

From This Chair

(In God We Trust) (In Banks the People Do Not Trust)

Bank of America

Bank of America Re-Remics Cut Debt as Basel Looms¹:

“Oct. 14 (Bloomberg) -- Bank of America Corp., seeking to reduce risk and meet new capital standards, upgraded billions of dollars of distressed mortgage bonds by repackaging them into new securities using a variation of a Wall Street technique that failed during the credit crisis.

The transactions, known as re-remics, are designed to add a layer of protection to residential mortgage-backed securities that sustained losses, enabling them to regain investment-grade ratings. The strategy helped the bank pare its RMBS holdings by \$5.2 billion in the second quarter, or about 15 percent, according to a company filing. “

Bank Of America: We Face Repurchase Lawsuits On \$375 Billion Worth Of Mortgage Securities²:

“From Bank of America's just-released 10-Q (via Keith McCullough), here's what the company says about repurchase lawsuits:”; “Although the allegations vary by lawsuit, these cases generally allege that the offering documents for more than \$375 billion of securities issued by hundreds of securitization trusts contained material misrepresentations and omissions, including statements regarding the underwriting standards pursuant to which the underlying mortgage loans were issued, the ratings given to the tranches by rating agencies, and the appraisal standards that were used in violation of Section 11 and 12 of the Securities Act of 1933 and/or state securities laws.”

William K. Black and L. Randall Wray, November 4, 2010 06:06 PM

Let's Set the Record Straight on Bank of America: Open the Books!³

“The article "Bank of America Resists Rebuying Bad Loans" shows that Bank of America's potential loss exposure to Fannie and Freddie is staggering: "[Bank of America] said it sold \$1.2 trillion in loans to the government-controlled housing giants from 2004 to 2008 and has thus far received \$18 billion in repurchase claims on those loans.”

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¹ <http://noir.bloomberg.com/apps/news?pid=20601087&sid=aSmLfAJrdvrl&pos=5>

² <http://www.businessinsider.com/bank-of-america-repurchase-liability-ris>, 404 Error, File not Found

³ <http://www.huffingtonpost.com/william-k-black/yes-lets-set-the-record-s>, 404 Error, File not Found

Wells Fargo

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934⁴

For the quarterly period ended September 30, 2010

Commission file number 001-2979

“In addition, if a court were to overturn a foreclosure due to errors or deficiencies in the foreclosure process, we could have liability to a title insurer that insured the title to the property sold in foreclosure. Any such liability may not be reimbursable to us to the extent it relates to a securitized mortgage loan.”

“Although we believe that we delivered all documents in accordance with the requirements of each securitization involving our mortgage loans, if any required document with respect to a securitized mortgage loan sold by us is missing or defective, as discussed above we would be obligated to cure the defect or to repurchase the loan.”

“When mortgage notes are assigned, such as between an originator and a securitization trust, the change of ownership is recorded electronically on a register maintained by MERS, which then acts as agent for the new owner. Although MERS has been in existence and used for many years, it is now suggested by some commentators that having a mortgagee of record that is different than the owner of the mortgage note “breaks the chain of title” and clouds the ownership of the loan.”

This author has heard Ben Bernanke referred to as “Helicopter Ben”, “Ben BerBankee” and Timothy Geithner referred to as “Turbo Timmy”, “Gold Boy Timmy” and many various other names for the both.

Regardless of names or titles, it is obvious that millions of the people have their boots planted firmly on American soil while those of Wall Street are wearing sneakers on Mars, pun intended.

Those bankers and the legal counsel who sit high in arrogance within these Martian Crystal Towers attempted to interrupt laws in a manner to increase their personal financial gains.

A paper (tangible) security instrument follows a paper (tangible) negotiable instrument, a paper (tangible) security instrument does not follow an electronic (intangible) negotiable instrument and also, an electronic (intangible) security instrument does not for an electronic (intangible) negotiable instrument.

The secondary market investor electronic certificates (intangible) are provided with their own set of laws for lawfulness and the collateral for the electronic instruments is the rights to collect the payments “payment intangibles” in which the payment intangibles collateral was to be the paper “tangible” negotiable instrument and the paper (tangible) security instrument.

The paper (tangible) negotiable instrument has not been lawfully negotiated to the electronic (intangible) certificateholders if such paper tangible has been converted into an electronic intangible.

⁴ <http://www.sec.gov/Archives/edgar/data/72971/000095012310101484/f56682e10vq.htm>