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Deutsche Bank National Trust Company, as Trustee of Soundview Home Loan Trust WF2 Plaintiff v. Charlene Smith Defendant	COURT OF COMMON PLEAS DELAWARE COUNTY CIVIL DIVISION No. 08-03089
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DEFENDANT'S EXHIBITS

CONDENSED COPY

1 IN THE COURT OF COMMON PLEAS
2 DELAWARE COUNTY, PENNSYLVANIA
3

4 DEUTSCHE BANK NATIONAL: CIVIL DIVISION

5 TRUST COMPANY, :

6 Plaintiff, :

7 vs. :

8 CHARLENE SMITH, :

9 Defendant. : NO. 08-3089

10 Friday, May 28, 2010

11 Video Conference Deposition of
12 CARL L. JOHNSON, JR., held at the law
13 offices of REED SMITH, LLP, 2500 One Liberty
14 Place, 1650 Market Street, Philadelphia,
15 Pennsylvania, commencing at approximately
16 3:10 p.m., on the above date, before
17 Josephine Guerrieri, Professional Court
18 Reporter and Commissioner of Deeds.

19
20
21 LOVE COURT REPORTING, INC.

22 1500 Market Street

23 12th Floor, East Tower

24 Philadelphia, Pennsylvania 19102

 (215) 568-5599

Page 2

1 APPEARANCES:

2 REED SMITH, LLP

3 BY: HENRY F. REICHNER, ESQUIRE

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7 215-851-8266

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22 Counsel for Defendant

23

24

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1 INDEX

2

3 WITNESS

4 CARL L. JOHNSON, JR.

5 EXAMINATION BY PAGE

6 MR. ACKELSBERG 6

7

8 EXHIBITS

9

10 NUMBER	DESCRIPTION	PAGE
11 1	Screen Prints	6
12 2	Funding Checklist	6
13 3	Header document	6
14 4	Adjustable Rate	
15	Note	6
16 5	Adjustable Rate	
17	Note	6
18 6	Adjustable Rate	
19	Note	6
20 7	Assignment of	
21	Mortgage	6
22 8	Payment/Loan	
23	Information	6
24 9	Summary	6

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1 DEPOSITION SUPPORT INDEX

2

3 DIRECTIONS NOT TO ANSWER:

4 PAGES: None.

5

6

7 REQUESTS FOR DOCUMENTS OR INFORMATION

8 PAGES: None.

9

10 STIPULATIONS AND/OR STATEMENTS:

11 PAGES: 6

12

13 MARKED QUESTIONS:

14 PAGES: None.

15

16

17

18

19

20

21

22

23

24

Page 5

1 ---

2 PROCEEDINGS

3 ---

4 (Whereupon, a group of

5 documents were marked Exhibit-1

6 through Exhibit-9, respectively.)

7 ---

8 (It is agreed by and between

9 Counsel for the respective parties

10 that the sealing, filing and

11 certification are hereby waived,

12 and all objections, except as to

13 the form of the question, are

14 reserved until the time of trial.)

15 ---

16 CARL L. JOHNSON, JR., having

17 been first duly sworn, was

18 examined and testified under oath

19 as follows:

20 ---

21 EXAMINATION

22 ---

23 MR. ACKELSBERG: I would like

24 to put on the record a stipulation

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1 between plaintiff and defendant.
 2 The witness is appearing
 3 today, pursuant to a Notice of
 4 Deposition served on Wells Fargo
 5 Bank.
 6 He's been designated by Wells
 7 Fargo to testify regarding the
 8 custody and control of the
 9 original note and mortgage
 10 relating to the loan transaction
 11 underlying this foreclosure
 12 action, and to the circumstances
 13 surrounding the production of
 14 documents represented by Wells as
 15 being the copies of the note.
 16 About -- we further stipulate
 17 that about two weeks ago Wells
 18 Fargo designated the witness who
 19 would testify on these matters as
 20 being Amy Kemmetmueller,
 21 K-E-M-M-E-T-M-U-E-L-L-E-R, the
 22 Vice President of Post-Closing.
 23 Yesterday, Mr. Reichner
 24 informed us that Ms. Kemmetmueller

Page 7

1 was undergoing emergency surgery
 2 and, for that reason could not
 3 testify, that Mr. Johnson would
 4 instead testify on these matters.
 5 Can I get your --
 6 MR. REICHNER: I think that's
 7 fair to say. I think the custody
 8 and control of the note more than
 9 the mortgage itself.
 10 MR. ACKELSBURG: And that's
 11 fine.
 12 BY MR. ACKELSBURG:
 13 Q. Okay. Mr. Johnson, thank you
 14 for appearing today. My name is Irv
 15 Ackelsberg, and I represent a woman by the
 16 name of Charlene Smith, who is a defendant
 17 in a foreclosure action that Wells Fargo has
 18 instituted in Philadelphia. I assume you
 19 knew that, but I just wanted to make sure
 20 you understand that.
 21 A. I do.
 22 Q. Mr. Johnson, have you ever
 23 been deposed before?
 24 A. Yes, once a long time ago.

Page 8

1 Q. All right. So, because it's a
 2 long time ago, let me just go through just a
 3 little preliminary explanation just to make
 4 sure that you understand what we're doing
 5 here today.
 6 I'm going to be asking you
 7 questions and awaiting your answer and your
 8 job here is simply to answer the questions
 9 that I ask you.
 10 Do you understand that?
 11 A. I do.
 12 Q. And it may be that your lawyer
 13 might have an objection to something that I
 14 ask, but unless he tells you that you're not
 15 to answer, you still have to answer the
 16 question regardless of whether the lawyer
 17 has some reason for objecting.
 18 Do you understand that?
 19 A. I do.
 20 Q. And what's happening is that
 21 -- you realize that you're under oath as if
 22 this were a courtroom, right?
 23 A. I do.
 24 Q. And you also understand that

Page 9

1 the court reporter, after we're done here
 2 today, the court reporter will prepare a
 3 written transcript that will contain both
 4 the questions, the answers, the comments of
 5 counsel, anything that happens here will be
 6 on the record unless we say we're going off
 7 the record.
 8 Do you understand that?
 9 A. I do.
 10 Q. And you understand that that
 11 transcript could potentially be used in this
 12 case, in motions, in a trial, but it can be
 13 used in this case?
 14 A. I do.
 15 Q. Good. Now, the last thing I
 16 want to ask you is just -- I just want to
 17 make sure that there's no reason that you
 18 can't give us your full attention here this
 19 afternoon. I mean by that, some illness,
 20 some lack of sleep, some distraction,
 21 personal matters, is there any reason like
 22 that or some other similar reason why you
 23 can't give us your full attention here this
 24 afternoon?

Page 10

1 A. No, there isn't.

2 **Q. Good. So, let's begin and let**

3 **me first ask you this. Do you know Amy**

4 **Kemmetmueller?**

5 A. I do. She was my manager

6 until very recently.

7 **Q. Until very recently, so you**

8 **worked in the same office in Minnesota?**

9 A. Yes.

10 **Q. And when did you find out you**

11 **were going to be a witness in this case?**

12 A. Wednesday afternoon, late

13 Wednesday afternoon.

14 **Q. And did you discuss your**

15 **testimony with Ms. Kemmetmueller?**

16 A. No. She just asked me -- she

17 told me about her medication situation, and

18 she asked me if I was willing to step in and

19 do this and I said of course I was.

20 **Q. Did you discuss the Charlene**

21 **Smith case at all with Ms. Kemmetmueller?**

22 A. No. She sent me the documents

23 that had been prepared and just asked me to

24 review them.

Page 11

1 **Q. Okay. And before right now,**

2 **before this moment, have you discussed the**

3 **facts in this case with anyone other than**

4 **Wells Fargo's lawyers in this matter?**

5 A. No.

6 **Q. Now, you reviewed some**

7 **documents you said?**

8 A. Yes.

9 **Q. And these are all documents**

10 **pertaining to Charlene Smith?**

11 A. Yes, copies of the note and

12 some screen prints from our systems to show,

13 you know, what had transpired back in

14 September of 2006 when the loan closed.

15 **Q. Okay. Well, we're going to**

16 **look at those documents, but first I want to**

17 **just have you explain to us what your**

18 **position is at Wells Fargo and -- why don't**

19 **you do that?**

20 A. I am currently an Assistant

21 Vice President for Wells Fargo Home Mortgage

22 in the Servicing Integration Group or the

23 Post-Closing Group that Ms. Kemmetmueller is

24 also a part of. I manage departments that

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1 are known as salability resolution which are

2 involved in the initial certification of our

3 mortgage loans to prepare them for sale on

4 the secondary market. What my teams do,

5 they work to cure salability sections that

6 are either document or data related.

7 **Q. Okay. And is servicing**

8 **integration and post-closing two names for**

9 **the same group?**

10 A. Yes, yes. Post-closing is the

11 older name. The technical name that it was

12 changed to a couple years back is servicing

13 integration.

14 **Q. And this group is -- the**

15 **entire group is located in the Minnesota**

16 **office of Wells Fargo?**

17 A. No, it's not. It also has

18 departments in Frederick, Maryland.

19 **Q. So, the post-closing or**

20 **integration -- servicing integration group**

21 **is partly in Frederick, Maryland and partly**

22 **in Minneapolis?**

23 A. That's accurate.

24 **Q. And how long have you held**

Page 13

1 **your current position?**

2 A. I have been with Wells Fargo

3 for nine years, all of it is post-closing or

4 servicing integration and I have managed

5 salability resolution for most of that time,

6 sir.

7 **Q. And just briefly, before you**

8 **came to Wells Fargo, what did you do?**

9 A. I worked -- I have been in

10 Minnesota since 1996. For the first two

11 years, I worked for a company called Tena

12 Companies which also did post-closing-type

13 work in the mortgage industry, and I worked

14 for U.S. Bank for two years before coming to

15 Wells Fargo in August of 2001.

16 **Q. Now, I want to look at some of**

17 **the documents that you have there in front**

18 **of you, that you were referring to before.**

19 **Let me explain to you a little bit about**

20 **what we're doing here, and how we're**

21 **going -- how we're going to refer to the**

22 **documents.**

23 **We have pre-numbered nine**

24 **documents, and these documents are either**

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1 single sheets of paper or groups of
 2 multipage documents that I've stapled
 3 together and called an exhibit. We're going
 4 to call these exhibits one through nine.
 5 Now, some of these documents you already
 6 have, and we're just going to explain to you
 7 -- we're going to let you put a number where
 8 you are in Minneapolis so that you know what
 9 we're referring to. In some cases, we have
 10 faxed documents that we don't think that you
 11 have there in front of you.
 12 So, the ones that we're pretty
 13 sure you have, we're going to put a -- we're
 14 just going to tell you what the number is,
 15 and we're going to make sure we're looking
 16 at the same pieces of paper, and then the
 17 other ones are arriving by a fax machine --
 18 MR. REICHNER: Or perhaps by
 19 e-mail, since the faxing may be an
 20 issue.
 21 BY MR. ACKELSBURG:
 22 Q. Okay. It sounds like it's
 23 being scanned and e-mailed to where you are.
 24 We're going to start with a document that

Page 15

1 I'm pretty sure you have, and you referred
 2 to the screen prints, and that's what I want
 3 to look at. We've called this Exhibit-1,
 4 and I want to make sure that you've put the
 5 pages together in the order that we have
 6 them here, so that we're all looking at the
 7 same thing when we say Exhibit-1. Okay?
 8 A. Okay.
 9 Q. Now, what Exhibit-1 is, it's
 10 eight pages, and each one of these each have
 11 consecutive Bates numbers in the lower
 12 right-hand corner, or numbers that start
 13 with DB; do you see the DB?
 14 A. I do.
 15 Q. So, the first page of
 16 Exhibit-1 is DB1057. Okay?
 17 A. Yes.
 18 Q. And then the exhibit just
 19 proceeds consecutively, 1058 -- okay --
 20 A. Yep.
 21 Q. -- 1059 --
 22 A. Yep.
 23 Q. -- 1060 --
 24 A. Yep.

Page 16

1 Q. -- 1061, 1062, 1063 and 1064?
 2 A. Right.
 3 Q. All right. Do you have any
 4 other screen prints with you or is that the
 5 -- that's what you have?
 6 A. Nope, that's what I have.
 7 Q. Okay. So, when we talk about
 8 Exhibit-1, we're going to be talking about
 9 those pages that you have in front of you
 10 that represent the screen prints that I take
 11 it -- did you produce this for us today or
 12 did you get them from counsel?
 13 MR. REICHNER: He got them
 14 from counsel.
 15 THE WITNESS: I --
 16 MR. REICHNER: He got them
 17 from counsel.
 18 BY MR. ACKELSBURG:
 19 Q. Okay. So, now, let's start --
 20 we're going to look at Exhibit-1, we're
 21 going to go through the pages that are in
 22 Exhibit-1, and I want to start by asking you
 23 to describe the computer system that these
 24 -- that these are screen shots from; what is

Page 17

1 this computer system?
 2 MR. REICHNER: There may be
 3 more than one -- there may be two
 4 computer systems.
 5 THE WITNESS: Yes, there is.
 6 BY MR. ACKELSBURG:
 7 Q. There's more than one?
 8 A. There's more than one system.
 9 Q. So, why don't we start with
 10 the first page, DB1057 and explain to me the
 11 system from which this shot comes; what is
 12 this system?
 13 A. The system is called Arrow,
 14 A-R-R-O-W, and it is a system that's
 15 essentially a tracking system for Wells
 16 Fargo Home Mortgage, and has all the
 17 pertinent information with regard to closing
 18 date. This particular screen shot, 1057, is
 19 a screen shot of what we called the
 20 deficiency page in the system, and would
 21 show any exceptions that were opened on the
 22 loan in the course of it being reviewed.
 23 Q. All right. Before we get -- I
 24 am going to ask you to go through each of

Page 18

1 these pages, and I was going to ask you
 2 about the deficiency page, but first I want
 3 to just understand the environment within
 4 which the deficiency page was taken. It
 5 looks to me like both on the left side or
 6 the top or if we could call it the X access
 7 and the Y access, there are various choices
 8 that a user could decide to open; am I
 9 right?
 10 A. Yes.
 11 Q. Now, this Arrow system, this
 12 is a system you're familiar with, I take it?
 13 A. I am familiar with the system,
 14 sure.
 15 Q. And you use it in the course
 16 of your responsibilities in the integration
 17 group, the servicing integration group?
 18 A. I do.
 19 Q. And what -- before we get to
 20 this deficiency page, the specific page that
 21 is reprinted on page 1057 of Exhibit-1, I
 22 want you to, if you could, to explain to me
 23 the various buttons that you could push on
 24 the system other than deficiencies. I see

Page 19

1 deficiencies are there, but -- yeah, I was
 2 having the same problem, I was doing the
 3 exact same thing you're doing, taking off my
 4 glasses and looking at it really closely.
 5 So, my 60-year-old eyes are in about as bad
 6 a shape as yours, I guess, but if you could,
 7 either from your memory or just take us
 8 through -- I notice, for example, that
 9 deficiencies is actually on both sides. I
 10 think you can see it on the left, and you
 11 can also see it across the top. So, maybe
 12 you should explain how this is set up. Are
 13 these different choices across the top, how
 14 does this work?
 15 A. It works in a combination of
 16 ways. With regard to the deficiencies
 17 themselves, there are ways that the
 18 exceptions are mapped, so that the
 19 deficiencies open automatically into the
 20 system. Like, for example, you see one that
 21 shows SMS, what that is -- that's an acronym
 22 for another system called our Secondary
 23 Marketing System. That is the second
 24 deficiency of the custodial review, and what

Page 20

1 would happen then is, once our custodian
 2 performed the review and noticed that there
 3 was an issue, there's mapping that takes
 4 place and those deficiencies are
 5 automatically put into the system. That's
 6 one way a deficiency can be loaded into the
 7 system. Another way is that a user, during
 8 a manual review, can also open a deficiency
 9 into the system as well, and that's what
 10 those deficiency buttons across the accesses
 11 would allow the user to do.
 12 Q. Well, I assume this system
 13 does more than track deficiencies, the Arrow
 14 system?
 15 A. Well, it does on the summary
 16 page. It also had all the pertinent data,
 17 in terms of borrower information, funding
 18 and closing date, things of that nature,
 19 that are automatically loaded into the
 20 system --
 21 Q. I see.
 22 A. -- that users don't have
 23 update capability to. So, every day, what
 24 happens is, we have a thing called the daily

Page 21

1 funded download, all the Wells Fargo
 2 mortgages that either fund or are purchased
 3 from correspondent lenders, get loaded into
 4 the system. And then as mortgages arrive
 5 and get reviewed, additional information's
 6 put into the system, but it is, essentially,
 7 a tracking system.
 8 Q. And it's a tracking system for
 9 the origination or acquisition of loans
 10 tracked into the secondary market?
 11 A. Not exactly. Wells Fargo has
 12 a number of origination systems that it uses
 13 to underwrite and fund the loans. Then we
 14 have a system, an SMS System. That is the
 15 pooling system used by capital markets to
 16 deliver the loans, but Arrow is just an
 17 information that receives -- a system that
 18 receives information with regard to status.
 19 Q. Okay. Now, do you know -- do
 20 you know by chance whether there is
 21 information about the Charlene Smith loan in
 22 the secondary management [sic] system?
 23 A. I have not looked at it
 24 personally, but every loan has a record in

Page 22

1 the secondary marketing system.
 2 **Q. And is the secondary marketing**
 3 **system similar to the Arrow in the sense**
 4 **that it's a Windows-based computer**
 5 **application?**
 6 A. Yes.
 7 **Q. That has various options for a**
 8 **user to use different screens like the Arrow**
 9 **system has?**
 10 A. Yes.
 11 **Q. And you don't know yourself**
 12 **whether -- well, let me ask you -- hang on**
 13 **for a second.**
 14 **You're just getting the**
 15 **documents. You can put those aside for the**
 16 **moment and we'll get to them when we need**
 17 **them.**
 18 **At the moment, I just want to**
 19 **stick with Exhibit-1.**
 20 A. Okay.
 21 MR. ACKELSBERG: Hank, do you
 22 know whether the secondary
 23 management system has been looked
 24 at for purposes of seeing whether

Page 23

1 there's any Charlene Smith
 2 material?
 3 MR. REICHNER: I do not, no.
 4 BY MR. ACKELSBERG:
 5 **Q. Okay.**
 6 MR. REICHNER: I'm learning
 7 with you.
 8 BY MR. ACKELSBERG:
 9 **Q. Okay. All right. Let's look**
 10 **at the first page, the deficiency screen,**
 11 **and I take it that we are looking at the**
 12 **screen as it would appear when that first**
 13 **line is highlighted by the user, am I right?**
 14 A. Yes.
 15 **Q. And the information in the**
 16 **lower left-hand corner pertains to that --**
 17 **to the line that's highlighted?**
 18 A. Yes.
 19 **Q. So, the first entry, which**
 20 **takes place on October 6, 2006, the user who**
 21 **entered whatever data was there was someone**
 22 **named Douse; am I right?**
 23 A. His name is actually -- it's
 24 Douse, is how you say it.

Page 24

1 **Q. Okay. Do you -- is it a**
 2 **mister or miss --**
 3 A. A mister.
 4 **Q. Does he work with you in your**
 5 **group?**
 6 A. He is a part of my team, yes.
 7 **Q. We're going to -- I'm going to**
 8 **ask you about what he might have been doing**
 9 **on October 6th, but first I want to just go**
 10 **through the various pages, and make sure I**
 11 **know what we're looking at in Exhibit-1.**
 12 A. Okay.
 13 **Q. The next page, is this the**
 14 **summary page that you referred to before?**
 15 A. Yes.
 16 **Q. So, this is -- we're still**
 17 **here within the Arrow system, but now we're**
 18 **looking at the summary page for the Charlene**
 19 **Smith loan?**
 20 A. Right. If you were looking at
 21 things sequentially, this would be the first
 22 thing that you see when you put the loan
 23 number in and pull it up, that's the first
 24 thing you see.

Page 25

1 **Q. Okay. Thank you. Now, the**
 2 **page -- flip the page, we're now on DB1059.**
 3 **What is that?**
 4 A. That is a different system.
 5 That is the custodial system that's called
 6 WinCMSS.
 7 **Q. And what does that stand for;**
 8 **do you know? If you don't know, that's**
 9 **fine.**
 10 A. I don't know exactly. It's a
 11 custodial management -- I don't know exactly
 12 what the acronym stands for.
 13 **Q. When you say custodial,**
 14 **custodial with regards to what?**
 15 A. Well, Wells Fargo has a
 16 custodian that -- when the mortgage is fund
 17 they have received the document and data
 18 goes to Wells Fargo document custody, who
 19 does the review of the document for Wells
 20 Fargo Home Mortgage.
 21 **Q. And that's tracked on the**
 22 **system called WinCMSS?**
 23 A. That's correct. Then the
 24 findings also go into the Arrow system.

Page 26

1 **Q. So, when a user puts data into**
 2 **WinCMSS, it goes automatically into the**
 3 **Arrow system?**
 4 A. Yeah, there's a process
 5 involved with our technical group, they put
 6 a file out, you know, that can load the
 7 information into the system, but the basis
 8 of the custodian review is put into the
 9 Arrow system.
 10 **Q. Now, who uses the custodian**
 11 **review system?**
 12 A. The custodian. My team --
 13 servicing integration does not use the
 14 WinCMSS system.
 15 **Q. And explain to me who uses it?**
 16 A. It's Wells Fargo document
 17 custody, which is Wells Fargo Institutional
 18 Trust, which is the custodian for Wells
 19 Fargo Home Mortgage.
 20 **Q. And where are they located?**
 21 A. They are located here in
 22 Minnesota on East Hamilton Avenue,
 23 Minneapolis.
 24 **Q. So, they are physically in a**

Page 27

1 **different office from your group?**
 2 A. Than my servicing integration
 3 group, but I have a team, a small team,
 4 that's on-site that are liaisons with them
 5 to work on these issues.
 6 **Q. Now, this custodian -- is this**
 7 **a unit of Wells Fargo or is this a vendor?**
 8 A. It is part of Wells Fargo.
 9 **Q. Okay. Now, turn to page 1060.**
 10 **Is this also from the WinCMSS system?**
 11 A. Yes.
 12 **Q. All right. And 1061 would**
 13 **then be back in the Arrow system?**
 14 A. Correct.
 15 **Q. Okay, 1062?**
 16 A. That is part of Arrow.
 17 **Q. And 1063?**
 18 A. Arrow.
 19 **Q. And explain to us what page**
 20 **1064 is, where did this come from? I take**
 21 **it this is not a screen shot?**
 22 A. No, this is not a screen shot.
 23 This is an error correction form that's
 24 basically a covering sheet that we submit to

Page 28

1 the custodian when we are collecting the
 2 documents.
 3 **Q. And this document is**
 4 **physically kept where; is it kept in paper**
 5 **form or is it an electronic image somewhere?**
 6 A. Both.
 7 **Q. And --**
 8 A. These documents get imaged,
 9 but this is also submitted to the custodian
 10 with the physical document.
 11 **Q. Okay. Well, all right, using**
 12 **the information contained in these various**
 13 **documents that compose Exhibit-1, what I'd**
 14 **like to do is take you through the**
 15 **chronology that is apparent from these**
 16 **documents. Okay?**
 17 A. Yes.
 18 **Q. And what I want to do is start**
 19 **with you looking at -- before I -- before we**
 20 **go to Exhibit-1, I want to show you -- I**
 21 **want you to pull Exhibit-2, which was one of**
 22 **the documents that was e-mailed to you?**
 23 A. Okay.
 24 MR. REICHNER: So, that might

Page 29

1 be to your right.
 2 THE WITNESS: Yes.
 3 BY MR. ACKELSBURG:
 4 **Q. And these are documents that**
 5 **were provided to us by Wells Fargo, and if**
 6 **you just take a moment and sort of just go**
 7 **through them, and make -- I want to make**
 8 **sure we're looking at the same documents.**
 9 **Exhibit-2 starts with page 284, and then it**
 10 **goes through page 288, right?**
 11 A. I have that, yes.
 12 **Q. Okay. So, if you could just**
 13 **spend a moment reviewing these documents.**
 14 A. (At which time the Witness
 15 reviews the document.) Okay.
 16 **Q. A couple of minutes ago you**
 17 **made reference to something called**
 18 **correspondent loans. Can you explain what**
 19 **that means, that term?**
 20 A. A correspondent loan is a loan
 21 that is originated by a third party, outside
 22 party to Wells Fargo, that has a business
 23 relationship with us that we purchase loans
 24 from, and then review and we sell the loan

Page 30

1 subsequently on the secondary market.

2 **Q. And am I right that the**

3 **Charlene Smith loan was, in fact, a**

4 **correspondent loan?**

5 A. Yes.

6 **Q. And that the correspondent**

7 **lender was this company called Alta**

8 **Financial Mortgage, A-L-T-A?**

9 A. Yes.

10 **Q. Now, looking again at the**

11 **pages that I -- that compose Exhibit-2,**

12 **would it be fair to say that the loan was**

13 **approved for purchase by Wells Fargo on**

14 **September 14, 2006?**

15 A. Well, I am not intimately

16 familiar with these documents, but they do

17 appear to be, you know, underwriting,

18 pre-funding related, which is not my area of

19 expertise.

20 **Q. And it appears that this --**

21 **that these decisions -- that the decisions**

22 **reflected by these documents were being made**

23 **by a separate unit of Wells Fargo in Fort**

24 **Mill, South Carolina?**

Page 31

1 A. Right.

2 **Q. And it's --**

3 A. That's correct.

4 **Q. -- was there a unit in South**

5 **Carolina in 2006 that was responsible for**

6 **purchasing correspondent loans?**

7 A. I do not know, at that time,

8 where the approval for purchasing loans was

9 taking place.

10 **Q. Okay. Now, if we could -- if**

11 **you could also look at the document that's**

12 **been -- it's there in the pile, it's the**

13 **next document that is numbered three.**

14 A. That would start with 326?

15 **Q. Yes, it's one page, just that**

16 **326, that's correct, with a bold Charlene**

17 **Smith at the top with some bar codes below**

18 **it, right?**

19 A. Yes.

20 **Q. Okay. Is this a document that**

21 **you can help us identify?**

22 A. Yes, I am familiar with it,

23 but not overly or intimately so. I believe

24 it is a header document that we use to

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1 prepare loan documents for imaging.

2 **Q. Okay. Now, do you see it says**

3 **fund date September 19, 2006, is that a term**

4 **that you're familiar with, a funding date?**

5 A. Yes.

6 **Q. What does that mean?**

7 A. Well, after a loan was

8 approved and ready for closing, there's a

9 process that we have where Wells Fargo

10 disburses the funds. So, the funding date

11 would be the time that the funds were

12 disbursed.

13 **Q. And just so we're clear, when**

14 **you use the term closing, you're referring**

15 **to the transaction between Wells Fargo and**

16 **Alta Financial, right?**

17 A. You know, no, I'm not, and

18 this is also a process I'm not intimately

19 familiar with, the process where the actual

20 money for the loan goes from Wells Fargo to

21 the correspondent to the closing table.

22 **Q. Okay. All right. That's**

23 **fine. But as far as you know, September 19,**

24 **2006, the funding date would be the date**

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1 **that money left Wells Fargo and went to, in**

2 **this case, Alta Financial?**

3 A. The funding date, to my

4 thinking is that's when we actually have a

5 live loan. The money has been disbursed and

6 we have a loan now.

7 **Q. And you notice that underneath**

8 **Charlene Smith's name there's a loan number?**

9 A. Yes.

10 **Q. That starts 0155; do you see**

11 **that?**

12 A. Yes.

13 **Q. Now, is -- that's a Wells**

14 **Fargo number, am I right?**

15 A. Yes, you are.

16 **Q. And when is that number**

17 **assigned to a particular loan?**

18 A. You know, in terms of -- at

19 funding, but for correspondent loans, I

20 don't know when the correspondent loan

21 number, if there is one, transfers to the

22 Wells Fargo loan.

23 **Q. But you recognize though that**

24 **this is a Wells Fargo number, that at some**

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1 point Wells assigned to a loan that it
 2 purchased -- agreed to purchase from Alta
 3 Financial?
 4 A. Yes.
 5 Q. Now, in the -- maybe you can
 6 explain to us some of these terms. Loan
 7 type, conventional, I understand what that
 8 means. What is pipeline DA, do you know
 9 what that means?
 10 A. Yes, that is a reference to a
 11 nonprime product.
 12 Q. Meaning subproduct?
 13 MR. REICHNER: Objection to
 14 form.
 15 THE WITNESS: Yes.
 16 BY MR. ACKELSBURG:
 17 Q. And then it says products, FR
 18 conventional; what does the FR refer to, if
 19 you know?
 20 A. I do not know.
 21 Q. Okay. Now, under the fund
 22 date it says PC location; do you know what
 23 PC means?
 24 A. Yes, post-closing.

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1 Q. So, that's referencing your
 2 unit, and so this reflects some activity by
 3 that portion of your unit that was in
 4 Frederick, Maryland, at the time?
 5 A. Yes, but the way it works is
 6 that Wells Fargo has an origination system
 7 that's called LPS, and if the loan
 8 originated on LPS, it gets designated with a
 9 Frederick post-closing location in our
 10 systems.
 11 Q. And what does it mean for a
 12 loan to have a post-closing location in
 13 Frederic, in real terms what does that mean;
 14 does that mean anything?
 15 A. No, it doesn't because all the
 16 loans are submitted here to Minnesota to
 17 begin going through the process.
 18 Q. Okay. All right. Now, I want
 19 you to go back to Exhibit-1, the screen
 20 shots, and if you could turn to the summary
 21 page, that's 1058?
 22 A. Yes.
 23 Q. Now, according to the summary,
 24 Wells Fargo acquired this loan on

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1 September 19, 2007; is that right?
 2 A. That's what it says it funded,
 3 yes.
 4 Q. And that's the same funding
 5 date that we saw on Exhibit-3; those dates
 6 are consistent?
 7 A. Yes.
 8 Q. Then if we look at pages 1061,
 9 and then going backwards to 1059, both of
 10 these pages reflect some activity of a
 11 person named Ryan Hart; am I right?
 12 A. I believe R. Hart is Rob Hart.
 13 Q. Rob Hart.
 14 A. Robert.
 15 Q. Robert Hart. Okay. And if
 16 you look at the middle of 1059, there's
 17 reference to a Ryan in the middle of the box
 18 there, that's not the same person?
 19 A. No, that's a different
 20 individual.
 21 Q. Okay. Now, staying on page
 22 1059, the upper portion of the page is a
 23 screen shot from the custodial system?
 24 A. Custodial system, yes.

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1 Q. What about that piece on the
 2 bottom, is that from the same screen shot or
 3 it looks like it might have -- because of
 4 the redaction here, I'm not sure what I'm
 5 looking at.
 6 A. I don't know the answer to
 7 that.
 8 MR. REICHNER: Let me
 9 explain. What this was is one
 10 long e-mail that was sent to us by
 11 Amy that had some commentary, and
 12 that's what the redactions are.
 13 BY MR. ACKELSBURG:
 14 Q. So, as far as you know, Mr.
 15 Johnson, the lower portion on page 1059,
 16 that's from the -- that's also from the
 17 custodial system?
 18 A. Yes.
 19 Q. Now, am I right that Rob Hart
 20 -- well, first of all, is Rob Hart part of
 21 your group?
 22 A. He was, at the time. He has
 23 since move on to another position in Wells
 24 Fargo, I believe.

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1 **Q. Okay. But at the time, he was**
2 **working with your unit?**
3 A. Yes.
4 **Q. He was part of your unit?**
5 A. Yes.
6 **Q. And what were his**
7 **responsibilities at that time?**
8 A. He was part of a group that
9 was known as collateral flow services, which
10 is that -- the team that I mentioned that is
11 on-site with document custody that works on
12 these exceptions with them on a daily basis.
13 **Q. So, he was physically in the**
14 **other Minneapolis office, the office where**
15 **the custodial group was located?**
16 A. Yes, yes, they have their own
17 office space but, yes, that's true.
18 **Q. And it appears from looking at**
19 **this that around September 25, 2006, Mr.**
20 **Hart was dealing with some issue regarding**
21 **either a missing or an incorrect endorsement**
22 **on the note --**
23 A. Correct.
24 **Q. -- is that right?**

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1 A. Yes, it is.
2 **Q. Now, we have given you -- you**
3 **have there in front of you various versions**
4 **of the note, and I'm going to tell you what**
5 **-- just so that we make sure that you have**
6 **them all in front of you, tell you where the**
7 **-- well, the first of what we've labeled as**
8 **Exhibit-4 --**
9 MR. REICHNER: To your right.
10 MR. ACKELSBURG: -- is the
11 Exhibit-4 -- it's the copy of the
12 note that I think you already
13 have. It's the copy with all the
14 -- the many endorsements on it.
15 It's the one, I believe it's what
16 has been represented to us as
17 being a copy of the original.
18 THE WITNESS: It's 338?
19 BY MR. ACKELSBURG:
20 **Q. No, no. It's the one that**
21 **starts 107. I think you already had it.**
22 **It's not what --**
23 A. I have a copy of the note, but
24 it doesn't have a DB number on the bottom of

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1 it.
2 MR. REICHNER: You have two
3 copies -- in addition to what you
4 received -- you should have one
5 that has a note closed out.
6 One of them has a note
7 allonge attached, and one that has
8 the series of endorsements, some
9 that were crossed out.
10 THE WITNESS: Yes, I have
11 that, but they don't have the DB
12 numbers on the bottom.
13 MR. REICHNER: Right. We had
14 sent them to him -- there's the
15 one with the allonge --
16 MR. ACKELSBURG: Off the
17 record.
18 ---
19 (Whereupon, a discussion was
20 held off the record.)
21 ---
22 MR. ACKELSBURG: Back on the
23 record.
24 BY MR. ACKELSBURG:

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1 **Q. What we are calling Exhibit-4,**
2 **Mr. Johnson, is the version of the note that**
3 **has the various endorsement stamps on the**
4 **next to last page, I believe.**
5 MR. REICHNER: The one where
6 the allonge notation is crossed
7 out by Mr. Hart.
8 THE WITNESS: Yes, the one
9 that says, allonge attached for
10 the purpose of endorsing the note
11 crossed out, and then it's
12 initialed RH?
13 MR. ACKELSBURG: Yes.
14 BY MR. ACKELSBURG:
15 **Q. All right. So, if you could**
16 **maybe put a little four on that, that's**
17 **Exhibit-4. Okay?**
18 A. Yes.
19 **Q. Now, Exhibit-5 I believe we**
20 **just e-mailed to you.**
21 A. Right. It starts with 338.
22 **Q. It starts with 338 and goes to**
23 **342.**
24 A. Okay.

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1 **Q. And then we have a third**
 2 **version of the note, which we have marked as**
 3 **Exhibit-6, and that has no DB numbers, and I**
 4 **don't --**
 5 MR. ACKELSBURG: Did we just
 6 e-mail that to him?
 7 MR. REICHNER: The one with
 8 the allonge.
 9 MR. ACKELSBURG: That's the
 10 one that has the allonge in the
 11 back, that's right. So, he
 12 already had that.
 13 THE WITNESS: I have two
 14 notes here, yes.
 15 BY MR. ACKELSBURG:
 16 **Q. So, that one you already had,**
 17 **right?**
 18 A. I think so, yes.
 19 **Q. So, let's just make sure.**
 20 **What we're calling Exhibit-6 is a copy of**
 21 **the note, it has the -- it has the**
 22 **handwritten loan number at the top, next to**
 23 **adjustable rate note, right?**
 24 A. Yep.

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1 **Q. And then if you turn to the**
 2 **endorsement, the signature page where the**
 3 **endorsements are, you have that stamp that**
 4 **says allonge attached, the one that's**
 5 **crossed out in the other one, right?**
 6 A. Yes.
 7 **Q. And you see that there's also**
 8 **an endorsement at the bottom, one**
 9 **endorsement at the bottom, do you see that?**
 10 A. Yes, I do.
 11 **Q. And there's allonge then after**
 12 **-- okay?**
 13 A. Yes, yep.
 14 **Q. This is what we're calling**
 15 **Exhibit-6, that version of the note.**
 16 A. Okay.
 17 MR. ACKELSBURG: Off the
 18 record.
 19 ---
 20 (Whereupon, a discussion was
 21 held off the record.)
 22 ---
 23 MR. ACKELSBURG: Back on the
 24 record.

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1 BY MR. ACKELSBURG:
 2 **Q. We are going to stipulate that**
 3 **Exhibit-4 is a copy of the original note**
 4 **that was obtained from Deutsche Bank, and I**
 5 **think that we -- I think we -- you got it in**
 6 **March, right?**
 7 MR. REICHNER: There was a
 8 cover letter --
 9 MR. ACKELSBURG: Here it is.
 10 This is the cover, right?
 11 MR. REICHNER: Right, March
 12 12, 2010.
 13 BY MR. ACKELSBURG:
 14 **Q. Okay. We are stipulating that**
 15 **counsel received a document of which**
 16 **Exhibit-4 is a copy from Deutsche Bank on --**
 17 MR. REICHNER: Under cover of
 18 letter dated March 12, 2010.
 19 MR. ACKELSBURG: -- okay.
 20 Thank you.
 21 BY MR. ACKELSBURG:
 22 **Q. Now, I want you to look at**
 23 **what we've called Exhibit-5. This is the**
 24 **one that does not have a -- you'll notice**

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1 that it does not have a Wells Fargo number
 2 at the top, and instead has a stamp that
 3 says true and certified copy.
 4 In your experience with the
 5 documents that come to Wells Fargo in a
 6 correspondent transaction, is it common that
 7 Wells would be provided an additional copy
 8 of the note?
 9 A. Yes.
 10 **Q. So -- and if you look at -- if**
 11 **you look at the endorsement that's on --**
 12 **that's part of Exhibit-5, you will see that**
 13 **on the endorsement, it's endorsed in blank,**
 14 **do you see that?**
 15 A. Pay to the order of without
 16 recourse, yes, I see the endorsement.
 17 **Q. So, in other words, Alta**
 18 **Financial endorsed it in blank, and that's**
 19 **what Wells Fargo presumably got; am I right?**
 20 A. Yes, but there is only one
 21 original note, even though --
 22 **Q. I understand that. But this**
 23 **is likely -- what we're looking at is a copy**
 24 **of the original that was received by Alta**

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1 Financial before Rob Hart did whatever he
 2 did; am I right?
 3 A. Could you say that again,
 4 please?
 5 Q. This is a copy of the note as
 6 it was when Wells Fargo first received it
 7 from Alta Financial?
 8 MR. REICHNER: Objection to
 9 form.
 10 THE WITNESS: I cannot
 11 necessarily say that it was the
 12 same exact copy of the original
 13 note.
 14 BY MR. ACKELSBURG:
 15 Q. Yeah, I mean -- again, this is
 16 a document that was provided us to by Wells
 17 Fargo. It came from the Charlene Smith loan
 18 file, and I realize that you don't know for
 19 sure what this is, but I'm really asking you
 20 to apply your knowledge and experience as
 21 the assistant manager of the group, and you
 22 see these things from -- as part of your
 23 job, right? I mean, these are -- you look
 24 at notes, that's part of what you do, right?

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1 A. Yes.
 2 MR. REICHNER: Objection to
 3 form.
 4 BY MR. ACKELSBURG:
 5 Q. Okay. So, would it be fair to
 6 infer that Exhibit-5 is a copy of the note
 7 in the form it was first received by Wells
 8 Fargo from Alta Financial?
 9 MR. REICHNER: Objection to
 10 the form.
 11 THE WITNESS: Yes.
 12 BY MR. ACKELSBURG:
 13 Q. Okay. And then I want -- oh,
 14 let's go back to four, Exhibit-4, and if you
 15 could turn to the endorsement page, and
 16 the -- you already mentioned this, but I
 17 want to make sure that the record is clear,
 18 the stamp that states allonge attached is
 19 crossed out with an RH below it.
 20 A. Yes.
 21 Q. That would have -- and that RH
 22 is the initials of Rob Hart; am I right?
 23 A. Yes.
 24 Q. And what he's doing is

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1 indicating that he's the one crossing out
 2 that statement there, that allonge is
 3 attached, correct?
 4 A. Yes, yes.
 5 Q. All right. And you'll also
 6 note that the -- that where the endorsement
 7 in the copy that we previously looked at was
 8 blank, there's now a stamp above the
 9 signature of the president of Alta
 10 Financial, it now says pay to the order of
 11 Wells Fargo Bank, right?
 12 A. Yes, yes.
 13 Q. And when we were looking
 14 before at the custodial system, and the
 15 entries made, and there was reference to a
 16 missing or an incorrect endorsement, would I
 17 be correct in assuming that one of the
 18 things that Mr. Hart did was to add the
 19 stamp Wells Fargo Bank in that endorsement?
 20 A. Yes, but that is not the
 21 correction that the system is referencing.
 22 The system is referencing the third
 23 endorsement paid to the order of SouthStar
 24 Mortgage. That was done incorrectly by Mr.

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1 Hart. That's what that exception is
 2 referencing, I believe.
 3 Q. Okay. So, let -- how can you
 4 tell that?
 5 A. Well, how can we tell that?
 6 When he -- when the notes came in and that
 7 endorsement was affixed, custody then
 8 checked it and realized that this particular
 9 mortgage should not have been endorsed to
 10 SouthStar, but to well Wells Fargo.
 11 Q. How do you know that?
 12 A. So --
 13 Q. How do you know that; that
 14 that's what happened?
 15 A. Because it's a mortgage that
 16 Wells Fargo had purchased --
 17 Q. No, what I'm asking --
 18 A. -- not SouthStar.
 19 Q. -- what I'm asking is, you are
 20 looking at the screen shots, and
 21 specifically at page 1059 of Exhibit-1.
 22 A. Right.
 23 Q. And I want to make sure that
 24 we're looking at the same notation. What

1 **Mr. Hart is doing is clearing -- that's the**
2 **term that's used on the system, right?**

3 A. Yes. Mr. Hart is doing the
4 work, but the clearing doesn't take place
5 until custody validates that that work is
6 correct.

7 Q. Now, what -- there is an entry
8 at the bottom of 1059 that says, there's an
9 open date -- there's an open date, there's a
10 clearing date, and then under the exception
11 notation, it says, endorsement is
12 missing/incorrect, and then in both letters
13 below it says, duplicate AFM to WFB.

14 Now, AFM would be Alta
15 Financial Mortgage, right, in this case?

16 A. I believe so.

17 Q. So, how -- I'm just trying to
18 understand. How from that notation you
19 concluded that it's referencing this stamp
20 regarding SouthStar Bank?

21 MR. REICHNER: Objection to
22 form.

23 MR. ACKELSBURG: SouthStar
24 Funding. How do you -- I mean,

1 that was incorrect, that's what Wells Fargo
2 corrected, and then the Wells Fargo to blank
3 stamp was affixed afterwards.

4 Q. All right. What I want you to
5 do is to now look at the third version of
6 the note that we have, and just so you know,
7 this is a version, this is Exhibit-6, and
8 this is what was produced to us by the
9 foreclosure firm here in Philadelphia on
10 July 21 of 2009.

11 A. Okay.

12 Q. This is what was represented
13 to us is a copy of the note. And go to the
14 -- I mean, you'll see, starting from the
15 top, it has the Wells Fargo number on it,
16 right?

17 A. Right.

18 Q. All right. And then flip to
19 the endorsement page.

20 A. Right.

21 Q. And you'll see that there's --
22 I'm just trying to understand basically --
23 any help you can provide us in understanding
24 what these three versions are. I mean, this

1 isn't it possible, Mr. Johnson,
2 that really what's being
3 referenced here is simply the
4 insertion of Wells Fargo Bank in
5 what was previously a blank
6 endorsement at the point of
7 receipt; isn't that also possible?
8 Isn't it possible that that's
9 what's being noted on the system.

10 MR. REICHNER: Objection to
11 form.

12 THE WITNESS: I don't believe
13 so, because there are not
14 duplicate Wells Fargo blank stamps
15 on the note.

16 BY MR. ACKELSBURG:

17 Q. So, you're saying that the
18 duplicate refers to, in that entry, at the
19 bottom of 1059, is referencing duplicate
20 endorsements; that's what you think?

21 A. No. What I think is that when
22 it was endorsed originally, it was endorsed
23 incorrectly with the SouthStar endorsement,
24 it was incorrect, custody recognized that

1 was supplied to us by counsel. I don't know
2 if it came from an image somewhere, is there
3 -- maybe you can help us uncover the mystery
4 of these three different versions.

5 A. I believe I can somewhat.
6 When a loan is received -- when loans are
7 received at Wells Fargo document custody,
8 and they're prepared for shipment to
9 custody, they get imaged at that point in
10 time. So, the loan note is imaged before
11 any of these endorsements, that we were just
12 looking at in Exhibit-4, are affixed.

13 Q. Now, going back to the flow
14 that was apparent from the screen shots that
15 we started out looking at, can you tell us
16 when it's likely that the imaging occurred,
17 based on your knowledge of the way this
18 works?

19 MR. REICHNER: Object to the
20 form.

21 THE WITNESS: Yes. The
22 imaging occurs directly upon
23 receipt of the mortgage file at
24 document custody.

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1 So, if you look at that it
 2 shows here that all packages were
 3 received on September 20th, and
 4 that review was completed on
 5 September 22nd. So, the imaging
 6 would take place during the time
 7 it was received and flowed into
 8 custody.
 9 BY MR. ACKELSBURG:
 10 Q. And then that would go onto
 11 the system as a copy of the note?
 12 A. Correct.
 13 Q. And -- but the actual note
 14 itself, the original document is meanwhile
 15 traveling through the system and it -- and
 16 so when it -- at the point where it was
 17 received for imaging, would that be in the
 18 custodial office?
 19 A. The original is on route and
 20 then received in custody, that is correct.
 21 Q. And is that the group that
 22 does the imaging, the custodial group?
 23 A. No. Wells Fargo document
 24 management does the imaging.

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1 Q. Where are they located?
 2 A. They are located in Eagan,
 3 Minnesota. They share space with the
 4 servicing integration team, at that
 5 location.
 6 Q. So, the documents are received
 7 from Alta Financial; they are first received
 8 where?
 9 A. The documents are first
 10 received -- Alta Financial would send it to
 11 our institutional lending group that works
 12 with third-party lenders. They would --
 13 they're the ones who approve the purchase of
 14 the mortgage. Once that's approved, then
 15 the loan file is finalized and the purchase
 16 is agreed to, then they send the package to
 17 Wells Fargo document management in Eagan,
 18 Minnesota.
 19 Q. And that's the point where
 20 it's imaged?
 21 A. Correct.
 22 Q. And then after imaging, that
 23 unit sends it to the custodial group?
 24 A. They send it right away. They

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1 send the original note immediately, the same
 2 day it's received, it's sent.
 3 Q. Okay. And so then, at some
 4 point after that imaging, that's when Mr.
 5 Hart would have done whatever correction
 6 needed to be done to the endorsement?
 7 A. Right. Just to clarify, a
 8 copy of the note is imaged. The original
 9 note is sent to custody.
 10 Q. So, now I'm looking at a copy
 11 of the fully endorsed note. This is
 12 Exhibit-6 -- Exhibit-4, I'm sorry.
 13 A. Yep.
 14 Q. Exhibit-4. If you can go to
 15 the endorsement page?
 16 A. (Complies with request.)
 17 Q. Now, the -- we're looking here
 18 -- we have the original here in
 19 Philadelphia, so, we're looking at it, and
 20 it looks to me like the -- that unlike the
 21 crossing out of the allonge reference by Mr.
 22 Hart, which is in blue pen, it looks like
 23 everything else is a stamp; am I right?
 24 A. Yes.

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1 Q. And that includes the
 2 endorsement that says that it's signed for
 3 Joan Mills, vice president?
 4 A. Right.
 5 Q. Who is Joan Mills?
 6 A. Joan Mills is now a senior
 7 vice president in -- at Wells Fargo. At
 8 that time, her name -- we had an officer of
 9 the company's name on the endorsement
 10 stamps, a facsimile of their signature gets
 11 stamped on all the notes that are received
 12 at custody.
 13 Q. And would this have been Mr.
 14 Hart who put that stamp on the note?
 15 A. No, I believe it would have
 16 been a representative of document custody.
 17 Q. Would that have been -- so,
 18 would that have been before or after Mr.
 19 Hart did whatever he did?
 20 A. It would have been after, I
 21 believe.
 22 Q. So, let me make sure I
 23 understand what you're saying. Mr. Hart,
 24 thinking that this had something to do with

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1 **SouthStar Funding, put the stamp that we see**
 2 **in the lower right-hand corner, that has a**
 3 **canceled on top of it, right?**
 4 A. Right.
 5 MR. REICHNER: Objection to
 6 the form.
 7 BY MR. ACKELSBERG:
 8 **Q. So, he put that stamp on, and**
 9 **he crossed out the reference to allonge?**
 10 A. Right.
 11 **Q. And did he also put the stamp**
 12 **on the -- the Wells Fargo stamp on the Alta**
 13 **Financial endorsement, would he have done**
 14 **that?**
 15 A. The Alta Financial
 16 endorsement, no, I don't believe so.
 17 **Q. I'm really referring to the**
 18 **Wells Fargo stamp that appears inside of the**
 19 **Alta Financial endorsement, do you see that,**
 20 **the name itself?**
 21 A. Oh, I see what you're saying,
 22 yes. No, I believe that that is done by
 23 custody. With regard to our third-party
 24 business, there were a couple of steps in

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1 the process when it comes to endorsements.
 2 **Q. Why don't you tell us the**
 3 **steps?**
 4 A. Okay. Right now, the way we
 5 have it set up, you know, we pays Wells
 6 Fargo -- it's part of what the custodian
 7 does for us, in addition to warehousing our
 8 mortgages as we prepare them for sale. They
 9 affix the endorsements to the stamps -- the
 10 stamps to the note. Now, with regard to
 11 either third-party or joint ventures that we
 12 have, our CFS team, which Robert Hart was a
 13 part of, applies that stamp. So, that's why
 14 I believe the SouthStar -- the SouthStar
 15 stamp was a mistake, and it was an exception
 16 noted by custody.
 17 **Q. So, it was custody that noted**
 18 **the exception, not Rob Hart that noted the**
 19 **exception?**
 20 A. Right, and once they noted the
 21 exception, then it was Rob Hart and CFS that
 22 would perform those collections.
 23 **Q. I see. So, it went back to**
 24 **Rob Hart for fixing?**

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1 A. Yes.
 2 **Q. So, it would have been then**
 3 **after the custodial group -- now, you**
 4 **referenced the custodian as somehow -- it**
 5 **sounded like you were referencing it**
 6 **separate from Wells Fargo. I thought this**
 7 **was just a part of Wells Fargo?**
 8 A. Well, it is definitely part
 9 of, you know, we're all Wells Fargo Bank,
 10 N.A. now. But they're a different division
 11 of Wells Fargo. The custodian is part of
 12 Wells Fargo Institutional Trust and
 13 servicing integration is part of Wells Fargo
 14 Home Mortgage.
 15 **Q. So, it's your testimony that**
 16 **what happened on or about September 24th --**
 17 **25th, 2006, was that Rob Hart received the**
 18 **original, mistakenly inserted the SouthStar**
 19 **stamp, the custodial group saw the mistake**
 20 **and basically gave it back to Mr. Hart to**
 21 **fix?**
 22 A. Yes.
 23 **Q. And he did a variety of**
 24 **things. He crossed out the allonge, right?**

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1 A. Yes.
 2 **Q. He canceled the SouthStar**
 3 **stamp?**
 4 A. Yes.
 5 **Q. He put the name Wells Fargo**
 6 **inside the Alta Financial endorsement?**
 7 A. I do not know with certainty
 8 whether that was done by Rob Hart or Wells
 9 Fargo document custody.
 10 **Q. Okay. And then he inserted**
 11 **the stamp that has Ms. Mills' name on it?**
 12 A. Yes.
 13 **Q. Why would Rob Hart have had a**
 14 **SouthStar Funding endorsement stamp?**
 15 A. Well, as I said before, Wells
 16 Fargo has a number of joint ventures and
 17 SouthStar Funding was one those joint
 18 ventures, they were a lender that
 19 specialized in nonprime loans and, you know,
 20 I'm just left to conjecture that since this
 21 was a nonprime transaction, that that's what
 22 led the mistake to be made. That's what I
 23 am surmising.
 24 **Q. What's the difference between**

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1 a joint venture relationship and a
 2 correspondent relationship?
 3 MR. REICHNER: Objection.
 4 You can answer, if you can.
 5 THE WITNESS: Yeah, they're
 6 slightly different. Joint
 7 ventures are coming and originated
 8 more like a retail Wells Fargo
 9 loan, and a correspondent is
 10 clearly a third-party
 11 relationship.
 12 BY MR. ACKELSBERG:
 13 Q. All right. If we could go
 14 back to the first screen shot in Exhibit-1.
 15 A. Yes.
 16 Q. And the very first -- well
 17 the -- I'm sorry, I'll wait until you get
 18 it?
 19 A. Is that 1057?
 20 Q. Yes. The item that's
 21 highlighted, the screen that we're looking
 22 at in 1057, you mentioned this before, that
 23 it reflected some activity by a person by
 24 the name of Douse; is that what you said?

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1 A. His name is actually Marlin
 2 Douse.
 3 Q. Douse, I'm sorry. And he's
 4 also in your unit?
 5 A. Yes, he is the work director
 6 for the collateral flow services team that
 7 Rob Hart was a member of.
 8 Q. And can you tell, from looking
 9 at this, what Mr. Douse was doing on 10/6
 10 with regards to the Charlene Smith file?
 11 A. No, I cannot with --
 12 specifically, just from the screen shot.
 13 Q. Is there something missing
 14 or -- I mean, how would you find out if --
 15 I'm just trying to determine all the ways in
 16 which your unit, you know, touched this --
 17 touched this file, and apparently something
 18 happened. So, what do we need to do to find
 19 out what was happening?
 20 A. Well --
 21 Q. Are there other screens that
 22 would provide that information?
 23 A. Potentially. I don't -- the
 24 925 where it says CFS quick fix, R. Hart,

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1 that pertains to the endorsement events we
 2 were just discussing, the CFS quick fix on
 3 10/6, I do not know what that specifically
 4 references just from the screen shot, but
 5 there is research that could be done to see
 6 what that is.
 7 Q. All right. Why don't you turn
 8 -- now, Mr. Douse, is he still part of your
 9 unit?
 10 A. Yes, he is.
 11 Q. Okay. Why don't you stick
 12 with Exhibit-1, and turn to page 1060; are
 13 you there?
 14 A. Yes.
 15 Q. Now, this is again part of --
 16 we're now looking at a screen shot from the
 17 custodial system, right?
 18 A. That's 1060, yes.
 19 Q. Now, there's a name there, it
 20 says requested by C. Simmons. Do you know
 21 that person?
 22 A. I do not, no.
 23 Q. Have you ever heard of a
 24 person named Charlie Simmons?

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1 A. I do not know personally
 2 Charlie Simmons.
 3 Q. Okay. What about the -- at
 4 the middle of the screen shot, it says,
 5 release reason, and then there's some
 6 initials DFLT4; do you see that?
 7 A. Yes, I do.
 8 Q. Do you know what that means?
 9 A. What this is referring to, is
 10 that prior to sale, we have a group in
 11 Frederick, Maryland called Investor Loan
 12 Services, that does a review, a due
 13 diligence review, before we release the
 14 collateral to the purchasing investor. I
 15 believe that's what that is referring to.
 16 Q. Do you know what the DFLT
 17 stands for?
 18 A. I do not specifically know
 19 what that refers to.
 20 Q. Now, this is -- what we're
 21 looking at is the custodial system, right?
 22 A. Yes, yes.
 23 Q. I thought that was the system
 24 used by the custodial group?

1 A. It is.
 2 **Q. How would items being --**
 3 **activity by the group in Frederick that's**
 4 **looking to sell the loan, how would that get**
 5 **onto the custodial system?**
 6 A. Well, what that is tracking is
 7 the custodian is responsible for warehousing
 8 our mortgage. So, when somebody wants it,
 9 their system has to indicate that it was
 10 released, and that's what that is
 11 indicating, that it was released to that
 12 person.
 13 **Q. So, this indicates that the**
 14 **actual documents from the Charlene Smith**
 15 **loan were released from the custodial group**
 16 **to the group in Frederick that was looking**
 17 **to sell the loan to an investor?**
 18 A. Yes, the note documents.
 19 **Q. Yes, okay. Do you know what**
 20 **the initials NCON stand for?**
 21 A. I do not specifically. I
 22 would guess it means nonconforming.
 23 **Q. That's another term used for**
 24 **subprime?**

1 A. A nonprime loan is a
 2 nonconforming loan, that is right.
 3 **Q. We sent you -- can you look at**
 4 **the exhibit we sent you that we numbered as**
 5 **Exhibit-7. It's a one-page document. It**
 6 **says Assignment of Mortgage; do you see**
 7 **that?**
 8 A. Yes, I do see that in this
 9 stack, I believe. Let me -- if -- oh, yes,
 10 I have it here.
 11 **Q. You see it's a one-page**
 12 **document entitled Assignment of Mortgage?**
 13 A. Yes.
 14 **Q. And you see that there's a**
 15 **signature of a witness in Frederick,**
 16 **Maryland of Charlie Simmons; do you see**
 17 **that?**
 18 A. Yes.
 19 **Q. All right. Do you recognize**
 20 **any of the names on this document? You told**
 21 **us you didn't know Charlie Simmons, what**
 22 **about the other people?**
 23 A. I do know Melinda Hermann and
 24 I do know Patricia Staples.

1 **Q. And who are they?**
 2 A. They are supervisors and
 3 managers in our Frederick location.
 4 **Q. So, was this in the same unit**
 5 **that would have been looking for potential**
 6 **investors to buy the loan?**
 7 MR. REICHNER: Objection to
 8 form.
 9 THE WITNESS: I do not know
 10 who was the manager of investor
 11 loan sales at that time.
 12 MR. REICHNER: By the way, I
 13 have the original of the document
 14 that I received from Deutsche
 15 Bank, if you want to look at it.
 16 BY MR. ACKELSBURG:
 17 **Q. Now, in the -- you see, this**
 18 **was a document, again, that refers to the --**
 19 **that's part of the Charlene Smith file that**
 20 **was produced to us.**
 21 A. Yes.
 22 **Q. Okay. And can -- do you have**
 23 **any idea what this document is?**
 24 MR. REICHNER: Objection to

1 form.
 2 THE WITNESS: I do, but I --
 3 assignments of mortgage are not
 4 under my purview or area of
 5 expertise. My area of expertise
 6 is more with regard to the note
 7 and the initial certification
 8 process.
 9 BY MR. ACKELSBURG:
 10 **Q. Well, what do you know about**
 11 **this document? What can -- you're not an**
 12 **expert, but based on your knowledge of the**
 13 **flow of documents, what can you tell us**
 14 **about this document?**
 15 A. Well, that it's considered
 16 part of what we call final documents in the
 17 mortgage industry, which is more germane to
 18 the final certification in terms of sale to
 19 the secondary market.
 20 **Q. What do you mean final**
 21 **certification, what does that term mean?**
 22 A. Well, there are two phases to
 23 sale, initial certification, which is more
 24 regarding examination of the note, and final

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1 certification, which is more involved with
 2 examination of the assignment of the
 3 mortgage.
 4 **Q. And do you know what the**
 5 **circumstances would be for the preparation**
 6 **of this document, assigning a mortgage like**
 7 **this in the final certification process?**
 8 A. I do not. I can't speak to
 9 that with any degree of expertise.
 10 **Q. Okay. Going back to page 1060**
 11 **in the screen shot that we were looking at.**
 12 A. Yes.
 13 **Q. It references a location and a**
 14 **home, you'll see it references the home as**
 15 **being EHSV east end of 1015 vault; what does**
 16 **all that mean?**
 17 A. That is the vault, the
 18 custody. Down at the location, there is
 19 actually a vault that has all our note
 20 packets in terminal digital, that's where
 21 they actually warehouse and safeguard the
 22 collateral for Wells Fargo.
 23 **Q. And that's again, we're**
 24 **referring to that Wells Fargo office in**

Page 71

1 **suburban Minneapolis?**
 2 A. It's in Minneapolis. It's
 3 actually 1015 East Hampton Avenue.
 4 **Q. Oh, okay. Now, based on the**
 5 **date of -- going back to that assignment of**
 6 **mortgage, look at the assignment of**
 7 **mortgage, it's dated October 18th.**
 8 A. Yes.
 9 **Q. And the system is referencing**
 10 **-- well, what's REQ1017; what is that**
 11 **referencing?**
 12 A. Is that on the screen shot?
 13 **Q. Yeah, near Mr. Simmons,**
 14 **there's a ship date of --**
 15 A. Yeah, I believe that means
 16 request date.
 17 **Q. Okay. So, whose -- so, this**
 18 **would be the unit in Frederick requesting**
 19 **the loan file from the custodial group?**
 20 A. Correct.
 21 **Q. And the shipping date, is that**
 22 **the shipping of the custodial to Frederick**
 23 **or is that Frederick sending it back to**
 24 **custodial?**

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1 A. I believe that is the
 2 custodian sending it to Frederick.
 3 **Q. Okay. Staying with the screen**
 4 **shots, if you could go to 1063.**
 5 A. Yes.
 6 **Q. We see this Mr. Simmons**
 7 **apparently making some entries here,**
 8 **correct?**
 9 A. This is back to the Arrow
 10 system, and the Arrow system is also
 11 tracking the location of the collateral.
 12 So, yes, Mr. Simmons updated the system to
 13 show that the collateral had been released.
 14 **Q. And when you say collateral**
 15 **released, do you mean that the loan was**
 16 **sold?**
 17 A. No, that means that the
 18 location, the physical location of the note
 19 was released to him.
 20 **Q. Okay. And on what date did**
 21 **that happen, looking at page 1063?**
 22 A. He changed the location on
 23 October 23, 2006.
 24 **Q. What does DDD sale reference;**

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1 **do you know?**
 2 A. I do not know exactly what
 3 that means.
 4 **Q. Do you know what the reference**
 5 **on -- you'll see there's a later entry on**
 6 **the same page, November 3, 2006, and I**
 7 **assume that references Deutsche Bank?**
 8 A. Yes, I believe that shows that
 9 the collateral was sent to Deutsche Bank at
 10 that time.
 11 **Q. So, when you say the**
 12 **collateral, we're talking about the**
 13 **documents?**
 14 A. Yes.
 15 **Q. The original note -- would the**
 16 **original mortgage be along with that or --**
 17 A. I do not know the answer to
 18 that.
 19 **Q. But you know it would be the**
 20 **original note?**
 21 A. Yes.
 22 **Q. Sticking with the screen**
 23 **shots, but moving to the summary page, 1058.**
 24 A. Yes.

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1 **Q. In the middle towards the**
2 **right, it looks like there's reference to an**
3 **investor purchase on November 28, 2006, do**
4 **you see that?**
5 A. Yes.
6 **Q. And the purchaser being**
7 **Greenwich Capital, right?**
8 A. Yes, that's what it says.
9 **Q. So, this would mean that -- I**
10 **want to make sure I understand what this**
11 **means, that this loan, the Charlene Smith**
12 **loan, was sold to Greenwich Capital on**
13 **November 28, 2006?**
14 A. That's what it says there,
15 yes.
16 **Q. Okay. There's some other**
17 **information in the same portion, under the**
18 **term pool data, do you see that?**
19 A. Yes.
20 **Q. Now, the first item, it says**
21 **pool number, I believe, and then there's a**
22 **number there that ends with M12; do you see**
23 **that?**
24 A. I do.

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1 **Q. Do you know what that number**
2 **refers to; do you know that that number is?**
3 A. Yes, our capital markets group
4 is the team that's responsible for selection
5 and putting the pools together, and when
6 they do that, they put the information in
7 the tracking system so they can be tracked.
8 **Q. But do you know what that**
9 **number is, 2006M12?**
10 A. I do not specifically know
11 what that references, other than it's a pool
12 number.
13 **Q. What about the pool issue**
14 **date; do you know what that is?**
15 A. I do not know specifically
16 what that references. Like I said, it's
17 part of the capital markets process of
18 pooling the loans to prepare them for sale.
19 **Q. And at the bottom it says,**
20 **client name, Lenders Express; do you know --**
21 **what's that company?**
22 A. I do not know what that
23 references. With regard to the MERS
24 information, all my knowledge is limited as

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1 part of the final documents process.
2 **Q. Now, so, let me make sure I**
3 **understand how this works. The capital**
4 **markets group, would be the group that would**
5 **be selling the Charlene Smith loan to some**
6 **investor as part of a larger pool of loans**
7 **that Wells Fargo owns; am I right?**
8 A. Yes.
9 **Q. And then if that purchaser**
10 **were to decide to put into -- the decision**
11 **of what particular transaction**
12 **securitization transaction to put that loan**
13 **into, that would really be an investor --**
14 **that's the decision of the investor, right?**
15 MR. REICHNER: Objection to
16 the form.
17 THE WITNESS: You know, I am
18 not intimately involved with that
19 process. I don't know -- I don't
20 necessarily know the answer to
21 that.
22 BY MR. ACKELSBURG:
23 **Q. But as of -- as best as you**
24 **can tell, as of -- from the summary sheet,**

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1 **as of November 28, 2009, Wells Fargo --**
2 MR. COCCO: 2006.
3 MR. ACKELSBURG: -- 2006, I'm
4 sorry, Wells was no longer the
5 owner of the loan, it had sold the
6 loan to Greenwich Capital?
7 MR. REICHNER: Objection to
8 form.
9 THE WITNESS: Yes.
10 BY MR. ACKELSBURG:
11 **Q. One of the exhibits that we**
12 **e-mailed to you, Exhibit-8, are printouts, I**
13 **believe, from the servicing system.**
14 A. It starts with DB366?
15 **Q. Yes. Is this a printout of a**
16 **system that you have any familiarity with?**
17 A. Yes, somewhat.
18 **Q. So, then, what are we looking**
19 **at?**
20 A. The servicing.
21 **Q. So, this is a different**
22 **computer system than the ones we were**
23 **looking at before, right?**
24 A. Yes.

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1 **Q. What do we call this system?**
 2 A. I believe that this is the
 3 Fidelity system, which is the servicing
 4 system for Wells Fargo.
 5 MR. REICHNER: I might add,
 6 he's not designated to testify to
 7 that but --
 8 MR. ACKELSBURG: That's fine.
 9 MR. REICHNER: -- we'll leave
 10 it at that.
 11 BY MR. ACKELSBURG:
 12 **Q. All right. Go back to the**
 13 **screen shots, Exhibit-1, page 1057, the**
 14 **first page, again, of the screen shot?**
 15 A. Okay.
 16 **Q. There are two entries towards**
 17 **the bottom, under final document review.**
 18 A. Yes.
 19 **Q. Taking place in the year 2007?**
 20 A. Yes.
 21 **Q. First of all, can you tell us**
 22 **-- well, what can you tell us about these**
 23 **entries?**
 24 A. Well, final documents such as

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1 recorded mortgages and title policies,
 2 sometimes take quite a long time to come in.
 3 So, our system opens deficiencies at a
 4 designed point in time to track those.
 5 **Q. What Mr. Reichner is pointing**
 6 **out is, if you turn to page 1061, it looks**
 7 **like it's the same -- it's pretty much the**
 8 **same information --**
 9 A. Yep.
 10 **Q. It's just looking at it from**
 11 **the Rob Hart transaction. The print's**
 12 **bigger and easier to read, right?**
 13 A. Yes.
 14 **Q. So, what can you tell us,**
 15 **again, about what's happening on January 17,**
 16 **2007, and who's doing what?**
 17 A. On January 17th, it appears
 18 that our system, you see the FDSYSGEN, I
 19 believe that means final doc system
 20 generated, at that point in time it
 21 automatically opens a deficiency to begin
 22 looking for the recorded mortgage and the
 23 title policy that sometimes take quite a bit
 24 of time to be finalized and come in. And

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1 then it also shows that since we don't have
 2 those line items highlighted, they did --
 3 they were satisfied and they did come in to
 4 our final documents group.
 5 **Q. Do you have any experience**
 6 **with MERS?**
 7 A. I do not. I do not. I am not
 8 a final documents manager. I've heard of
 9 it, of course, but I have not worked in it
 10 myself.
 11 **Q. Looking at the documents that**
 12 **you have in front of you, are you aware of**
 13 **any evidence that the adjustable rate note,**
 14 **dated August 24, 2006, between Alta**
 15 **Financial and Charlene Smith was ever**
 16 **transferred by Wells Fargo to Greenwich**
 17 **Capital?**
 18 MR. REICHNER: Objection to
 19 form.
 20 THE WITNESS: I do not know.
 21 I don't know in terms of the
 22 entity names, you know, what was
 23 involved, if they were DBAs or
 24 what have you. All I know is that

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1 the summary screen shows Greenwich
 2 Capital with a purchase date of
 3 November 26th.
 4 BY MR. ACKELSBURG:
 5 **Q. But I'm specifically referring**
 6 **to the transfer of that original note that**
 7 **we were looking at, that your unit certainly**
 8 **had some dealings with back in September of**
 9 **2006, can you tell whether that note was**
 10 **ever delivered to the investor that**
 11 **apparently purchased this loan?**
 12 A. No, I cannot. All I can tell
 13 is that my group prepared that note for sale
 14 to the secondary market.
 15 **Q. And the note went to the**
 16 **custodial group in the vault number that we**
 17 **looked at before, and then at some point the**
 18 **capital markets group requested those**
 19 **records, and they traveled from the vault to**
 20 **the capital markets group in Frederick; am I**
 21 **right?**
 22 A. Exactly, yes.
 23 **Q. Is there any record on the**
 24 **Wells Fargo system that the note ever left**

1 **the capital markets group and went to**
 2 **anybody?**
 3 MR. REICHNER: Objection to
 4 the form.
 5 THE WITNESS: Yeah, I believe
 6 there is information that shows it
 7 was delivered to Deutsche Bank on
 8 November 3, 2006.
 9 BY MR. ACKELSBERG:
 10 **Q. But that's three weeks before**
 11 **it was purchased by Greenwich Capital; am I**
 12 **right?**
 13 MR. REICHNER: Objection to
 14 form.
 15 THE WITNESS: That's the date
 16 that we showed it was delivered to
 17 Deutsche Bank, November 3rd. As
 18 far as the finalization of
 19 settlement, I can't speak to that.
 20 BY MR. ACKELSBERG:
 21 **Q. Do you know why documents**
 22 **would have been sent to Deutsche Bank?**
 23 A. I believe they were purchasing
 24 the mortgage from us.

1 **Q. I thought Greenwich Capital**
 2 **was.**
 3 A. I do not have knowledge of the
 4 flow of what capital markets determined to
 5 do when it came to the sale of the mortgage
 6 itself.
 7 **Q. Did you ever -- have you ever**
 8 **heard of an entity named Financial Assets**
 9 **Securities Corporation?**
 10 A. No, no, I have not.
 11 **Q. Are you aware of any evidence**
 12 **that Financial Assets Securities Corporation**
 13 **transferred the Charlene Smith note to**
 14 **Deutsche Bank?**
 15 A. I have no knowledge of that.
 16 **Q. But we can agree, looking at**
 17 **the note, that the note itself was never**
 18 **made payable to Deutsche Bank as a trustee**
 19 **for anybody; am I right? Deutsche Bank --**
 20 **it was never endorsed to Deutsche Bank, we**
 21 **can agree on that, right?**
 22 A. It is not endorsed to Deutsche
 23 Bank.
 24 **Q. Is there any evidence that**

1 **Deutsche Bank -- is there any evidence that**
 2 **you're aware of that Deutsche Bank ever**
 3 **owned this note as opposed to storing it?**
 4 MR. REICHNER: Objection to
 5 form.
 6 THE WITNESS: I do not have
 7 knowledge of that part of the
 8 transaction.
 9 BY MR. ACKELSBERG:
 10 **Q. We're almost there. If you**
 11 **can just turn to the summary sheet again,**
 12 **page 1058.**
 13 A. Yes.
 14 **Q. Under -- on the left side**
 15 **towards the bottom, there are two entries**
 16 **for location, one says FFIMOHK and the other**
 17 **says NCCUST; do you see that?**
 18 A. Yes.
 19 **Q. Can you tell us what those two**
 20 **abbreviations are for?**
 21 A. Yes, the NCCUST refers to the
 22 nonconforming vault location of custody,
 23 which is where the note goes, and the
 24 FFIMOHK refers to Mohawk, which is where the

1 loan file goes for storage.
 2 **Q. And you're referring to the**
 3 **loan file documents other than the original**
 4 **note?**
 5 A. Correct.
 6 **Q. And where is that location?**
 7 A. The company is Iron Mountain,
 8 which does our storage. I don't know the
 9 precise location.
 10 MR. ACKELSBERG: All right.
 11 We are done.
 12 BY MR. REICHNER:
 13 **Q. I've got one or two follow-up**
 14 **questions for you, Carl.**
 15 A. Sure.
 16 **Q. If I understand correctly, the**
 17 **records reflect that the original note was**
 18 **sent to Deutsche Bank on November 3rd; is**
 19 **that right?**
 20 A. Yes.
 21 **Q. Are you familiar with the**
 22 **phrase endorsed in blank when it comes to**
 23 **notes?**
 24 A. I am.

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1 **Q. What is your understanding of**
2 **that phrase?**
3 A. It's -- my understanding of
4 that is that it's an endorsement we put on
5 the notes, in preparation for sale on the
6 secondary market, and the reason that it's
7 done in blank at that time is because at
8 that time we don't necessarily know who we
9 are selling the asset to.

10 **Q. I would like you just to take**
11 **a look at Exhibit-4 one more time, that's**
12 **the note after it's been corrected.**
13 A. Yes.

14 **Q. And I want you to take a look**
15 **at the endorsement page, DB00110, if that's**
16 **the one you've got; you got that? The note**
17 **with the allonge attached is crossed out**
18 **with --**
19 A. Yes, I'm looking at that.

20 **Q. All right. We've got --**
21 **there's the endorsement stamp with -- is**
22 **that Jean Mills?**
23 MR. ACKELSBERG: Joan Mills.
24 THE WITNESS: Joan Mills.

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1 BY MR. REICHNER:
2 **Q. Thank you. Is that an**
3 **endorsement in blank?**
4 A. Yes, it is.
5 MR. REICHNER: I have nothing
6 further.
7 MR. ACKELSBERG: We're done.
8 MR. REICHNER: Thank you very
9 much, Carl. I really appreciate
10 your jumping in at the last
11 moment.
12 THE WITNESS: My pleasure,
13 gentlemen.
14 ---
15 (Witness excused.)
16 ---
17 (Whereupon the deposition
18 concluded at 4:51 p.m.)
19 ---
20
21
22
23
24

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1 **CERTIFICATION**
2
3 I, JOSEPHINE GUERRIERI,
4 Professional Court Reporter and Notary Public,
5 do hereby certify that the proceedings and
6 evidence noted are contained fully and
7 accurately in the notes taken by me at the
8 deposition of the above matter, and that this
9 is a correct transcript of the same.

10 I further certify that I am not
11 an attorney or counsel of any of the parties,
12 nor a relative or employee of any attorney or
13 counsel in connection with the action, nor
14 financially interested in the action.

15
16
17 _____
18 Josephine Guerrieri
19 My Commission Expires:
20 March 23, 2014
21 (The foregoing certification of
22 this transcript does not apply to any
23 reproduction of the same by any means, unless
24 under the direct control and/or supervision of
the certifying reporter.)

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1 **CERTIFICATE OF DEPONENT**
2 I, CARL L. JOHNSON, JR., hereby
3 acknowledge that I have read the foregoing
4 transcript of my deposition given on May 28,
5 2010, and find it to be a true, correct and
6 complete transcript of the answers given by me
7 to the questions propounded, to the best of my
8 recollection and belief, except for the list of
9 corrections, if any, noted on the attached
10 Errata Sheet.
11
12 _____
13 Date CARL L. JOHNSON, JR.
14
15
16 Signed this ____ day of _____, 2010.
17
18 _____
19
20 Notary Public
21
22 Municipality _____
23
24 My Commission Expires: _____

ERRATA SHEET		
PAGE	LINE	CORRECTION
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REDACTED

LOAN

File Loan Track Analyze Storage Window Help

Dashboard Check Req Transmittal Opas Summary Debt Const Comments Events Deficiency Close Group FD Info FD History Doc Mgmt Tile Type Records Help Exit

Deficiencies for Servicing Loan # 0155307572 - SMITH, CHARLENE

Summary for Servicing Loan # 0155307572 - SMITH, CHARLENE

Svg Ln #	0155307572	ORIG ALU	038822	Bond Pgm		Case Nbr	
Type	Conventional	FS AU	034760	Note Ind / CRS	I R	Case Valid	
Funded Dt	09/19/2006	Sat Region AU		Region	53	AOP/SOA	
Closing Dt	09/19/2006	Team ID	DD0	Loan Identifiers			
Note Dt	08/24/2006	Org Unit/Busn Agmt	149840 1334484	PC Loc	F	Entry #	000
Borrower	CHARLENE SMITH			Prod	ALB26	ECT	Pipeline
Property	1342 CHEECHSTER AVENUE			Prod Type	56	Sub Proc Cde	
City/St/Zip	LOWER CHEECHSTER PA 19061			Family	5	Loan Src	
Settlement/Matched		Final Docs		Origination ID		ARM Plan	
Analyst		Analyst	FDACTIVE	Deal ID		SIMO	
Location	FFI-MOHK	Location	NC-CUST	2nd Appraisal Required		Cor. Sponsorship	
Init Review Dt	09/22/2006	Insuring Doc		Pool Nbr	002006-M12	Investor	Greenwich Capital
All Pkgs Rcvd	09/20/2006	All Received	02/27/2007	Pool Issue Dt	11/01/2006	JY Inv Expr Dt	
Review Cmpl	09/22/2006	All Shipped	04/04/2007	Investor Type	N	Invstr Purch Dt	11/28/2006
MLM Setup Cmpl	09/26/2006	Payoff Dt		MERS Information			
Follow Up Date	10/07/2006	Dfcy \$ Amount		Reg. With MERS		Servicing Right	Beneficial Right
				Client Code	9999	MIN Number	10035400000029958
				Client Name	LENDERS EXPRESS		

Loan fundamental information

Thursday May 27, 2010 - 08:26

start Infor - Mac... 5 Internet... LOAN 91 DEFICIENC... Secondary... rptGMAIL...

REDACTED

REDACTED

Key Information		Status	
Account:	WFHM-NONCONFORMING	Status:	RL - Released
Customer:	WFHM	Major / Minor:	0 0 <input type="checkbox"/> Active
Servicer:	NONE	Borrower 1 Name:	Borrower 2:
Seller:		First:	CHARLENE
Pool Number:	NONCONFORMING_LEGACY	Middle:	
Pool Type:	WARE	Last:	SMITH
Collateral ID:	0155307572	Stage:	WR - Wells Fargo Review
Alternate ID:	0155307572	Location:	NCON NCON-WFHM-NONCON
Investor ID:		Home:	EHSV East end of 1015 Vault
Barcode ID:		Doc Set:	NONE - (c) Empty Document Set

Recording Information	Certification History	Additional Info	Payments & Penalties
Background	ARM / Balloon	Dates	Release Info
Release ID:	229854618		
Release Reason:	DFLT/4-4-LIQUIDATION		
Request Type:		Req. Date:	10/17/2005
Requested By:	C. SIMMONS	Ship Date:	10/19/2005
Sent To:	NCON	Due Date:	
Document List:	Greenwich Capital 109-055		
Notation:	BULK WHOLE LOAN SALE		

⇒ Greenwich, not
 WF is deciding what
 pool to put it in
 but no one at WF
 knows whether the
 request
 from DB 01060
 should be
 is "urgent"

REDACTED

LOAN - [Deficiencies for Servicing Loan # 0155307572 - SMITH, CHARLENE]

File Loan Track Analyze Storage Window Help

Inquiry Dashboard Check Req Transmittal Open Summary Bulk Cncts Comments Events Deficiency Close Group FD Info FD History Doc Mgmt Tile Layer Cascade

Loan Follow Up Dates

Final Docs. SIMOT
 Origination 09/26/2006 Companion Loan # Servicing Loan # 0155307572 Retrieve
 Loan Identifier Servicing Loan #

Reject Alert

Source	Category: Description	ID Analyst	ID Date	UnAvail	Status
Custodial Review	CFS: CFS EC Form	DDDSE	10/06/2006	<input type="checkbox"/>	Satisfied
Custodial Review	CFS: CFS Quick Fix	RHART	09/25/2006	<input type="checkbox"/>	Satisfied
SMS	Salability Issue: Disposition Code N	SMS	09/27/2006	<input type="checkbox"/>	Satisfied
New Loan Management	Origination to Servicing Error: Data Error	NLMAUTO	09/21/2006	<input type="checkbox"/>	Satisfied
Custodial Review	Note - Original (CMSS): Minimum rate at 1:	CUSTAUTO	09/26/2006	<input type="checkbox"/>	Satisfied
Final Doc Review	Mortgage/DOT (Final Docs): Outstanding	FDSYSGEN	01/17/2007	<input type="checkbox"/>	Satisfied
Final Doc Review	Title Policy (Final Docs): Outstanding	FDSYSGEN	01/17/2007	<input type="checkbox"/>	Satisfied

Deficiency Detail

Outsourcing (none) Deficiency Clarification Activities

Status Satisfied 09/25/2006 RHART

Report Group Internal

Follow Up Analyst RHART

Follow Up Date 09/26/2006 Dfcy \$ Amount

Ready

REDACTED

LOAN - [Receive Packages for Servicing Loan # 0155307572 - SMITH, CHARLENE]

File Loan Track Analyze Storage Window Help

Home Dashboard Check Req Transmittal Opca Summary Bulk Create Comments Events Deficiency Close Group FD Info FD History Doc Mgmt Tile Layer Cascade Help

- Home
- Dashboard
- Check Req
- Transmittal
- Deficiency
- Summary
- Bulk Create
- Receive
- Distribute
- Submit
- File History
- Research
- Echo
- FD Info

Packages	Date	User Name
Operations	09/20/2006	ICSMPL5
Settlement	09/20/2006	ICSMPL5

Servicing Loan # Retrieve

Loan Identifier

Combo Loan

Office Info

Loan Type	Region Nmb	Team ID	Orig AU	Orig AU Phone	Funding Date
F	53	PDD	038822	() -	09/19/2006

Loan Attributes

Product Type	SUB PRIME 2 YR/6 MO ARM	
Post Cls Loc	Frederick	
Pipeline	DA	Sub Pipeline
LTV	95	Direct Bill <input type="checkbox"/>
Note Status	I	CEMA <input type="checkbox"/>
Property State	PA	Servicer <input type="checkbox"/> BZ
PCS	N	Emp Loan <input type="checkbox"/>
		S/O Pkg Ing Only <input type="checkbox"/>

Settlement Agency	Send To
Name <input type="text"/>	Location <input type="text" value="FFI-MOHK"/>
Phone <input type="text" value="(000)000-0000"/>	Analyst <input type="text"/>
File Nbr <input type="text"/>	Dept <input type="text"/>
	Team <input type="text"/>

Servicing Loan #

Case Number

Ready

REDACTED

LOAN - [File History for Servicing Loan # 0155307572 - SMITH, CHARLENE]

File Loan Track Analyze Storage Window Help

Settlement/Matched				Final Docs	Collateral	Operations
File Location				Assigned Analyst		
Date	Location	Loc Chgd By	Additional Info	Date	Analyst	
11/03/2006	DEUBK	CSIMMO01				
11/03/2006	DEUBK	CSIMMO01				
10/23/2006	DDDSALE	CSIMMO01	109-055			
09/22/2006	HWB-IC	UNKNOWN				

Ready

REDACTED

COURTESY

QC

DELETE

WELLS FARGO DOCUMENT CUSTODY NONCONFORMING EXCEPTIONS FORM

Date: 9/25

WFDC Reviewer's Initial: BR

NOTE 09: Address

 18: Borrower's Name 135: Co-Borrower's Name

 22: Endorsement

 47: Incomplete Information

 52: Document doesn't belong (multiple Notes, 1 Note is correct)

 97: Additional Document (multiple duplicate Notes-same borrower)

 128: Missing Lender's Signature

ALNG _____

CEM _____

OTHER (Please Specify) _____

CFS 12 09/25/06 Cleared

_____ Partially Cleared

_____ NOT Cleared

WFDC _____ Cleared