

Updates as of July 9 & 22, 2004

Recent filings:

US COURT OF FEDERAL CLAIMS

Final Judgment - Apr 19 2004

<http://solari.com/gideon/legal/98-169C/2004.04.19%20Final%20Judgment.pdf>

Judgment US Court of Federal Claims - Apr 19 2004

<http://solari.com/gideon/legal/98-169C/2004.04.19%20Judgment.pdf>

Memo Opinion and Final Order - June 14, 2004

<http://solari.com/gideon/legal/98-169C/2004.06.14%20Memo%20Opinion%20Final%20Order.pdf>

US DISTRICT COURT

2004

<http://solari.com/gideon/legal/96-1258/2004/08.03.04%20Ervin%20FOF.pdf>

<http://solari.com/gideon/legal/96-1258/2004/08.03.04%20Hamilton%20FOF.pdf>

<http://solari.com/gideon/legal/96-1258/2004/08.10.04%20Ervin%20Reply%20FOF.pdf>

<http://solari.com/gideon/legal/96-1258/2004/08.10.04%20Hamilton%20Reply%20FOF.pdf>

<http://solari.com/gideon/legal/96-1258/2004/08.15.04%20Order%20and%20Partial%20Judgment.htm>

<http://solari.com/gideon/legal/96-1258/2004/10.15.04%20Hamilton%20-%20Notice%20of%20Appeal.DOC>

2005

[http://solari.com/gideon/legal/96-1258/2005/HamiltonInitialBrief050412-0039\\_001.pdf](http://solari.com/gideon/legal/96-1258/2005/HamiltonInitialBrief050412-0039_001.pdf)

[http://dunwalke.com/gideon/documents/HSG\\_Superseding\\_Mem0\\_6-Jun96.pdf](http://dunwalke.com/gideon/documents/HSG_Superseding_Mem0_6-Jun96.pdf)

[http://dunwalke.com/gideon/documents/HSG\\_Order\\_of\\_Judgment\\_Aug16-2004.pdf](http://dunwalke.com/gideon/documents/HSG_Order_of_Judgment_Aug16-2004.pdf)

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TO: SOLARI ACTION NETWORK

Litigation Update

July 9, 2004

See prayer request and additional info on the trial at

<http://www.solariactionnetwork.com/phpBB2/viewtopic.php?t=1221>

This report is an update of events since our last report in Dec 2003

( <http://www.solariactionnetwork.com/phpBB2/viewtopic.php?p=1722#1722> )

Thank you all for your prayers, donations and continued interest in the Where is the Money? Litigation.

Your support has made all the difference!

SUMMARY

-- In the US Court of Claims, in the case of Hamilton Securities v. The United States, Final Judgment was issued April 19th in Hamilton's favor, and the government's motion for reconsideration was denied June 14th.

-- In the US District Court, in the case of Ervin rel. for United States vs Hamilton Securities, Hamilton vs Ervin & Associates & John Ervin, Ervin rested their case in November 2003, and Hamilton is scheduled to present beginning July 19th after multiple postponements.

### COURT OF CLAIMS

Hamilton's lawsuit to require HUD to pay outstanding bills for financial advisory services on HUD Loan Sales and portfolio strategy with respect to \$500 billion of mortgage insurance.

October 1, 2003 Hamilton files for Summary Judgment

March 24, 2004 Court of Claims Issues a Memorandum Opinion and Order denying Hamilton's motion for declaratory judgment and denying the Government's motion for summary judgment because the Court determined that Hamilton did not breach its contracts. The Court invited the government to amend its counterclaim.

March 30, 2004 The Government declined to amend its counterclaim.

April 19, 2004 Final Judgment Issued in Hamilton's Favor, no need for trial scheduled for April 14-22 (had been earlier in April)

April 20, 2004 Request by CAF to Secretary Alphonso Jackson for meeting has received no response as of June 17, 2004; follow up request of information sent on 4/23 and 6/04;

April 19, 2004 Final Judgment Issued in Hamilton's Favor

June 4, 2004 Request to John Hawke to help get paid; copies to Congress, including Barney Frank; no response as of June 17

June 14, 2004 Government's Motion for Reconsideration Denied

### FEDERAL DISTRICT COURT

Hamilton is defending against Ervin & Associates, an FHA/Ginnie Mae HUD contractor who brought a qui tam in 1996 "in the name of the government" (Department of Justice has been ordered to sit at the plaintiff's table with Ervin; After this trial, Hamilton's lawsuit for tortious interference with contract against Ervin is expected to proceed) See Docket at <http://www.solari.com/gideon> as well as summaries.

May 2001 Mediation begun on Qui Tam and Hamilton vs Ervin & Consolidated Cases with DOJ and Hamilton E&O Carrier AIG-Lexington

Updates as of July 9 & 22, 2004

March 18, 2002 Mediation closed and Oberdorfer issues scheduling order with trial scheduled for September 2003

September, 2003 Trial postponed until October 2003

October, 2003 Ervin's lead attorney, former DOJ qui tam specialist, withdraws from the case to return to HHS Fraud group. A new attorney, Joseph Hornyak of Sonnenschien, assumes the lead position on the case.

October 29, 2003 Ervin presents case in Qui Tam, Hamilton files 52(c) for summary judgment

November 18, 2003 Oral arguments on 52(c); Judge Oberdorfer informs parties that he is leaving to help out in Third Circuit Court of Appeals and does not know when he will rule on 52(c) or when Hamilton will be permitted to present defense, if necessary.

March 28, 2004 Resumption of Ervin v. Hamilton on March 29 is postponed as a result of Judge Oberdorfer's health, later rescheduled for April 27, 2004

April 23, 2004 Resumption of Ervin v. Hamilton on April 27th is postponed, later rescheduled for July 15, 2004

July 8, 2004 Hamilton files a motion for summary judgement on Count IX, the remaining qui tam count related to allegations addressed in the Court of Claims decision.

Expected

July 19, 2004 Resumption of Ervin v. Hamilton  
(just changed from July 15th)

For supporting documents on Where is the Money? Litigation  
<http://www.solari.com/gideon/>

Catherine Austin Fitts  
July 8, 2004  
Hickory Valley, TN 38042

Last edited by CEngelbart on Thu Jul 29, 2004 6:25 pm; edited 5 times in total  
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Catherine

Updates as of July 9 & 22, 2004

Joined: 14 Mar 2003

Posts: 3600

Location: Hickory Valley, Tennessee (USA)

Posted: Thu Jul 29, 2004 3:23 am Post subject: Update as of July 22, 2004

Post Trial Update

July 19-21, 2004

Testimony of the defense witnesses took place on July 19th, 20 and 21st, 2004 in the qui tam in DC Federal District Court. Ervin & Associates did not call any rebuttal witnesses. Both Hamilton and Ervin will file Briefings of Facts and Summary of Law on August 3, responses on the 10th and anticipate that the Judge will invite closing arguments at a date to be scheduled by the court. There is no timetable by which the Judge will issue the ruling thereafter.

Catherine Austin Fitts

July 22, 2004

Hickory Valley, TN 38042

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Catherine

Joined: 14 Mar 2003

Posts: 3600

Location: Hickory Valley, Tennessee (USA)

Posted: Wed Oct 27, 2004 12:27 am Post subject: Post Trial Update, October 13, 2004

TO: THE SOLARI ACTION NETWORK

RE: Update on US ex. rel. Ervin v Hamilton Securities

October 13, 2004

At the request of our attorneys, we look forward to commenting on Judge Oberdofers decision after we have recieved a final judgment. See below for the partial judgment issued.

With the transcript closing as of August 16th, we are pleased to announce that Catherine is in a position for the first time since June 1996 to take on new investment banking and investment strategy clients.

Updates as of July 9 & 22, 2004

In honor of Catherine's returning to her passion of helping people make money, we have updated our website description of services:

Who We Are

<http://www.solari.com/about/index.htm>

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UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA ex. rel., ERVIN AND ASSOCIATES, INC, Plaintiff, v. THE HAMILTON SECURITIES GROUP, INC. et al, Defendants

Filed August 16, 2004

ORDER AND PARTIAL JUDGEMENT

In is this 15th day of August 2004 hereby

ORDERED: that Judgment is entered for Ervin on Count IX of the Second Amended Complaint, related to the North and Central note sale. "[T]he amount of damages which the Government [has] sustain[ed] on Count IX under 31 U.S.C. 3729 is \$1,511,244,00. Within 10 days of the filing date of this Order and Partial Judgement, the parties will file supplemental briefs addressing (1) the proper penalty to be assessed under 31 USC 3729; and (2) the proper division of payment as between Ervin and the United States; and it is further

ORDERED: that Judgment is entered for Hamilton with respect to Count II of the Second Amended Complaint (related to the Single Family Offering), as well as Counts XIII and XIV (related to the Williams, Adley 8(a) contract,) and Counts XV and XVI (related to the cross-cutting contract).

Dated: August 15, 2004

Louis F. Oberdorfer

UNITED STATES DISTRICT JUDGE

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Catherine

Joined: 14 Mar 2003

Posts: 3600

Location: Hickory Valley, Tennessee (USA)

Posted: Wed Oct 27, 2004 12:44 am Post subject: Update on Litigation -- Hamilton Files Notice of Appeal

TO: THE SOLARI ACTION NETWORK

Updates as of July 9 & 22, 2004

RE: Update on US ex. rel. Ervin v Hamilton Securities  
October 26, 2004

On October 15, 2004 Hamilton filed a notice of appeal in Federal District Court, while awaiting final judgment from the Federal District Court.

We look forward to commenting on Judge Oberdorfer's decision after we have received the final judgment. Until then, the world wide currency markets are speaking more eloquently to the current management of the US government and judiciary than anything we could say.

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Catherine

Joined: 14 Mar 2003

Posts: 3600

Location: Hickory Valley, Tennessee (USA)

Posted: Wed Oct 27, 2004 1:35 am Post subject: The Dollar is in a Waterfall Decline

TO SOLARI ACTION NETWORK

October 26, 2004

James Turk's latest commentary, 'The Dollar is in a Waterfall Decline, is worth a read.

Turk notes that the US dollar has dropped to lows not seen since January 1996. If we look back, we will also note that January 1996 was about when a lot of honorable people started to be run out of government and business and the manipulation of the mortgage, gold and other markets by the US Treasury and Federal Reserve started to kick into high gear.

The US has done a lot of things since 1996 to keep the "strong dollar policy" going -- including liquidating most personal and government equity -- something that will become clearer as the economy "marks to market." Have we reached the day of reckoning? I would argue that we reached that day on September 11, 2001 --a day of economic warfare that justified historic new levels of market manipulations and warfare. Spiritual reality and financial reality are both powerful -- and one can not defy the other for ever.

- Catherine

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The Dollar is in a Waterfall Decline  
by James Turk

For the chart, click to the on line version:  
<http://goldmoney.com/en/commentary.php#current>

On October 6th the US Dollar Index closed at 88.48. It closed yesterday at 84.97, a 4.0% decline in just 12 trading sessions. It is rare to see such a rapid, sharp drop in value, so it seems fair to say that the dollar is in a waterfall decline.

A 'waterfall decline' is an expressive term, and easy to envision. The pattern of declining prices looks like a waterfall, as we can see in the following chart of the US Dollar Index.

The Dollar Index broke 87 on October 19th. Since then it has literally fallen off a cliff, forming the waterfall pattern. If it takes out the February 17th low of 84.92 (and we are only 5 pips above that level), the Dollar Index will be trading at lows not seen since January 1996.

Whether this current waterfall decline in the dollar cascades into Niagara Falls or ends here, only time will tell. There is no way to predict what the dollar's course will be, but we do know its long-term trend is down.

What's more, there are no fundamental reasons now apparent to suggest that the dollar is about to change course anytime soon. The trade deficit is already over 5% of GDP, which doesn't yet even reflect the worsening in this deficit because of the sharp jump in the price of imported oil.

My conclusion in the last alert was "that we should buckle our seatbelts. The US dollar looks ready for a rough ride to the downside, which I expect will result in a rising gold price." That rough ride has begun, and the gold price has climbed higher. I expect more of the same.

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