

A New Piranha in the Fishbowl

By James McGuire

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On Friday, April 29th, MERSCORP announced that it has a new fish in its bowl--a fish that at one time used to be Chairman and CEO of the Student Loan Corporation.

*MERSCORP Names Bill Beckmann New President & CEO
Mortgage Industry Veteran Will Also Lead Subsidiary*

FOR IMMEDIATE RELEASE¹

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RESTON, Virginia (April 29, 2011)—MERSCORP, Inc. today announced the appointment of mortgage industry veteran Bill Beckmann as president and chief executive officer of MERSCORP, Inc., and the Reston-based company's subsidiary, Mortgage Electronic Registration Systems, Inc.

This author does not engage in character assassination, so we shall leave the fish alone and concentrate on the laws governing the fishbowls.

Most of today's fishbowl news is centered on the residential mortgage fraud; for you unlearned bigger fish, the fraud does extend beyond the rubber ducky's bathtub water of residential.

Attentions are currently being directed to commercial mortgage fraud; however, in light of MERSCORP'S announcement, which notices the new fish was once involved in Student Loans, the author will now point out the failure to follow the laws surrounding Electronic Student Promissory Notes

It can be barked all day long that a person signed an electronic document with a bell, symbol, sound or any other acceptable form of confirmation to the event.

ESIGN² - Electronic Signatures in Global and National Commerce Act

15 USC Sec. 7001. General rule of validity

(a) In general

Notwithstanding any statute, regulation, or other rule of law (other than this subchapter and subchapter II of this chapter), with respect to any transaction in or affecting interstate or foreign commerce –

(1) a signature, contract, or other record relating to such transaction may not be denied legal effect, validity, or enforceability solely because it is in electronic form; and

¹ http://www.mersinc.org/newsroom/press_details.aspx?id=279

² <http://www.ftc.gov/os/2001/06/esign7.htm>

(2) a contract relating to such transaction may not be denied legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation.

There is no question as to whether it is legal to sign electronically, but, what that of what document being signed must be recognized as being legal. 15 USC 7001 does state that signatures can be electronic; however, 15 USC 7003 limits the documents where an electronic signature is allowed; as such, Electronic Student Promissory Notes cannot be signed electronically as the Students Promissory Note cannot be electronic form. Appears we have another Trillion Dollar FUBAR.

15 USC Sec. 7003. **Specific exceptions**

(a) **Excepted requirements**

The provisions of section [7001](#) of this title shall not apply to a contract or other record to the extent it is governed by—

(1) a statute, regulation, or other rule of law governing the creation and execution of wills, codicils, or testamentary trusts;

(2) a State statute, regulation, or other rule of law governing adoption, divorce, or other matters of family law; or

(3) the Uniform Commercial Code, as in effect in any State, other than sections 1–107 and 1–206 and Articles 2 and 2A.

No matter how many Piranha's you put in the fishbowl, you will still have the same dirty water in the same dirty bowl.

With millions of voters knowing the truth, will the leaders of this country only realize the losses suffered upon the American people after their loss at the polls?