



Department of Justice

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MAIL FRAUD DEFENDANT SENTENCED

Conspirator in Fraudulent Lien and Judgment Scheme Sentenced to 21 Months Imprisonment

Albany, New York —United States Attorney Richard S. Hartunian and Clifford C. Holly, Special Agent-in-Charge, Federal Bureau of Investigation, Albany Division, announced that ED GEORGE PARENTEAU, age 53, of Sherburne, New York, was sentenced on May 13, 2011 by the Honorable Thomas J. McAvoy in Federal District Court in Albany on his guilty plea to one count of mail fraud. PARENTEAU was sentenced to twenty-one (21) months of imprisonment, to be followed by three years of supervised release. He was also ordered to pay restitution in the amount of \$8,079.21.

PARENTEAU pled guilty on January 13, 2011. In connection with his plea, PARENTEAU admitted the following in a written plea agreement and during his plea proceeding:

On March 4, 2009, PARENTEAU and co-defendant JEFFREY BURFEINDT¹ 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 PARENTEAU's and BURFEINDT'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.

¹ Co-defendant Jeffrey Burfeindt is scheduled to be sentenced before the Hon. Thomas J. McAvoy on July 13, 2011 at 2:30 p.m.

All of PARENTEAU's and BURFEINDT'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 PARENTEAU's or BURFEINDT'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 PARENTEAU or BURFEINDT, 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 PARENTEAU or BURFEINDT were identified as the "libellant," secured party or secured creditor.

Despite the absence of any legitimate claim, commercial agreement, contract or understanding between PARENTEAU or BURFEINDT and the municipal employees or municipalities referenced above, PARENTEAU and BURFEINDT 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: PARENTEAU and BURFEINDT, 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 PARENTEAU's and BURFEINDT'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, PARENTEAU and BURFEINDT 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 PARENTEAU and BURFEINDT 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 PARENTEAU or BURFEINDT because the claims were baseless. Nonetheless, in late October 2009, PARENTEAU and BURFEINDT 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 PARENTEAU and BURFEINDT were the respective holders of the judgments.

In early to mid-November 2009, PARENTEAU and BURFEINDT each drafted and signed various documents entitled “Notice of Claim of Maritime Lien” which falsely claimed that PARENTEAU and BURFEINDT 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, PARENTEAU and BURFEINDT 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 over a \$73 billion (\$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 over a \$62 billion (\$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.

PARENTEAU and BURFEINDT 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, PARENTEAU and BURFEINDT 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 PARENTEAU or BURFEINDT ever obtain any advice from a licensed attorney or paralegal that any of their actions were lawful or appropriate. PARENTEAU’s and BURFEINDT’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 PARENTEAU or BURFEINDT in one manner or another.

This case was investigated by the Federal Bureau of Investigation’s Joint Terrorism Task Force.

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