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District of Arizona*

FOR IMMEDIATE RELEASE  
Friday, July 01, 2011

Public Affairs  
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## **TUCSON MAN ARRESTED FOR BANKRUPTCY FRAUD RELATED TO ALLEGED FORECLOSURE RESCUE PLAN**

TUCSON, Ariz. – Marshall E. Home, 81, of Tucson, was arrested today in Tucson as a result of a criminal complaint charging him with two counts of false claims in bankruptcy.

According to the criminal complaint, Home operated the “Individual Rights Party; Mortgage Rescue Service.” Home would charge individuals in foreclosure proceedings \$500 purportedly to make the foreclosure process stop. His web site advised that the property of individuals who used his service would become part of his “larger overall bankruptcy liquidation.” According to the complaint, Home is a self-proclaimed “sovereign citizen” whose anti-government beliefs assert that Congress does not have the authority under the U.S. Constitution to make laws, rules or regulations binding on anyone outside the District of Columbia and federal territories.

The criminal complaint further alleges that on March 16, 2011, Home filed in the United States Bankruptcy Court in Tucson an Involuntary Petition in Bankruptcy which sought to place the United States into bankruptcy. According to the criminal complaint, Home falsely told the Bankruptcy Court that he had a financial claim of over \$3 billion against the United States. Subsequently, Home filed or caused to be filed 173 false claims against the United States in the Bankruptcy Court relating to individuals participating in the “Mortgage Rescue Service.” Many of these false bankruptcy claims involve loans guaranteed by Freddie Mac and Fannie Mae. The criminal complaint alleges that these claims totaled over \$2.5 trillion dollars. The specific charges in the two counts of the criminal complaint involve claims of \$2.5 billion and \$50 million.

“The anti-government paranoia of so-called ‘sovereign citizens’ becomes a self-fulfilling prophecy when they use their false claims and fraudulent practices to rip-off others,” said U.S. Attorney Dennis K. Burke. “We will continue to work with our law enforcement partners to pursue and prosecute those who make false claims against the government to cover for their wrongdoing.”

“We are a nation of laws, and the defendant’s alleged conduct undermines the laws of the United States Bankruptcy Courts, and the integrity of the system as a whole,” stated Steven R. Hooper, FBI Acting Special Agent in Charge, Phoenix Division. “The FBI and our federal partners will continue to investigate individuals or groups who commit fraud against the government.”

Inspector General Steve Linick said that, “the Federal Housing Finance Agency Office of Inspector General was created, in part, to investigate fraud against Freddie Mac and Fannie Mae, which are currently under conservatorship of the U.S. Government. The taxpayers have invested over \$163 billion in Fannie Mae and Freddie Mac to date.” Inspector General Linick praised the

U.S. Attorney's Office and Federal Bureau of Investigation for their cooperative efforts in protecting the assets of Fannie Mae and Freddie Mac and the interests of the American taxpayers.

A conviction for making false claims in bankruptcy carries a maximum penalty of five years in prison, a \$250,000 fine or both. In determining an actual sentence, the assigned judge will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

A criminal complaint is simply the method by which a person is charged with criminal activity and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented to a jury that establishes guilt beyond a reasonable doubt.

The investigation in this case is being conducted by the FBI and the Federal Housing Finance Agency Office of Inspector General. The prosecution is being handled by the U.S. Attorney's Office in Tucson.

CASE NUMBER: 11-00700M  
RELEASE NUMBER: 2011-140(Home)

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