

Alvie explains

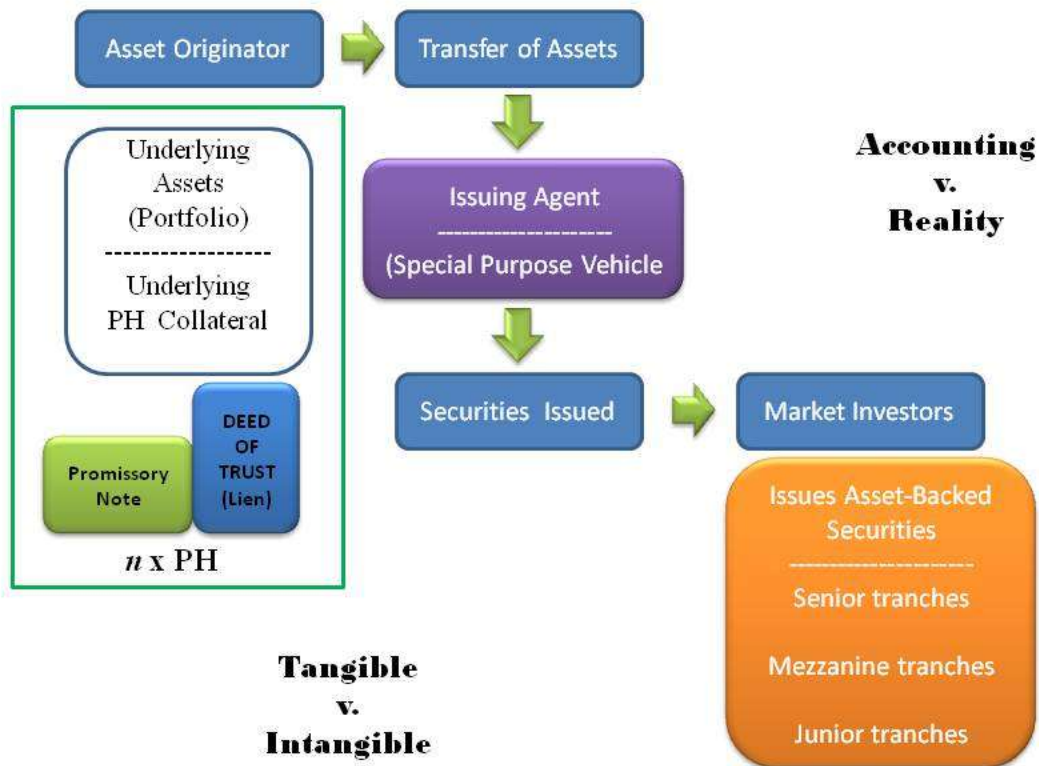
How it appears - "Modus Operandi"



The Illusion

Part II

Modus Operandi

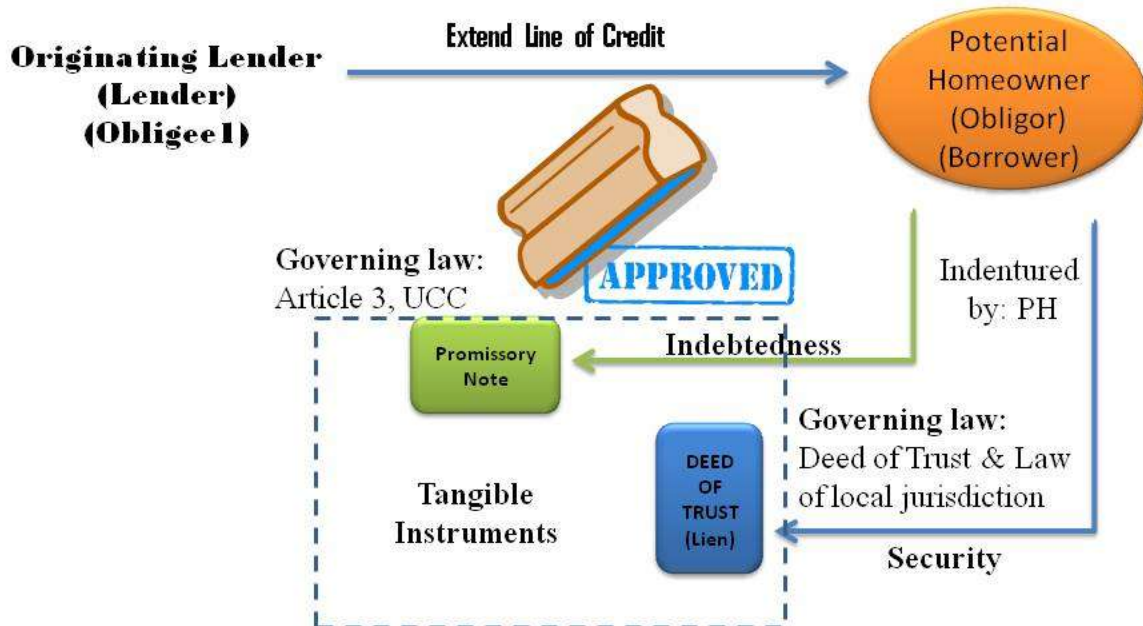


How it appeared to you



The Illusion

It Started out like this



The two separate contracts began on tangible paper, even though it may have been created on a computer.

The two separate contracts are governed by different laws.

- Note – Article 3,
- Deed of Trust, Lien – Deed of Trust, law of local jurisdiction

And could also have occurred like this

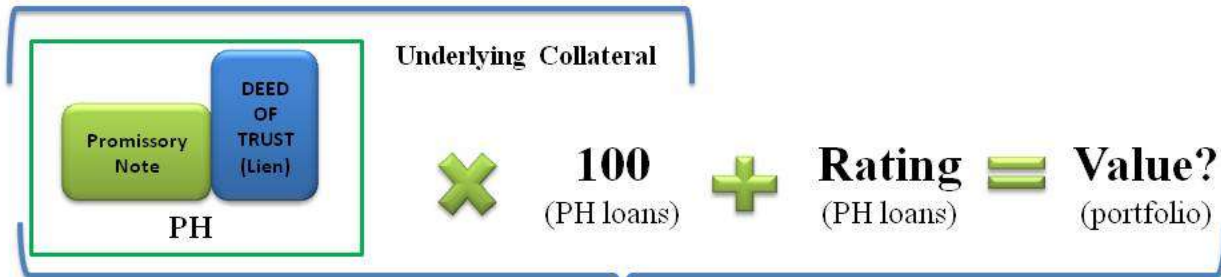
In the tangible world, if the Obligee chooses to sell mortgage loans;

An Obligee would identify assets it wants to remove from the “balance sheet” to “pool” a potential homeowner(s)(PH) loan with other PH loans. Such pooling processes have underwriting standards set in place for creating this type of reference portfolio.

In doing so, the asset originator “Obligee” could be a “seller” of these pooled PH loans.

These portfolios are structured in various tranches by rating agencies.

“Reference Portfolio” (PH loans)



“Pooled” PH loans

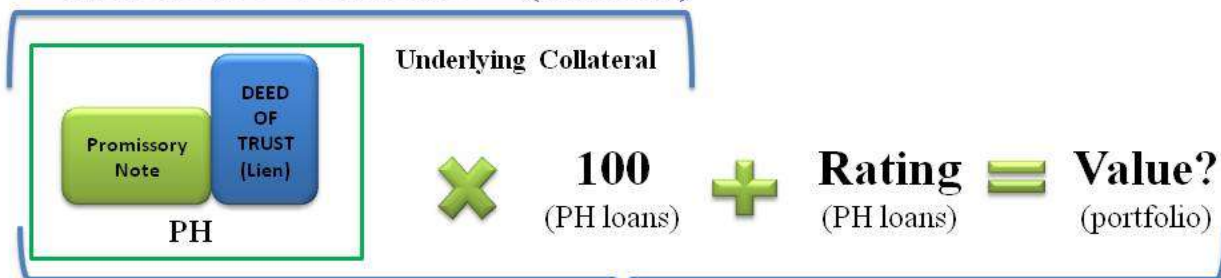
This is only provided to get your mind back to thinking in the paper world of doing things.

And could also have occurred like this, (cont.)

As a Trust Certificate is the ultimate goal of a wayfarer in the tangible primary market.

Movement of all instruments have various different laws according to the instrument whether it be the contract between the party(s), creation of a trust, creation of a lien, negotiation of a Note, transfer of a security or transfer of a lien, they all are governed by some certain law accordingly, in sequence or in parallel. A law must be followed to make it lawful.

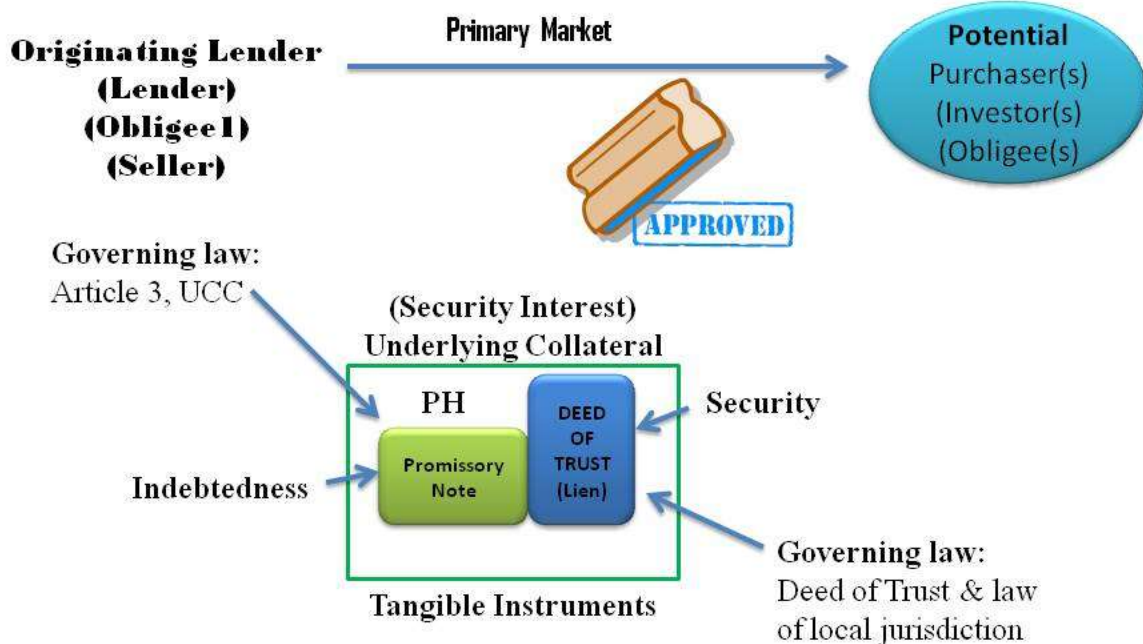
“Reference Portfolio” (PH loans)



“Pooled” PH loans

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And possibly ended up like this using



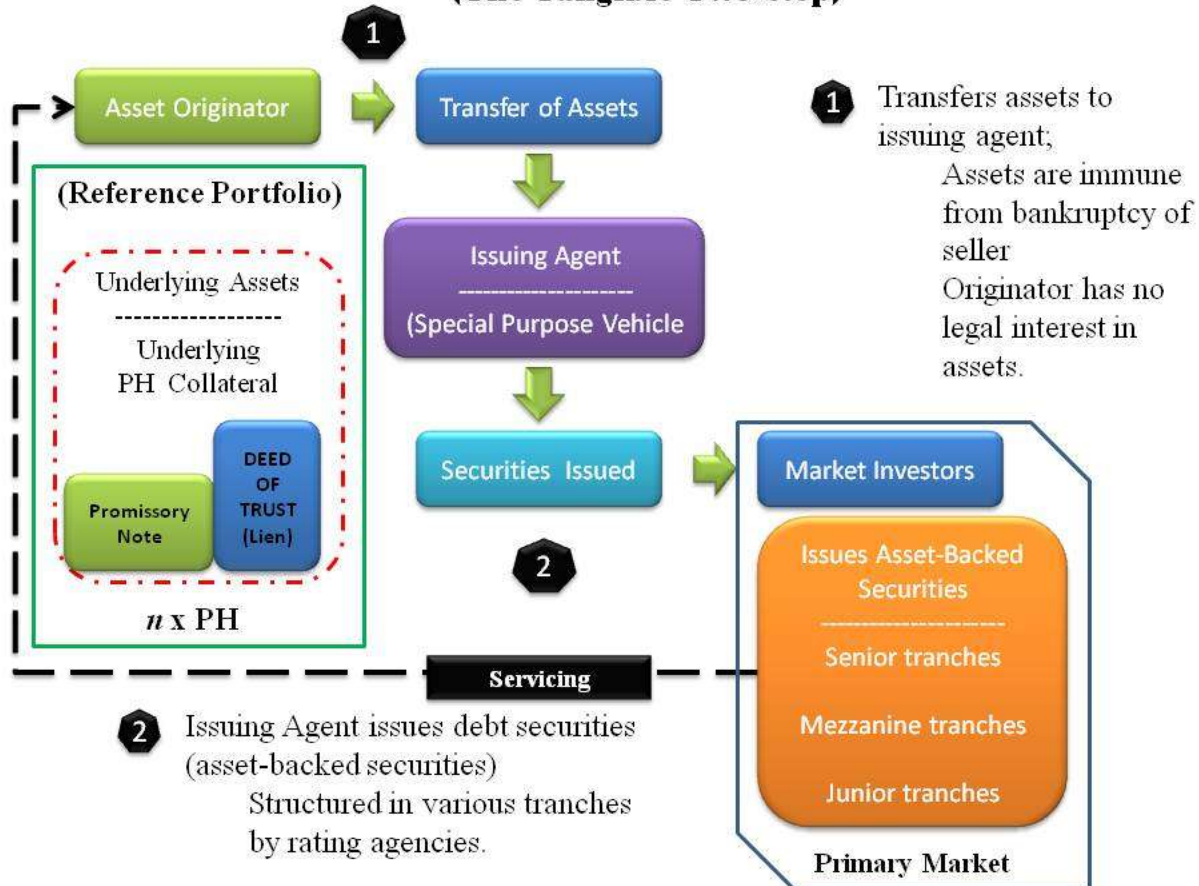
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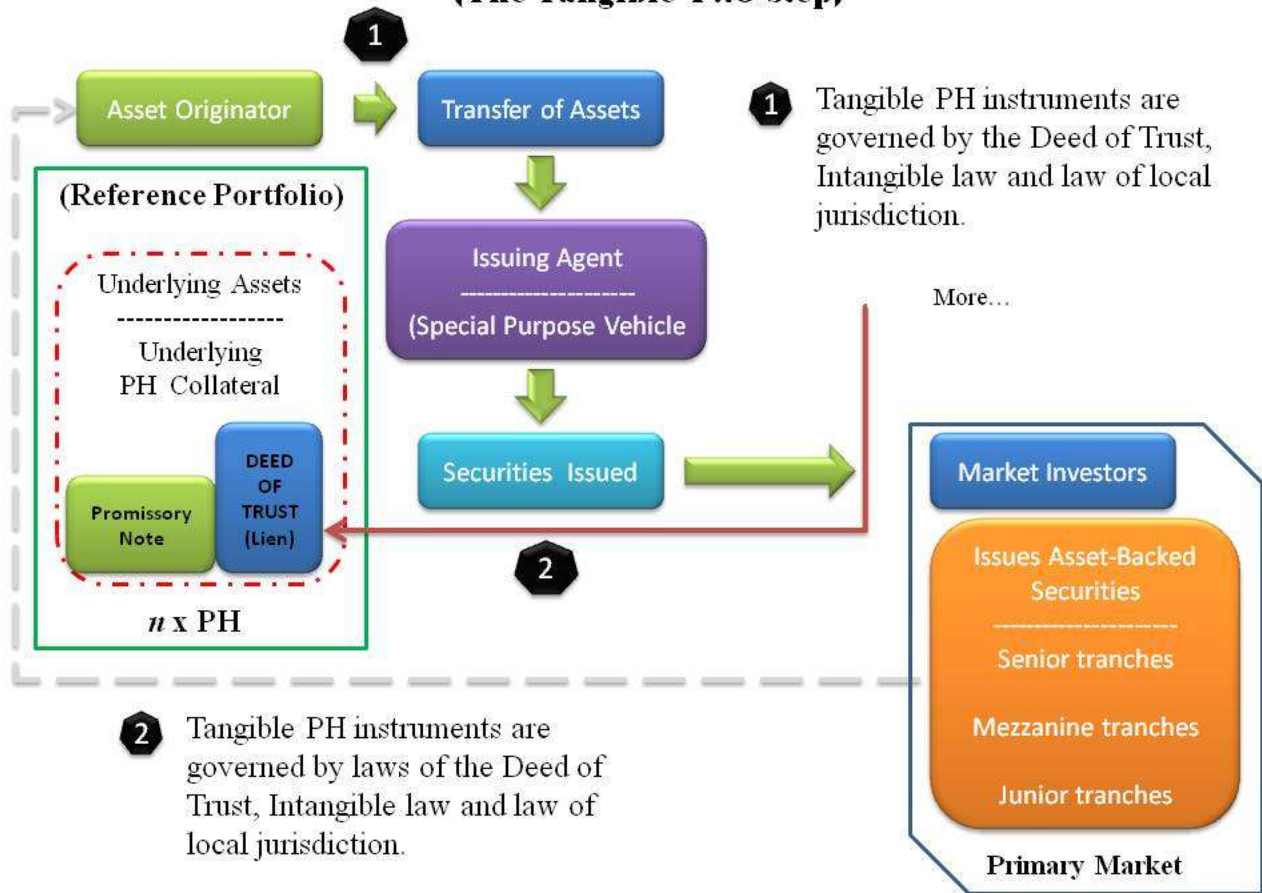
a. Note – Article 3, Article 9, UCC

b. Deed of Trust, Lien – Deed of Trust, law of local jurisdiction

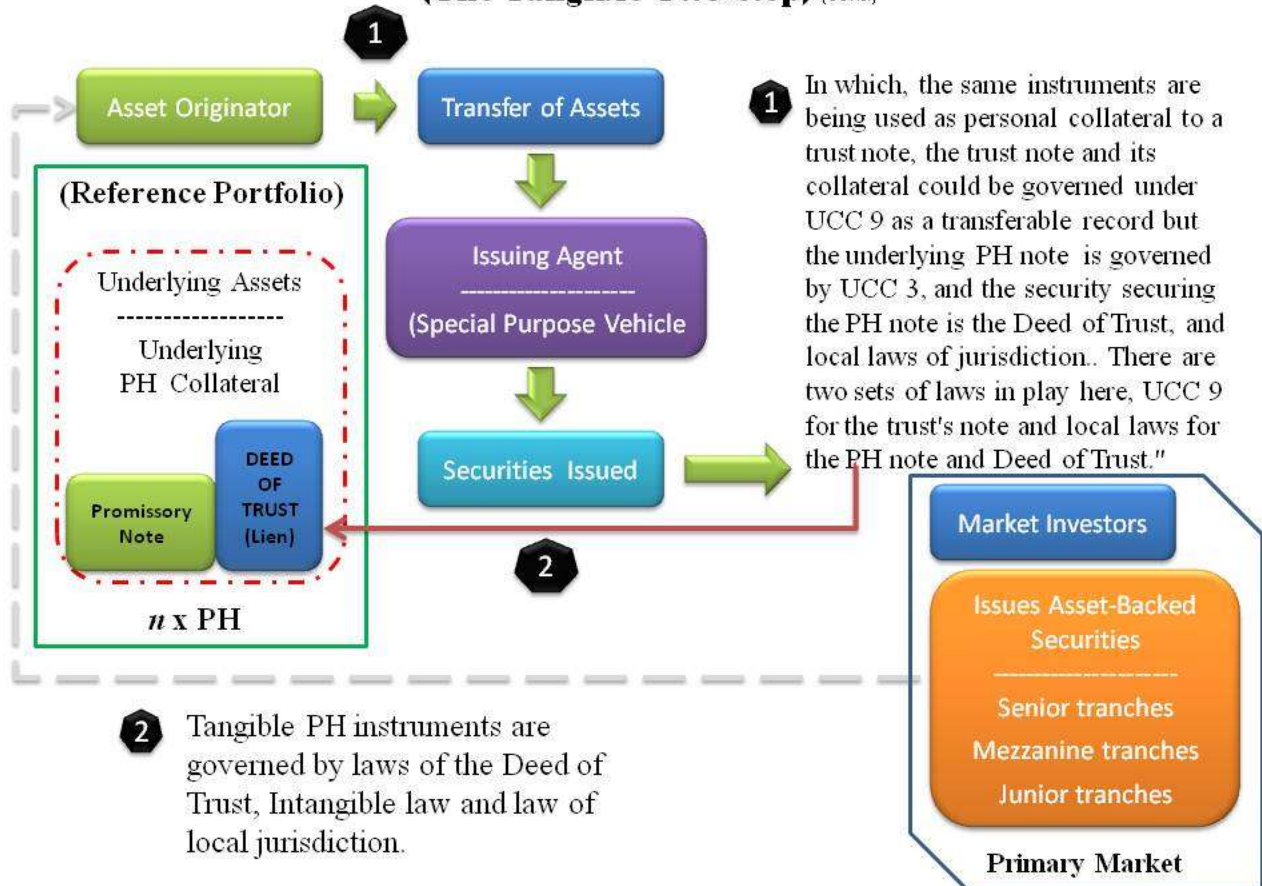
(The Tangible Two-step)



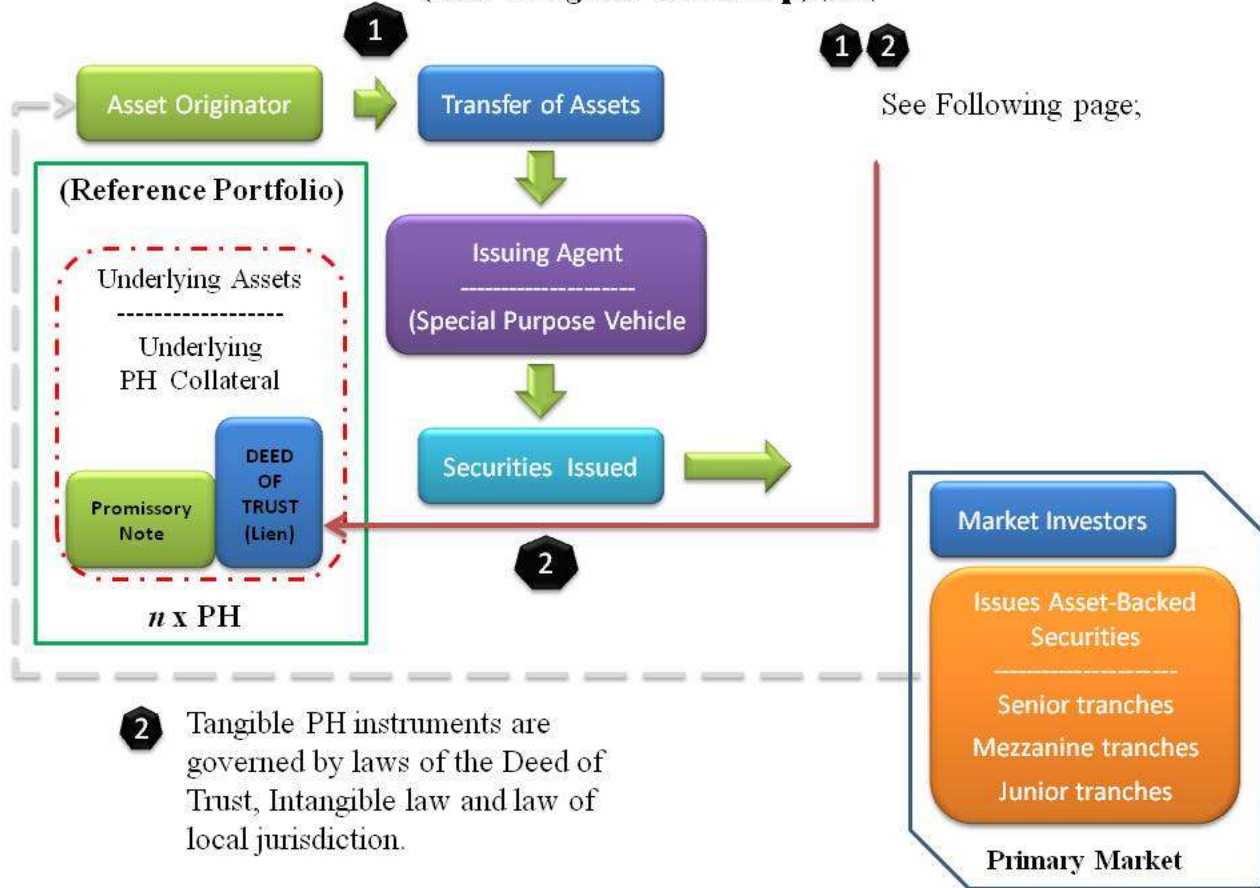
(The Tangible Two-step)



(The Tangible Two-step) (cont.)



(The Tangible Two-step) (cont.)



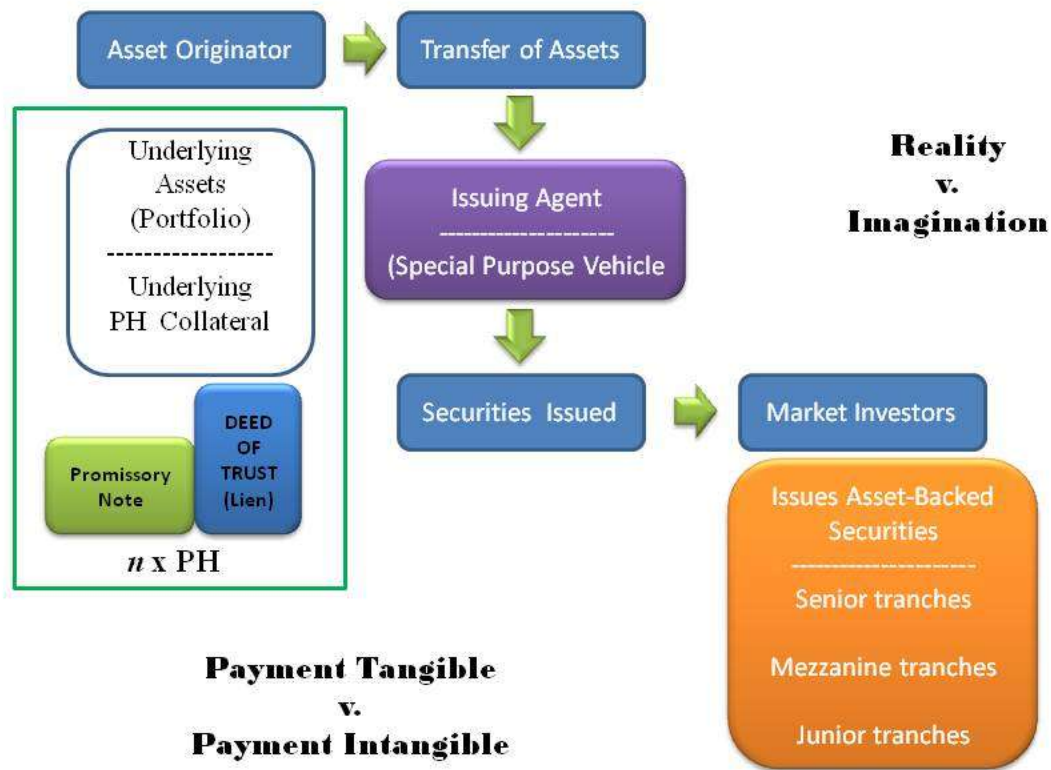
2 Tangible PH instruments are governed by laws of the Deed of Trust, Intangible law and law of local jurisdiction.

(The Tangible Two-step) (cont.)

Obligee's trust note is a transferable record (UCC Article 9) created from an obligor's note (Loan Package) to have been secured by an underlying obligor's note (Mortgage Loan), a transfer of the transferable record to subsequent trust note obligee(s) required each subsequent trust note obligee(s) to assign a perfected interest in the security securing the obligors note to allow each subsequent trust note owners to claim a Secured position to the obligors note. (UCC Article § 3-204) Without complying with applicable law that applies to the obligors note's security, the trust note owner does not have under UCC Article 9 a Secured Priority right to the collateral securing the trust note where such in part is that of being an unsecured obligor note.

UCC 9's priority and perfection is limited to the obligee(s) trust note and does not determine if such secured collateral securing the trust note is a secured obligor note, local laws of jurisdiction determines whether a obligor note is Secured or Unsecured.

“Intangible” Modus Operandi



Creation of the imaginary “Negotiable Instrument”



Mortgage Follows the Secured Party

Article §3-105 clearly states an instrument can be created with the purpose of giving rights to enforce the instrument to a holder or non-holder of the instrument.

Article §3-109 subsection (c) provides an instrument made payable to an identified party can be made to become payable to a holder (bearer) by the Payee indorsing the instrument in blank.

Applying Article §3-201 (Negotiation), where negotiation is executed by indorsing the instrument in blank, rights to enforce the instrument have been transferred to a subsequent holder of the instrument.

Subsection (c) Article §3-204 (Indorsement) provides that the Indorser of an Instrument transfers rights as holder to a subsequent party even if such action only transfers a security interest in the instrument . . .

However, it occurred like this

In the intangible world, if the Obligee chooses to sell mortgage loans;

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In doing so, the asset originator “Obligee” could be a “seller” of these pooled PH loans.

“Conversion” (PH loans)



Conversion of “Tangible” PH loans

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However, it occurred like this

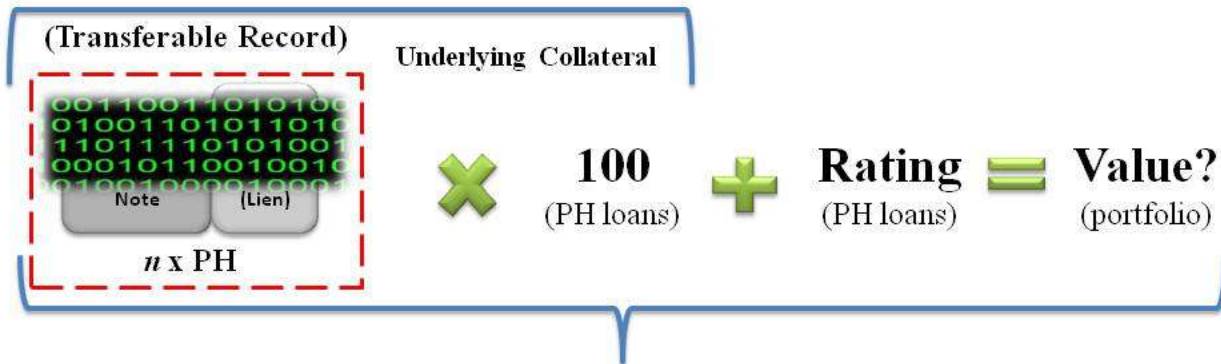
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“Reference Portfolio” (PH loans)



“Pooled” Intangible PH loans

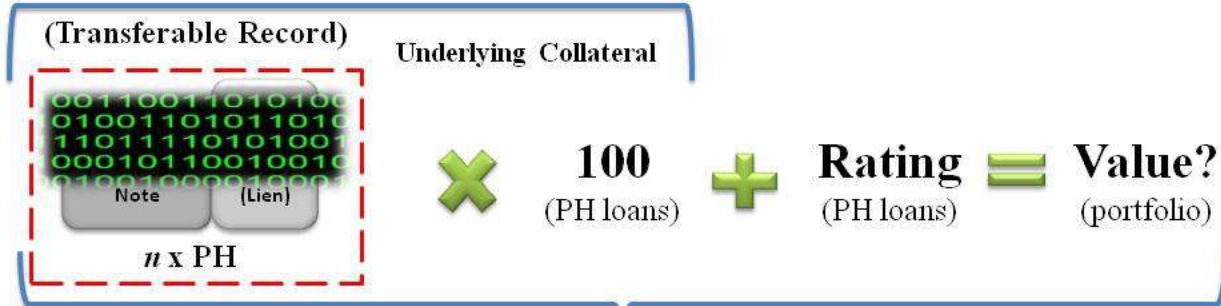
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However, it occurred like this

As a Trust Certificate is the ultimate goal of a wayfarer in the intangible secondary market.

Movement of all instruments have various different laws according to the instrument whether it be the contract between the party(s), creation of a trust, creation of a lien, negotiation of a Note, transfer of a security or transfer of a lien, they all are governed by some certain law accordingly, in sequence or in parallel. A law must be followed to make it lawful.

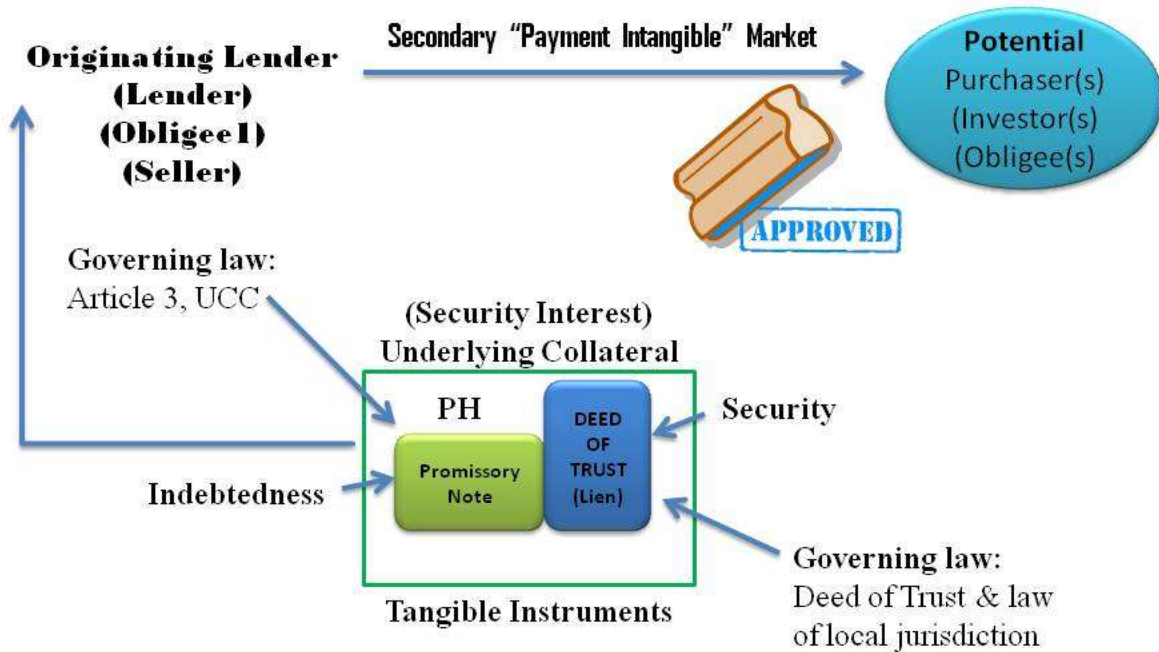
“Reference Portfolio” (PH loans)



“Pooled” Intangible PH loans

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And possibly ended up like this



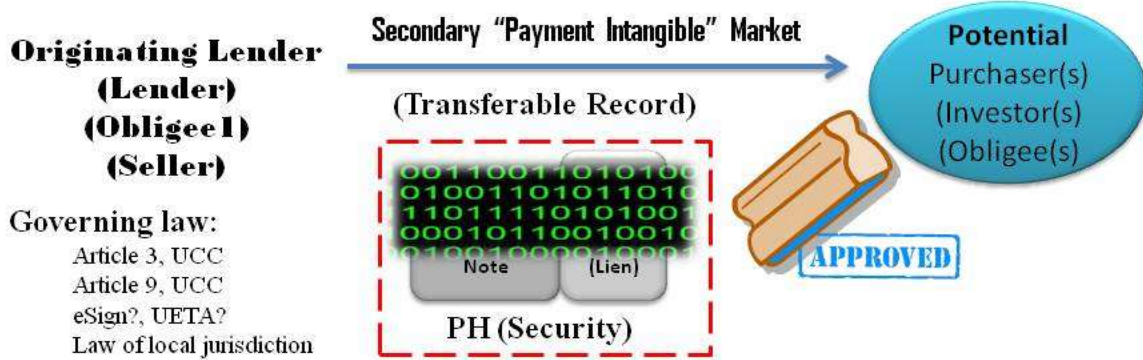
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a. Note – Article 3

b. Deed of Trust, Lien – Deed of Trust, law of local jurisdiction

Using...



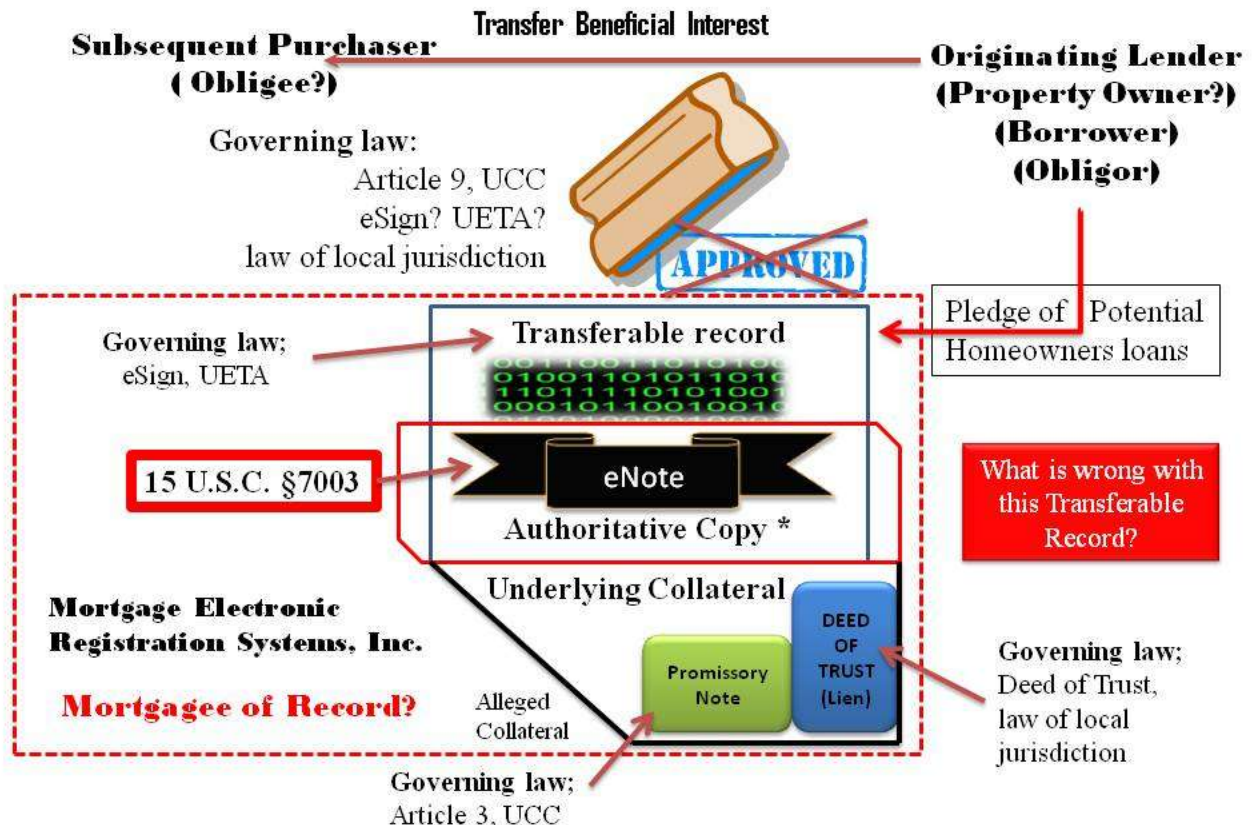
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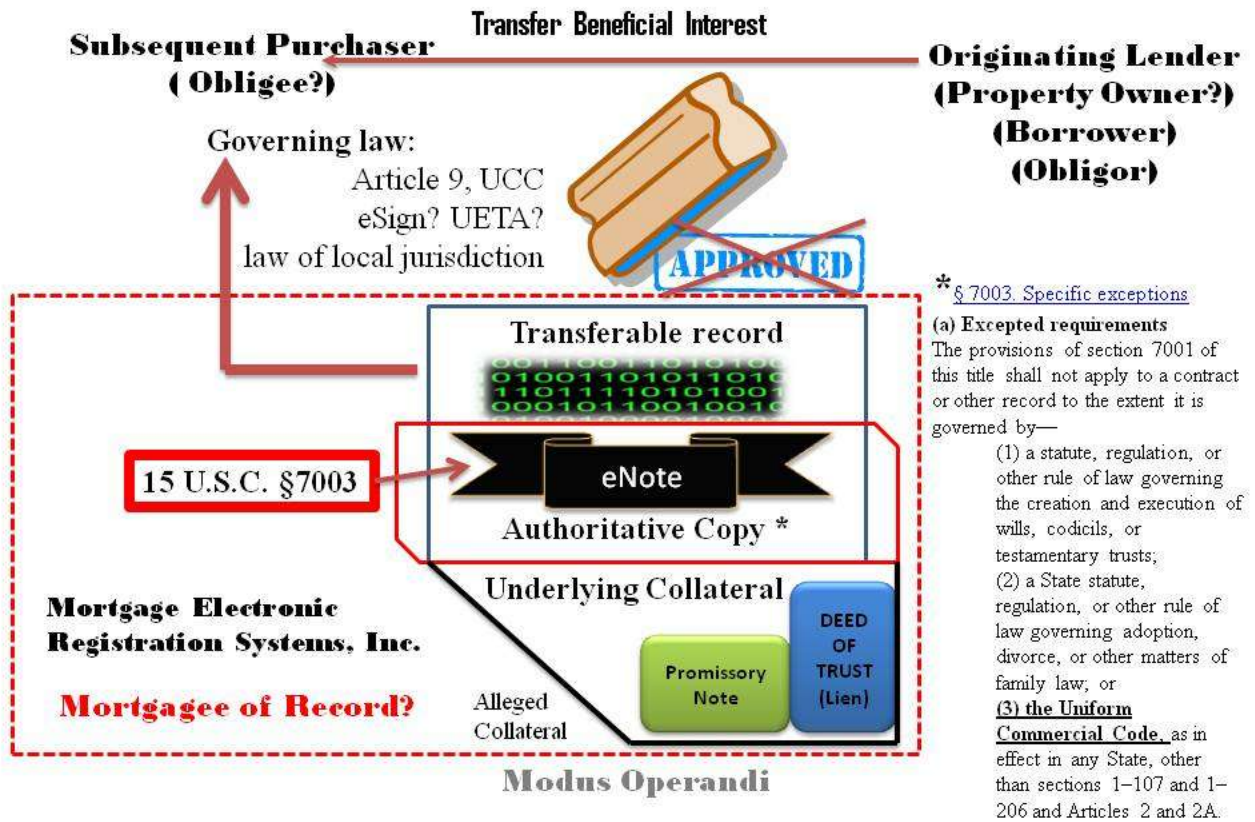
The two separate contracts began on tangible paper, even though it may have been created on a computer. In the Secondary "Payment Intangible" Market the use of eNotes as an illusory method used in the Tangible Modus Operandi.

- The two separate contracts are governed by different laws:
- Note – Article 3
 - Deed of Trust, Lien – Deed of Trust, law of local jurisdiction

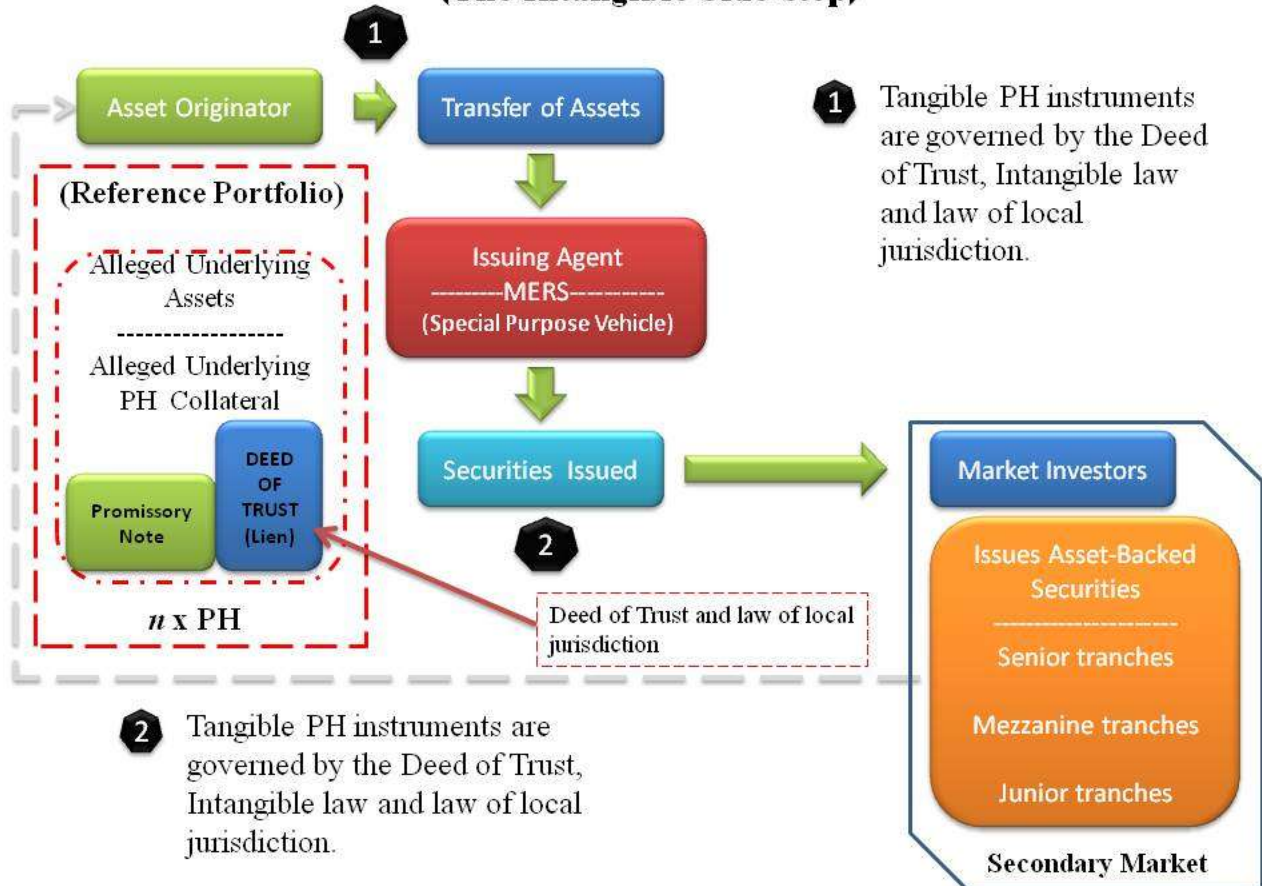
The Electronic Modus Operandi



The Electronic Modus Operandi



(The Intangible Side-step)



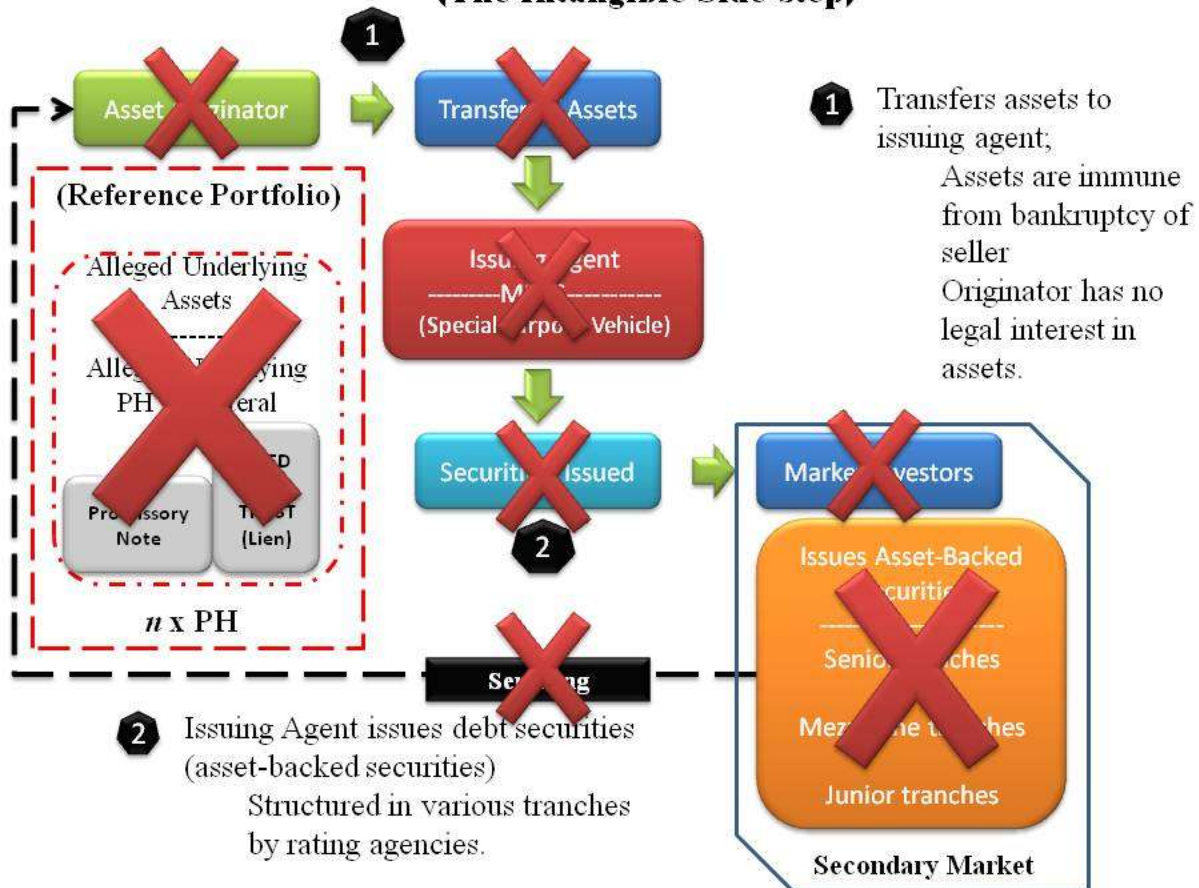
(The Tangible Two-step) (cont.)

Repeated info; (Not legal advice)

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(The Intangible Side-step)



And Now!



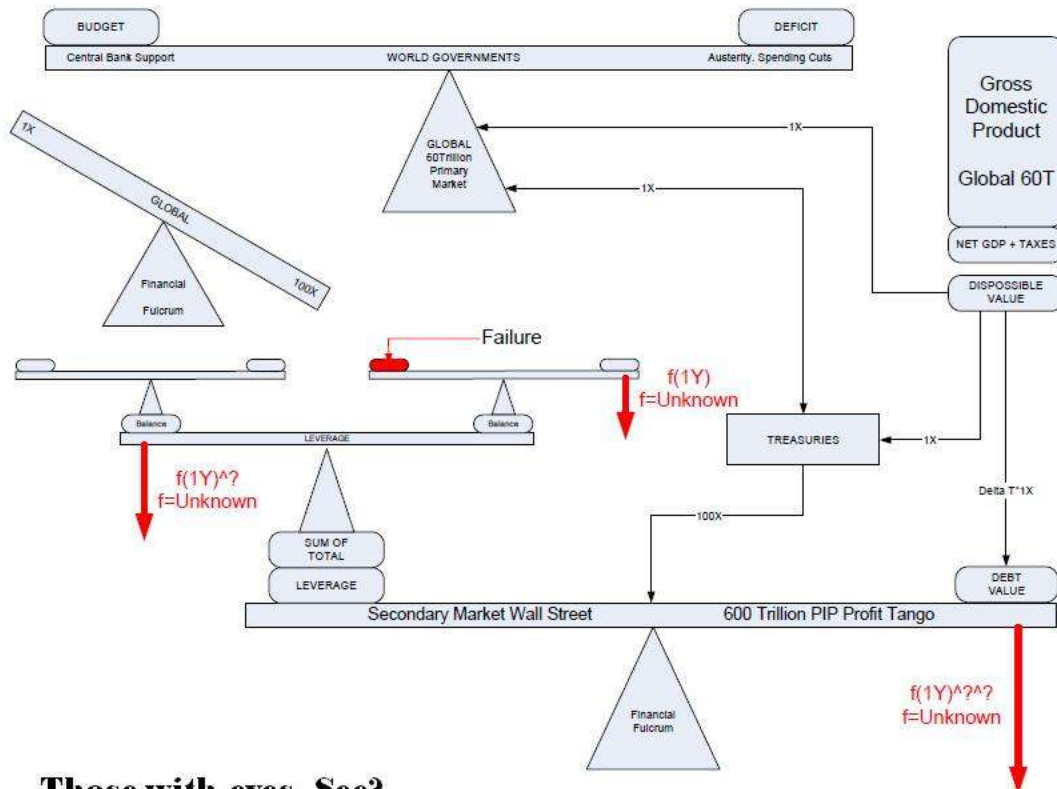
[Learn more:](#)

Those with eyes, See!



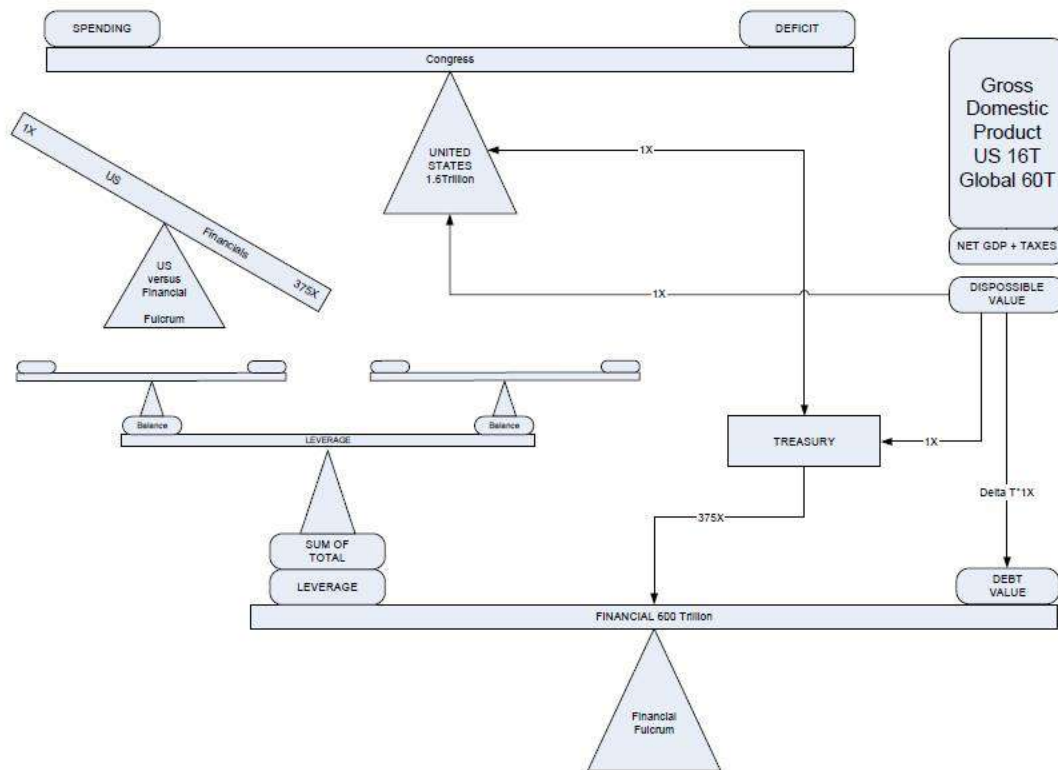
THE UNSUSTAINABLE "PAYMENT INTANGIBLE" MARKET

H or H



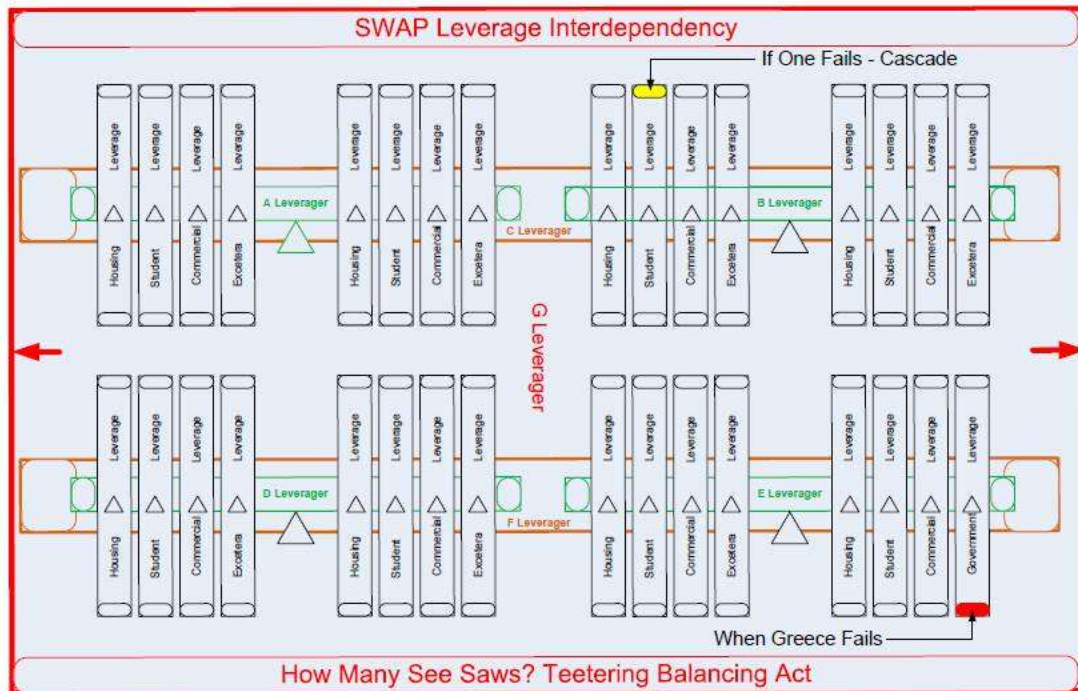
Those with eyes, See?

H or H



Those with eyes, See?

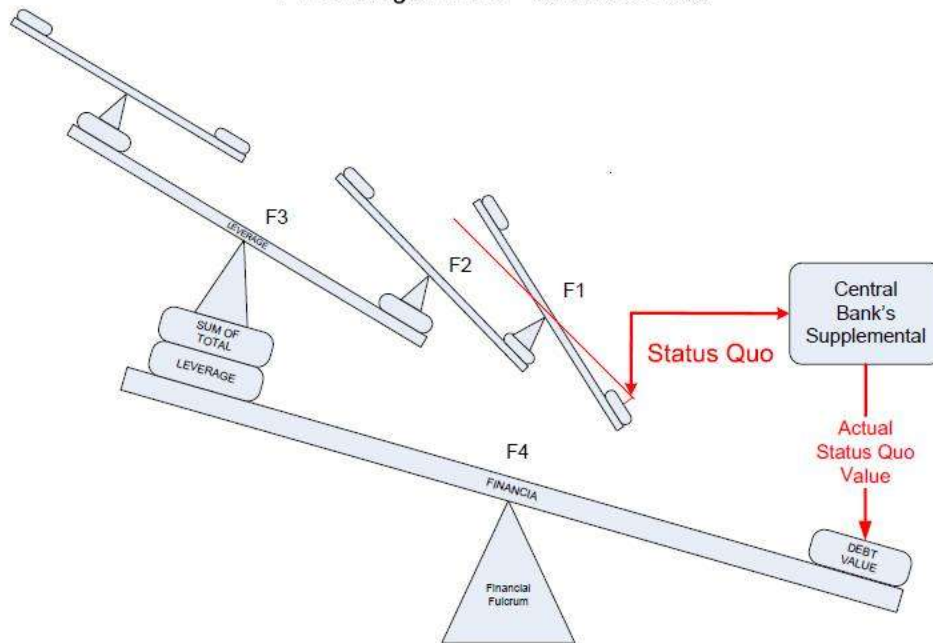
H or H



Those with eyes, See?

H or H

F1 Leverage Failure – Cascade Effect



Those with eyes, See?

Read, learn, understand

Those with eyes, See!

*Thanks for the
education James*



**The Confusion
Cleared up?**

[Learn more:](#)