

**LETTER TO OKLAHOMA STATE ATTORNEY
GENERAL
THE HONORABLE DREW EDMONDSON**

September 29, 2003

Office of the Attorney General
2300 North Lincoln Boulevard
Suite 112
Oklahoma City, Oklahoma 73105

Dear Attorney General Edmondson---

As an individual who has watched with great dismay the devastating effect of huge corporate accounting frauds on the retirement funds of millions of innocent investors, I was deliriously happy to see you bring felony criminal charges against Bernard Ebbers and several of his World Com executives who perpetrated massive stock fraud on the investing public. The mug shots of the disgraced Mr. Ebbers appeared in newspapers all over the nation. When I read that he may be subject to up to 10 years imprisonment for the reckless damage he caused to pension funds of Oklahomans, I thought of you, sir, in the same light as that of the hanging judge in the 1968 Eastwood film "Hang 'Em High!" Your get-tough stance on crime extends to the Wall Street connected white-collar criminal who destroys people's savings. You are not fearful of calling the high and mighty to account in your zeal to defend the common man. I also noticed that you were among the 8 state attorneys general who took part in the settlement with tobacco interests concerning product liability issues, and that your efforts netted \$2 billion in relief for taxpaying Oklahomans; residents of your state should take comfort having substantial proof that you are a guardian of their interests who won't tolerate anyone, no matter how big and powerful, doing them financial harm. We also note that your Oregon colleague Hardy Myers, a specialist in antitrust litigation, has gone after MCI.

I know also that you are one of the leading attorneys general in the National Association of Attorneys General of the United States, the elected sentinels for safeguarding the legal rights of the citizens of their

respective states. Sir, I must call to your attention another matter of huge financial fraud, one that has been called to the attention of your prominent Democrat colleague, Mr. Eliot Spitzer, New York state Attorney General, by commodity analyst Mr. Theodore Butler, in a public letter dated September 15, 2003 (please see link at www.petitiononline.com/comex/petition.html). The letter concerns the long-standing practice tolerated by the Commodity Exchange and the Commodity Futures Trading Commission (CFTC) of allowing large financial interests---including those linked to the former World Com, Enron, and other corporate stock frauds---to “naked short” the silver price, which artificially depresses the price---apparently for the benefit of members of the Silver Users Association.

Current information shows a total short position in silver of over 900 million ounces, while deliverable COMEX inventories are roughly 40 million ounces. However, those 40 or so million ounces are pledged in “daisy chain” swaps to other parties by OTC derivatives, in effect, the same metal has been sold multiple times, creating a bizarre encumbrance in which delivery of silver to long contract holders becomes increasingly difficult. As the CFTC allows these financial interests to naked short silver in any amount necessary to drive the price down where they can cover their contract positions at a profit, thousands of average commodity investors---including Oklahomans---are illegally defrauded. Former CFTC official, Gary SeEVERS, was taken in by Goldman Sachs, a known silver short. The CFTC also places delivery limitation rights on long contract holders, giving the abusive shorts as much unfair advantage as they wish. The deficit will stop them soon. It is too late to avert the industrial silver shortage, but not too late to criminally charge everyone responsible!

Mr. Butler warned Eliot Spitzer to be alert for rule changes and emergency orders on the COMEX (“CRIMEX”) to protect the manipulative naked shorts, who have sold more silver short than exists, especially rules that prevent long contract holders from taking delivery.

Butler observes what the criminal consequences are when someone writes checks not backed by funds. We see that you yourself, as of August 18, 2003, charged 2 residents of your state for selling items that they failed to deliver, causing consumers in other states including California, Colorado, Connecticut, Michigan, New York, North Carolina, Pennsylvania and Wyoming to lose \$40,000 or more. Mr.

Edmondson sir, this long-standing COMEX silver short fraud has cost commodity investors literally billions during its long duration. Petty shoplifters running from stores are gang-tackled by security guards, yet the Federal CFTC allows naked COMEX silver shorts to steal mega-billions from investors and producers of silver, who are so grievously swindled---Sunshine Mining was bankrupted! It seems that CFTC commissioners are appointed by members of Congress such as Senator Richard Lugar (Indiana Republican) who receive campaign donations from member companies of the Silver Users Association including Dow Chemical and silver short JPMorganChase! My own Representative, Joe Barton (Texas Republican) told me no problem exists in silver pricing, yet he took money from Du Pont, a member of the silver raiding Silver Users Association, and through an invitation to address the American League of Lobbyists, appears to have personal acquaintance with Walter Frankland of the Silver Users Association.

As you are aware, sir, Mr. Harvey Pitt of the Securities Exchange Commission resigned recently under fire due to the corporate accounting frauds that cost Americans so dearly of their future income. Older Americans have had to take low paying jobs at anything they can get, just to barely survive due to continual whipsawing by the renegade financial elite. The problem of COMEX short cartel in silver has been brought to the attention of James Newsome, who heads the CFTC, by the aforementioned Theodore Butler. Mr. Newsome directed a subordinate (Michael Gorham) to issue a letter to Mr. Butler denying any problem exists in the silver price. However, if you will log onto cftc.gov site you will find that on May 23, 2001, Newsome addressed the Silver Users Association---

“It is both an honor and a pleasure to address this distinguished group. The CFTC will continue to vigorously prosecute those who attempt to manipulate markets or to defraud market participants. Our role is to protect the public.”

Which members of the public is Newsome protecting, other than renegade Wall Streeters? Indeed, the CFTC as of July 9, 2002, is a member of the Corporate Fraud Task Force by Executive Order of Mr. Bush. As stated, there is a short position in silver (not linked to any real hedging, as the last big silver miner, Barrick Gold, closed out its silver hedge book already) that appears to be some 22 times the amount of

allegedly deliverable COMEX silver. Neal Wolkoff of the COMEX who has also insisted no problem in silver pricing exists, was formerly with the CFTC, both of which cover for the manipulators. No one can explain how a commodity can be in a deficit for some 50 years plus, with no price increase as inventories race towards the vanishing point!

The Silver Users Association has worked since 1947 to hold the silver price low, to the detriment of producers, and caused the termination of the U.S. constitutional money, silver coins. I am certain you remember using the authentic silver coins back in the mid-1960's. Silver is the ONLY commodity with a users group. The Justice Department has repeatedly refused to investigate this organization as to antitrust matters. The Federal government, apparently to make the paper dollar appear worth more than it is, allows artificial price depressive tactics aimed at silver and gold---Constitutional money. When Federal regulators default on their duties, it is up to state officials including you to take action. If anyone attempted to sell short 22 times the number of Ford Motor shares in existence, the SEC would lock that person up for 200 years. Yet, in silver, the CFTC allows such insanity. Such insanely huge and totally unbacked short positions cannot help but have the effect of smashing the price to the ground, a situation on the COMEX complained about by high-ranking Mexican and Peruvian government officials as far back as 1971 (see New York Times, June 10, 1971, page 67, and June 21, 1971, page 42). Producers are cheated of fair prices for this commodity, and thousands are out of work because of this and central bank silver "leasing." Other CFTC commissioners have indicated obedience to the Silver Users Association, including Thomas Erickson (October 18, 2000)---

"I was pleased to accept Walter Frankland's invitation to speak with members of the Silver Users Association."

On October 28, 1998, chairperson Brooksley Born of the CFTC said---

"I am pleased to be asked to speak today to the members of the Silver Users association."

To my knowledge there are still outstanding arrest warrants for the head of De Beers diamond interests should he appear on U.S. soil, as the Justice Department recognizes that entity as an illegal cartel in violation

of U.S. law. However, the Silver Users Association freely does what it wishes. Indeed, at their site silverusersassociation.org they maintain liaison with CFTC and Congress. Members of this group have been sued frequently in other high-profile matters, such as Dow Chemical (pollution damages) and the former Union Carbide in the Bhopal disaster in India in 1984, which killed some 16,000 residents and left many thousands more impaired for life.

Sir, the unbelievable fact is that, for almost exactly the same length of time that the Silver Users Association has existed (1947), silver has been in a deficit of production to consumption, because primary silver miners cannot get a price for silver that allows them to break-even. The deficit has been covered by various national governments dumping silver below production cost, with no referendum to their citizens to determine that they actually wish their silver to be transferred to a users group at fire sale prices! I know your state has many in the oil and gas industry who supply those vital resources to America, yet there is no users association for oil and gas that works to hold the prices low to their exclusive benefit and to everyone else's detriment. If you cap the price of a commodity, rather than allow pure supply-demand forces to determine the price, you create a shortage and THAT hurts the consuming public! My own uncle, Royce Wisenbaker of Tyler, Texas (deceased 2001), was a wealthy Democrat and member of the Interstate Oil Compact Commission and longtime regent of Texas A & M University. He and his fellow petroleum producers would not have tolerated artificial shorting of those commodity prices and would have insisted that someone such as you take the manipulators to task! We have recently seen a sharp increase in natural gas prices, and major information sources freely admit that it is due to a genuine shortage. No one is screaming out a brat's tantrum that the price increase is due to an "excess in speculation," a phrase the Silver Users Association rants about like a broken record!

I notice also that you are a Navy veteran with a Vietnam tour of duty. Mr. Edmondson sir, silver is vital in so many high-tech defense uses that we cannot defend ourselves without it, and Mr. Bush has worked very hard to aggravate many nations to hate us! Yet, due to the Silver Users Association, an unserved silver deficit looms dead ahead and we will probably see the train wreck by early 2004 or sooner. We want to know if insiders are readying short positions in silver using corporations to

profit from the impending silver shortage. A huge volume increase in put options on United Airlines, American Airlines, Boeing and some insurance stocks took place the week before the September 11, 2001 attacks! We also want to know if the silver shortage is part of a plan to shift more American industrial jobs to lower paying jurisdictions overseas. Eastman Kodak of the Silver Users Association is bellowing about laying off employees. As you are aware, America has already lost nearly 3 million jobs under Mr. Bush, to date!

The Bush administration, unfortunately, has links to these Silver Raiders, including Barbara Franklin of Dow Chemical (national co-chair of Bush for President); Donald Rumsfeld and Richard Cheney of the old Cost of Living Council, who placed a price ceiling of \$1.61 an ounce on domestically mined silver, which they were forced to rescind when this exacerbated the shortage; and George Walker Mr. Bush's 2nd cousin at Goldman Sachs, identified by Butler as a notorious silver shorting institution. Another such institution is JPMorganChase, the largest single derivatives holder on earth with some \$25 trillion in derivatives, which Warren Buffett last summer called a threat to the financial system! Oklahomans, beware! As these hyperleveraged derivatives positions catch fire, the Federal Reserve will move to bail out the abusive financial institutions by creating unlimited cash, destroying savings held in dollars by millions of average Americans!

The silver shorting fraud is interconnected with all other high-profile financial crimes. The Bush administration is coming under increasing criticism for its Iraq invasion and finding no weapons of mass destruction (will evidence be planted just before the 2004 election?) Halliburton, the Vice President's corporate affiliation, is due to get billions in oilfield contracts in Iraq while Bush asks for \$87 billion from U.S. taxpayers, to funnel to looting corporate interests. It is no coincidence that the British were our partners in the takeover of Iraq, and that British financiers such as Lord Clitheroe of Yorkshire Bank have been long-time Halliburton directors. Additionally, Anne L. Armstrong, a one time Halliburton director, served as Ambassador to Britain beginning in 1976. This is an entangling alliance that our Founding Fathers warned us about! As Mr. Bush makes noises insinuating that Iran could be the next target, we note the British military focus on Iran in 1952, installing the abusive Shah of Iran, and

the British and American oil multinationals pumping oil in Iran after Mossadeqh was deposed.

To connect Halliburton to unbacked silver shorting practices, we note that Treasury Secretary William Simon (1974-1977) was a governor of the COMEX when in January 1980 the COMEX changed the trading rules in silver futures to order liquidation only trading, which collapsed the price to the benefit of the Silver Users Association. It appears that as the rule change was being prepared, Mr. Simon (and other rule makers who ethically had no business being position takers) went massively short silver, as he emerged with a fortune in the hundreds of millions, and appeared on many boards such as Halliburton and Citibank and, very ironically, the National Council on Organized Crime!

Please Mr. Attorney General, review Mr. Butler's letter at the link provided and contact your colleague Mr. Spitzer and take action to protect the citizens of your states from financial fraud in COMEX silver trading, and all Americans will benefit! Please insist that the abusive naked short sellers pay the penalty to the fullest criminal extent of the law! Treat them as you're treating Bernard Ebbers---as financial criminals! Need I remind you that, when people lose their finances, they have no ability to pay taxes? Very Respectfully Yours---

**Charles R. Savoie
908 Glenda
Bedford, Texas 76022
817-268-1879
frostystemcell@comcast.net**