

May 27, 2011

Ms. Deanne Dissinger
Associate Deputy Director
The American Law Institute
4025 Chestnut Street
Philadelphia, PA
19104-3099
ddissinger@ali.org

Re: Draft Report of the Permanent Editorial Board for the UCC Relating to Enforcement and Collection of Mortgage Debt

Dear Ms. Dissinger:

The following are comments of the American Bankers Association on the Draft Report of the Permanent Editorial Board for the UCC relating to enforcement and collection of mortgage debt. The Draft accompanies a memorandum dated March 29, 2011, and can be found on the American Law Institute website at http://extranet.ali.org/directory/files/PEB_Report_on_Mortgage_Notes-Circulation_Draft.pdf.

By way of background, the American Bankers Association represents banks of all sizes and charters and is the voice for the nation's \$13 trillion banking industry and its 2 million employees. The majority of ABA's members are banks with less than \$165 million in assets. ABA's extensive resources enhance the success of the nation's banks and strengthen America's economy and communities.

In order to properly evaluate the Draft Report, ABA sought input from our members in different ways.

First, the ABA Task Force on Payments Law reviewed the Draft and held a conference call meeting on May 4, 2011, to discuss issues and related matters in more detail. Composed of bank lawyers, financial institution operations officers, and state bankers association professionals who lobby state legislatures on behalf of their members, the ABA Task Force was established some time ago when the Uniform Law Commission first created a Study Committee on the Law of Payment Systems (as it was then designated). With the recent shift in focus of the ULC Study Committee to mortgage issues, we have added several bankers with experience in that area to our group. In addition, some members of our ABA Task Force participated in the May 9 stakeholders meeting on mortgage issues.

Second, in order to inform ABA's broad membership of the Draft Report, it was publicized in *ABA UCC/Uniform Law News*, a monthly e-mail bulletin provided to more than 3,700 employees of ABA member institutions.

Third, the Draft has been discussed several times on weekly ABA Working Group on State Issues conference calls. Those participating in the calls include state bankers association (SBA) executives, SBA counsels, SBA government relations managers, and a substantial number of government relations professionals from large multi-state banks.

It might interest you to know that the highest levels of ABA's leadership have an interest in uniform law developments. One of my responsibilities is to make the Association's leaders aware of issues involved, and my colleagues and I do that on an ongoing basis.

We are pleased to report that ABA has received several favorable comments regarding the Draft. Our members very much appreciate the time and effort that leading professionals have devoted to creating this paper. It explains in an understandable manner several key rules in this area and should be a valuable tool to courts, attorneys, bankers, and others as they consider issues relating to the transfer and enforcement of notes secured by a mortgage on real property. ABA feels that the paper will be a welcome addition to the marketplace.

Thank you for the opportunity to comment. We would appreciate your consideration of our views.

Sincerely,

A handwritten signature in cursive script, appearing to read "L.H. Wilson".

L.H. Wilson