



# Department of Justice

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## PRESS RELEASE

Albany, New York —United States Attorney Richard S. Hartunian and Clifford C. Holly, Special Agent-in-Charge, Federal Bureau of Investigation, Albany Division, today announced that, ED GEORGE PARENTEAU, age 53, of Sherburne, New York and JEFFREY CHARLES BURFEINDT, age 47, of Highland, New York, pled guilty in United States District Court in Albany before the Honorable Charles B. Kornmann to Count Two of an Indictment charging each with mail fraud.

In connection with their pleas, PARENTEAU and BURFEINDT admitted the following during the plea proceedings:

On March 4, 2009, BURFEINDT and PARENTEAU were encountered and subsequently arrested by Town of Lloyd Police Officers for false personation and/or trespassing on a piece of real estate located in Highland, New York.

Following BURFEINDT's and PARENTEAU's arrests, they were taken to the Lloyd Police Department, processed, and then brought before a Town Judge from the Lloyd Justice Court, for arraignment on the trespassing and false personation charges. During the events of March 4, 2009, or through subsequent interactions with various employees of the Town of Lloyd, its Police Department or Ulster County, the defendants identified the names of various municipal employees.

All of BURFEINDT's and PARENTEAU's interactions with the municipal employees were in the municipal employees' professional or official capacities. None of the aforementioned municipal employees, or the Town of Lloyd, the Town of Lloyd Police Department, or Ulster County (hereinafter "municipalities") violated, in any way, any of BURFEINDT's or PARENTEAU's civil or legal rights on March 4, 2009 or in any subsequent related interaction. Moreover, none of the municipal employees or municipalities consented or agreed to be a debtor or "libellee" to BURFEINDT or PARENTEAU, nor did any of the municipal employees or municipalities consent or agree to have any of their personal or real property encumbered by any judgments, liens or Uniform Commercial Code-1 (UCC-1) Financing Statements in which BURFEINDT or PARENTEAU were identified as the "libellant," secured party or secured creditor.

Despite the absence of any legitimate claim, commercial agreement, contract or understanding between BURFEINDT or PARENTEAU and the municipal employees or municipalities referenced above, BURFEINDT and PARENTEAU devised and participated in a lien and judgment scheme in order to defraud the municipal employees and municipalities of the use of their monies. The lien and judgment scheme worked in the following general manner: BURFEINDT and PARENTEAU, within the Northern District of New York, mailed, in or about late August, 2009, documents entitled "Declaration in the nature of an affidavit of negative averment, opportunity to cure, and counterclaim" to various municipal employees and municipalities. These documents contained false claims for monetary damages arising out of BURFEINDT's and PARENTEAU's arrests on March 4, 2009 and subsequent court proceedings. These documents claimed to serve as admissions by the municipal employees and municipalities in the event the municipal employees and municipalities did not respond and pay monetary damages within fourteen days of the date of the documents. None of the municipal employees or municipalities responded to the aforementioned documents because the documents were without merit.

Between September, 2009 and October, 2009, BURFEINDT and PARENTEAU, as set forth in Counts 1 and 2 of the Indictment, mailed various documents entitled "Demand for Payment" "Second Demand for Payment" and "Final Demand for Payment" to the various municipal employees and municipalities from the Town of Lloyd, its police force and Ulster County. These documents falsely claimed that BURFEINDT and PARENTEAU were owed multi-billion dollar sums of money for purported damages committed by the municipal employees and the municipalities and their failure to respond to the "negative averment" declaration(s). None of the municipal employees or municipalities paid any moneys to BURFEINDT or PARENTEAU because the claims were baseless. Nonetheless, in late October, 2009, BURFEINDT and PARENTEAU each mailed documents entitled "Notice of Final Determination and Judgement in Nihil Dicit" to the municipal employees and municipalities described above. These "Judgements" falsely claimed that the municipal employees and municipalities now had judgments against them for multi-billion sums of money and that BURFEINDT and PARENTEAU were the respective holders of the judgments.

In early to mid-November, 2009, BURFEINDT and PARENTEAU each drafted and signed various documents entitled "Notice of Claim of Maritime Lien" which falsely claimed that BURFEINDT and PARENTEAU were each entitled to multi-billion dollar liens against the personal and real property belonging to the municipal employees and municipalities described above. Once in possession of the fraudulent "Maritime" liens, BURFEINDT and PARENTEAU each prepared a New York State UCC-1 Financing Statement which falsely claimed that based upon the previously described judgments and liens, each was a secured creditor of the municipal employees and municipalities and that BURFEINDT had a \$73,612,800,000.00 security interest in the personal and real property belonging to the municipal employees and municipalities, and that PARENTEAU had a \$62,653,950,000.00 security interest in the personal and real property belonging to the municipal employees and municipalities. These UCC-1 Financing Statements were then filed with the New York State, Department of State, Division of Corporations, State Records and Uniform Commercial Code on November 20, 2009. Once the UCC-1

Financing Statements were filed with the aforementioned New York State agency on November 20, 2009, they became publicly available to any person interested in investigating whether any of the municipal employees or municipalities were the subject of any liens or judgments.

BURFEINDT and PARENTEAU acted with the intent to defraud and knew, and intended, that the municipal employees and municipalities described above would be forced to take legal action in response to all of the false and baseless documents, liens, judgments and lawsuits. In particular, BURFEINDT and PARENTEAU knew and intended that the Town of Lloyd and Ulster County would have to expend resources in order to defend against the numerous false liens, judgments and lawsuits described above. Moreover, at no time did BURFEINDT or PARENTEAU ever obtain any advice from a licensed attorney or paralegal that any of their actions were lawful or appropriate. BURFEINDT's and PARENTEAU's actions in mailing and filing false liens, judgments and lawsuits against the municipal employees and municipalities were done because the aforementioned employees and municipalities had displeased BURFEINDT or PARENTEAU in one manner or another.

Sentencing was scheduled by Judge Kornmann for May 13, 2011, at 11:00 a.m. in U.S. District Court in Albany, New York. PARENTEAU and BURFEINDT face a maximum penalty of 20 years imprisonment, and a fine of up to \$250,000.00. PARENTEAU and BURFEINDT were released pending their sentencings.

This case was investigated by the FBI's Joint Terrorism Task Force.

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