

Exhibit No. 2
Date 3-16-2011
Bill No. HB 306

March 3, 2011

Senator Jim Shockley, Chair and Members
State Administration Committee
Montana State Senate
Helena, Montana 59601

RE: HB 306 (Sponsored by Tom Berry)

Dear Senator Shockley:

It has come to my attention that the bill which was passed last session to help our state Notaries is in the process of being partially repealed.

With over 20,000 notaries in our state, Senate Bill 299 gave direction, credibility and protection to the notary as well as the citizens of Montana. Repealing the requirement of maintaining a Notary Journal for a notarial transaction is a step backward and opening a possible loophole in legislation.

The Journal is a record of each transaction, which protects the notary and the public if the transaction needs to be recalled for some reason. I work in the banking industry and each of our tellers must record each transaction to ensure the customer receives the debit/credit to their account and to record our company's transactions and financial health. The Journal acts in the same capacity for the notary. The notary is protected by being able to recall previous official acts, if called into question, and the customer/public is protected by having a completed official record of the transaction.

When a county clerk records a document for the county, he/she places that information as a public document and keeps track of all recordings. Wouldn't you want a notarial transaction, which is an official state transaction, under the same type of scrutiny?

I believe it is in the best interest of ALL parties, to keep the legislation for Montana State Notaries as is. Do not let this irresponsible piece of legislation pass.

Sincerely,



Lydia B. Gomes
Trainer/HR Assistant
Farmers State Bank
Montana State Notary



AMERICAN SOCIETY OF NOTARIES

March 15, 2011

The Honorable Jim Shockley
Chairman, State Administration Committee
Montana Senate
PO Box 200500
Helena, MT 59620-0500

RE: We Oppose HB 306 / Elimination of Notary Journal

Dear Senator Shockley:

I am writing to convey the American Society of Notaries' strong support for Montana's current requirement that notaries public keep and maintain an official notary journal. We ask that you consider these reasons to oppose House Bill 306.

Notary recordkeeping provides meaningful consumer protections:

- *The journal reminds notaries of the steps and formalities of properly-performed notarial acts. The facts captured in each journal entry correlate to a step-by-step method of performing notarial acts, which is based on statutory requirements for proper notarization as well as widely-accepted and utilized best practices. Many notary journals include best-practices reference information for notaries. The journal is such a practical tool that we view its conscientious use as a measure of reasonable care that all notaries should adopt, not just those in states where this valuable practice is required.*
- *The journal helps deter fraud. Our member notaries routinely tell us of notarizations that were abruptly ended by the requester when it became clear that he or she would be required to sign a journal entry containing the particulars of the notarial act. No person intent on fraud wants the additional evidence trail that the journal entry creates.*

Notary journal records have significant evidentiary value:

- *Notary journal entries are admissible as evidence in court proceedings and provide a credible record of notarizations performed by the notary. Conversely, lack of an entry in a consistently maintained journal supports a notary's testimony that he or she did not notarize a particular document.*
- *Journal entries function as lasting transactional records that are held separately and securely from their related documents. This can prove to be quite valuable should a notarized document be damaged, lost or disputed.*

Notary journals are readily available in a wide range of formats and prices (single digits in many cases). There is a price and format for every need, and a single book will last the average notary at least a year or longer. The expense of a journal is nominal when weighed against its value.

Eliminating required use of such a valuable tool as the notary's journal would be a step in the wrong direction. We ask that you please protect Montana's notary journal requirement by voting against House Bill 306.

Sincerely,

Kathleen Butler
Executive Director
850-671-5164; Kathleen@asnotary.org

cc: Members, State Administration Committee, Montana Senate



2800 Tenth Avenue North
P.O. Box 37000
Billings, Montana 59107-7000

March 3, 2011

Senator Jim Shockley
Chair and Members
Senate State Administration Committee

Gentlemen and Ladies:

It is Billings Clinic's opinion that Notary Journals are a key piece of our Risk Management procedures.

The journals serve as protection for our notaries and our Corporation that the document was notarized properly, and that a record is preserved as to the date it was notarized and who signed it. It is particularly important in the healthcare setting where end of life decisions are being made by an ill patient.

With the volume of documents a notary processes, it is a valuable tool to have when it would prove difficult for a notary to recollect individual notarizations and how they were administered. The person signing the journal also adds additional documentation that the notarization was completed with their consent.

In a circumstance regarding documentation for a legal proceeding, this is a valuable piece of evidence.

Billings Clinic whole heartedly endorses this requirement.

Sincerely,

A handwritten signature in cursive script that reads "Randall G. Penton".

Randall G. Penton
Director Risk Management



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March 15, 2011

The Honorable Jim Shockley, Chairman
Senate State Administration Committee
Montana Senate
P.O. Box 200400
Helena, MT 59620-0400

Dear Sen. Shockley and Committee Members:

Re: Proposed Elimination of the Journal Requirement for Montana Notaries Public
Our Special Files MT 7013 and MT 7999

CNA Surety, through its principal subsidiary Western Surety Company, is one of the largest providers of notary public bonds in the United States. Currently, 30 states require notaries to be bonded. We would like to comment on the importance of requiring notaries to keep a journal.

The Model Notary Act (developed by the National Notary Association) provides for a mandatory journal requirement as a necessary tool to ensure proper notary accountability. CNA Surety strongly supports this requirement because it serves to protect both the notary and the consumer utilizing a notary's services.

The surety industry in general and our Company specifically have seen a significant increase in claim activity in recent years. This is primarily due to economic conditions, and most of the claims involve financial transactions, such as the sale of motor vehicles, or real estate transactions. A notary's journal has proven to be a very valuable tool in determining the validity of a claim, should one occur, because it documents when the notarization took place, the circumstances of the notarization and the authentication of the people involved in the transaction. This helps to protect the notary if they have acted properly, or the consumer if they have not.

Oftentimes, a claim against a notary bond is just a small part of a larger lawsuit against an individual or business. The validity of a claim against a notary can have significant consequences in a much larger lawsuit.

While it may seem somewhat burdensome to have to fill out a journal, the consequences of not having such a journal can be significant, not only for the notary but for anyone for whom they work. For that reason, we would strongly urge that the journal requirement be retained in Montana's notary public law.

Sincerely,

William G. Peterson
Vice President, Public Affairs Officer

WGP:jg



March 11, 2011

Senator Jim Shockley
Chairman, Senate State Administration Committee
P.O. Box 200500
Helena, MT 59620-0500

RE: Notary Journal Requirement

This letter is in response to a proposal to eliminate the notary journal requirement in Montana. This letter supports a journal requirement.

A notary journal is a critical record of a notary's actions. It lists a variety of important information about the transaction including the date, the type of document, and the type of identification used, the notarial act and the signature of the person being notarized, as well as the thumbprint of the person in some states.

This information is very important in understanding the actions of the notary when a dispute arises over a document that contains a notarization. This information may help the authorities and the parties involved in the dispute to determine if the notary carried out their duties faithfully, or if one of the parties involved may have misrepresented themselves in the notarial transaction.

As an underwriter of surety bonds and notary errors and omissions policies, we are involved in a wide variety of cases in which the notary has been accused of wrongdoing. Often the journal is the primary piece of evidence to determine what actually occurred and the journal requirement is an important element in maintaining integrity in the notary process, in our opinion.

Our outside counsel who represents individual notaries in litigation relating to alleged notarial misconduct has handled cases where the notary's journal allowed the police to locate a murderer who had forged his victim's name on a power of attorney. This was a big publicity case in San Francisco and the murderer happened to be a local attorney. Not only was the notary absolved by virtue of his notary journal, but also the journal proved to be an invaluable asset to law enforcement in solving a major crime.

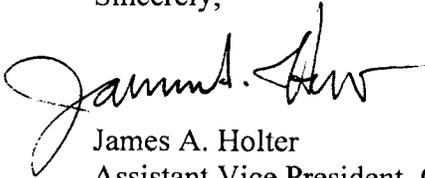
Our counsel also has had numerous cases where the notary has been vindicated due to the signature and the thumbprint contained in the journal providing unimpeachable evidence that there was no forgery. Even in instances where there was a forgery, the existence of a well maintained journal helps establish that a fake ID must have been used and the notary complied with their duties.

The notary journal protects the interests of the business community as well since many businesses require that one of their employees be a notary, and then the business gets brought into a lawsuit based on an alleged forgery. Armed with the notary's journal, counsel can set up a meeting with the claimant and establish with the benefit of the notary's journal that there had been no error or omission by the notary. Without the benefit of a well maintained notary journal, it is very difficult to establish that the notary was not guilty of misconduct, thus subjecting the business to significant liability and attorney fees.

Accordingly, as an underwriter of bonds and insurance for notaries, we believe that the requirement that a notary maintain a journal is critical to protecting the rights of the notaries and their employers from false claims of notarial misconduct, and is also a significant benefit to both law enforcement and the public at large.

Feel free to contact us with questions or concerns on this topic.

Sincerely,

A handwritten signature in cursive script, appearing to read "James A. Holter". The signature is written in dark ink and is positioned to the left of the printed name.

James A. Holter
Assistant Vice President, Commercial Surety Manager.
Merchants Bonding Company