

PARTIES

4. ROBERT L. SCHULZ is a citizen of the State of New York and the United States of America. His natural, individual, unalienable Rights, Liberties and Freedoms are protected by the Constitutions of the United States of America and the State of New York. He pays taxes to the United States. He pays taxes to New York State. He resides at 2458 Ridge Road, Queensbury, New York, 12804. He is over the age of eighteen. He is registered to vote in New York State.
5. UNITED STATES FEDERAL RESERVE SYSTEM is a cartel of private banks chartered by the Congress of the United States as a Central Bank.
6. BEN S. BERNANKI is the Chairman of the Federal Reserve System.
7. UNITED STATES DEPARTMENT OF THE TREASURY is a department of the Executive Branch of the United States.
8. HENRY M. PAULSON, JR. is the Secretary of the United States Department of the Treasury.
9. UNITED STATES is the central, federal government created and governed by the terms and conditions of the Constitution of the United States of America and its essential underlying principles.

FACTS

10. On Tuesday, September 16, 2008, Defendants agreed to an \$85 billion bailout that would give the Defendants control of the troubled insurance company American International Group, a private corporation.

11. Under the Agreement, Defendants will make a two-year loan to A.I.G. of \$85 billion and, in return, will receive warrants that can be converted into common stock giving the United States about 79.9 percent ownership of A.I.G., if the existing shareholders agree.
12. In effect, the agreement puts billions of dollars of taxpayer money at risk to protect bad investments made by A.I.G. and other private institutions it does business with as providers of esoteric (*unregulated*) financial insurance contracts to private investors who bought privately held debt securities. The agreement requires the United States taxpayers, in effect, to cover losses suffered by the buyers in the event the securities default. It means the taxpayers are on the hook for billions of dollars' worth of private securities.
13. On information and belief, Defendant Treasury Department sold \$40 billion of special supplementary Treasury bills on Wednesday, September 17, 2008 and will sell \$60 billion more today, Thursday, September 18, 2008.
14. Defendants are set to give or lend public money and public credit to A.I.G.

ARGUMENT

THE AGREEMENT IS ULTRA VIRES AND UNCONSTITUTIONAL

15. Defendants acted without constitutional and congressional authority in agreeing to bailout A.I.G. by giving or lending public, taxpayer money and public, taxpayer credit.

CONCLUSION

14. Based on the above, plaintiff respectfully requests an order:
 - a) Declaring Defendants' agreement to bail out A.I.G. to be unconstitutional, null and void, and

- b) Permanently enjoining Defendants from giving or lending any public, taxpayer money or public, taxpayer credit to A.I.G., and
- c) For such other and further relief as to the Court may seem just and proper.

DATED: September 18, 2008

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