



ATTORNEY GENERAL OF TEXAS  
GREG ABBOTT

October 4, 2010

Ms. Janis Allen  
Senior Vice President, Assistant General Counsel  
Bank of America  
400 Countrywide Way  
Simi Valley California 93065

**RE:** Bank of America Foreclosures in Texas

Dear Ms. Allen:

Recent troubling developments about the veracity of claims made on documents used by Ally Financial, Inc. in its foreclosure filings have led to an inquiry by our office as to the full harm Texas homeowners have suffered.

We know that you are aware of the issues raised when Ally Financial, Inc. announced that it was suspending foreclosures on certain properties in 23 states. Bank of America subsequently announced a similar move, again in the 23 "judicial foreclosure" states, apparently because you discovered that you had the same issue with certain of your employees, referred to as "robosigners." They had engaged in practices concerning the execution of documents which were used in foreclosures, among which were these:

- Signing thousands of documents per month
- Signing documents without reading them
- Signing affidavits which falsely claim personal knowledge of facts
- Signing affidavits which falsely claim the affiant reviewed the attached documents
- Notarizing documents prior to signing by the signer
- Notarizing documents when the signer was not present before the notary
- Filing documents with records attached that did not correctly reflect loan payments, charges and advances

We are aware that Bank of America services a significant number of mortgage loans in the State of Texas. It is likely that affidavits and other documents, such as assignments of deeds of trust and appointments of substitute trustees, with the issues described, above may have been used in connection with foreclosures in the State of Texas. Regardless of whether the foreclosure was a nonjudicial one or a judicial one in connection with a home equity loan, home equity line of credit or reverse mortgage, if any of the practices described above were utilized in establishing Bank of America's authority to conduct the sale or obtain a court order for a sale, such use would have been a violation of Section 17.46(a) of the Texas Deceptive Trade Practices Act; Section 392.304, Texas Debt Collection Act; Section 37.02, Texas Penal Code; Section 12.001, Texas Property Code; Section 406.009, Texas Government Code; Texas Constitution Article 16,

Section 50; and/or Rule 736(1), Texas Rules of Civil Procedure, and the document and therefore the foreclosure sale would have been invalid.

The State of Texas hereby demands that in the State of Texas, Bank of America immediately suspend all foreclosures, all sales of properties previously foreclosed upon, and all evictions of persons residing in previously foreclosed upon properties, until Bank of America has done the following:

1. Identify all Bank of America employees or agents who "robosigned," as described above, affidavits and other documents which were recorded in the State of Texas;
2. Identify all foreclosures in the State of Texas in connection with which an affidavit or other document with the characteristics listed above was used as part of the foreclosure process;
3. Describe the measures taken by Bank of America to ensure that affidavits and other documents are executed in compliance with Texas law;
4. Describe the measures taken by Bank of America to comply with the Servicemembers Civil Relief Act in connection with foreclosures;
5. Identify all other loan servicers and/or MERS for whom the above described employees or agents signed affidavits;
6. Provide assurances that all Bank of America foreclosures of properties in the State of Texas which relied upon documents with the characteristics described above will be rectified and the procedures by which they will be rectified;
7. Provide assurances that all future Bank of America foreclosures of properties in the State of Texas will be done with legally correct documentation; and
8. Identify all Bank of America employees or agents who are or who signed as officers of other non-related entities.

Please provide your response on or before October 15, 2010.

Sincerely,



Paul D. Carmona  
Chief, Consumer Protection and  
Public Health Division