

**Bifurcation
Elevator Version
“OR”
Why One Cannot Bifurcate
the Security Instrument from the
Note!**

It is not to argue the Security Instrument was bifurcated, but to argue the banks could not bifurcate the Security Instrument away from the Tangible Note to follow and Intangible Note Obligation as found in many Security Instruments.

The right of "OR" from the Security Instrument itself.

In the prior version of the United Commercial Code bifurcation of the payment stream away from a *Note* was lawful. Under the current Uniform Commercial Code, bifurcation of the payment stream (interest in, transferable record, etc.) is legally viable. Were it is legal to bifurcate the payment stream, (obligation) from the Note; however it is not legal to bifurcate the Security Instrument away from the Note to allow the Security Instrument to follow the payment stream "obligation".

As the Note travels a path to a custodian usually endorsed "in blank", nothing here to prevent the Note from being a bearer instrument, but the Security Instrument that secures the Note contains verbiage that states the Security Instrument is to follow

the payment stream (obligation), which is contrary to law and many a courts opinion. Without knowing the “in blank” Indorsee’s name, (subsequent payee), a question presents. Who is the Secured Party of Record?

To provide the illusion, claims are made that intervening assignments of the Security Instrument (securing real property) is in compliance with governing laws. The banks attempt to claim Uniform Commercial Code Article 9 governs assigning real property Security Instruments that the banks attempted to bifurcate from the *Note*. Whereas Uniform Commercial Code Article 9 allows for an assignment of a mortgage, (such is limited to that of personal property security instrument, warehouse receipts, bills of lading), whereas the laws of local jurisdiction apply for assigning a mortgage (Real Property Security Instrument) that affect an interest in real property.

The fraud is apparent to the same degree as the elephant in the room “or” is it; one can not see the forest for the tree.