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of record?

SENATOR LANDIS: No, it doesn't require that subordination agreements be filed, as they are not now. There is no obligation that I know of to file a subordination agreement. I know that I've signed several over time. And to my knowledge, they were just simply private agreements between a bank and myself. What this says is, look, if you want to put that into the agreement you can, but you don't have to. And the reason is, no matter what else happened on the subordination agreement, the covenant would be binding on the signatories to the covenant. While it might be not a bad practice, my guess is that that's a general practice we should do someplace else, and just say subordination agreements should be recorded. But in this case, they wouldn't serve, in my...to alter the existence of the covenant. It might alter some of the parties vis-a-vis each other, and they might have a fight. But it doesn't get to the issue of whether a covenant exists, because these are the rules for the covenant. That's my best guess as to what I think the answer to your question is.

SENATOR BEUTLER: Okay. What my response would be, that sometimes knowledge of and filing of subordination agreements is extremely important to a person's rights. Senator, let me ask you about page 5, line 14.

SENATOR LANDIS: Yes.

SENATOR BEUTLER: The rights of the holder, in addition to its right to enforce the covenant pursuant to a particular section,...and then it goes on to say, in addition to other conditions for its approval of the...of an environmental covenant, the agency may require that those persons...

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: ...specified by the agency who have interest in the real estate have signed the covenant. Then it goes on and says this, at the beginning of Section 6--and this is the sentence that in particular I wanted to ask you about--"An environmental covenant that complies with the Uniform