Confoundation where the government praised bank ethics and social values and rules of law why banks survived the credit crunch with little, or no, need for bailouts at taxpayers' expense.

The political landscape changed in the wake of financial collapse and the Liberal Party replaced a Conservative government in 2015. Robby Ducky had become a bank whistleblower in 2012 and it was 2015 when the lawyer for the Committee for Monetary and Economic Reform filed an Amended Statement of Claim for a *"Proposed Class Action Proceeding"*.

The Prime Controller said he could not comment on the taxpayer case before the court, except to say he didn't believe in its conspiracy theory.

The Prime Compounder focused on loopholes and blamed inequity on the middleclass advantage of claiming tax benefits not available to the average working class. He made a big deal of closing loopholes, but he refused to talk to Robby Ducky about fairytale economics in bank system design that binary code told a whole new legal code different story.

Robby Ducky had defined the bank system and its loophole deficiencies without actually knowing bank law. He modeled a computer system for the MOB to automate systemic fraud. It had been his job to prototype a bank system design business model in pseudo code for bankers to test on paper before implementation he remembered all those years ago.

The least he could do, apart from apologize, was urge for transparency in the 2017 tax plan which he did. The Prime Controller who once famously said his budget would balance itself and the Prime Compounder invited public input in the democratic way defining tax priorities.

Robby Ducky advised bank reform for accountability and transparency across the entire Central, Retail, Investment Bank system to close down the Magna Carta Loophole. The Finance Department filed his submission in English and French, and Robby approached his Member of Parliament to table it as a Private Members Bill for debate. But, the government was determined to include criminal code in the 2018 budget that Parliament could settle criminal matters in DPA– Deferred Prosecution Agreements.

Robby's tort of conversion and the collecting bank scenario was denied trial and the taxpayer Class Action for clarification of law was dismissed. Still, it was reviewed in academia, which Robby found to read in 2019.

Robby Ducky finished writing his secret bankbook story in 2019. He was done with system analysis. He had filed undeniable reality how bank law worked to defraud taxpayers through double entry bookkeeping and how single entry accounting hid true dough loonies from the budget process.

Bobby was on top of the news. "Do you remember the Prime Controller sacked the Justice Minister for not granting a DPA to a company wanting rid of corruption charges selling banned goods in restricted areas overseas?" Robby didn't answer. "She's running as an independent."

"It was a power struggle he said he need not apologize for supporting a company that broke the law if it gave working people a job to do."

"Well he apologized for impropriety. Look it, a foreign newspaper's leaked pictures of the Prime Controller at a fancy dress party," Bobby said. "He's says he sorry about his cloths and brown-face makeup that he mimicked and belittled minorities. He's telling people he hopes they'll learn from his mistakes, and not do what he has done."

Bobby announced results, “The Prime Controller and Prime Compounder are back,” she said, “And the former justice minister won her seat.”

Robby watched the results on television. “It’s come down to a minority.” The papers reported more the next day, “The opposition lost seats and its opposition status, but have enough for a coalition government, which the Prime Controller doesn’t seem to want. It looks like he’ll go it alone.”

In just a month, time passed quickly, the economy worsened and news of trade embargoes and currency wars took back page to broadcasts of a deadly flu bug gone viral round the world that everything changed to an economic lockdown and social lockup in fear of contagion.

The Prime Controller announced a pandemic economy based on medical advice social distancing and wearing face masks for personal protection and working from home, except essential services, the way we live now.

Parliament was reduced to empty seats with just a few representatives in session with others at home using personal computers and the internet to connect a minority government. It had the effect of a Prime Controller in charge of everything and announcing decisions like a town crier from the steps of home base as the only face of government.

“It’s terrible,” Bobby said, “They’re counting how many people die just to let us know. It’s been on the news every day for weeks. It’s hard to know what else is going on. You heard the Prime Controller got his way with a DPA for that company to avoid charges?” she asked Robby and told him what happened. “They settled for a \$280million fine payable over 5 years and 3-year probation order while they continue business as usual.”

They had lunch and Robby read a newspaper that he noticed something about a bank DPA, “One of our banks has paid a US\$127million DPA to settle a US CFTC– Commodities Futures Trading Commission and a US DOJ– Department of Justice lawsuit alleging illegal metal swaps.”

“How did that work?” Bobby wanted to know.

“It’s all here, a Confoundation bank placed orders to trade with no intent to execute they canceled deals at the last minute to manipulate pricing in financial markets. It’s called ‘*Spoofing*’,” he said as he passed the paper to Bobby to read for herself.

It reminded Robby of the Enron, “It’s a bit like Enron *‘prepay loans’* they’d borrow to buy oil in one port to ship to another to cancel on route with money on hand but not on the books.”

“Okay,” Bobby sounded edgy, “Well, there’s a scandal brewing that the Prime Controller and Prime Compounder have been caught *‘spoofing’* tax credit loonies given to charity to issue student grants for voluntary work billed through its real estate division.”

“I know,” Robby said, “It’s called WE, it’s in the news?”

“But there’s kickbacks,” she said handing him the paper.

“Wow that’s news.” Robby looked at the headlines. “The opposition wants an investigation,” he said. “The ethics commissioner is looking into it.”

“They’re going to investigate the Prime Controller?”

Robby read the latest news, “The Prime Controller has apologized for not knowing exactly how much WE paid his wife, and his mother, and his brother, about half a million to promote the organization, otherwise he wouldn’t have voted them a near billion sole source contract.”

“The Prime Compounder has also apologized,” Robby continued, “He has a daughter working for the charity which paid an overseas family trip to oversee tax donations where they went. He says he didn’t know it wasn’t billed, but now the trip’s in the news, he’s paid it to make amends.”

Bobby thought how many times she’d heard politicians apologize, “They lie when they say sorry they didn’t know it was wrong,” she said, “Didn’t bankers say they didn’t know what caused the Global Credit Crunch?”

“Well, they said banks do God’s work. It’s different in Confoundation. It’s strange as though politicians confront us with deregulation to defraud. As though they want us all to see,” he said. “It’s like a cry for help they want to off their crazy roundabouts and rollercoasters and just stand still a minute.” Robby looked up, “Wouldn’t you say?”

Bobby wasn’t having it, “No way! It’s their rides,” she said sternly. “We pay them and they take us for a ride. They’re all carny barkers, it’s us! We want off their roundabouts. It’s you and me. We want them to stop.”

“And I want you to stop. Stop trying to prove Confoundation bank law is geared to confiscate wealth and tax everyone to death. We know they do that! That’s what they do. Keep economics simple, like a fairytale. Eh?”

“How do I do that?”

“Leave it to me.” Bobby mused, “It’s a good cover, but just say the system is designed to work like a magic piggybank that stolen tax credits go in once, and real money comes out twice, on account of legal fiction.”

“Which book do you think people will believe yours or mine?”

Robby looked at Bobby without speaking...

Then they both laughed as they arrived at the same conclusion.

“Whichever’s tax deductible,” they chuckled together.

“The legal fiction is a quicker read,” Bobby said.

“But it’s confusing and it doesn’t include the bank effect of making sense fake money. There’s no law a Prime Compounder must count words that promise to pay money in numbers in the budget. And, there’s no law the Prime Controller has to count true dough costs already spent.”

The next day the Prime Controller announced emergency spending due to pandemic economy lockdown and social lockup that people would receive cheques in the mail for lost wages and extra cost of work at home. But the news hinted the return of the bank star carny mark carney barker to help the Prime Compounder, if not the Prime Mover take over the job.

It wasn’t long; the Prime Compounder resigned that week and the media speculated who would take over the budget as the Prime Controller spent deficit dollars in the trillions from the bank as much as he could.

Robby read at the news, “I don’t want the Prime Mover back,” he said.

Bobby looked at the news a bit annoyed, “Do you think it matters?”

“Well he ran away from being sued, and he’s only back now it’s safe, they refused to clarify law, so, he’s not going to stick his neck out, is he?”

“Well he might. He’s written about his ‘*Values*’ to invest and live by.”

“Do you think people will go for that?”

“I hope people will do what the judge told taxpayers to do in the hearing for trial, which was to complain to representatives to change bank law.”

“We tried that, didn’t we?”

“Oh yes, our Member of Parliament has yet to reply to us about the issue and the OSC letting our whistleblower reward to go to charity, which is where political irony begins and legal fiction ends.”

“So what’s the latest?”

“Economists are critical about the Prime Controller spending \$400billion on health impacted economics. They’re worried deficit spending is voted by a minority government cabinet instead of elected representatives.”

“That’s unconstitutional, isn’t it?”

“It violates ‘*no taxation without representation*’ Magna Carta principle. He won’t confer IEITC– Improperly Earned Income Tax Credits hidden from the Treasury not reported in the budget, and he’s spending on the court record Parliament is supreme in all its decisions. He’s voted a cabinet decision to buy face masks, which he’s ordered we have to wear.”

“It makes us look like bandits. Didn’t he promise to balance the budget?”

“That was before he prorogued Parliament to rewrite and reset values for a vote in confidence of Prime Mover values to carry on regardless.”

“No, I heard he stopped the ethics commission investigation.”

“Still, the Prime Compounder’s gone, at least WE did that.”

“I think we did.” Robby said as he stopped writing his bankbook story.

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## **New World Order Party Mood**

Mo Mon spoke from the high podium. He looked proud and prosperous strutting about with G8 leaders gathered with him. A microphone cast his voice around the massive hall to his adoring troops.

He raised his arms with his palms upwards and outwards like he'd scored a goal. It was sufficient for the conversational hubbub to die off as everyone shifted to look in his general direction.

He didn't wave, or shout, and there was no need for a drum roll to attract attention to address the troops. They were as relaxed as he was about the glorious victory everyone talked about in reunion. They expected dramatic closure from their General to confirm the biggest heist in the economic history of new world order.

"Welcome G8," he said with a smile that projected from the screen above the stage. He couldn't have looked more pleased than a cat with spilled milk. His uniform was clean and pressed. His hair was trim and tinted yellow with an orange hue. His face was freshly shaven and powder dry for the camera. He was cool and ready.

Troopers were smartly dressed in pressed brown trousers and red shirts. Women wore the same colors in pleated skirts and blouses. It seemed appropriate for them to interrupt the General and they let out a cheer to urge him on with for what he wanted to say and they all wanted to hear.

The general was a bit weightier since dispatching the G8 mission 10 years ago. Leading behind a desk suited him. He was tubbier and looked better for it in the job. His stomach walked the talk and he was on parade as much as his troops adored him.

Mo exclaimed, "This is your special day! You surpassed our expectations in economic warfare. Capitalism without capital continues today, even as we speak with ever expanding force around the globe."

"Trillions," he paused and rubbed his hands together in glee. "Trillions."

"Hundreds of trillions of toxic loans in private banks, and still counting." He stopped pacing and faced his protégées and raised his arms, "They're very bad banks," repeating, "Very bad banks."

His face on the screen behind him blended into a mosaic of flags from round the world as he spoke. A computerized slide show began to show an alphabetic soup of sovereign names in red letters emblazed in gold. Symbols of power dissolved into chaotic scenes of people marching and rioting in the streets, waving banners about every kind of politics, especially capitalism in the air.

“You have made bankers happy billionaires on the backs of people with governments in debt beyond their capital means.”

General Mo Mon spoke as national news bytes showed uprisings and destruction. He only had to glance at the screen to synch his diatribe with dramatic scenes that unfolded flag to flag to flag. It was repetitive, changing only in extent of force that quelled riots.

A stars and stripes flag showed scenes of people out of work in the headlines of broken banks. Newsworthy enough to raise hackles, but no fisticuffs caught in the camera’s roving eye. An out of work banker was a social outcast from a pariah point of view.

The newsreel showed a red cross on a white and blue flag that merged into headline news announcing that the government had nationalized a Regal Bank. The broadcast switched to a reporter in front of the bank saying it was to protect money for the people.

“What you see is the bank effect of doing God’s work.”

The camera showed a desperate scene of police holding a people barrier galvanized fence in front of angry protesters waving posters and denouncing someone in the caricature of an ancient knight dubbed, *‘Fred the Shred’*.

Mo Mon continued talking. “Comrades from G1 through G7 graduated from here years ago to go out and create a new world order. We have no casualties of war.” He said.

The warlord was a seasoned sleaze monger. He looked at his soldiers and they looked back with pride as their leader commended them for all that they had done. “All our soldiers return to these hallowed halls to glorify Mammon. You are God’s eighth company and we have grown and amalgamated into a G20 Corporation.”

This was his tirade which was timed to images good for campaigns and propaganda. It didn't matter what he said or when he raised or lowered his tone. He was rich and powerful and totally corrupt. He simply added a warfare spin to a slide show that packed a hefty punch by itself.

A credit alert white cross over blue with blue and white stripes blurred into scenes of people rioting in the streets next to ancient buildings. They poured into banks as tellers hid or fled as best they could. A reporter announced 3 cashiers killed amid the ruins.

Next a white flag with pale blue sky above sea below and golden sun in the middle led into scenes of frantic people in battle with an army fighting against its own citizens protesting foreign banks they blamed for hyperinflation and worthless money.

His speech was perfect, "You have done your tours of duty. You can retire with pensions and you can keep your spoils of war." The General confirmed what they wanted to hear.

"It may not be as much as some banksters get paid in the news," he laughed as he swung his arm pointing to Congressional Hearing in the news. The camera zoomed in on a round bald headed face of a chubby banker with fishy eyes who said he was doing God's work.

Mo went on, "If you take my advice you'll think of life the way he does." He knew it would amuse as it did. He smiled as laughter rippled through the air and he waited for quiet that came with more scenes of protests that played out before them. The next image showed credit flags in news that began to look the same after green, white and orange, and green, white and red flags for countries known as PIGS with three more having the highest of all debt ratios well beyond their financial ways and means.

"My friends retire to Avalon," he said on cue to another scene. A flag with a red leaf on white between red bars started a report showing newspaper headlines people complained that they felt like sitting ducks. The news compared local conditions to worsening debt crises overseas and far away. Headlines announced better banking guidelines and promoted the effectiveness of governance of banking as the reason for economic confidence the envy of the world. The Prime Controller espoused national values and said it was wrong to blame banks for economic decline and bankrupt businesses that was not the fault of honest bankers.

Mo went on, "It is up to you to choose where to retire now you've done your jobs." He spread his arms out with a shrug. "My work continues here until I take my leave of the group. You are welcome to stay in quarters for a month before G9 troops return from the field. Tomorrow you will be debriefed and given any assistance you need to start out in your new lives deserving of our souls."

The flags linked to news faded to show the hall from the podium. The troops saw themselves as they stood, and they saluted him.

They stood to attention while the General held the stance of a dutiful moment. His face softened and it looked as though he sort of showed compassion, "I am with you in good faith, I am proud of you. I thank you, and I pray for your deliverance to Mammon."

Soft music piped around the room and lights flickered in colors. Mo Mon handed over to a soldier dressed as a DJ, "Ok, here we go with Trooper Leftu Chancit. Let the celebrations begin..."

The hall erupted into life and music lifted and strobe lights flashed in beams that crisscrossed in wild patterns on globes in the ceiling.

General Mo Mus stepped off stage with his entourage to mingle with G8 people he had not met for 10 years since basic training. The night was young and there was a good supply of food to feast upon and drink to guzzle. There was plenty of talk with many a tax planner, and financial advisor, and accountant bragging about their most successful sales to whomever, especially old ladies.

They all spoke the same about similar deals as if they alone were the makers of financial ruin.

The screen filled with abstract images timed to musical themes.

All thoughts of economic warfare were replaced with revelry as some talked in groups and others danced in glee. Drinks flowed and the cameras switched from different angles with momentary faces flashed on the screen that when they saw themselves they would smile, and wave and hoot and holler in a happy party mood.

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## **Launder Filthy Lucre Through my Bank Account**

Celebrations didn't affect the G8 schedule that debriefings started promptly at oh-eight-hundred hours.

Every trooper was a special case assigned a room for a meeting with controllers interested how they deployed the tax invasion plan and their experience of rules of engagement wherever it was.

Major Won J'Kobbs was assigned to Room 1313.

"They want to discuss your time with MOB in Confoundation."

"Okay, what do they need to know?" Major Won had nothing to fear. He knew how things worked and he'd done his job.

"Confoundation has a good reputation for its banks being highly regulated. The Prime Compounder wants develop Buy Street to be a financial center in the world. The MOB developed products for emerging markets and they went on a trade mission to the Far East to open an office in Capital City. Politicians want to lie low so they have to keep on top of banking."

"What's that got to do with me?"

"Well, if it ever got out the MOB closed sales with tied loans in Confoundation it would expose the plan. You were recommended because in all of \$117billion ABCP Market with \$32billion non-bank notes in default, yours were the most difficult to audit."

Major Won wanted to get on, "Who recommended me?"

"Don't know who, think it was someone in the MOB, you know, from your time in the 90's."

"I'd like to know." Won passed him a twenty.

The recorder looked at his notes. "Cegaul," he said, "I expect he'll be there. They want to see you in the Signature Room.

It'll be 10:30 along the concourse, turn left to Section 165."

Major Won knew where he had to be, and he knew he had time for a coffee in the cafeteria. He found the men's room and washed his face to freshen up. It had been a long night. He brushed his tunic with his hand as he left and walked along to the Signature Room where he knocked on the door before he went in.

General Mo Mon looked up and waved him in to join two others at the table. They had their backs to him where they sat. Major Won stepped forward and saluted the General who returned a wave still seated. "Easy Major, come in, take a pew," he gestured.

It was the obvious place to sit, next to the General. He thought he recognized the MOB's lawyer and as he rounded the table. He stood for a moment to look at the wizened face to confirm who it was from memories deep within his mind.

The soldier recognized rank. "Major Cegaul?"

"Right." The lawyer said without smiling. They shook hands stiffly.

The General spoke, "Major Cegaul graduated from G7. He's in our Special Branch. I would like you to meet Lurid Bison Ceboid, he's the Deputy Minister for the Confoundation Gallows Prosecutor."

"Pleased to meet you, sir." They shook hands and Major Won took his place at the table. He looked the General in the eye and said, "What can I do for you sir?"

"We have a situation with the MOB. You remember the Kaleidoscope project? The MOB got into trouble with two lawsuits to collect tied loans. We had to come up with a way to quash a counterclaim and see that nothing like it happened again."

"Mmm I remember, but I didn't know Major Cegaul was one of us," he smiled as he looked and he measured how the severity of the man had become etched in his wrinkled face.

There was a knock at the door as another joined the meeting.

Major Won looked up to see who else would be debriefed. It was his friend Bræn Chyld from the MOB, also promoted Major.

The General greeted him with quick introductions and continued to update. “When we developed the tax invasion plan we realized we needed legal people for law as well as financial advisors and accountants. We had done quite well with banks signing affidavits until the Robby Ducky making sense fake money fiasco. Do you remember the ‘*Caddysheik*’ deal when bankers were sent to jail in the 80s?”

He looked at Major Won, “Yes sir, I remember.”

“We had to find a way to separate lenders. They signed affidavits about the availability of foreign credit that left a paper trail. We learnt from the ‘*Caddysheik*’ experience for our own protection.”

The General spoke quietly, “Banks figured how to set up non-bank note credit default swaps tied to mortgage derivatives that put the onus on investors to prove banks colluded with third parties.”

Major Won knew it already, but the General had to set the stage. He nodded to Major Cegaul to carry on the briefing.

“You remember when Major Chyld joined the MOB?”

He remembered it clearly and he nodded as the Major continued. “He was the genius behind the L’Æmori affair. Fordoe took the credit but he couldn’t have done it without our Bræn Chyld. After he left the MOB, Cyn Fordoe and Sally Van Scrawl sold another ninety before year-end.” He looked at Major Chyld for agreement.

“We had a problem with eighty-nines.” Major Cegaul explained.

“It had to do with bank systems. We requested postdated cheques to deposit to a common payment account. All the payments had to be processed manually you see? The CCAP upgrade 3.1 was behind schedule. Then we had a problem with the rate of interest that changed while we increased order quantities. Cyn scrambled to get them initialed in time. Do you remember?”

Major Chyld grunted, “Humph, I had to write a memo to get MOB Audit off his back.”

“We thought it was okay, but Major Child left too soon.”

The Major looked at the Major across the table, “We created a quickie to test the system that should have started automatic payments. But it didn’t work out and Fordoe had to carry on with existing paper methods.” He looked at the Deputy Minister and the General and the group around the table as if looking for consensus.

Major Child leapt to conclusion, “Don’t tell me you tied eight-nines and nineties until they got the system fixed.”

“Yep, that’s what we had to do. It was one heck of a problem. We had to split eighty-nines from nineties to separate different payments. It wasn’t fully automated until version 4.0 when we started to litigate nineties in default to collect in 1996.”

“Systems, huh?” Major Chyld understood software deficiencies, as he thought to ask, “Did you get commingled loans paid out?”

“Mmm,” Major Cegaul didn’t want to say it was him who told the Ducky’s about commingled loans. “It came out in litigation to collect the eighty-nine.” Just thinking about computers made him wince.

“Is that why we’re here?” Major Won wondered.

The General’s answered, sounding a bit annoyed, “Yes, the MOB should have nipped Ducky’s counterclaim in the bud. It’s been a heck of a job to keep it quiet. The defendant and counterclaimant is an author, he never stops writing. Every damn thing is in his story all about him and his wife. He’s published all over the world.”

“The Confoundation used to slam writers, remember Furly Moat.”

The Deputy Minister observed, “We do, but Ducky ran for office on identity theft and financial consumer safeguards. It started when someone called him a ‘*Sitting Duck*’ that got him going. He wasn’t clever, just riled enough to launch a petition for an investigation.”

Major Child saw the problem and usual solution was an obvious next step, “So you put a gag order on him and his case and the Confoundation ignored the petition, so what?”

“The MOB continued to collect what they started.”

Major Chyld exhaled in exasperation his lips shook, “Phewepple!” He looked at Major Cegaul, “I can’t believe you kept on suing to collect, there must have been others in litigation.”

“We had no choice. Ducky found the agency agreement and filed a good counterclaim that L’Æmori refused to defend. His lawyer filed a Noted in Default to defend against Kaleidoscope at another Court to keep it out of reach. They didn’t tell him about it.”

“So Ducky didn’t know he had a default judgment in the bag?”

“They told him he had to find more evidence to defend the bank’s note. He wanted to settle, but the bank wouldn’t do it.”

Major Cegaul shrugged, “All the defending lawyers examined him, and he remembered everything, and we examined him 3 times.”

Cegaul described the situation. “It was too risky to go to court to claim a tied loan in default. Ducky defended double billing the cost of a unit and he counterclaimed that his accountant took a secret commission on the first deal, and then there was a second note. He’s a world class business system analyst and he figured out the dataflow from our CCAP screens and reports. There was only one account for tied loans and he filed a claim on the second note, which Kaleidoscope also refused to defend.”

“Wow! Why didn’t you accept his offer to settle?”

“It was a Mexican Standoff. The Court knew the MOB could win a claim but Kaleidoscope would lose the counterclaim if L’Æmori had to plead defense.” The Major said, “It was a nightmare, L’Æmori could’ve blamed irresponsible lending on the MOB, which would have exposed the bank to all kinds of claims, even criminal charges.”

The lawyer explained how the bank was exposed.

“I advised the MOB to keep litigating as long as Kaleidoscope was Noted in Default to defend. We had to drag it out for years. He had time to write another book. The more he wrote the more we had to defend. He complained about us to as many authorities he could think of. The Confoundation Mounted Police wrote him it was a potentially criminal matter for the local police to investigate.

He wrote the Police, Bank Ombudsman, Investments Dealer Associates, Anti-Rackets, and the Securities Commission, just to name a few. They all refused to comment on a bank matter in litigation.

He was more successful with the Institute of Accounting Cheats, which did investigate with us involved to get more on him for the CRA and they fined him \$5,000 loonies. Then Robby Ducky filed a complaint to the Secret Claw Society about Mykel L'Æmori alleging he operated as a bank agent notarizing signatures for secret commission tied loans sales how he closed deals.”

“What did the Secret Claw Society say about that?

“They wrote him there was nothing wrong with a lawyer notarizing sworn affidavits.” Major Cegaul raised his eyebrows and he pursed his lips as he reflected on the consequences of Robby Ducky filing complaints about so many wayward lawyers.

“What made him write so much? Major Won wondered out loud.

Minister Lurid Ceboid spoke to that, “It was something to do with the number of authorities that refused to investigate. He felt he had to do something to help poorer people in the Great Divide.”

Major Won wanted to check something, “So in all this, his lawyer didn’t tell him he was entitled to a default judgment to win in his defense of evidence included in his counterclaim?”

Major Cegaul confessed it true. “He had no idea. We encouraged his lawyer to keep on billing barratry to keep it secret.”

“Who was his lawyer?”

“Frightman was brought into Barnyard Oink. Robby Ducky knew he was bilked, but he was willing to pay for his secret bankbook story.”

“Mmm, how long did it last?”

“They strung it out several years until he asked why he couldn’t examine the bank, so he filed a motion on his own to examine the MOB.”

Major Cegaul didn't like what was coming out, but he was under orders.

"He asked questions I couldn't answer in refusals that he followed up in another discovery." The lawyer spread his hands out on the table. "He recognized Sally Van Scrawl handwriting on the note and tallied charges and a signed receipt, which he had confirmed by handwriting analysis after the second examination. I told the judge there was no second note to avoid trial of the first note."

"Phewee," Major Won remembered Sally Van Scrawl across the desk. "So, he proved the bank agency relationship, and that a bank employee filled out a cheque to close another sale with commingled notes, so you had to lie in court before a judge to avoid trial. What next?"

"Frightman panicked and quit. He told Robby Ducky he couldn't defy a lawyer as a professional courtesy he couldn't question a lawyer who had to lie in Court to a judge."

"So the Oinks protected the bank as well as L'Æmori and Fudgit while they still pretended to represent Robby Ducky in court?"

"Yes."

"And Frightman ended up protecting you, as well as L'Æmori and Fudgit with a swapped factum to be rid of a real defense?"

"Yes."

"Bejeeze what a mess." Major Won couldn't help himself, "You have to admire Robby Ducky, what next?" He wanted to know.

"Robby Ducky was left to represent himself in court. He filed a motion to dismiss the bank's claim with zero cost if everyone just walked away he would drop his counterclaim against the MOB and the other lawsuit he filed against his lawyer for barratry, et al."

"Good, so you accepted his offer and it was over and done with."

Major Cegaul simply said, "No."

"No?"

“No, the bank rejected the offer and Justice Long Donney refused to hear the motion. He said Robby Ducky made up a conspiracy in an ‘*Alice in Wonderland*’ story.” Cegaul remembered, “He wrote an order for Ducky to file a Factum and to appear in Court with it to defend the MOB motion for summary judgment.”

“In the face of all that, the MOB still went through with its claim?”

“Yes, we won.” Major Cegaul glared as if cheating was a legal right.

“Frightman turned up in Court with a brief Factum to replace the one Robby Ducky had filed for Defense and Counterclaim already on file.”

Frightman and I persuaded the judge to use the substitute Factum to rule instead of Ducky’s Factum. I told the judge handwriting analysis was not admissible and I denied the second note existed, which got us a summary judgment to collect the first note.”

“Ducky must have complained about you obstructing justice.”

“The Claw Society wrote the MOB wasn’t a member, which got the bank and me off the hook. But, they reprimanded his lawyer with an order to read the meaning of civility in Confoundation code of law.”

“Did he appeal the court ruling against trial?”

“Yes, Madam Justice said, ‘He could not have not known he had a bank loan’. So we got our case law that a cheque filled out for credit given by the bank is lawful to collect in the end.”

“What about the counterclaim?”

“Mill Town Court closed the file on it so it was never heard.”

“Did he pay judgment?”

Major Cegaul didn’t want to tell the cash payment fiasco, “Yes.”

“Didn’t he pay you in cash and you missed getting releases?”

“Yes, so they told him there was a writ on his house and that it would be cleared if he and his wife signed releases.”

“So, lawyers let him believe there was a writ on his house that would be removed if they dropped all their claims against everyone?”

“Yes, lawyers for defense tied it up with a Motion for Particulars that Ducky answered but his lawyer wouldn’t file advising no need to answer questions a case for trial pending discoveries.”

“After all that, he still spent money on appeal?”

“Mmm, he was a glutton for punishment,” Major Cegaul smiled thinly.

“I guess Noted in Default to defend passed limitations?”

“Yes, Ducky didn’t plead a default judgment on the first cheque because he wasn’t told he had an easy win on the table. His latest lawyer set him up to prove he had no evidence for the second cheque to go to trial.”

“So a judge threw it out?” Major Won stated the obvious solution.

“No, Ducky had a stroke just before the hearing for trial.”

Major Cegaul scratched an itch on the back of his neck. “His lawyer decided it was a good time to go heavy on him and his wife about quitting instead of going to Court to plead for trial.”

“So he signed a Notice to Discontinue?”

Major Cegaul looked pleased, “No, his lawyer signed a letter that compromised the Ducky’s that the defendants could sue him if he didn’t drop the counterclaim.”

Major Won summed up the legal battle. “Ducky proved the agency relationship and you resorted to perjury for the MOB to avoid a trial and his lawyer swapped factums for you to get judgment on a case with a Note in Default to defend, He couldn’t get a trial because his lawyer trashed his case.

“How much did it cost to beat him down?”

Major Cegaul shrugged, “The MOB paid about a million. Double that for defendants’ lawyers. They paid a bundle.”

“You made a killing with perjury and extortion to obstruct justice.”

Major Cegaul denied legal tactics, “It’s not extortion.”

“You held a paid writ on his house in ransom for signed releases. His lawyer intimidated him until he signed under duress to get his house back. Wouldn’t you say you were afraid of Robby Ducky?”

Major Cegaul bridled, “If you put it that way.”

Major Won enjoyed grilling the lawyer, “What about Oink?”

“That wasn’t me, another lawyer setup the Ducky’s to appear in one courtroom while they should have appeared before a judge in another court who decreed an Affidavit of Subscribing Witness of consent to dismiss MOB related claims, counterclaims and cross-claims in consideration the bank would clear paid writs to release all parties notarized by another lawyer that the record shows 1 judge heard 2 concurrent cases in 2 courts and issued 2 concomitant rulings.”

Deputy Minister Lurid Ceboid heard enough of legal shenanigans. “All I want to know is how does the tax invasion plan continue?”

The General took charge and confirmed the reason for Major Won being there. “You implemented the L’Æmori plan. You have field experience. What can we do we do about Robby Ducky?”

It was quiet while people waited for him to collect his thoughts.

Major Won paused as the General knew his approach to solving problems. Major Cegaul wanted to speak but Mo Mon gave him a withering look. He had confidence in his Major Won.

When Won spoke, the Major had their attention. “The problem comes down to Robby Ducky having too much time to think,” he said. “You underestimated his listening skill to compare legal code to computer code to work out the big picture how bank law robs private and public wealth through the Magna Carta Loophole.”

“Robby Ducky wasn’t messing with you. He told you what he’d figured out from what you told him. It’s in all the Court records. All he had to do was study what you’d written. He didn’t know lawyers would betray him as much as they did. He didn’t know that the Secret Claw Society would protect lawyers to such extremes as they had to in the end.”

Major Cegaul took umbrage and he looked sullen, but General Mo Mon gave him a look to keep quiet while he heard it through.

“Ducky had blind faith in justice. He thought the truth would break through each and every lie to avoid a trial. He became a whistleblower that politicians had to get involved.” Major Won looked at Lurid Bison Ceboid, who nodded as they listened to the summary of events.

“You told him our plan and he wrote your story.” Major Won decided it was time to test the lawyer, “We’d better lock him up.”

Major Cegaul took the bait, “Lawyers told him he’d go to jail.”

Deputy Ceboid interjected, “He is a well-known advocate for bank reform and he ran for politics on Petition44 which his party leader signed for financial consumer and taxpayer protection. He’s been on television. He was pictured with world leaders and presidents. He made his case for Bank Reform at the White House.”

Major Won smiled at the reaction, “No, I mean for his own good, you’d attacked his conscience, he couldn’t live with himself. Every time you put him down, he found the courage to stand up.”

“Humph!” Major Cegaul knew it was true. He knew it all too well.

“All your legal arguments confirmed his thinking to prove his case if not in court, in public debate. The truth would set him free.”

Major Cegaul interrupted. “He wouldn’t lie down. He complained about lawyers. He wrote the government I was the one that fooled a judge to swap his Factum to obstruct justice.”

“That was his story from his experience. It’s all about truth and justice. He had to write nonsense of bank lunacy just to keep his head. He had to connect the dots. It was his job!

That's the problem. You've made a computer system expert of all people think how to code law in system design, day after day, for 20 years."

Major Cegaul argued for Mammon, "We had no choice. We had to crush him to protect us against a counterclaim from him and his wife and Kaleidoscope cross-claims. We couldn't risk judgment. It would have started a class action against the bank. We had to ransom a lien on his house. What else could we do?"

"How long did it take Robby Ducky to figure out the system?"

Major Cegaul admitted it took a long time. "He said it took him 3 months to reconstruct CCAP. If he hadn't got an order to examine us he wouldn't have recognized Sally Van Scrawl on the second cheque." He thought of all the Ducky complaints about lawyers. "When Kaleidoscope filed a Motion for Particulars they asked for proof there was a rent encumbered mortgage. It was in..."

Major Won interjected, "He found the subprime?"

"Yes, he said it was a dream that made him think of where to look. He said he woke up Christmas morning wanting to read the OSC report they refused to investigate. He said it was a gift from God."

"So 3 months in system code, but 20 years in legal code?"

"Yes, he wouldn't stop complaining about his lawyer who told the Secret Claw Society the mortgage was a total loss to investors."

"So, that's when it fell into place that the bank planned to acquire and own rent producing commercial real estate, which was about the rent encumbered mortgage in the bank agent deed of sale, and rent consigned for the consideration of \$1 to the mortgagor."

Major Cegaul was quiet knowing silence was agreement.

Won concluded. "So, he found what lawyers withheld from Court. They kept hinting where to find the smoking gun, which is exactly what he did, in the end."

They all looked up to Major Won.

“That’s my point... in the end,” he summed up. “You couldn’t stop him, he was more afraid of not knowing than he was afraid of you.”

These conclusions irritated Cegaul, “He was so ignorant about money,” he said. “You can’t imagine I couldn’t believe it!”

“Ignorance is one thing, wanting to learn is quite another.” Major Won concluded, “His desire to learn surpassed all his fear of you.”

General Mo Mus leaned forward with a look of anticipation.

“First, we need a better truth embargo than lawyers messing with sworn affidavits. They gave him too many legal clues about the tax invasion plan.” He looked at Major Cegaul, and then General Mo Mus. “I’m sure you’d find it much easier if you cut 6 year statutes of limitations to 2.” They smiled in agreement.

“Second fake news, the more the better for confusion and fear” he said, “It’ll be rid of all kinds of litigation and stop whistleblowers like Robby Ducky playing at detective. Nobody would have time to think the way he did, and for as long as he did to connect the dots.”

The General slapped the table and leaned back in his chair to focus on the government representative. “Brilliant! There you have it Lurid, shorter statute of limitations and more fake news, to serve Mammon.” He looked at the bureaucrat, “You know what to do, right?”

“We’ve fear mongered for years.” Lurid Ceboid said, “People agree to lose all kinds of liberties, especially with surveillance cameras that we watch everything they do. But what about our tax invasion plan? We can’t stop private banks creating public debt.”

Major Won was ready to advise, “We have to launder more filthy lucre. It’s our plan that people begin to think money is so dirty they don’t want to touch it. No more cash. Let them think they contaminate each other by the very touch of pocket money.” He looked to the aristocracy to agree, “When we lockdown the economy, we lock up people.”

He carried on, “It’ll stop government services, shut down public places, close schools, libraries, swimming pools, museums, theaters, shops, pubs, and restaurants. It’ll constrain everything and everyone,” he said.

General Mo Mus stiffened, “Yes, yes, I can see that,” he enthused.

“Announce a virus is the cause of dead and dying everywhere. Broadcast country and global numbers. Advise social distancing and face masks to avoid contagion and close bars to drink less ale that ails us.” Major Won strategized. “Put some stick about. Close the borders, close parks, fine people when they get too close together. Stir it up to vilify and deride law enforcers. Use the pandemic excuse to bypass the budget. Let private banks issue cheques on account of quantitative easing public credit instead of banknotes on account of national debt. The government can pay businesses to pay wages to furlough people or let them work from home. The government can fund charities to pay students they bide over. Let governments buy serum to inoculate people to work in a free market economy cashless society with masses of debt that banks collect online.”

“Do we have a vaccine?”

“Coronaviruses mutate too quickly for that,” Major Won said, “anyway we want herd mentality, not herd immunity. You’ll have heard of reinfection variants?” He saw they had, “Inoculation is what we need to register who’s been shot to control and restrict travel and where to buy things.” He paused for effect, “Money is the best antidote for the one percent, which is already distanced for obvious reasons.”

“What’ll be the total bank effect?” Mo Mus wanted to know.

“Probably triple all debt in circulation the world over.”

“Good, launder filthy lucre through my bank account, right? Update G20 to get on with it.” He stood up and said, “Meeting adjourned.”

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Contaging is a storybook sleazy tax shelter scheme about lawmakers who invented 'Signature Specific Identity Theft' to draw cheques on imaginary accounts of 'Sitting Duck' loans sued in courts to collect.

Dream laws and politics for hungry bankers would be most usury spent configured lent. A carny mark converts counterfeit tax credits to money, hidden from the Treasury, not reported in the budget to cash through taxation, laundered once, and once again, twice over.

When judges ruled no breach of law in the global credit crunch, it was all smoke and mirrors. Fairy tale economics tricked everyone, especially gullible taxpayers, and twice fooled carny marks. Loonies raid the bank with snapshot budgets how legal fiction continues to lie in the big picture, making sense fake money...



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