

MONEY MYTHS SERIES

Is Your Birth Certificate a Bond? The Secret Treasury Account Myth

No, your birth certificate isn't a bond and there's no secret Treasury account. What Treasury, the Fed, the FBI and federal courts say, and who profits.

By Eric Ridley, attorney, Ridley Law · Updated September 2026 · Read online with live links: ridleylawoffices.com/birth-certificate-bond/

Part of our [money myths series](#), where we look at who gets paid when you follow money advice from social media.

The pitch: when the U.S. left the gold standard, the government started trading your birth certificate as a bond. A secret Treasury account worth millions sits under your Social Security number, and you can tap it with a “bill of exchange” or by writing your number on a bill. **The verdict:** the Treasury says these accounts are fictitious and don’t exist, the Federal Reserve says individuals can’t have accounts there at all, and people who used the method have gone to federal prison.

\$0

monetary value of a birth certificate or Social Security number (U.S. Treasury)

\$630,000 to \$3 million

what believers think sits in the secret account (FBI, 2011)

\$140,000

real money one promoter charged people to join a birth certificate scheme (DOJ, 2019)

25 years

maximum prison term for a fictitious obligation, a class B felony (18 U.S.C. §§ 514, 3581)

\$15 billion

real unclaimed property the California State Controller holds for owners (2026)

Who gets paid. The people selling the method. The Treasury's own warning page says some internet sites sell videos, webinars, and coaching on how to use your birth certificate bond, that no one has profited from the Treasury this way, and that the scammers profit by selling their wares. The court record shows how much: a South Carolina man charged people over \$140,000 in real money for his birth certificate scheme, and an Oregon seminar promoter earned \$562,224 from seminars and product licensing while he was producing fake instruments.

Is your birth certificate a bond?

No. The U.S. Treasury says birth certificates can't be used for purchases or to request savings bonds supposedly held in your name, and that a birth certificate has no monetary value ([TreasuryDirect, Birth Certificate Bonds](#)). In California a birth certificate is a vital record. Health and Safety Code § 102425 says it contains the items necessary to establish the fact of the birth, and the state charges \$31 for a certified copy. Nothing in it is a promise to pay you.

The story behind the claim, as the Treasury tells it: when the country went off the gold standard in 1933, the government supposedly went bankrupt and began trading citizens' birth certificates on the open market, turning each person into a corporate asset called a "strawman." It's a newer version of an older Treasury bill of exchange scam. A federal court in Pennsylvania put the law in one line last year: a person's birth certificate does not create, nor is evidence of, a contractual relationship ([Young v. Federal Reserve Board of Governors](#), 2025).

Is there a secret Treasury account in your name?

No. The Treasury calls the "Exemption Account" a false term and says these accounts are fictitious and don't exist in the Treasury system. A TreasuryDirect account only has value if you fund it from your own bank account. The Federal Reserve says individuals can't, by law, have accounts at the Federal Reserve, and people who try to pay bills with a Federal Reserve routing number may face penalty fees and have accounts closed ([Federal Reserve Board FAQ](#)).

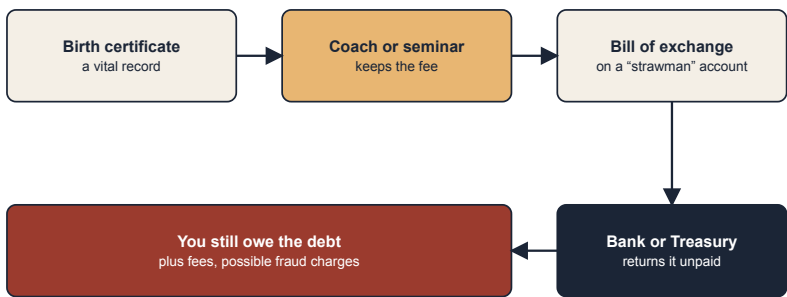
The FBI's 2011 bulletin describes the belief: each citizen has a net worth, kept in a Treasury account, valued from \$630,000 to more than \$3 million. The bulletin calls the resulting "Redemption Scheme" the most prevalent method sovereign citizens use to defraud banks, credit institutions, and the government ([FBI Law Enforcement Bulletin](#)).

What about the CUSIP number some videos point to on a birth certificate? A CUSIP identifies securities such as stocks, commercial paper, and government and municipal bonds ([Investor.gov](#)). A birth certificate isn't a security, and the Treasury says it has no monetary value. Whatever number is printed on it, it's a records number.

What happens if you pay a bill with a bill of exchange?

It gets rejected, and you can be charged with a crime. The Treasury’s Inspector General says drawing such drafts on the Treasury is fraudulent and a violation of federal law, and that all these bills of exchange drawn on the Treasury are worthless ([Treasury OIG](#)). The Federal Reserve Bank of Cleveland reported that bill payments made with the Fed’s routing numbers were being rejected and returned unpaid ([Cleveland Fed, 2017](#)).

The Treasury says people have used these documents to try to pay for everything from cars to child support. Banks are told what to do with them. The Comptroller of the Currency says such instruments are worthless and have no legal validity, however they’re titled, and tells banks to keep the document and file a Suspicious Activity Report ([OCC Alert 2003-12](#)).



Where the money goes

Step	Who ends up with the money
You pay for the video, seminar, or coaching	The seller
You send the bill of exchange or Fed routing number payment	Nobody; it's returned unpaid
The original bill keeps accruing interest and fees	The creditor, from you

Has anyone gone to prison for this?

Yes, many people. In South Carolina, a man who told people their debts could be paid with financial claims against their birth certificates tried to discharge nearly \$15 million of consumer debt and got 10 years. He went after people facing foreclosure and reached many of them through churches ([DOJ, 2019](#)). Making or passing a fictitious obligation with intent to defraud is a class B felony under 18 U.S.C. § 514, punishable by up to 25 years, and bank fraud carries up to 30 years under § 1344.

Heineman, mortgage elimination (N.D. Cal.)	260 mo
Wright, birth certificate claims (D.S.C.)	120 mo
Shrout, bills of exchange (D. Or.)	120 mo
Hardin, bonded notes (8th Cir.)	120 mo
Sean Morton, strawman bonds (C.D. Cal.)	72 mo
Hutson, fictitious instruments (D. Colo.)	70 mo
Melissa Morton (C.D. Cal.)	24 mo

Sentences in redemption and secret-account cases

Defendant	Scheme	Sentence	Record
Heineman	Mortgage elimination; later a \$516,411.63 “strawman” check	260 months	N.D. Cal. order, 2024
Wright	Debts paid with claims against birth certificates	10 years	DOJ release, May 2019
Shrout	Fake financial instruments, seminars	10 years	DOJ release, Oct. 2018
Hardin	Fictitious “bonded” notes	120 months	8th Cir. opinion, 2012
Sean Morton	UCC-1 “strawman” filings and bonds	6 years	DOJ release, Sept. 2017
Hutson	Fictitious financial instruments	70 months	DOJ release, May 2018
Melissa Morton	Same scheme as her husband	2 years	DOJ release, Sept. 2017

California has its own examples. A Hermosa Beach couple charged clients thousands of dollars to file UCC-1 documents declaring their “strawman” status. The husband got six years and was ordered to pay \$480,322 to the IRS, and his wife got two years. The U.S. Attorney’s release calls redemption the most common scheme used across the nation by tax defiers and sovereign citizens (DOJ, 2017).

In San Francisco federal court, a man on supervised release for a mortgage elimination scheme mailed the court a “check” for \$516,411.63 drawn on a supposed Federal Reserve Bank of Richmond account for his strawman. Judge Alsup found it was a sham and noted that these instruments have been rejected every time (United States v. Heineman, 2024).

What do courts say about the birth certificate bond theory?

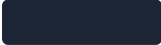
They call it frivolous. A federal court in Alabama, quoting an earlier Mississippi decision, noted in 2023 that from coast to coast, claims that debts were paid with redemption-theory bills of exchange have been dismissed as frivolous ([Thomas v. ServBank](#)). The Third Circuit has described the theory as the idea that a birth certificate is a negotiable instrument the holder can redeem for value from the federal government, and it affirmed bank fraud and fictitious obligation convictions for a man who deposited a \$25 million “certified tender of payment,” while sending his sentence back for recalculation ([United States v. Waalee](#), 2005). In another Third Circuit case, prison officials found inmates charging others up to \$1,500 to start the “redemption process” ([Monroe v. Beard](#), 2008).

The Eighth Circuit, affirming a 120-month sentence for a man who sold fictitious “bonded” notes to more than 50 customers, rejected his remaining arguments as meritless ([United States v. Hardin](#), 2012). For the trust version of this pitch, see [sovereign citizen trusts and “accepted for value”](#).

What does trying it cost? A worked example

Take a hypothetical cardholder with an \$8,000 balance who pays a coach \$2,000 for a redemption package and mails the card company a bill of exchange drawn on her “strawman” account. It comes back unpaid. While she waits, the balance keeps accruing interest. At 22.15%, the average rate the Federal Reserve reports on credit card accounts charged interest in the second quarter of 2026, six months of interest on \$8,000 is about \$886.

Paid to the coach (hypothetical)

 **\$2,000**

Six months of card interest at 22.15%

 **\$886**

Card balance still owed

 **\$8,000**

Hypothetical birth certificate bond payment

Item	Amount	Basis
Coaching and document fee	\$2,000	Hypothetical
Card balance	\$8,000	Hypothetical
Interest for six months	about \$886	$\$8,000 \times 22.15\% / 2$ (Fed G.19 rate on accounts assessed interest, Q2 2026)
Paid off by the “bond”	\$0	Payments drawn on Fed or Treasury accounts are returned unpaid

She’s out \$2,886 and still owes the full \$8,000, before any late fees, a damaged credit report, or a call from the bank’s fraud department. The coach has the \$2,000.

Is there real money the government is holding for you?

Sometimes, and you can claim it for free. The California State Controller holds about \$15 billion in unclaimed property: old bank accounts, uncashed checks, deposits, and securities. Its December 2025 mailing alone reunited owners with more than \$30.4 million ([State Controller, 2026](#)). Search and claim at claimit.ca.gov at no cost. If someone offers to find it for a fee, California law caps that fee at 10% of the property returned ([State Controller, 2016](#)).

Real savings bonds exist too, the ones someone paid for. TreasuryDirect sells electronic savings bonds from \$25 up to \$10,000 a year. Treasury Hunt, the old search tool for matured bonds, closed on September 30, 2025, so lost or inherited paper bonds now go through TreasuryDirect’s claim forms. We explain that process in [how to claim savings bonds after a death](#) and the state process in [unclaimed property of a deceased relative](#).

The birth certificate bond pitch compared with real unclaimed money in your name

Question	Birth certificate bond pitch	Real unclaimed money
Where it supposedly sits	A secret Treasury or Fed account under your SSN	The State Controller or TreasuryDirect, in your name
How you get it	Bills of exchange, UCC-1 filings, A4V stamps	A claim form with proof of identity
What it costs	Seminar, video, or coaching fees	Free to claim directly
What government agencies say	Fictitious; the accounts don’t exist	Published and searchable
Risk	Returned payments, fees, fraud charges	None when you file it yourself

What should you do instead?

- ✓ Search your name and your parents’ names at claimit.ca.gov and claim directly.
- ✓ If you hold paper savings bonds or think a relative did, use TreasuryDirect’s official forms, not a calculator printout.
- ✓ If you’re behind on debt, call the creditor about a hardship plan or talk to a nonprofit credit counselor or a bankruptcy attorney.
- ✓ If you already mailed a bill of exchange or used a Fed routing number, stop, keep copies, and talk to a lawyer before you send anything else.
- ✓ If a seminar or coach is selling this, report it to the FTC at ReportFraud.ftc.gov and to the Treasury Inspector General.

For debt relief offers that sound too good, see [debt elimination and settlement scams](#).

Frequently asked questions

Is my birth certificate worth money?

No. The U.S. Treasury says a birth certificate and a Social Security number have no monetary value. A certified copy costs you \$31 from the California Department of Public Health.

Does the government trade birth certificates on the stock market?

No. The Treasury describes that claim as part of a scam story and says the accounts it describes are fictitious and don't exist in the Treasury system.

Can I pay a bill with my Social Security number or a Fed routing number?

No. The Federal Reserve says individuals can't have accounts there, and the Cleveland Fed reported those payments are rejected and returned unpaid. You can be hit with penalty fees and lose your bank account.

What is a strawman account?

A belief, not an account. The FBI says believers think it holds \$630,000 to more than \$3 million under a Treasury account. Courts have held the strawman theory has no legal basis.

Is selling a birth certificate bond course illegal?

Selling fake financial instruments is a federal crime under 18 U.S.C. § 514, and promoters have been convicted of fraud for charging people to use them. A seller who stops at videos may avoid prosecution, but the buyer who acts on the method takes the risk.

How do I find unclaimed money in my name?

Search California's unclaimed property database at claimit.ca.gov and use TreasuryDirect for savings bonds. Both are free when you file the claim yourself.

Related reading: [sovereign citizen trusts](#) and [infinite banking](#), another "be your own bank" idea. Questions about an inheritance or a parent's accounts? [Talk to Ridley Law](#).

This page is general information about the law, not legal, tax, or investment advice for your situation. Talking to Ridley Law doesn't create an attorney-client relationship until we both sign an engagement letter.

More in the [money myths](#) series.

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Questions about your own plan?

Ridley Law helps California families with trusts, wills, trust administration and probate from Port Hueneme, serving Ventura, Santa Barbara and Los Angeles counties. The first call is free and runs 30 minutes.

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