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CLAY A. COELHO



A PROFESSIONAL CORPORATION  
www.ahk-law.com  
www.insurancecoveragelaw.com

**MAIN OFFICE**  
577 SALMAR AVENUE  
SECOND FLOOR  
CAMPBELL, CALIFORNIA 95008  
TELEPHONE: (408) 341-0234  
FACSIMILE: (408) 341-0250

**SANTA ANA OFFICE**  
4000 W. METROPOLITAN DRIVE, #400  
ORANGE, CA 92868  
TELEPHONE: (714) 795-2360

PLEASE REPLY TO: CAMPBELL OFFICE

March 29, 2013

**VIA E-MAIL: COLLEEN.MONAHAN@CORP.CA.GOV**

Ms. Colleen E. Monahan  
Department of Corporations  
1515 K Street, Suite 200  
Sacramento, CA 95814

Re: Concerns of the United Trustees Association  
Regarding Implementation of AB 1599  
Our File: 880284

Dear Ms. Monahan,

It was a pleasure speaking with you on Wednesday regarding AB 1599 (Stats. 2012). As I mentioned in our telephone conversation, I am corporate counsel for the United Trustees Association ("UTA"). UTA's members include trustees under deeds of trust and other person and entities involved in the reconveyance and default services industry. The foreign language provisions of Civil Code § 2923.3 (AB 1599) are scheduled to take effect on April 1, 2013. UTA and its members have a number of concerns about Civil Code § 2923.3, particularly with respect to the foreign language translations posted on the Department of Corporations ("DOC") website.

The following are some of the basic issues we discussed and for which UTA and its members seek some guidance so that compliance is feasible:

1. The first translations to appear on the DOC website ([http://www.corp.ca.gov/Laws/Finance\\_Lenders/Forms.asp](http://www.corp.ca.gov/Laws/Finance_Lenders/Forms.asp)) are under the title "Notices ¶ You are in default". This appears to be a translation of the "important notice" which is required to be mailed only with respect to certain types of deeds of trust under Cal. Civil Code § 2924f(c)(1)-(3). Our reading of Civil Code § 2923.3 (AB 1599) is that there is no requirement that the "important notice" referred to in Section 2924f(c)(1)-(3) be translated into the five foreign languages set forth in Civil Code § 1632 or that a translated copy be mailed to anyone. As such, these translations are confusing to persons trying to comply with Civil Code § 2923.3. It is my understanding that after further review, the DOC shares our

view and will be removing the translations of the Civil Code § 2924f(c) Important Notice from its website.

2. It has come to our attention that the blank fields in some of the foreign language translations posted on the DOC website (e.g., the Chinese translation) are not in the same order as those in the English versions of the Summary of Notice of Default Terms and in the Summary of Notice of Sale Terms. Unfortunately, there is no guidance regarding what information is required to be inserted in the various blanks in the translated forms. We understand that the DOC will update its current translations by inserting brackets containing English denominated information required to be inserted for each field in the translated summaries. Are we correct in assuming the bracketed instructions will be informational and not a mandated part of the translated form required under Civil Code § 2923.3?
3. We understand the blanks in the various foreign language translations are to be completed in English with Arabic numbers. (See, Civil Code § 1632(i).)
4. Since the posting of the original foreign language translations on the DOC's website, at least three of the foreign language translations have been amended or corrected (i.e., the Chinese, Spanish and Tagalog) within the last thirty days. Except for the amended Tagalog translation, the changes were not highlighted in any notice on the DOC webpage and the revisions could only be determined by reference to the date on the footer of the revised translated document. Anyone attempting to comply with AB 1599 would have to check each of the five foreign language translations on the DOC website every day to keep informed about revised translations. As done with the amended Tagalog translation, we hope that the DOC will continue to reference any revision date on its webpage next to the link for the revised translation (e.g., "Revision 3-23-13").
5. Notwithstanding the amended and corrected translated forms, we understand the DOC's position to be that the effective date for compliance with the foreign language provisions of Civil Code § 2923.3 remains 4-1-13. As we discussed, many trustees need a reasonable period of time to make changes to their software programs to incorporate new forms. Civil Code § 2923.3 (AB 1599) provides that the foreign language translation subdivision "shall become operative on April 1, 2013, or 90 days following the issuance of the translations by the Department of Corporations . . . , whichever is later.. Civil Code § 2923.3 appears to contemplate that it will take time for trustees to change their policies and procedures to comply with the new foreign language requirements. After having incorporated the previous versions of the DOC translations into their policies and procedures over 90 days, it would be very difficult for many of our members to quickly substitute revised forms that have just recently been posted. As I understand the position of the DOC, the use of any of the previously posted

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translations or revised translations will be viewed as complying with Civil Code § 2923.3 if otherwise used consistent the provisions of that code section.

6. If any of the previously posted or revised translations may be used initially to comply with Civil Code § 2923.3, does the DOC have a position regarding when “revised translations” must be used by trustees? We are informed that there may remain a handful of minor issues with some of the translations and, therefore, anticipate further revised translations posted on the DOC website. As such, our members need to know how and when they must respond to revisions.

Any guidance you can provide is appreciated. Thanks you for your responsiveness to our concerns. If you have any questions, feel free to call or e-mail at any time.

Very truly yours,

ADLESON, HESS & KELLY, APC

By:



Phillip M. Adleson

PMA:tlc