

Law Enforcement Thwarts Sovereign Freeman

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Copyrighting their names, “signing” with red thumbprints – we’ve seen some unusual court filings from unique individuals. But one person has apparently gone too far. It can be incredibly frustrating for a lender when a borrower defaults on a loan and asserts frivolous defenses in response. A group of individuals who call themselves “sovereign citizens” or “sovereign freemen” often makes lawsuits quite tedious by refusing to recognize the authority of the courts or the government, or claiming that the loan is invalid because it is based on “vapor money.” One such “freeman” engaged in such gamesmanship during a foreclosure action against his mortgaged property, refusing to identify himself for the court and claiming the court lacked subject matter jurisdiction because he is a “public entity” and was not properly served. After final judgment of foreclosure was entered, he filed fraudulent mechanic’s liens against his own property in an attempt to thwart the foreclosure sale. The freeman’s game ended, however, once he was pulled over for failure to wear a seatbelt and arrested because he refused to produce any identification or recognize the police officer’s authority for the stop. He then began to mail fraudulent formal demands and notices to the police officers and police department. Meanwhile, he sent similar documents to his foreclosing lender’s officers and executives, demanding large amounts of damages. The freeman was indicted and ultimately convicted of five counts of bank fraud and four counts of mail fraud for his activities. He faces up to 30 years in prison and a \$1 million fine. He then failed to appear for his sentencing hearing while out on bail, and faces an additional 10 years on his prison sentence. With any luck this will serve as a cautionary tale, discouraging borrowers from filing fraudulent liens on their property and participating in similar gamesmanship, and saving lenders some headaches.

Authored By



Naomi M. Berry

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