



Redemption Scheme Leader Arrested in Minnesota

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White supremacist and anti-government extremist Roger Elvick was arrested in Minnesota on September 3, 2003, after being indicted in Ohio on multiple charges related to a bogus check scheme called "redemption."

Redemption, created by Elvick in the late 1990s, is an elaborate scheme promulgated by anti-government extremist groups around the country. Promoters of the scheme hold seminars at which they claim that the United States went bankrupt in 1933 when it went off the gold standard, and to pay the country's debt to "international bankers," the U.S. collateralized American citizens themselves, registering their birth certificates as securities.

Redemption advocates claim that people can regain control of these securities, known as their "strawman," and moreover, through a series of filings, can create and access special "Treasury Direct Accounts." Redemptionists can then print check-like instruments called "sight drafts," using them to pay off debts or purchase cars or other items. If anybody attempts to hinder them, Redemptionists can use paper terrorism tactics against them, such as filing bogus IRS forms or involuntary bankruptcy forms.

Redemption spread across the country after 1999, becoming one of the most popular anti-government extremist tactics. Redemption practitioners have been convicted on a variety of charges in Oregon, Idaho, Michigan, Ohio, Pennsylvania, Colorado, and other states.

Elvick is charged with engaging in a pattern of corrupt activity. The indictment claims that Elvick and others (many of whom have since been convicted on a variety of charges) engaged in a criminal enterprise involving Redemption groups holding seminars to teach people Redemption and how to use bogus sight drafts. The indictment alleges that Elvick helped mail a threatening letter to a Cuyahoga County, Ohio, judge presiding over a case involving Redemptionists, and that he helped Redemptionists create bogus sight drafts.

Elvick is also charged with two counts of extortion, five counts of intimidation, two counts of conspiracy to commit intimidation, five counts of retaliation, four counts of complicity in the commission of forgery, and one count of conspiracy to commit engaging in a pattern of corrupt activity.

A second defendant, Dionne Bailey, was charged with four counts of intimidation and two counts of retaliation.

Elvick has had a lengthy history of criminal activity and involvement in extremist groups that dates back decades. In the 1980s, he was the national spokesperson for the Committee of the States, a white supremacist and anti-government offshoot of the Posse Comitatus headed by prominent anti-Semite William Potter Gale. He was also associated with the neo-Nazi group Aryan Nations.

In the 1980s, Elvick and others created a group called the Common Title Bond and Trust, which operated a predecessor to the Redemption scheme. The group issued bogus "sight drafts" to farmers facing severe financial troubles during the farm crisis of that decade. Elvick and others told farmers

that the sight drafts would pay off their bank loans, and that farmers could stop repaying their bank and instead make payments to Common Title Bond and Trust. The group was active in as many as 30 states and several provinces of Canada and involved over \$15 million of bogus sight drafts.

Elvick and three others were arrested and convicted in 1990 on a 19-count indictment. According to federal prosecutors, "Elvick started the operation and communicated his ideas, which were picked up by the others." Elvick was subsequently convicted in another trial on charges of filing false IRS 1099 forms in order to harass public officials.

As a result of these convictions, Elvick spent most of the 1990s in jail. According to Redemptionists, he used his time in prison to hone his theories, and indeed, the Redemption scheme, also involving bogus sight drafts and harassing IRS forms, seems like a variation on Elvick's original scheme.

Elvick now faces extradition back to Ohio to stand trial in Cuyahoga County.

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