

## **What they should have done:**

**A is the loan Originator (Fee Paid on the original filing of the security instrument)**

**A indorses to B and a recording fee should be applied in regards to the security instrument to be filed of record, sell effects real estate**

**B is the Seller/Securitizer of Trust**

**B fills in the blank in B's name as indorsee so they could further negotiate the note to C**

**B indorses to C and a recording fee should be applied in regards to the security instrument to be filed of record, sell effects real estate**

**C is the Depositor of Trust**

**C fills in the blank in C's name as indorsee so they could further negotiate the note to D**

**C indorses to D and a recording fee should be applied in regards to the security instrument to be filed of record, sell effects real estate**

**D is the Trustee of Trust**

**D fills in the blank in D's name as indorsee so they could further negotiate the note to E**

**D indorses to E and a recording fee should be applied in regards to the security instrument to be filed of record, sell effects real estate**

**E is the Trust (Certificate Holders)**

**E fills in the blank in E's name as indorsee (E is now Owner/Holder & Holder in Due Course**

**----Default----**

**Legal Actions Executed**

## **What they did:**

**A is the loan Originator (Fee Paid on the original filing of the security instrument)**

**A indorses "in blank" and possession of note is transferred to Custodian (or destroyed if scanned) for B and the MERS registry is updated as to who has control of the Custodian and the Transferable Record**

**B is the Seller/Securitizer of Trust**

**B sells the Transferable Record to C and the MERS registry is updated as to who has control of the Custodian and the Transferable Record (no recording fees paid)**

**C is the Depositor of Trust**

**C sells the Transferable Record to D and the MERS registry is updated as to who has control of the Custodian and the Transferable Record (no recording fees paid)**

**D is the Trustee of Trust**

**D sells the Transferable Record to E and the MERS registry is updated as to who has control of the Custodian and the Transferable Record (no recording fees paid)**

**E is the Trust (Certificate Holders)**

**-----Default-----**

**Assignment of Mortgage from A to E is filed public record and fee is paid (Fraudulent Filing)**

**Illegal Foreclosure Action Commenced**