

601 North Church St  
Wilmington, DE 19801

20145 Office Circle, Unit 1  
Georgetown, DE 19947



Delaware Community Reinvestment Action Council, Inc.

*Our mission is to ensure equitable treatment and equal access to credit and capital for the underserved populations and communities throughout Delaware through advocacy, education, legislation, and outreach.*

February 2, 2012

Attorney General Joseph R. Biden III  
Delaware Department of Justice  
102 West Water Street  
Dover, DE 19904

Dear Attorney General Biden:

If only “waiver and release” were as simple as “catch and release.” With the latter, the size of what is being released is known fully. With the former, the size of what is being released can be unknown and imprecise. Yet, once a “waiver and release” is granted a party, it can bury enormous financial risk and set a new path forward free of legal uncertainties.

We support your rejection of a proposed settlement with at least five major banks (Wells Fargo, Bank of America, Ally Financial, JP Morgan Chase, and Citibank) that seeks to provide a remedy for shameful foreclosure and mortgage service practices. In taking this action, you have set Delaware apart from many state attorneys general. We understand that it is too early to discuss the specific reasons for refusing to join the settlement. Nevertheless, you have repeatedly stated your concern that broader efforts to hold banks accountable have not adequately or fairly addressed consumers’ interests.

From our tiny offices on North Church Street in Wilmington and in Georgetown, the cheers for this welcome tonic to our beleaguered community are still ringing in the air. Delaware residents entrust our faith in our Attorney General to vindicate the public interest and achieve justice, without fear or favor. This faith is premised on the notion that the public can never know the full extent of liability, damages and victims that result from the systemic violations of our state laws allegedly carried out by institutions such as Wells Fargo, Citibank, Ally Financial, JP Morgan Chase and Bank of America.

With our faith and praise, it never hurts to offer a little advice should you find it helpful in the days ahead. DCRAC believes four key constructs must be contained in any settlement designed to vindicate the public interest. Does the settlement bring the offending conduct to an end? Does the offending party agree to comply with all applicable legal requirements in the future? Does the agreement provide for the submission of reports by the offending party for a period of time during which the faithfulness to compliance can be monitored? Does the settlement make whole the victims who have suffered damages as a result of the offending conduct?

We now know that you are not convinced Delaware's residents have been served by the proposed settlement. As with all litigation there are risks in proceeding to trial and leaving case resolution in the hands of a judge. But for now, we are proud that you have turned down pennies in tribute from these banks for the future promise of meaningful and make whole relief tailored to remedy, to the fullest extent possible, egregious violations suffered by Delaware residents through the actions of these regulated entities.

In some small way, perhaps this note of encouragement will assist you as you lead your office through the maze of this litigation.

Sincerely,



Rashmi Rangan  
Executive Director  
DCRAC



James Angus  
Attorney Volunteer  
DCRAC