

Certified Mail No: 7005 0390 0003 9518 1326

Diane Combs
Vincent E. Thomas
Ernest V. Thomas III
Discover Bank
Thomas & Thomas LLC
16 W. Fourth Street
Newport, KY 41071-1063

NOTICE OF DEFAULT

Jointly, individually and personally

Regarding Account Numbers 6011 3008 8016 5285 and 6011 0065 9068 6565, the following statements are true:

On January 3, 2006 a Check was sent to Diane Combs of Thomas & Thomas LLC to pay off the above referenced accounts in the amount stated by Diane Combs of Thomas & Thomas LLC, \$8,360.91. Discover Bank had 30 days to present it but has failed to do so.

U.C.C. §3-603 Tender of payment.

(a) If tender of payment of an obligation to pay an instrument is made to a person entitled to enforce the instrument, the effect of tender is governed by principles of law applicable to tender of payment under a simple contract.

(b) If tender of payment of an obligation to pay an instrument is made to a person entitled to enforce the instrument and the tender is refused, there is discharge, to the extent of the amount of the tender, of the obligation of an indorser or accommodation party having a right of recourse with respect to the obligation to which the tender relates.

(c) If tender of payment of an amount due on an instrument is made to a person entitled to enforce the instrument, the obligation of the obligor to pay interest after the due date on the amount tendered is discharged. If presentment is required with respect to an instrument and the obligor is able and ready to pay on the due date at every place of payment stated in the instrument, the obligor is deemed to have made tender of payment on the due date to the person entitled to enforce the instrument.

Further, the United States Supreme Court has ruled:

"His tender, as we have already seen, was equivalent to payment, so far as concerns the legality of all subsequent steps by the collector to enforce payment by distraint of his property." *Poindexter v. Greenhow*, 114 U.S. 270 quoted in *AYERS. SCOTT. MCCABE.*, 8 S. Ct. 164, 123 U.S. 443 (U.S. 12/05/1887)

Further:

"Silence can only be equated with fraud when there is a legal or moral duty to speak, or when an inquiry left unanswered would be intentionally misleading... We cannot condone this shocking conduct... If that is the case we hope our message is clear. This sort of deception will not be tolerated and if this is routine it should be corrected immediately" U.S. v. Tweel, 550 F2d 297, 299-300.

Based on the foregoing evidence Discover Bank is hereby deemed to be in default.

DECISION

Decision in favor of the CARDHOLDER is hereby granted:

It is ordered that the agreement involving the above mentioned accounts have been lawfully surrendered and are void;

Pursuant to U.C.C. § 3-603 (b) it is ordered that the alleged debt is hereby discharged;

It is hereby ordered that Discover Bank shall report the instant accounts to all credit bureaus as "paid as agreed" and show the balance owed as zero (0);

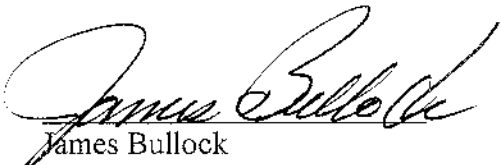
It is hereby ordered that Discover Bank will discontinue all collection efforts and harassment of CARDHOLDER regarding the instant account;

Discover Bank has refused or is unable to provide proof of debt. This refusal or inability is prima facie evidence that Discover Bank used undersign's property to fund the instant account. Discover Bank has failed or refuses to return undersign's property as required. Therefore, it is ordered that Discover Bank pay undersign the amount shown on the attached statement for the unauthorized use of undersign's property.

Failure to comply with this decision will result in the undersign taking any and all action necessary under natural law to protect her rights, life, and property.

I, James Bullock, knowing the penalty of bearing false witness, hereby affirm the foregoing to be true and correct to the best of my knowledge and belief and do affix my signature in testimony of the foregoing default judgment.

EXECUTED THIS 27th day of February, 2006


James Bullock
7 Deer Haven Ct.
Florence, Kentucky 41042

Signatory, James Bullock, personally appeared before me and is known to me and did affix her signature to this document. In witness thereof I set my hand and seal

Cynthia P. Bullock

Notary Public in and for the State of Your State.

My commission expires:



Cynthia P. Bullock
Notary Public
State At Large, Kentucky
My Commission Expires
April 30, 2007

This document has been recorded at PeoplesRecorder.com for all to see.

Record # : jsb_discover

Date : 02/04/06

Prepared by:

James Bullock

James Bullock
7 Deer Haven Ct.
Florence, Kentucky 41042

STATEMENT

DISCOVER BANK
c/o THOMAS & THOMAS LLC
16 West Fourth Street
Newport, KY 41071-1063

From 01/01/01 to 02/06/06

Account Number: 6011 3008 8016 5285
Beginning Balance: \$ 5,000.00
Rate of Interest: 11.99% Compounded Monthly
Interest to date: \$ 3,138.45
Sub-Total Due as of 02/06/06: \$ 8,138.45

Payment due: 03/06/06

From 04/01/01 to 02/06/06

Account Number: 6011 0065 9068 6565
Beginning Balance: \$ 5,000.00
Rate of Interest: 14.99% Compounded Monthly
Interest to date: \$ 3,850.69
Sub-Total Due as of 02/06/06: \$ 8,850.69

Total Due as of 02/06/06: \$16,989.14

Payment due: 03/06/06

Late payment fee is equal to 10% of amount due compounded monthly.

Make check payable to and send to:

James Bullock
7 Deer Haven Ct.
Florence, Kentucky 41042