

UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT
DALLAS DIVISION

IN RE: CHAPTER 13

DOUGLAS WARREN KIRKLEY

Debtor.

CASE NO. 08-34987-HDH-13

DOUGLAS WARREN KIRKLEY

Plaintiff,

V ADVERSARY NO. 09-03045

GMAC MORTGAGE, L.L.C., a/k/a

GMAC MORTGAGE, f/k/a GMAC

MORTGAGE CORPORATION,

Defendant.

Oral deposition of PATRICIA
C. TAYLOR, taken at the law offices
of Reed Smith, LLP, 1650 Market
Street, Philadelphia, Pennsylvania,
on Friday, March 5, 2010, commencing
at 10:01 a.m., before Jacqueline
Warrington-Davis, a Court Reporter
and Notary Public, pursuant to
notice.

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PATRICIA C. TAYLOR

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1 Some basic background
2 information about you, and then we
3 will proceed into some of the more
4 meaty details of the case.

5 First off, how long have
6 you been employed with GMAC?

7 A. I've been employed with
8 GMAC since September of 1987 so about
9 22 and a half years.

10 Q. I guess that question
11 already assumes something.

12 When you say employed by
13 GMAC, tell me, does that mean that
14 your employer has always been one
15 entity?

16 A. Yes. My employer has
17 always been essentially the mortgage
18 unit, GMAC Mortgage.

19 Q. Has that entity changed in
20 terms of how it describes itself or
21 in terms of its corporate
22 registration?

23 A. Yeah. I'm not sure of the
24 exact date, but it went from a

1 mortgage -- GMAC Mortgage Corporation
2 to GMAC Mortgage, LLC. It was like
3 three or four years ago.

4 Q. Okay.

5 A. Yeah.

6 Q. Well, I guess let's go
7 back.

8 Before you worked with
9 GMAC, what was the highest level of
10 education you had obtained?

11 A. I have a Bachelor of
12 Science degree.

13 Q. Was GMAC your first job out
14 of school?

15 A. Yes, it was. In fact, I
16 worked at GMAC while I was going to
17 school, yeah.

18 Q. What were your first
19 responsibilities when you went to
20 work at GMAC?

21 A. My first responsibilities,
22 I started off as a part-time employee
23 in the foreclosure department filing
24 claims.

1 From there, I became full-
2 time in foreclosure, in the claims,
3 the after-sale unit.

4 Q. What did that job entail?

5 A. That job entailed filing
6 claims with the Department of HUD and
7 the VA and also with private mortgage
8 insurers, post-foreclosure sale, to
9 recoup insurance proceeds that were
10 due on the loans under the various
11 insurance policies.

12 Q. That would be based on
13 losses realized after the
14 foreclosure; is that right?

15 A. Yes, that's right.

16 Q. How long did you have that
17 position?

18 A. I was in that position for
19 approximately four years.

20 Q. After that, what did you
21 do?

22 A. After that, I moved to a
23 position of deal manager in the --
24 Capital Markets department, Secondary

1 Marketing, which is where I am
2 employed today, in that department.

3 Q. What were your
4 responsibilities as a deal manager?

5 A. As a deal manager, I was
6 responsible for the closing of trades
7 in the secondary markets, so various
8 private loan sales to various private
9 investors, all different types of
10 mortgage products.

11 Q. I guess let's unpack that a
12 little bit.

13 A. Okay.

14 Q. Closing of trades, what
15 does that mean?

16 A. It's on the secondary
17 mortgage market, once loans are
18 originated they're bought and sold to
19 various investors.

20 Some are conforming loans,
21 get sold to Fannie Mae, Freddie Mac,
22 and government loans that get sold to
23 Ginnie Mae. There's also a private
24 investor market.

1 We sold loans, different
2 types of whole loan packages where we
3 would have a single investor, or in
4 later years we started off a
5 securitization program and -- or so
6 loans were either sold via whole
7 loans or securitization.

8 Non-conforming loans would
9 be sold in this manner. Again, the
10 conforming loans would be sold to
11 Fannie Mae, Freddie Mac, Ginnie Mae,
12 for the most part.

13 Q. Let's talk about what makes
14 a loan conforming versus
15 non-conforming.

16 A. Okay. A conforming loan,
17 Fannie Mae and Freddie Mac have
18 specific requirements for loans
19 mostly as it relates to loan size.
20 There's LTV and different type of
21 credit requirements.

22 Non-conforming loans would
23 be loans that fall outside of those
24 parameters. Typically they would be

1 referred to as like jumbo mortgages,
2 things like that.

3 Q. As a deal manager, what on
4 a day-to-day basis were you doing?

5 A. On a day-to-day basis as a
6 deal manager, there would be trades
7 executed for these sales on our trade
8 desks. And my responsibility would
9 be from taking the loan from the time
10 of trade to the actual closing of the
11 transactions.

12 Typically like a 30-day
13 process that would involve
14 coordinating with internal
15 departments as well as external
16 departments -- sorry -- external
17 counter-parties, such as law firms.

18 And depending on if it was
19 a whole loan deal or a
20 securitization, there could be like
21 rating agencies or insurers on the
22 deal.

23 There would be due
24 diligence done on the loans typically

1 by the purchaser of the loan.

2 So my job -- part of my job
3 was coordinating that diligence,
4 ordering physical loan files and
5 getting conference rooms so auditors
6 could come in and review the loan,
7 that type of thing.

8 Also, I was responsible for
9 negotiating the contracts relating to
10 those deals, working with counsel
11 obviously, the purchase agreements,
12 commitment letters, that type of
13 thing.

14 Again, just coordinating
15 with internal departments, servicing
16 group, finance, treasury, making sure
17 everybody was on board with the deal.

18 Almost 100 percent of the
19 transactions I worked on have been
20 servicing retain deals in which GMAC
21 would be -- continue to be the
22 servicer of the loan.

23 So obviously our servicing
24 team needed to be on board with the

1 deal and that there was a new deal
2 and the parameters of the deal and
3 that type of thing.

4 Some of the other things,
5 again, coordinating with finance and
6 treasury just on the actual closing
7 and the incoming of proceeds, tying
8 out the loan schedules and settlement
9 proceeds, that type of thing.

10 And actually closing the
11 deals on the closing date and making
12 sure funds were received and that
13 type of thing.

14 Q. Let's talk about what
15 closing the deals on the closing day
16 involved.

17 A. Okay.

18 Q. I'm going to ask you to
19 kind of take us through that very
20 slowly step by step from the paper
21 that's actually involved in terms of
22 the deal documents and the parties
23 involved and what that actual process
24 was.

1 Was it one conference room
2 where people all came in and that
3 sort of thing? I guess, if you
4 would, walk us through that process.

5 A. Okay. For the different
6 type -- in my early days when I was
7 working as a deal manager, we weren't
8 doing securitization, so the whole
9 loan closing process was much simpler
10 than the securitization process.

11 Would you like me to speak
12 about both of them or -- this
13 particular case I know relates to a
14 securitization. I don't know...

15 Q. Let's talk about both just
16 for the sake of contrast.

17 A. Okay. So on the whole loan
18 side, we would finalize the pool.
19 The diligence would be complete.
20 Loans may or may not be removed from
21 the pool as a result of the
22 diligence.

23 Q. When you say "the diligence
24 would be complete," what does the

1 diligence involve on those deals?

2 A. Okay. Again, that was --
3 that would be like the loan file
4 diligence where the buyer of the
5 loans would come in and actually
6 review a sample of the loans just to
7 make sure the loans were in
8 compliance with the underwriting
9 guidelines and that type of thing.

10 Q. In these whole loan deals,
11 the buyer would review a sample of
12 them, but not all of them; is that
13 correct?

14 A. That's correct, yes.
15 Typically, it was maybe like a ten
16 percent sample. It would be reviewed
17 random. In most cases it would be a
18 random sample. Okay.

19 Q. Once that's completed --

20 A. Okay, so once -- the pool
21 would be final. We would tie out the
22 final mortgage loan schedule with the
23 buyer of the loans.

24 So we would just go down to

1 the penny to make sure we are all
2 agreed on the balance of the loans
3 that were being sold.

4 The price of the loans
5 would be calculated accordingly,
6 depending on the trade, you know,
7 what price was struck at the time of
8 the trade, interest would be
9 calculated.

10 All these numbers would --
11 we would put them all together and
12 come up with the settlement proceeds.
13 And those proceeds would be tied out
14 to both parties.

15 The buyer knows what they
16 need to wire, we know the money that
17 we're expected in. So a closing date
18 would be set. That's usually set
19 very early on at the time of the
20 trade.

21 And on the closing date,
22 you know, it's kind of very anti-
23 climatic. The money gets wired. Let
24 me back up.

1 The documents get finalized
2 as well. Everything gets closed.
3 There's an exchange of closing pages
4 between the counter-parties.

5 Q. Let's talk about the
6 exchange of closing pages between the
7 counter parties.

8 A. Yeah, I called them closing
9 pages. I meant to say signature
10 pages.

11 Q. How does that exchange
12 happen?

13 A. Well, in the early days it
14 used to be via mail, Federal
15 Express. They would be sent in
16 escrow to the purchaser or the
17 purchaser's attorney. And they would
18 send their's to us to be held in
19 escrow as well.

20 In more recent days, it's
21 by fax, you know, PDF, that type of
22 thing. We exchange typically the day
23 prior to closing. We like to make
24 sure we have everything in order.

1 In closing of a
2 securitization, they even try to get
3 it two or three days in advance.

4 Q. Have you ever actually
5 signed on behalf of GMAC on one of
6 these deals?

7 A. Yes, I have. I think I
8 signed every -- almost every deal
9 since 1992, yes, unless I was on
10 maternity leave.

11 And just to clarify, I
12 didn't necessarily sign as an officer
13 of GMAC Mortgage in every situation.
14 On the whole loan deals, I did.
15 Securitizations, I signed in other --
16 in different capacity, as the officer
17 of the depositor.

18 We can talk about that
19 whenever.

20 Q. Yes, I would like to talk
21 about that. We will get to that,
22 though.

23 To clarify, though, on the
24 whole loan deals, you only signed in

1 your capacity as an officer of GMAC?

2 A. That's correct.

3 Q. So closing documents are
4 exchanged, money is wired --

5 A. Uh-huh.

6 Q. -- what else happens?

7 A. On the closing date, that's
8 pretty much it. And then just
9 internally there would be procedures.

10 We would do a summary of
11 the deal and send that to, again, the
12 departments within the company that
13 need to be made aware of that,
14 finance, servicing, obviously copy
15 and legal.

16 I'm trying to think of
17 others. They're escaping me. Really
18 servicing is the main.

19 Because from there, once
20 the deal closes, I kind of do the
21 hand-off and it goes to the servicing
22 group.

23 Q. Now, let's talk about the
24 mortgage notes in the whole loan

1 deals.

2 A. Okay.

3 Q. Do they come into your
4 possession, your personal possession
5 at any point during this process?

6 A. My personal possession, no.

7 Q. Where do they go?

8 A. Okay. Do you want me to
9 talk about the way it worked when I
10 became a deal manager or the way it
11 works today?

12 Q. Let's talk about the way
13 that it worked on the whole loan
14 deals and then we will talk about the
15 way that it worked with regard to the
16 deal that's -- the securitization
17 deal that's the subject of this
18 case.

19 A. Okay. Back in those days,
20 the way it worked was once loans were
21 closed, the notes would be sent from
22 the title companies or the various
23 closing agents into the post closing
24 unit at GMAC Mortgage.

1 Q. Where is that located?

2 A. That was located in
3 Horsham, Pennsylvania at that time
4 that I was in the deal manager
5 position.

6 Q. Is that where your office
7 is today?

8 A. No. We are located in Fort
9 Washington, Pennsylvania today.

10 Q. Were you there at that time
11 in Horsham?

12 A. Yes.

13 Q. So they go to the post-
14 closing unit?

15 A. Uh-huh. They go to the
16 post-closing unit basically for
17 storage and for safekeeping.

18 Q. Okay. Just quickly, is
19 that an office? Is that a vault?
20 What is the post-closing unit?

21 A. In those days the notes
22 were stored in fire-proofed cabinets.
23 It was just a department in the
24 building and the note drawers

1 actually were out on the floor, but
2 they were fire-proof.

3 Q. You've been to where that
4 floor was?

5 A. Yes. I was located on that
6 same floor, yup.

7 Q. I guess I should back up.
8 We keep talking about in those days.

9 Can you give me sort of a
10 time parameter for those days?

11 A. Yes, this was back in --
12 let's see. I would say 1992 when I
13 started in the department through
14 maybe very early 2000, 2001 is the
15 post-closing -- actually, it's
16 through 2003, the notes came into
17 post-closing.

18 Q. Through the end of 2003?

19 A. Yes.

20 Q. When the notes came into
21 post-closing, did you personally
22 review the notes?

23 A. No. That was not my job.

24 Q. Whose job was it to

1 personally review the notes?

2 A. We had post-closing
3 specialists that would review the
4 notes.

5 Q. What did they do when they
6 reviewed notes?

7 A. I'm not exactly sure in
8 those days of the exact audit
9 process. There was some type of
10 post-closing note.

11 I did not work in that
12 area, as I stated, but I would
13 imagine that there was some type of a
14 review.

15 Q. That's okay. I don't want
16 you to speculate about what they
17 did. That's okay.

18 A. Okay.

19 Q. So the notes were all
20 placed into this post-closing area.

21 A. Uh-huh.

22 Q. You had access to that
23 area; is that correct?

24 A. Well, I didn't have access

1 to the drawers, but they were out on
2 the floor. They were locked drawers.

3 Q. Then what happened with the
4 notes?

5 A. The notes would stay in
6 those drawers until the loans were
7 selected for sale, for allocation or
8 pooling into whatever loan sale,
9 whatever trade they were going into.

10 Q. Let's talk about the
11 selection process.

12 Are you familiar with that?

13 A. I am familiar with that,
14 yes.

15 Q. Was that part of your job
16 responsibilities, selecting loans?

17 A. I did not select the loans.

18 Q. Who was responsible for
19 selecting loans?

20 A. Typically it would be the
21 trade desk would review the
22 various -- I'm trying not to use
23 internal lingo -- position reports or
24 shelf reports, and we would group

1 loans that had like qualifications,
2 as we talked about all the conforming
3 fixed rate loans might go in a single
4 pool, conforming arm in another,
5 non-conforming fixed rate in another,
6 non-conforming arm in another.

7 Q. Okay.

8 A. When we got a sizeable
9 amount, that's when we would do a
10 transaction, a trade.

11 Q. They would be grouped
12 together and then you would package
13 one of these whole loan deals?

14 A. Uh-huh.

15 THE COURT REPORTER: Is
16 that a yes?

17 THE WITNESS: Yes.

18 BY MR. BARTHLOW:

19 Q. What's the end result of a
20 whole loan deal?

21 A. The end result, I'm not
22 sure what you mean.

23 Q. Does an investor actually
24 buy all of the loans and the investor

1 then has purchased a pool and owns
2 all of the loans? Is that what
3 happens?

4 A. Yes. Yes. In a whole loan
5 sale, the purchaser purchases 100
6 percent of the interest of the loans
7 not including the servicing rights in
8 the deals that I worked on.

9 Q. And those are then not
10 certificated; is that correct?

11 A. I think that that's
12 correct, yes. These would be whole
13 loan where they would own, again, 100
14 percent of the interest in these
15 particular types of deals.

16 Q. I guess, what else is there
17 that would distinguish a whole loan
18 deal from one of the securitization
19 deals?

20 A. Whole loan deal -- just the
21 nature of a whole loan deal is just
22 much less complicated.

23 Again, typically just a
24 single purchaser, pretty

1 straightforward process. We would
2 have, you know -- once the deal
3 closed, it would be a remittance to a
4 single investor on a monthly basis.

5 Securitization process is
6 much more complicated where we
7 establish a securitization trust.

8 There are notes or
9 certificates that are issued, you
10 know, various classes, senior,
11 subordinate bonds, all different
12 types of holders in those various
13 bonds.

14 Again, just a much more
15 complex vehicle for sale of mortgage
16 loans.

17 Q. I think it's time to talk
18 about that in a little bit more
19 detail.

20 How many of the
21 securitization deals have you done,
22 if you could estimate?

23 A. We began our securitization
24 program in 2000. Number of deals,

1 gosh, I would say around 70 to 80.

2 That was a guess. I could figure it
3 out better, but --

4 Q. That's all right. We will
5 take that as a guess.

6 Were you the person in
7 charge of each of these deals at GMAC
8 or did you report to anybody with
9 regard to your role in these deals?

10 A. Well, I reported to the
11 head of the Capital Markets
12 department, but I was responsible for
13 the whole transaction management or
14 deal management piece, so, again,
15 from the time of the trade, seeing it
16 through the closing of the
17 transaction.

18 Q. Who was the head of the
19 Capital Markets division?

20 A. Barry Bier.

21 Q. Can you spell his last
22 name, please.

23 A. B-i-e-r. Up until -- I
24 don't know -- maybe 2006.

1 Q. It would have been Barry
2 Bier that you were reporting to at
3 the time that the deal in this case
4 closed; is that right?

5 A. That is correct, yes.
6 2003, yes, I think I was reporting
7 directly to Barry at that time.

8 Q. In terms of the basic types
9 of reports that you would give to
10 him, what would that entail?

11 A. Like daily reports?

12 Q. Sure. Did you give daily
13 reports?

14 A. No. There was no reports
15 or anything that my team issued on a
16 daily basis.

17 The only type of reports we
18 ever put together were -- we did a
19 summary -- like on a monthly basis we
20 would summarize the transactions that
21 were closed, just kind of like a deal
22 summary.

23 Q. So with regard to this
24 deal, I guess let's start with the

1 mortgage loan purchase agreement,
2 which I will ask the reporter to mark
3 as Plaintiff's Exhibit-1.

4 (Exhibit Plaintiff's-1 was
5 marked for identification.)

6 BY MR. BARTHOLOW:

7 Q. Patty, do you recognize the
8 document that's in front of you?

9 A. Yes, I do.

10 Q. What is it?

11 A. This is a mortgage loan
12 purchase agreement that was specific
13 to a transaction we closed in October
14 2003, 2003 J7.

15 Q. Tell me what that code
16 means, 2003 J7.

17 A. That was our code. That
18 was an internal and external code.
19 The "J" represented jumbo. The loan
20 sold in this particular transaction
21 would have been jumbo fixed rate
22 mortgages.

23 If you looked at the deal
24 out in Bloomberg, or, you know, out

1 -- any of those other types of
2 screens, that you would see this deal
3 also named GMACM -- it would probably
4 be like Loan Trust 2003 J7, the
5 identifier for the loan.

6 Q. Do you recall who at GMAC
7 you worked with in getting this loan,
8 this deal together?

9 A. Who, internal people?

10 Q. Yes.

11 A. It would have been my
12 transaction management team. Then I
13 would have been working closely with
14 the trader who traded the
15 transaction.

16 Q. Who was on your transaction
17 management team?

18 A. Janet Marrone,
19 M-a-r-r-o-n-e; Helen Miller,
20 M-i-l-l-e-r, Helen, one "L." I had
21 some analysts that worked on that
22 team.

23 Do you need those names,
24 too?

1 Q. If you recall them, that
2 would be great.

3 A. Kyle Chelius,
4 C-h-e-l-i-u-s; and Tom Felix,
5 F-e-l-i-x. I'm trying to think.
6 Also, Kim Bornstein, at the time,
7 B-o-r-n-s-t-e-i-n.

8 Q. What role did Janet Marrone
9 and Helen Miller play on this deal?

10 A. Well, Janet Marrone and
11 Helen Miller and Kim Bornstein were
12 all deal managers on my team.

13 There would have been one
14 of them assigned to this deal and I
15 don't recall who it was, but I would
16 have had the oversight for the
17 transaction.

18 Q. What would your oversight
19 have involved?

20 A. My oversight, I actually
21 would be the one reviewing -- the
22 deal manager would be kind of the
23 coordinator of the deal and working
24 through the due diligence process and

1 dealing with the internal parties.

2 They would review
3 documents, but I would also be
4 looking at the various documents and
5 reviewing them for the transaction as
6 well.

7 Q. When you say "review
8 documents," what documents would they
9 review?

10 A. They would review the
11 transaction documents as well, the
12 mortgage loan purchase agreement,
13 pooling and servicing agreement,
14 custodial agreement, any other type
15 of trust or related documents.

16 Q. Would they have reviewed
17 mortgage notes?

18 A. They would not have, no.

19 Q. Would they have reviewed
20 the mortgage files themselves, the
21 rest of the file?

22 A. No, they would not have.

23 Q. What would be the method
24 that they would use to identify loans

1 to place into this pool? What source
2 of information would they look to?

3 A. They would look -- the
4 analysts in the group that I named,
5 they would be responsible for
6 identifying the loans for the
7 pooling, so, again, finding the loans
8 with the similar characteristics, the
9 like characteristics.

10 They would group them
11 together in a pool, we call it, and
12 those pools would be given to the
13 trader and the trader would do the
14 trades.

15 Q. Let me back you up a little
16 bit here because I think I want to be
17 real specific about how the analysts
18 would identify the loans.

19 Would they actually go into
20 the vault and pull mortgage notes and
21 look at them?

22 A. No. It was all electronic,
23 yes. No, my team did not touch any
24 notes. We did not -- that was not

1 anything that we would have a need to
2 do.

3 Q. When you say it's all
4 electronic, what would the system
5 have been that they would have looked
6 at?

7 A. We have a system, we call
8 it Capital Market Systems, CMS, and
9 the loans would have been identified
10 in CMS for sale.

11 Q. What information is
12 contained on the Capital Market
13 System?

14 A. The Capital Market System
15 contains all the information that you
16 would need to sell a loan. So it's
17 all the loan level mortgage
18 attributes.

19 So we have a loan number,
20 we have a property address, loan-to-
21 value ratios, appraise values, front-
22 end, back-end housing ratios.

23 If it's an arm note, it
24 would have all the various adjustable

1 rate mortgage fields. There are
2 hundreds and they're just all
3 escaping me.

4 Q. Is there a manual or
5 something that would provide a
6 breakdown of what the fields are --

7 A. Yes.

8 Q. -- in that system?

9 A. Yes. I don't know if
10 that's considered proprietary or
11 not. But, yes, I don't know under
12 this type of -- there is, though,
13 yes. We have a list of the fields,
14 yes.

15 In fact -- well, the
16 different schedules and all that we
17 have prepared for the deal would
18 contain most of these fields.

19 I don't want to talk too
20 much here, but in the prospectus for
21 this deal, there's tables that are
22 prepared and there's all different
23 FICA -- FICA would be another one.
24 It would be FICA table, loan-to-

1 value.

2 There's a whole bunch of
3 different tables. All these
4 different tables are prepared from
5 data from this system.

6 Q. How does the data get into
7 that system?

8 A. The data gets into the
9 system from our front-end origination
10 systems, our channels.

11 At that time we had three
12 different channels of business. Each
13 channel had its own system that would
14 feed into the Capital Market System.

15 Q. It appears that the loan in
16 this case was originated by GMAC
17 Mortgage.

18 A. That's correct.

19 Q. What was the channel or
20 system that GMAC Mortgage used to
21 feed information in?

22 A. That loan was originated
23 through our retail lending division.
24 The system was called Pilot,

1 P-i-l-o-t. That was the system that
2 the loan was originated on and that
3 fed into the Capital Market System.

4 Q. Do you know on sort of a
5 very nuts-and-bolts practical level
6 how that information was inputted --
7 well, I don't want to speculate.

8 How did that information
9 literally get entered into the
10 system?

11 A. I don't know because I'm
12 not -- I wouldn't know. I mean, I
13 don't know if it was an electronic
14 application. Maybe it was a physical
15 application. I'm just not sure.

16 Q. Okay. Did the information
17 or at least the fields that were in
18 the system include fields about
19 insurance?

20 A. The fields in the Capital
21 Market System?

22 Q. Yes.

23 A. Mortgage insurance or
24 hazard insurance?

1 Q. Hazard and special hazard
2 insurance including flood insurance.

3 A. No. The only field that
4 would have been on the Capital Market
5 System -- actually, no. No insurance
6 fields are on the Capital Market
7 System.

8 They're considered
9 servicing fields so not necessarily
10 needed to sell the loan so we
11 wouldn't need those fields.

12 Q. Would your analysts have
13 had any ability to know whether, for
14 example, flood insurance was required
15 for a property at the time that they
16 were identifying loans?

17 A. No. There would be no need
18 for them to know that information.

19 Q. Would your analysts have
20 had any ability to identify the
21 loan's status as in whether it was
22 current or in default?

23 A. Yes.

24 Q. How would they have done

1 that?

2 A. They would have done
3 that -- there are certain fields like
4 that one that we need to know to sell
5 the loan because we couldn't sell a
6 loan if it was delinquent or in
7 default.

8 There was, what we call, a
9 back interface from the servicing
10 system that allowed us to go and
11 retrieve that information on the
12 loan.

13 Q. A back interface. Okay.

14 What is a back interface?

15 A. You know, I don't know.
16 Maybe that's just a word we made up.
17 But when data comes in from the
18 front-end systems, it interfaces to
19 the Capital Market System, we refer
20 to this touch-back to our servicing
21 system as the back interface.

22 It wasn't coming in on the
23 front-end, but we had to, again, go
24 out to the servicing to get this

1 information, a few pieces of
2 information that we would need in
3 order to sell the loan.

4 Q. That information would be
5 whether a loan was current?

6 A. That would be one of the
7 fields, yes.

8 Q. What else did you need to
9 know to --

10 A. We would need to know the
11 current balance of the loan, if it
12 was an adjustable rate mortgage, if
13 there had been any new rate
14 adjustments or things like that, and
15 that's really it.

16 There's very limited fields
17 that we need from the servicing
18 system.

19 Q. I'd like you to take a look
20 back at Exhibit-1 now --

21 A. Okay.

22 Q. -- the Mortgage Loan
23 Purchase Agreement.

24 Who were the parties to

1 this transaction?

2 A. The party to this agreement
3 or trans --

4 Q. This agreement, yes.

5 A. The parties would have
6 been -- am I allowed to look? I know
7 it's GMAC Mortgage --

8 MS. SCOLIARD: Yes.

9 BY MR. BARTHOLOW:

10 Q. Absolutely.

11 A. -- and I believe the
12 depositor -- actually, I don't know
13 if the depositor signed this one.

14 Yes, the depositor and GMAC
15 Mortgage as the seller.

16 Q. What is a depositor?

17 A. A depositor is an entity
18 that has been established that we
19 make the initial deposit of the loans
20 into.

21 I'm not real familiar with
22 all that legal terminology, but yes,
23 RAMP is an -- it's an entity. This
24 is a sub-entity of one of the

1 mortgage affiliates, Residential
2 Funding Corporation.

3 That entity has a
4 registered shelf with the FCC and we
5 use it as the depositor. Every
6 transaction needs a depositor. RAMP,
7 for GMAC Mortgage Corporation, was
8 the depositor that we used for our
9 securitization transactions.

10 Q. Just so I'm clear, you're
11 saying RAMP.

12 Is that an acronym?

13 A. Yes.

14 Q. Does that stand for
15 something?

16 A. Yes. RAMP stands for
17 Residential Asset Mortgage Products,
18 and it's incorporated.

19 Q. Are you an officer of RAMP?

20 A. I am an officer of RAMP,
21 vice president.

22 Q. Vice president?

23 A. Yes.

24 Q. How long have you held that

1 position?

2 A. I think RAMP came into
3 existence in the year 2000. I was
4 named vice president mainly for
5 signing purposes at that time.

6 Q. You say you were named.

7 What named you vice
8 president of RAMP?

9 A. What named me vice
10 president of RAMP? I'm not sure I
11 know understand.

12 MS. SCOLIARD: Could you
13 clarify that question?

14 MR. BARTHOLOW: Sure.

15 BY MR. BARTHOLOW:

16 Q. I guess did somebody come
17 to you and say "Congratulations,
18 you're a vice president"?

19 A. When we knew this
20 depositor, this entity that had been
21 set up would be used to do
22 securitization transactions and that
23 there would have to be officers to
24 sign on behalf of RAMP.

1 So there was a handful of
2 officers -- mainly ones that were
3 already officers of the mortgage
4 company that were also named as
5 officers of RAMP.

6 Q. Did RAMP have a board of
7 directors?

8 A. Yes. RAMP, I believe, does
9 have a board of directors.

10 Q. Do you know whether the
11 designation of these vice presidents
12 was pursuant to a resolution of the
13 board of directors?

14 A. I believe that's the case.
15 I don't know. I don't have all the
16 details about that, though.

17 Q. Have you ever seen any
18 piece of paper that tells you that by
19 virtue of this piece of paper you are
20 hereby designated a vice president of
21 RAMP?

22 A. I don't think I ever saw a
23 piece of paper, but I did get some
24 kind of communication that I was

1 authorized to sign.

2 Q. Do you recall what that
3 communication would have been?

4 A. I don't know if it was an
5 e-mail communication or, you know,
6 just some type of a memo.

7 Q. Did you execute this
8 mortgage loan purchase agreement,
9 Exhibit-1, that we've got in front of
10 us today, in your capacity as an
11 officer, vice president of RAMP?

12 A. Yes, I believe that I did.
13 This isn't a signed copy, but I think
14 the signature page has been
15 provided. I did sign for RAMP.

16 Really the way it worked
17 is, you know, I would consult
18 counsel, "Who am I signing," and
19 they'd say you're authorized to sign,
20 you're signing for RAMP, type of
21 thing.

22 That's why...

23 MR. BARTHLOW: Okay. Is
24 it okay if we go off the record for

1 just a quick second?

2 (There was a discussion
3 held off the record.)

4 MR. BARTHLOW: If you
5 would mark that one, that would be
6 great.

7 (Exhibit Plaintiff's-2 was
8 marked for identification.)

9 BY MR. BARTHLOW:

10 Q. What I've handed to you,
11 Patty, is Plaintiff's Exhibit-2,
12 which I have received today from your
13 attorneys in which appears to be a
14 series of signature pages.

15 Have you seen these
16 documents before?

17 A. Yes, I have.

18 Q. Can you tell me what
19 Exhibit-2 contains?

20 A. Exhibit-2 contains the
21 signature pages for our transaction,
22 the transaction in question,
23 signature pages to the mortgage loan
24 purchase agreement, signature pages

1 to the pooling and servicing
2 agreement, and notary pages attached
3 to them as well, and I believe
4 signature pages to the custodian
5 agreement with notary pages.

6 Q. Patty, did you sign the
7 custodial agreement?

8 A. I did not sign this
9 custodial agreement.

10 Q. Did you sign the mortgage
11 loan purchase agreement?

12 A. I did sign that, the
13 mortgage loan purchase agreement.

14 Q. Just, again, for clarity's
15 sake, do you agree that you signed it
16 as a vice president of Residential
17 Asset Mortgage Products, Inc.?

18 A. That's correct.

19 Q. Also, that the mortgage
20 loan purchase agreement we're talking
21 about is the same as what we've got
22 as Exhibit-1 here today?

23 A. That's right.

24 Q. Perhaps this is more simple

1 than I realize, but it looks like on
2 this deal you were a representative
3 of RAMP; is that correct, the
4 mortgage loan purchase agreement?

5 A. Well, I signed for RAMP,
6 yes.

7 Q. But to be clear, you were
8 also packaging the deal on behalf of
9 GMAC, the seller in this deal; is
10 that correct?

11 A. That's correct.

12 Q. I think you said earlier
13 that Residential Funding Corporation
14 is a parent corporation of RAMP; is
15 that correct?

16 A. That's -- yes. Without
17 looking at the org. chart, yes, I
18 believe that is the case.

19 Q. Is Residential Funding
20 Corporation a subsidiary of GMAC
21 Mortgage Corporation?

22 A. No. Residential Funding
23 Corporation and GMAC Mortgage
24 Corporation are sister entities.

1 Q. Meaning they have a common
2 parent?

3 A. That's correct.

4 Q. What would that parent be?

5 A. That would be GMAC

6 Mortgage. I think it's -- I
7 apologize. It's changed so much in
8 recent years.

9 It's a holding company.

10 GMAC Mortgage Holding Company or GMAC
11 Residential Mortgage Holding
12 Company. I would have to refer to
13 the organizational chart.

14 We all go up to Residential
15 Capital Corporation. So there's a
16 holding company in between the sister
17 entities and Residential Capital.

18 Q. Is there an organizational
19 chart that you could refer to?

20 A. I don't have one with me
21 here. Yes.

22 Q. But does one exist?

23 A. Yes.

24 MR. BARTHLOW: Would you

1 all be opposed to producing an
2 organizational chart?

3 MS. SCOLIARD: I would have
4 to talk to one other person, but I
5 don't anticipate it being a problem,
6 but I don't want to make a commitment
7 just yet.

8 MR. BARTHLOW: Okay.
9 Well, note my request for it, and if
10 we can follow up and get that figured
11 out, that would be great.

12 BY MR. BARTHLOW:

13 Q. You were putting the deal
14 together or in charge of the people
15 who were putting the deal together
16 for GMAC Mortgage Corporation,
17 correct?

18 A. That's correct.

19 Q. And then you were
20 purchasing the loans that are the
21 subject of the deal from GMAC
22 Mortgage Corporation on behalf of
23 RAMP, correct?

24 A. No. RAMP was the

1 depositor, which is different than --
2 again, I can't speak to all the
3 different legal pieces of how the
4 loan transfers in between the
5 entities.

6 But the loans transfer into
7 RAMP on the closing date and then
8 from there it's like a simultaneous
9 transfer into the trust.

10 Q. Okay. Instead of
11 speculating, let's take a look at the
12 deal here.

13 I've got Exhibit-1 printed
14 double-sided so if you will turn to
15 the second piece of paper, the back
16 of the second piece of paper, you
17 will see -- actually, I'm sorry.
18 Let's go back.

19 The very first page, in
20 that first paragraph, it would appear
21 that it describes Residential Asset
22 Mortgage Products, Inc. as, quote,
23 unquote, the purchaser.

24 Do you see that?

1 A. Uh-huh.

2 Q. It also appears to describe
3 GMAC Mortgage Corporation as a
4 seller?

5 A. Uh-huh.

6 Q. So you were saying before
7 that RAMP is a depositor.

8 Under this agreement, are
9 they also a purchaser?

10 A. Well, under this agreement,
11 yes, they are. So RAMP is the
12 purchaser. They're accepting the
13 deposit of the mortgage loans. It's
14 just a shell entity.

15 It doesn't have any type
16 of -- it doesn't do anything except,
17 you know -- again, I really don't
18 want to speak to it because I'm not
19 exactly sure about all the
20 interworkings of the securitization
21 trust and how that works.

22 Q. Is there somebody at
23 GMAC --

24 A. Yes.

1 Q. -- who is familiar with
2 that?

3 A. Yes. There's counsel that
4 could speak about that.

5 Q. Who would that be?

6 A. John Ruckdaschel.

7 Q. Please spell Ruckdaschel.

8 A. R-u-c-k-d-a-s-c-h-e-l.

9 Q. Where does he work?

10 A. He works in the legal
11 department in our Minneapolis,
12 Minnesota office.

13 Q. When you say "our," what
14 entity is that?

15 A. That would be -- he
16 actually is, I believe, an employee
17 of the GMAC RFC entity so our
18 Residential Funding Corporation.

19 Q. That's in Minnesota?

20 A. Correct.

21 MR. TOBIN: Just real quick
22 since we're getting on the topic of
23 counsel and I've been through a
24 couple of depositions so I don't

1 think it's going to go this way.

2 But I'm just going to
3 instruct the witness don't provide
4 any confidential information that you
5 discussed with John or any other
6 counsel about this deal or this case
7 in general.

8 Patty likes -- she's being
9 very open and honest today. I don't
10 want her to say something --

11 BY MR. BARTHOLOW:

12 Q. Patty, I will try to avoid
13 asking you questions that would
14 disclose privileged communications
15 about the deal.

16 A. Okay.

17 Q. I think at the same time,
18 I'm more interested in understanding
19 the interworkings of the deal than I
20 am understanding what communications
21 specifically you had with
22 Mr. Ruckdaschel.

23 I guess to the extent that
24 if I'm asking you a question about

1 what did he say, then that's not what
2 I mean to be asking you.

3 But if I'm asking you, I
4 guess, on the other hand whether he
5 would be able to explain a certain
6 process to me or whether you think he
7 would be able to explain that process
8 to me, I think that would be
9 acceptable and not require a
10 disclosure of communications with
11 counsel.

12 A. Okay.

13 Q. What role did
14 Mr. Ruckdaschel play in putting
15 together these deals? What was his
16 job?

17 A. That's where, I guess, it
18 gets a little complicated.

19 John did not play a part in
20 this deal in 2003. He's the lawyer
21 that represents me now internally
22 that could speak to this
23 securitization and the trust and the
24 interworkings of it.

1 There was a different
2 attorney at that time. His name was
3 Bruce Bowan. He was located in -- at
4 the time it was the Horsham,
5 Pennsylvania office.

6 He would have been our
7 internal counsel who represented
8 Capital Markets on this transaction.

9 Q. Is Bruce Bowan still with
10 the company?

11 A. No, he's not.

12 Q. When did he leave the
13 company?

14 A. He left the company in
15 December of 2008.

16 Q. Do you know why he left?

17 MR. TOBIN: Objection.
18 Calls for speculation.

19 THE WITNESS: I don't know
20 why he left.

21 BY MR. BARTHOLOW:

22 Q. Did you work with him on
23 this deal?

24 A. Yes, I did.

1 Q. Was he the person who
2 drafted this mortgage loan purchase
3 agreement?

4 A. No, he's not.

5 Q. Who drafted this mortgage
6 loan purchase agreement?

7 A. I believe Mayer Brown was
8 the firm.

9 MS. SCOLIARD: If you're
10 not sure, state it, because
11 speculation doesn't help anybody
12 here.

13 THE WITNESS: Yes. Mayer
14 Brown.

15 BY MR. BARTHOLOW:

16 Q. Mayer Brown?

17 A. Uh-huh.

18 Q. You're sure of that?

19 A. It would have been one of
20 two firms, Orric Herrington or Mayer
21 Brown. I'm pretty sure at this time
22 Mayer Brown was doing all of our J
23 deals. I can confirm that.

24 MR. BARTHOLOW: If you guys

1 could follow up with that, that would
2 be great.

3 BY MR. BARTHLOW:

4 Q. Did you have any input in
5 terms of the language that's
6 contained in this particular
7 agreement?

8 A. I was responsible for
9 reviewing this document. At this
10 point in time, the program had been
11 established.

12 Aside from deal specific
13 terms, numbers, and dates, there
14 really, you know -- obviously
15 reviewing reps and warrants, and if
16 there was anything that may not have
17 been correct in relating to these
18 loans, I would have noted that.

19 In that way, yes, I would
20 have had input, but in 2003 the
21 program had been established for
22 about three years. For this type of
23 transactions, we used pretty much the
24 same purchase agreement.

1 Q. Does that mean that the
2 representations and warranties would
3 have been pretty much the same in
4 each of those?

5 A. For a jumbo deal, yes.

6 Unless there was something
7 in the market or a new legislation,
8 you know, high cost lending loss,
9 something like that that hadn't been
10 passed or we would have to add reps
11 or the rating agencies would have
12 requirements, there would not have
13 been any changes to the document
14 aside from the deal specific.

15 Q. I'm sorry to take you in
16 reverse a little bit, but, again, we
17 were talking about after loans are
18 originated they went to the Horsham,
19 PA facility.

20 A. Uh-huh.

21 Q. What was that segment
22 called?

23 A. Post-closing.

24 Q. Post-closing?

1 A. Uh-huh.

2 Q. How would you verify that
3 the loans that were being placed into
4 one of these pools were, in fact, at
5 the post-closing facility?

6 A. We would from our
7 electronic system have a schedule or
8 a list of loans that we would pass to
9 our delivery team.

10 And then the delivery team
11 would be responsible for
12 communication with the post-closing
13 unit to actually identify the loans,
14 the physical notes that related to
15 the loans on the list and have them
16 pulled from the vault and delivered
17 to the delivery team for preparation
18 for delivery to the custodian.

19 Q. Were you on the delivery
20 team?

21 A. No.

22 Q. Was there a person that you
23 worked with on this deal on the
24 delivery team who you would have been

1 in communication with?

2 A. Yes. There was, you know,
3 managers and -- I would have been in
4 contact with the managers or my deal
5 managers, Helen and Janet would have
6 been in contact with the delivery
7 managers just to coordinate the
8 selection of the loans and the
9 delivery and the timing of delivery.

10 Q. Do you recall who the
11 delivery manager would have been on
12 this deal?

13 A. At that time the delivery
14 manager was Janet Vollmer,
15 V-o-l-l-m-e-r.

16 Q. Did you communicate with
17 Janet Vollmer regarding this deal?

18 A. I did not personally.

19 Q. Do you know who on your
20 team communicated with Janet Vollmer
21 regarding this deal?

22 A. I don't remember the exact
23 person. It would have been one of
24 the managers or one of the analysts

1 who would have basically provided the
2 list of loans for the deal.

3 Q. Do you know what Janet
4 Vollmer's specific responsibility
5 would have been with regard to this
6 deal?

7 A. With regard to this deal,
8 her responsibility would have been to
9 ensure that the physical notes were
10 prepared for delivery and shipped to
11 the document custodian by the
12 delivery deadline.

13 Q. What does preparation of
14 the notes entail?

15 A. Preparation of the notes
16 would entail -- well, making sure the
17 physical note was present in the file
18 and endorsing the note in blank with
19 a facsimile signature stamp, and
20 pretty much that's it as far as the
21 physical preparation of the notes.

22 Then there would be a check
23 of the note against the schedule, the
24 data fields on the schedule to make

1 sure the data fields matched.

2 Q. Let's talk about that term
3 you just used, facsimile signature
4 stamp.

5 A. Uh-huh.

6 Q. Can you tell me what that
7 means?

8 A. Yes. We have -- as part of
9 our business process, we have to --
10 when we're selling loans, they have
11 to be endorsed.

12 Just for the ease of
13 operation we use rubber stamps with
14 signatures that are facsimile just so
15 we're not signing thousands of
16 signatures on a daily basis. It's a
17 facsimile signature that's used, a
18 stamp that's used.

19 Q. Who actually does the
20 stamping?

21 A. The stamping would be
22 done -- at this time it was done by
23 the shippers, we call them. They
24 were the delivery specialists within

1 the delivery unit. We called them
2 shippers.

3 Q. Where are the stamps
4 housed, the actual rubber stamps?

5 A. The rubber stamps, I don't
6 know where they house them. I would
7 imagine the specialists --

8 Q. I don't want you to
9 speculate.

10 A. Okay.

11 Q. To your knowledge, did
12 Janet Vollmer physically stamp any of
13 these documents?

14 A. Not to my knowledge.

15 Q. Do you have a facsimile
16 signature stamp of your own?

17 A. I have one -- no. I don't
18 have one in my possession.

19 Q. Would Janet Vollmer have
20 had one in her possession, if you
21 know?

22 A. I don't know.

23 As the manager of the
24 group, I doubt she was doing the

1 stamping. I'm sure it was the
2 shippers. She probably didn't have
3 one in her possession at her desk.

4 MS. SCOLIARD: But you
5 don't know for sure?

6 THE WITNESS: I don't know
7 for sure.

8 BY MR. BARTHOLOW:

9 Q. Have you ever observed
10 anybody applying the stamps to these
11 notes?

12 A. No, I don't believe I have.

13 Q. Do you know on what date
14 the stamp was applied to the note in
15 this case?

16 A. I don't know the exact
17 date, but --

18 Q. That's all I'm asking you.

19 A. Okay.

20 Q. Who was the custodian of --
21 well, I guess let me first ask: Did
22 the custodian come into play with
23 regard to the mortgage loan purchase
24 agreement?

1 A. No.

2 Q. So the custodian had no
3 role in this part of the deal,
4 correct?

5 A. That's correct.

6 Q. I guess my understanding of
7 this part of the deal is a conveyance
8 of the pool of loans from GMAC into
9 RAMP, correct?

10 A. Yes.

11 Q. And that was so that RAMP
12 could then convey the pool of loans
13 to the trust under the Pooling and
14 Servicing Agreement; is that right?

15 A. Yes.

16 Q. Do you know why GMAC didn't
17 just convey the loans to the trust?

18 A. I don't know the answer to
19 that.

20 Q. I'd like you to turn to
21 Bates page number GMAC 000958 in
22 Exhibit-1, please.

23 A. (Witness complies.)

24 Q. Right beneath where it has

1 the number four in the middle of the
2 page, towards the top of the page, do
3 you see that?

4 A. Yes.

5 Q. There is a paragraph that
6 begins "Cut-off date."

7 A. Uh-huh. Yes.

8 Q. It's a continuation of the
9 previous paragraph above that begins
10 with "In lieu"?

11 A. Yes.

12 Q. Actually, I'm sorry --
13 strike that.

14 Let's go back to the
15 previous page, 00957.

16 A. Yes.

17 Q. Section six, "Delivery of
18 Mortgage Notes."

19 Could you begin reading by
20 the section A right there?

21 A. "On or prior to the closing
22 date in connection with the
23 conveyance by the seller of the
24 mortgage loans, the seller shall

1 deliver to the purchaser or the
2 custodian as directed by the
3 purchaser the original mortgage note
4 with respect to each mortgage loan so
5 assigned, endorsed without recourse
6 in blank or in the name of the
7 trustee and signed by an authorized
8 officer."

9 Q. You can stop right there.

10 So before we were talking
11 about RAMP.

12 Is RAMP located in
13 Minnesota?

14 A. Yes, it is in Minnesota.

15 Q. According to this document,
16 the notes would have been delivered
17 to Minnesota on or prior to the
18 closing date; is that correct?

19 A. No. It's the purchaser or
20 the custodian. In this case, it was
21 the custodian.

22 Q. It was the custodian that
23 they were delivered to?

24 A. That's correct.

1 Q. How do you know that?

2 A. Because that was our
3 business process, that the loans
4 would be delivered from our delivery
5 unit to the custodian, to Escrow
6 Bank, as the custodian named for this
7 transaction, the appointed custodian.

8 Q. Where was Escrow Bank
9 located?

10 A. Escrow Bank has a number of
11 locations. They have a location in
12 -- at that time it was in Horsham,
13 Pennsylvania and in Waterloo, Iowa.

14 Q. Where would the notes have
15 been delivered?

16 A. The notes for, again, ease
17 of operation were delivered to the
18 facility in Horsham, Pennsylvania.

19 Q. How do you know that they
20 were actually delivered? Was there
21 any kind of delivery receipt that
22 would have been provided?

23 A. Yes. The process would be
24 for the delivery specialist to

1 actually deliver, hand-deliver the
2 collateral to the custodian, and
3 there would be a delivery receipt
4 that they would receive back.

5 MR. BARTHLOW: Would you
6 all be able to produce that delivery
7 receipt?

8 MR. TOBIN: If we have it.
9 Do you think it still
10 exists?

11 THE WITNESS: It may. I
12 don't know.

13 BY MR. BARTHLOW:

14 Q. Have you ever seen a
15 delivery receipt?

16 A. No.

17 Q. Do you know where they
18 would be housed or filed?

19 A. No, I don't know where the
20 delivery team would file them.

21 Q. Do you know that the
22 delivery team actually obtained a
23 delivery receipt for the loans in
24 this case?

1 A. That was the process. I
2 don't --

3 Q. That was the process, but
4 you don't have any personal knowledge
5 of that, correct?

6 A. I do not, that's correct.

7 Q. Did any of the loans in
8 this transaction have to be
9 repurchased?

10 A. I don't know.

11 Q. Have you ever been involved
12 in the repurchase of any loan in
13 connection with any of the deals you
14 put together?

15 A. I, from time to time, will
16 get a repurchase request, but I don't
17 handle the repurchase request. I
18 would forward them on to our loan
19 quality or quality assurance area who
20 handles those.

21 Q. Have you gotten any
22 repurchase requests with respect to
23 this deal?

24 A. Not that I recall.

1 Q. Do you recall -- actually,
2 let's turn to Exhibit-1 GMAC Bates
3 label 000960, the section 7.02.

4 Do you see that?

5 A. Yes.

6 Q. I'd like you to come down
7 to item number C.

8 Can you read that to me,
9 please?

10 A. "The mortgage loan has not
11 been delinquent 30 days or more at
12 any time during the 12-month period
13 prior to the cut-off date for such
14 mortgage loan.

15 "As of the closing date,
16 the mortgage loan is not delinquent
17 in payment more than 30 days and has
18 not been dishonored and there are no
19 defaults under the terms of the
20 mortgage loan.

21 "The seller has not
22 advanced funds, or induced,
23 solicited, or knowingly received any
24 advance of funds from a party other

1 than the owner of the mortgage
2 property subject to the mortgage
3 directly or indirectly for the
4 payment of any amount required by the
5 related mortgage loan."

6 Q. If you could continue, go
7 ahead and read D.

8 A. "There are no delinquent
9 taxes which are due and payable,
10 ground rents, assessments, or other
11 outstanding charges affecting the
12 related mortgage property."

13 Q. Would those have been
14 representations and warranties that
15 you would have reviewed for this
16 deal?

17 A. Yes.

18 Q. What did your review of
19 these representations and warranties
20 entail?

21 A. The review would have
22 entailed -- we would look at the loan
23 schedule that was produced to ensure
24 that the loans were not delinquent.

1 And as far as the
2 delinquent taxes go, there was no
3 actual due diligence done at the loan
4 level, but the processes and
5 procedures that are in place in the
6 servicing side allows to make this
7 rep and warrant.

8 Q. In addition to taxes, would
9 your answer be the same with respect
10 to insurance, and let me -- actually,
11 let me rephrase that question because
12 I think that wasn't very clear.

13 You say that there were
14 systems and processes in place at the
15 servicer level to ensure that there
16 were no breach of these
17 representations as to taxes.

18 Were there also systems and
19 processes in place to ensure there
20 were no breach of these
21 representations as to insurance
22 requirements?

23 A. Well, I think we give --
24 can I look to see if we give a

1 separate hazard rep?

2 Q. Go ahead.

3 A. Because hazard does not
4 relate to either of these.

5 Q. I think if you look at the
6 next page, GMAC 000961, item G, that
7 might be what we are looking for.

8 A. Correct. So there would be
9 processes and procedures on the
10 servicing side that, you know, that
11 would allow us to give this rep.

12 Q. However, your testimony is
13 that your team did not, in fact,
14 check the mortgages?

15 A. We did not.

16 Q. What processes and
17 procedures were in place to allow you
18 to make this rep? What were you
19 relying on?

20 A. Well, I can't speak to the
21 procedures in servicing, but, again,
22 we know that there's procedures in
23 place to ensure that if a hazard
24 insurance has been -- you know, if a

1 borrower has not paid their hazard
2 insurance, if it's a non-escrow loan,
3 if it's an escrow loan -- you know
4 what? I can't really speak to it.

5 I just know that we have
6 procedures in place that allow us to
7 make this rep. In the Capital
8 Markets world, it's not diligence
9 that we do at a loan level.

10 Q. Okay. To clarify your
11 answer there, do you know what
12 procedures are in place that allow
13 you to make that rep?

14 A. I don't know the exact
15 procedures. I can't speak to them,
16 but I know there are procedures.

17 Q. If a property lacked
18 required insurance, would it be
19 qualified to be included in this
20 pool?

21 A. I believe we force place
22 insurance.

23 Q. Sorry. I just need you to
24 answer the question that I asked you.

1 If the property lacked
2 required insurance --

3 A. If we had knowledge of
4 that, then we would not include that
5 in this pool.

6 Q. If you discovered it after
7 it was included in the pool, would
8 that affect whether it was qualified
9 to remain in the pool?

10 A. If we discovered it after,
11 then we would take measures to --

12 Q. Again, I'm sorry. I need
13 you to answer just the question that
14 I'm asking. I think that what you're
15 telling me is that GMAC would take
16 some measure to correct the problem.

17 Can I infer from that that
18 the problem needed to be correct in
19 order for it to be qualified to be in
20 the pool?

21 MR. TOBIN: Objection to
22 the extent it mischaracterizes her
23 previous testimony. Make sure you
24 understand the question and what he's

1 saying.

2 THE WITNESS: Can you
3 please rephrase your question?

4 BY MR. BARTHOLOW:

5 Q. If a loan lacked required
6 insurance then it should not be put
7 in the pool, right?

8 A. That's correct.

9 Q. If you discovered after
10 it's been put in the pool that it
11 lacked required insurance when it was
12 put in the pool, would that
13 disqualify it from being in the pool?

14 A. Yes.

15 MR. TOBIN: Can we take a
16 break? I've got to use the restroom.

17 MR. BARTHOLOW: Sure. Off
18 the record. It's fine.

19 (A break was taken from
20 11:07 a.m. to 11:15 a.m.)

21 BY MR. BARTHOLOW:

22 Q. Patty, while we were off
23 the record a second ago we were
24 talking about an issue that we would

1 like to clarify.

2 I believe a moment ago I
3 asked you whether a loan that lacked
4 required insurance and GMAC was aware
5 of that before the transaction
6 closed, the deal closed, would not be
7 qualified to be a part of the deal.

8 You said that that's
9 correct, it would not.

10 A. Yes, that's correct.

11 Q. Then what we wanted to
12 clarify was if a loan lacked required
13 insurance before the closing date
14 that GMAC was not aware that it
15 lacked that insurance and discovered
16 that it lacked that insurance after
17 the closing date, that that also
18 would cause the loan to not be
19 qualified to be in the pool; is that
20 correct?

21 A. That's correct.

22 Q. Is that what we wanted to
23 clarify?

24 A. That's correct, yes.

1 Q. What are the consequences
2 of discovering the loan is not
3 qualified under this agreement?

4 A. So if a loan is not
5 qualified, can you just clarify what
6 that means? It's in breach of one of
7 these reps?

8 Q. Correct.

9 A. We would have two options.
10 We would cure the loan, and if we
11 could not cure the loan, then the
12 loan would be repurchased.

13 Q. Did you have any reporting
14 requirements if you made a discovery
15 like that?

16 A. I believe if there's a
17 discovery of a breach, there's
18 parties that have to be notified, the
19 trustee -- I would have to look at
20 the remedy section.

21 Q. Okay.

22 A. Remedy section of the
23 purchase agreement.

24 Q. Are you aware of there --

1 A. Can I do that?

2 Q. We will get there.

3 First, are you aware of
4 there having been any reported
5 disqualifications for this deal?

6 A. I am not.

7 Q. Did you review anything
8 that would have given you that
9 information prior to appearing here
10 today?

11 A. No, I did not.

12 Q. Is there something you
13 could review in order to determine
14 whether there were any loans that
15 were later disqualified from
16 inclusion in this pool?

17 A. I don't know.

18 Q. Whose job would it have
19 been to notify the purchaser or the
20 trustee of any -- by "Whose," I mean
21 who at the GMAC, whether it be a
22 department or an individual, if you
23 know, would have been required to
24 notify the trustee or RAMP of any

1 non-qualifying loans?

2 A. Notifications would have
3 been done by our bond administration
4 group in our investor reporting area.

5 Q. Where is that group
6 located?

7 A. They're currently in Fort
8 Washington, Pennsylvania. Let me
9 retract that.

10 They're actually in
11 Burbank, California, formerly in Fort
12 Washington, Pennsylvania.

13 Q. Were they in Fort
14 Washington when this deal was closed?

15 A. They were in Horsham when
16 this deal closed.

17 Q. Did you interact with them
18 on any kind of regular basis with
19 regard to these deals?

20 A. We interacted with them
21 initially when the deal closed, but
22 after that they kind of took the ball
23 from there.

24 Q. What was your interaction

1 with them at closing?

2 A. Basically just -- even
3 prior to closing, they would have the
4 opportunity to review the deal
5 documents, the waterfalls, the
6 structure, just so they could get
7 their systems and all set up
8 accordingly.

9 Then the closing really
10 would be kind of the hand-off of the
11 deal.

12 Q. Was there any individual in
13 particular that you were dealing with
14 in the bond administration group?

15 A. In 2003?

16 Q. Correct.

17 A. That would have been Al
18 Gentile, G-e-n-t-i-l-e.

19 Q. Do you recall what his
20 title was?

21 A. I don't know his title.

22 Q. What did your interaction
23 with Mr. Gentile entail?

24 A. Just would be notification

1 of the deal, supplying the documents
2 for him to review, letting him know
3 when the deal was closing, first
4 remittance date.

5 Q. It is my understanding that
6 these deals create something called a
7 REMIC trust.

8 Are you familiar with that
9 term, REMIC?

10 A. REMIC, yes.

11 Q. REMIC? Okay.

12 A. Uh-huh.

13 Q. Does that stand for Real
14 Estate Mortgage Investment Conduit?

15 A. Yes.

16 Q. What is that?

17 A. I don't know.

18 Q. You know that the deals
19 create REMIC trusts?

20 A. Correct.

21 Q. Do you know who would know
22 what the REMIC trust -- what that
23 means?

24 A. Yes, counsel could speak to

1 that.

2 Q. At the time of this deal,
3 it would have been Bruce Bowan,
4 correct?

5 A. Correct.

6 Q. But now it would be John
7 Ruckdaschel --

8 A. Correct.

9 Q. -- who could speak to the
10 REMIC?

11 I want to back up and ask
12 you a question that your attorney and
13 I were talking about off the record a
14 minute ago.

15 Do you know that the note
16 was endorsed in October of 2003?

17 A. Yes.

18 Q. How do you know that the
19 note was endorsed in October of 2003?

20 A. I know that because the
21 processes, the business processes
22 that we have in place required the
23 note to be endorsed prior to delivery
24 to the document custodian.

1 Q. But how do you know that
2 this note was endorsed prior to the
3 delivery to the document custodian?
4 Did you see it?

5 A. I did not see it, but --

6 Q. You knew that there was
7 processes that required that?

8 A. There is. The custodian
9 could not have certified this pool
10 without -- they review every single
11 document and would have to ensure
12 that that endorsement was on the
13 note.

14 Q. How do you know that the
15 custodian reviews every single
16 document?

17 A. Because they're required to
18 under the custodial agreement and
19 they have to issue a certification to
20 that.

21 Q. You know that the custodial
22 agreement requires them to review
23 every document?

24 A. Yes.

1 Q. You know that they issue a
2 certification that they have reviewed
3 every document?

4 A. Yes.

5 Q. Have you been to the
6 custodian's offices before?

7 A. I've been there, yes.

8 Q. Have you seen them
9 reviewing documents?

10 A. I don't think so.

11 Q. Do you know who it was, the
12 custodian who reviewed this note?

13 A. I don't know the person,
14 no.

15 Q. Do you know when the note
16 was reviewed by the custodian?

17 A. Yes. It would have been
18 reviewed sometime between the
19 delivery date and the closing date.

20 Q. How do you know that?

21 A. Because the note would have
22 had to have been reviewed in order
23 for the certification to be issued.
24 The deal would not have closed

1 without the custodian certification.

2 Q. Who is your contact at the
3 custodian?

4 A. Today?

5 Q. No. At the time that this
6 deal was done.

7 A. Escrow Bank, USA, 2003, it
8 would have been Tracey Gallagher.

9 Q. How do you spell Tracey?

10 A. T-r-a-c-e-y, Gallagher,
11 G-a-l-l-a-g-h-e-r.

12 Q. Do you recall what her
13 title was?

14 A. I don't recall her title.

15 Q. Is she still with Escrow
16 Bank?

17 A. No, she is not.

18 Q. Is Escrow Bank still in
19 existence?

20 A. Escrow Bank, the custodian
21 is still in existence but under a
22 different name.

23 Q. What is its name now?

24 A. The current name is Ally

1 Bank, A-l-l-y.

2 Q. A-l-l-y?

3 A. Correct.

4 Q. Do you know when the name
5 changed?

6 A. The name changed in August
7 of 2004 from Escrow Bank to GMAC
8 Bank. Then sometime, I think, in
9 early 2009 it became Ally Bank.

10 Q. So would it be
11 accurate that it's not Alley, Bank,
12 A-l-l-e-y?

13 A. It is not A-l-l-e-y. It's
14 A-l-l-y.

15 Q. Do you know where Ally Bank
16 is located?

17 A. They have offices in Fort
18 Washington, Pennsylvania; Waterloo,
19 Iowa; and I believe Utah.

20 Q. Do you know where the notes
21 for this filling and servicing
22 agreement are stored?

23 A. They would be stored in the
24 Waterloo, Iowa facility.

1 Q. How do you know that?

2 A. Because that's where all of
3 the notes are stored upon deal
4 closing and certification. They are
5 moved to Waterloo, Iowa for kind of
6 their final destination.

7 Q. How do you know that
8 they're moved to Waterloo, Iowa?

9 A. Because that's the process
10 that they follow. They wouldn't have
11 room in the Fort Washington facility.

12 Q. I'm not trying to be
13 difficult here, but how do you know
14 that that's the process that they
15 follow?

16 A. Because they told me.

17 Q. Who is "they"?

18 A. The officers of Ally Bank.

19 Q. Do you recall which
20 officers told you that?

21 A. Michael Hebling, Barbara
22 Krawczun.

23 Q. Can you spell Hebling for
24 us?

1 A. H-e-b-l-i-n-g.

2 Barbara Krawczun,

3 K-r-a-w-c-z-u-n.

4 Q. They told you that they
5 moved the notes to Waterloo, Iowa?

6 A. Yes.

7 Q. Have you been to the
8 Waterloo, Iowa facility before?

9 A. I have never been there,
10 no.

11 Q. It's charming. Actually, I
12 haven't been to the facility.

13 MR. TOBIN: I wasn't
14 following what you were referring to.

15 MR. BARTHLOW: For the
16 record, that was a joke.

17 MR. TOBIN: Thad was at the
18 casino the whole time.

19 MR. BARTHLOW: I object to
20 the side bar.

21 BY MR. BARTHLOW:

22 Q. Have you ever seen any
23 document or rule or procedure in
24 writing that explains what Ally's

1 processes are for transferring the
2 notes that its the custodian for?

3 A. Not in writing, no.

4 Q. You've just been informed
5 verbally by Mr. Hebling and
6 Ms. Krawczun?

7 A. Correct.

8 Q. When were you informed of
9 that?

10 A. That's been their practice
11 for a long time now, a number of
12 years, ten years or more.

13 Q. They would have told you
14 that ten years ago?

15 A. Yes.

16 Q. Have they told you that
17 again since you first learned of it?

18 A. Yes. We talk about that
19 every now and again, yes.

20 Q. Have you seen the original
21 mortgage note in this case ever?

22 A. The original one with the
23 borrower's original signature?

24 Q. The one with the ink

1 signature on it.

2 A. No, I have not.

3 Q. Do you have personal
4 knowledge of its location, as we sit
5 here today? Not based on what
6 somebody else has told you, but do
7 you know yourself where that note is
8 located today?

9 A. I have not seen the note,
10 no, so I do not.

11 MR. BARTHLOW: I'm now
12 asking that we mark the Pooling and
13 Servicing Agreement as Plaintiff's
14 Exhibit-3, please.

15 (Exhibit Plaintiff's-3 was
16 marked for identification.)

17 BY MR. BARTHLOW:

18 Q. Patty, I've just
19 represented that what I'm handing to
20 you is the Pooling and Servicing
21 Agreement for this deal.

22 Take a look at this
23 document and let me know whether you
24 agree.

1 A. Yes, I agree this is the
2 Pooling and Servicing Agreement for
3 this deal.

4 Q. Have you read this document
5 before?

6 A. I would have read this
7 document back at the time we were
8 closing the deal in 2003.

9 Q. Prior to your deposition
10 today, did you take a look at it?

11 A. I did. I have reviewed it
12 in the last week or so. I didn't
13 read the whole thing, for the record.

14 Q. What in particular did you
15 review in preparation for today?

16 A. I was looking in particular
17 just at Article III, just reading
18 through it.

19 Q. What is Article III?

20 A. Article III is the
21 Administration and Servicing of
22 Mortgage Loans.

23 Q. Why were you looking at
24 that in particular?

1 A. Just to prepare for the
2 deposition.

3 Q. I believe Article III
4 begins at Bates page number 001132.

5 A. Correct.

6 Q. It's entitled
7 Administration and Servicing of
8 Mortgage Loans, correct?

9 A. Yes.

10 Q. Does this describe what the
11 servicer's authority is and
12 responsibilities are with respect to
13 the loans that are in this pool?

14 A. That's correct.

15 Q. For the record, who is the
16 servicer for this pool, according to
17 this agreement?

18 A. The servicer, according to
19 this agreement, is GMAC Mortgage
20 Corporation, now known as GMAC
21 Mortgage, LLC.?

22 Q. Who is the trustee under
23 this deal?

24 A. The trustee at closing was

1 Bank One National Association.

2 Q. Is Bank One still the
3 trustee?

4 A. They are not.

5 Q. Who is?

6 A. I believe it's Bank of New
7 York. It is Bank of New York.

8 Q. When did Bank of New York
9 become the trustee under this deal?

10 A. I don't know the date that
11 they became trustee.

12 Q. How did you learn that it
13 was Bank of New York?

14 A. I had some knowledge
15 just -- from the -- in the
16 marketplace, I knew that Bank of New
17 York had taken over trustee services,
18 and in preparing for this deposition
19 I confirmed that Bank of New York was
20 the trustee.

21 Q. How did you go about
22 confirming that?

23 A. In speaking with counsel.

24 Q. Did you refer to any

1 primary source? Did you see any
2 document that said Bank of New York
3 is now the trustee for this deal?

4 A. No.

5 Q. I'd like you to turn to
6 GMAC 001134 in Exhibit-3.

7 A. (Witness complies.)

8 Q. And I'd like you to look at
9 section 3.07, which is towards the
10 bottom of the page.

11 A. Okay.

12 Q. Are you familiar with this
13 provision in the Pooling and
14 Servicing Agreement?

15 A. Yes. This is just the
16 collection -- I'm familiar with the
17 language in this section.

18 Q. Did you have any role in
19 crafting the language in this section
20 in putting together this deal?

21 A. No, I didn't.

22 Q. In putting together this
23 deal, what language did you have a
24 role in crafting?

1 A. Counsel crafted all the
2 language. I just reviewed it for
3 accuracy and had others in the
4 company review it for accuracy as
5 applicable.

6 Q. When you say "review it for
7 accuracy," what was being reviewed to
8 ensure that it was accurate?

9 A. Just making sure that the
10 language that describes our servicing
11 practices in particular is accurate.

12 Q. In determining whether it
13 was accurate, did you cross-check it
14 with some other source? How did you
15 know whether it was or was not
16 accurate?

17 A. Yes. These sections of the
18 document and the documents would have
19 been sent to the subject matter
20 experts in the servicing group for
21 review.

22 Q. So somebody else would
23 review it and your job was to manage
24 that review process.

1 Is that an accurate
2 characterization?

3 A. That's right. Uh-huh.

4 Q. Would it also be fair to
5 say that your job does not involve
6 the servicing procedures or
7 determining what the servicing
8 procedures are for a loan?

9 A. That's right. That's not
10 my job. That's right.

11 Q. If I was to ask you whether
12 a particular servicing procedure was
13 correctly described in here, would
14 you be able to answer that?

15 A. No.

16 Q. Do you know whether this
17 agreement allows GMAC to modify
18 loans?

19 A. Yes, I believe it does.

20 Can I double-check the
21 section?

22 Q. Sure. If you would, point
23 me to what you're looking at once you
24 find it.

1 A. Section 301, page GMAC
2 001132 in the Pooling and Servicing
3 Agreement.

4 Q. Okay.

5 A. Towards the bottom. I'm
6 sorry. Hang on one second. I just
7 lost my spot.

8 The last -- the sentence
9 beginning -- at the very end, the
10 last sentence, "Notwithstanding the
11 foregoing, subject to 3.07 (a), the
12 servicer shall not permit" -- I'm
13 sorry. Hang on a second.

14 It says they should not
15 permit a modification that would
16 cause the loan to fail to qualify
17 under the REMIC.

18 Q. Do you know what that
19 means?

20 MR. TOBIN: Objection.
21 Calls for legal conclusion.

22 THE WITNESS: I don't
23 know. Actually, to answer your
24 question, I don't believe it allows

1 for modifications.

2 BY MR. BARTHOLOW:

3 Q. Well, let me direct you
4 back to that section 3.07 on GMAC
5 001134 and continued over through
6 001135.

7 That section A goes kind of
8 long and it's fairly dense, but I'd
9 like you to take a look at that
10 section and see whether --

11 A. I'm sorry. What section is
12 it?

13 Q. It's 3.07 --

14 A. Okay.

15 Q. -- on page 001134 and
16 subsection A of 3.07.

17 A. Okay

18 Q. If you would, just take a
19 minute to read through that.

20 A. Oh, okay.

21 Q. It continues after the
22 notation on the page where it says
23 53.

24 A. Okay. This allows us to do

1 modifications.

2 Q. Okay. Go on.

3 A. Okay.

4 Q. Okay. Right above where it
5 says 53 on GMAC 001135, which is
6 Exhibit-3, the last sentence before
7 the page break begins with the word
8 "Consistent."

9 Could you begin reading
10 there?

11 A. "Consistent with the terms
12 of this Agreement, the Servicer may
13 also waive, modify, or vary any term
14 of any Mortgage Loan or consent to
15 the postponement of strict compliance
16 with any such term or in any manner
17 grant indulgence to any Mortgagor if
18 in the Servicer's determination such
19 waiver, modification, postponement,
20 or indulgence is not materially
21 adverse to the interests of the
22 certificate holders (taking into
23 account any estimated Realized Loss
24 that might result absent such

1 action); provided, however, that the
2 Servicer may not modify materially or
3 permit any -- I'm sorry -- to modify
4 any mortgage loan, including without
5 limitation any modification that
6 would change the mortgage rate,
7 forgive the payment of any principal
8 or interest (unless in connection
9 with the liquidation of the related
10 mortgage loan) or except in
11 connection with the prepayments to
12 the extent that such reamortization
13 is not inconsistent with the terms of
14 the mortgage loan or extend the final
15 maturity date of such Mortgage Loan,
16 unless such Mortgage Loan is in
17 default or, in the judgment of the
18 Servicer, such default is reasonably
19 foreseeable; and provided, further,
20 that no such modification shall
21 reduce the interest rate on a
22 Mortgage Loan below the sum of the
23 Pool Strip Rate and the Servicing Fee
24 Rate."

1 Q. You can stop there.

2 That's, I think, all one sentence.

3 A. Uh-huh.

4 Q. My understanding of that
5 provision and -- have you read that
6 provision before?

7 A. I haven't read that
8 provision like I just read it now.

9 Q. What does that mean, as far
10 as you understand?

11 MR. TOBIN: Objection.
12 Calls for a legal conclusion.

13 BY MR. BARTHOLOW:

14 Q. You can still answer, if
15 you know.

16 A. Without reading through it
17 again and thinking about it some
18 more, I mean --

19 Q. Fair enough. It's a bunch
20 of legalese.

21 Do you know what the
22 process is for obtaining the original
23 mortgage note from the trustee
24 pursuant to this Agreement?

1 A. I know the process, yes.

2 Q. What is that process?

3 A. The process -- and it would
4 be from the custodian.

5 There's a certification, a
6 form of which is attached to the
7 Custodial Agreement, that has to be
8 filled out and sign by the servicer
9 that details the reason for the
10 request for the release and is
11 submitted to the custodian for the
12 release of the file.

13 Q. Have you ever prepared one
14 of those?

15 A. No.

16 Q. Is that within the scope of
17 your duties at GMAC?

18 A. No. I wouldn't have a need
19 to release a mortgage note.

20 Q. Are you aware of whether
21 such a request has been made in this
22 case?

23 A. I understand that it has,
24 yes.

1 Q. It has. Okay.

2 How do you know that?

3 A. Well, in preparing for the
4 deposition, I just called the
5 custodian to see if they had the note
6 in their possession and they told me
7 that they had the request for release
8 in their possession.

9 The note had been released
10 to the servicing group.

11 Q. To the servicing group?

12 A. Yes.

13 Q. Who was it you spoke to at
14 the custodian?

15 A. Donna Harkness,
16 H-r-k-n-e-s-s.

17 Q. That would be H-a-r-k?

18 A. Did I say it wrong?
19 H-a-r-k, Harkness, yeah.

20 Q. She works at Ally Bank; is
21 that correct?

22 A. That's correct.

23 Q. What is her title?

24 A. I don't know her title.

1 Q. Why did you call Donna?

2 A. Because I know -- she's one
3 of the managers in the Fort
4 Washington facility that I know, I
5 deal with on a regular basis.

6 Q. How did Donna know that the
7 request had been submitted?

8 A. She looked in their
9 tracking system and was able to see
10 from the tracking system that the
11 note was released.

12 Q. Do you know what their
13 tracking system is called?

14 A. I don't.

15 Q. Do you know whether it's an
16 electronic or a paper system?

17 A. It's an electronic system.

18 Q. How do you know that?

19 A. Because they told me.

20 Q. Would it be fair to say
21 that you've never actually seen their
22 tracking system?

23 A. I've never seen their
24 tracking system, no.

1 Q. So it would also be fair to
2 say that you don't know specifically
3 what information Donna was looking at
4 when she told you that?

5 A. No. She got the
6 information quickly from her system.

7 Q. Did Donna tell you when the
8 request had been made?

9 A. She did give me the date.
10 It was November or October of 2009.
11 I don't recall the exact date.

12 Q. Did she indicate to you
13 where the original had been shipped?

14 A. No.

15 Q. I believe you just said
16 something about it had been sent to
17 servicing; is that right?

18 A. Yes. She said servicing,
19 but I don't know which location.

20 I believe it was related to
21 a default, she said, but I don't know
22 which office it was sent to.

23 Q. Do you know who would have
24 submitted the request to her?

1 A. No.

2 Q. So it follows that you did
3 not see the request form, correct?

4 A. Correct.

5 Q. That is a paper form I
6 think you indicated, right?

7 A. I need to check this
8 particular Custodial Agreement, which
9 I don't think we have in front of us,
10 but I believe -- yes. It's either
11 paper or electronic, depending on the
12 requirement of the Custodial
13 Agreement.

14 Q. If you would turn to Bates
15 number GMAC 01149 of Exhibit-3 and
16 look specifically at section 3.18,
17 Annual Statement as to Compliance.

18 Is that a provision that
19 you've seen before in this Agreement?

20 A. Yes.

21 Q. Can you tell me what that
22 Annual Statement involves?

23 A. I know that it's called a
24 USAP audit. It's prepared by an

1 outside accounting firm. That's all
2 I know about it.

3 Q. Do you know what USAP
4 stands for?

5 A. Uniformed Single
6 Attestation Program or something.

7 Q. Do you know which outside
8 accounting firm prepares it?

9 A. PWC.

10 Q. Do you know what the
11 process is for the preparation of
12 that?

13 A. I don't know anything about
14 the process.

15 Q. Have you ever seen one of
16 these reports before?

17 A. No.

18 Q. I think we can put Exhibit-
19 3 away now.

20 A. Okay. Sounds good to me.

21 Q. We may refer back to it
22 eventually, but for now I think we
23 can get that at least out of our
24 sight.

1 Patty, have you read the
2 Complaint in this case?

3 A. I have not.

4 Q. You have not.

5 Have you been provided a
6 copy of it?

7 A. I was provided some
8 documents. I'm not sure if that was
9 one or not.

10 Q. Have you seen the original
11 Proof of Claim that was filed by GMAC
12 in this case?

13 A. I have seen it.

14 Q. Have you also seen the
15 Amended Proof of Claim that was filed
16 by GMAC in this case?

17 A. I've seen it, yes.

18 MR. BARTHOLOW: Well, let's
19 go ahead and mark those.

20 I'm going to mark Exhibit-4
21 and this is the original Proof of
22 Claim filed by GMAC in this case.

23 (Exhibit Plaintiff's-4 was
24 marked for identification.)

1 BY MR. BARTHLOW:

2 Q. Patty, I've just told you
3 that this is the original Proof of
4 Claim filed by GMAC in this case.
5 Take a look at it and let me know
6 whether you agree.

7 MR. TOBIN: I'm going to
8 object to the question as outside the
9 scope of the deposition.

10 BY MR. BARTHLOW:

11 Q. You can still answer, if
12 you know.

13 A. I don't know.

14 Q. I think you just mentioned
15 that you looked at the original and
16 the Amended Proofs of Claim that were
17 filed in this case; is that correct?

18 A. Yeah. I just looked at
19 them briefly. This looks like the
20 original Proof of Claim, yes.

21 Q. I don't mean that as a
22 trick question, by the way.

23 A. Okay.

24 Q. I'm just asking.

1 Now, I'm going to mark
2 Exhibit-5, which I will submit to you
3 is the Amended Proof of Claim filed
4 in this case.

5 (Exhibit Plaintiff's-5 was
6 marked for identification.)

7 BY MR. BARTHOLOW:

8 Q. Can you take a look at that
9 and let me know whether you agree
10 that that's the Amended Proof of
11 Claim filed in this case?

12 MR. TOBIN: Objection.
13 Outside the scope of the deposition.

14 BY MR. BARTHOLOW:

15 Q. You can answer, if you
16 know.

17 A. Yes, it is.

18 Q. Did you prepare either of
19 these documents?

20 A. I did not.

21 Q. Do you know what the
22 procedure is for -- the standard
23 procedure for the preparation of
24 Proofs of Claim in bankruptcy for

1 **GMAC?**

2 MR. TOBIN: Objection.

3 Outside the scope of the deposition
4 and privileged and legal conclusion.

5 MR. BARTHOLOW: That
6 doesn't qualify as privilege.

7 BY MR. BARTHOLOW:

8 **Q. You can answer, if you**
9 **know.**

10 MR. TOBIN: You can answer.

11 THE WITNESS: I don't know.

12 BY MR. BARTHOLOW:

13 **Q. You don't know?**

14 **I'd like you to look at**
15 **Exhibit-4, the original Proof of**
16 **Claim.**

17 **At the top in tiny, tiny**
18 **font we have a line that says "Name**
19 **of Creditor."**

20 **Do you see that? It's**
21 **about four rows down.**

22 **A. Yes, I see it.**

23 MR. TOBIN: If I could just
24 interrupt real quick.

1 I just want to make a
2 global objection that Ms. Taylor is
3 not here to testify about the
4 substance of the Proof of Claims.

5 Any testimony to the effect
6 of the substance of the Proof of
7 Claims is outside the scope of the
8 deposition.

9 Can we just have that
10 global objection so I don't have to
11 interrupt every time?

12 MR. BARTHLOW: Yes.
13 Noted.

14 MR. TOBIN: Okay. Then you
15 can continue to answer questions
16 about it. I'm just objecting that
17 you're not here to testify about that
18 today.

19 BY MR. BARTHLOW:

20 Q. If you don't know the
21 answer to any question, it's okay to
22 say you don't know the answer.

23 A. Okay.

24 Q. But if you do, I would like

1 you to answer to the extent you
2 know.

3 A. Okay.

4 Q. Now, the words beneath Name
5 of Creditor are very small.

6 I'd like you to turn to the
7 next page. If you just flip the page
8 over on Exhibit-4 to the back there
9 is a sheet entitled Proof of Claim
10 Breakdown Sheet.

11 Do you see that?

12 A. Uh-huh.

13 Q. In larger letters, just
14 above the line where it says
15 "payments," we have a line that says,
16 "Creditor: GMAC Mortgage, LLC.,"
17 correct?

18 A. (Witness nods head.)

19 Q. Then under that it says,
20 "GMAC Mortgage, LLC., as servicing
21 agent for Mortgage Electronic
22 Registration Systems, Inc., solely as
23 Nominee for GMAC Mortgage Corp., its
24 successors and/or assigns."

1 Do you see that?

2 A. Yes.

3 Q. If you turn back to the
4 front or the first page of Exhibit-4
5 and you look at that tiny font, would
6 you agree that, as best as we can
7 tell, that's the same name as what
8 was reflected on the second page?

9 A. Yes, I think it is.

10 Q. Do you know what that
11 means, GMAC Mortgage, LLC., as
12 servicing agent for Mortgage
13 Electronic Registration Systems,
14 Inc., solely as Nominee for GMAC
15 Mortgage, Corp., its successors
16 and/or assigns?

17 A. I don't know what that
18 means.

19 Q. Do you know what Mortgage
20 Electronic Registration Systems, Inc.
21 is?

22 A. Yes. That's MERS, MERS,
23 Incorporated.

24 Q. What is MERS, Incorporated?

1 A. MERS is the electronic
2 registration system that we use for
3 the tracking of mortgage ownership
4 rights and servicing rights.

5 Q. Did MERS ever own this
6 mortgage loan, as far as you
7 understand?

8 A. No. They didn't own the
9 loan, no.

10 Q. Did GMAC ever service the
11 loan on behalf of MERS?

12 A. No. I don't know, no.

13 Q. Does GMAC service any loans
14 on behalf of MERS?

15 A. No.

16 Q. Does MERS own any loans
17 that GMAC has provided to them, as
18 far as you know?

19 A. I don't know. Not to my
20 knowledge.

21 Q. Just to clarify that
22 answer, you're not aware of MERS
23 owning any GMAC loans; is that
24 correct?

1 A. That's right. Yes.

2 Q. Is there a reason why MERS
3 would not own loans?

4 MR. TOBIN: Objection.
5 Calls for speculation.

6 BY MR. BARTHLOW:

7 Q. You can answer, if you
8 know.

9 A. I don't know.

10 Q. My understanding is that
11 MERS is a registration system only;
12 is that correct?

13 A. That's my understanding,
14 yes.

15 Q. Again, I don't want to put
16 words in your mouth, but would it be
17 accurate to state that their job is
18 merely tracking ownership rather than
19 actually owning loans?

20 MR. TOBIN: Objection to
21 the form of the question as outside
22 the scope of the deposition. Calls
23 for speculation.

24 Ms. Taylor is here to

1 testify about MERS' relationship with
2 GMAC. She can't testify about what
3 MERS does.

4 MR. BARTHOLOW: Dan, I'm
5 going to object to your speaking
6 objection.

7 You can object to the form
8 and we will move on. Okay?

9 MR. TOBIN: My
10 understanding of the Federal Rules is
11 that you have to state your
12 objection.

13 MR. BARTHOLOW: Okay.
14 Which Federal Rule are you referring
15 to?

16 MR. TOBIN: 32.

17 Thad, she's going to answer
18 the question. I'm stating my
19 objection.

20 MR. BARTHOLOW: You're
21 interrupting the flow of the
22 deposition by stating these lengthy
23 objections.

24 You object to the form. We

1 get to the hearing. If the judge --
2 you know, if you want to preserve
3 your objection, you preserved it by
4 making the objection to the form and
5 you can state the basis for your
6 objection at the hearing.

7 If every question I ask is
8 going to -- you know, that you object
9 to is going to involve a lengthy
10 objection, we are going to get way
11 off track and this is going to take
12 all day.

13 Please just object to the
14 form and the objection will be
15 preserved.

16 MR. TOBIN: Real quickly,
17 I've objected to less than 20
18 questions today.

19 Number two, when we took
20 Mr. Kirkley's deposition, you would
21 state the matter for your objection.
22 You objected opinion, on speculation,
23 so I'm going to state the basis of my
24 objection. Then Ms. Taylor will

1 answer the question.

2 Ms. Taylor is an honest
3 person. If she knows the answer,
4 she's going to answer the question.
5 She's not going to take my lead and
6 not answer questions based on my
7 objection.

8 MR. BARTHLOW: I haven't
9 indicated that she would.

10 The point is I get thrown
11 off by lengthy speaking objections
12 and I would appreciate it if you
13 would just object to the form.

14 BY MR. BARTHLOW:

15 **Q. Ms. Taylor, is it your**
16 **understanding that Mortgage**
17 **Electronic Registration Systems**
18 **simply tracks ownership of mortgage**
19 **loans?**

20 MR. TOBIN: I'll just
21 object and restate the same objection
22 I made the question previously.

23 THE WITNESS: That's my
24 understanding.

1 BY MR. BARTHOLOW:

2 Q. Do you know whether the
3 loan in this case was a loan that was
4 tracked by Mortgage Electronic
5 Registration Systems?

6 A. I believe it was.

7 Q. What do you base your
8 belief on?

9 A. The only basis is the note,
10 the copy of the note that I reviewed
11 had a MERS identification number at
12 the top.

13 Q. I guess, if you would,
14 please turn to the back of the second
15 page of Exhibit-4. I'm sorry. The
16 back of the third page of Exhibit-4.

17 Can you show me what you
18 were looking at to make that
19 determination?

20 A. Yes. I was not looking at
21 the Deed of Trust. I looked at the
22 note.

23 Q. I'm on page six of seven.
24 At the top it indicates six of seven

1 of Exhibit-4.

2 A. Oh, the note. I'm sorry.
3 Yes, the MIN number in this copy,
4 it's not legible, but that's the MERS
5 identification number.

6 Q. There should be a number
7 that we would be able to read there
8 normally?

9 A. Yes.

10 Q. Now, I'd also like you to
11 take a look at page seven of seven.

12 A. Okay.

13 Q. Is this the signature page
14 for the note?

15 A. Yes, it is.

16 Q. In the lower left-hand
17 corner, there is a block that says,
18 "Pay to the order of" and then blank
19 and then "Without recourse" and then
20 "This 23rd day of May, 2003."

21 Do you see that?

22 A. Yes.

23 Q. What is that?

24 A. That's a note endorsement,

1 unsigned note endorsement.

2 Q. It would be an endorsement
3 if it was signed; is that correct?

4 A. If it was signed, right.

5 Q. But it's not because it's
6 not signed, correct?

7 A. That's correct.

8 Q. Is it GMAC's standard
9 practice to put these note
10 endorsements on loans that it
11 originates?

12 A. I don't know the answer to
13 that.

14 Q. Do you know why this
15 endorsement is not signed?

16 A. I don't know.

17 Q. I would note that this
18 claim was filed on November 14, 2008.

19 Do you know why the note in
20 this case would not have contained an
21 endorsement on November 14, 2008?

22 MR. TOBIN: Objection.

23 Assumes facts not in evidence.

24 THE WITNESS: The note that

1 I reviewed did have an endorsement.

2 BY MR. BARTHOLOW:

3 Q. We've agreed that this is
4 the Proof of Claim that was filed,
5 the original Proof of Claim that was
6 filed in this case, right?

7 A. Uh-huh.

8 Q. When did you review a note
9 that contained the endorsement?

10 A. In the last week or so in
11 preparing for the deposition.

12 Q. So that would have been in
13 2010?

14 A. Uh-huh.

15 Q. Would you at least agree
16 that the copy of the note attached to
17 this claim does not contain an
18 endorsement?

19 A. That's true, this copy does
20 not.

21 Q. Do you know where this copy
22 came from?

23 A. I don't know where it came
24 from, no.

1 Q. Do you know who at GMAC
2 would know where it came from?

3 A. Somebody in the records
4 area or servicing area could
5 probably --

6 Q. Do you know when notes --

7 A. Actually, I retract that.
8 I don't know that anybody
9 would know where this came from.

10 Q. Do you know what the
11 process is for imaging of mortgage
12 notes?

13 A. Yes. Well, that's kind of
14 what I'm thinking here.

15 This was pulled down from
16 just our imaging system and was not
17 the original note that was part of
18 the sale. So this most likely was
19 just pulled down from the image
20 system.

21 Q. What's the image system?

22 A. It's a system that we use
23 where we image documents from our
24 loan files.

1 Q. Do you know what it's
2 called?

3 A. I think it's ImageWeb, one
4 word.

5 Q. Do you know what the
6 process is for getting documents into
7 ImageWeb?

8 A. I don't.

9 Q. Let's go ahead and take a
10 look at Exhibit-5 now.

11 If you would, look at the
12 same column that I asked you to look
13 at at first, the Name of Creditor
14 column.

15 A. Yes.

16 Q. Can you read that for me,
17 the name of the creditor that's
18 listed there?

19 A. GMAC Mortgage, LLC., as
20 servicer for GMACM Mortgage Loan
21 Trust 2003, J7, The Bank of New York
22 Mellon Trust Company, NA, formerly
23 known as The Bank of New York Trust
24 Company, NA as successor to JP Morgan

1 Chase Bank, NA --

2 Q. Illegible.

3 A. Illegible.

4 -- Bank One National

5 Association Trustee.

6 Q. Is it your testimony that
7 GMAC was never a servicing agent for
8 MERS?

9 A. I believe that's correct,
10 yes.

11 Q. With respect to this loan?
12 Let me clarify that.

13 A. Yes, that's right.

14 Q. Is it your testimony that,
15 as far as you're aware, GMAC has been
16 servicing this loan on behalf of the
17 entity identified in the name of
18 creditor line on Exhibit-5?

19 A. Yes. Since the closing
20 date, yes. Uh-huh.

21 Q. At the very bottom of the
22 page of this Claim, there's a
23 sentence that begins in italics.

24 Could you read that? It

1 begins with the word "Penalty."

2 A. "Penalty for presenting
3 fraudulent claim: Fine of up to
4 \$500,000 or imprisonment for up to
5 five years or both," and then some
6 code.

7 Q. Now, I'd like you to turn
8 to the third page of Exhibit-5, which
9 is confusingly enough labeled at the
10 top as page two of 14.

11 Do you see that?

12 A. Okay.

13 Q. Is this the signature page
14 for the note?

15 A. This is the one that I
16 reviewed, yes.

17 Q. What's the difference
18 between this one and the one we just
19 looked at?

20 A. The difference is the
21 unsigned note endorsement on the
22 first note is void and the facsimile
23 signature endorsement is placed on
24 this note.

1 Q. Who is the signer there?

2 A. J. Vollmer.

3 Q. Do you know who that is?

4 A. Yes.

5 Q. Who is that?

6 A. Janet Vollmer.

7 Q. What is her role at GMAC
8 currently?

9 A. Janet is currently in the
10 consumer operations division.

11 Q. What does that mean?

12 A. She works on the front-end
13 of the business dealing with the loan
14 originations.

15 Q. Is she under your
16 supervision?

17 A. No, she's not.

18 Q. How long have you known
19 Janet?

20 A. I've known Janet for about
21 20 years.

22 Q. Is she somebody that you
23 communicate with on a regular basis?

24 A. No, I don't, not now.

1 Q. Did you previously?

2 A. She used to report to me,
3 yes.

4 Q. When she was reporting to
5 you, what was the time frame for
6 that?

7 A. She reported to me from
8 2005 to 2007. No. 2006 -- about a
9 year, 2006, 2007.

10 Q. She was not reporting to
11 you at the time that this loan was
12 made; is that correct?

13 A. That's correct.

14 Q. Have you ever seen her
15 signature before?

16 A. Yes.

17 Q. Does this facsimile look
18 like her signature?

19 A. Yes, it does.

20 MR. TOBIN: Are you all
21 right?

22 THE WITNESS: Yes, I'm
23 good.

24 MR. TOBIN: Do you want a

1 break or anything?

2 THE WITNESS: No, I'm good.

3 Thank you.

4 MS. SCOLIARD: Any time you
5 need a break --

6 THE WITNESS: Okay.

7 MS. SCOLIARD: -- just say
8 so.

9 BY MR. BARTHOLOW:

10 Q. Are you familiar with the
11 term qualified written request
12 letter? Have you heard that term
13 before?

14 A. No.

15 MR. BARTHOLOW: I'd like to
16 mark this as Exhibit-6, please.

17 (Exhibit Plaintiff's-6 was
18 marked for identification.)

19 BY MR. BARTHOLOW:

20 Q. Patty, have you seen this
21 document before?

22 A. I have seen this before.

23 Q. What is it?

24 A. I don't know what this is.

1 Q. You don't know what this
2 is?

3 A. No.

4 Q. Okay. What does it appear
5 to be?

6 A. It looks like a notice to
7 Douglas Kirkley about a -- it says
8 Mortgage Loan Transfer at the top.

9 Q. When did you first see
10 this?

11 A. I saw this in the last week
12 or so in preparing for the
13 deposition.

14 Q. Have you ever seen a
15 document like this before?

16 A. I have not seen a document
17 like this from a trustee, Bank of New
18 York Mellon.

19 Q. Does this document say
20 trustee anywhere on it?

21 A. Well, no. I've never seen
22 a document like this.

23 Q. Is this document dated
24 October 13, 2009?

1 A. Yes, it is.

2 Q. Without admitting or
3 denying the authenticity of the
4 document, does it state that the loan
5 was transferred on October 12, 2009?

6 A. It does state that.

7 Q. Does it describe the new
8 creditor as the Bank of New York
9 Mellon, NA?

10 A. It does.

11 Q. Have you reviewed the
12 mortgage identification number of
13 this loan?

14 A. I have not looked at the
15 loan number, no.

16 Q. Would you be able to
17 compare the mortgage identification
18 number listed here with the number in
19 GMAC's system?

20 A. By "mortgage identification
21 number," you mean the MERS MIN
22 number?

23 Q. I believe so. It's listed
24 as a MIN number on this document.

1 A. I'm not sure. I think the
2 MIN number is in our servicing
3 system, but I would have to check
4 that.

5 Q. Your testimony is you don't
6 know what this document is and other
7 than in connection with this case you
8 haven't seen this before?

9 A. That's correct.

10 Q. Did you review any of the
11 servicing notes for this loan prior
12 to today's deposition?

13 A. I did not.

14 Q. What documents did you
15 review prior to today's deposition?

16 A. The documents that I
17 reviewed -- I just looked over the
18 Purchase Agreement, the Pooling and
19 Servicing Agreement, and the
20 Custodial agreement.

21 I did get this, but I just,
22 you know, looked at this, this
23 letter, Exhibit-6.

24 MR. BARTHOLOW: Well, I'd

1 like to mark this as Exhibit-7,
2 please.

3 (Exhibit Plaintiff's-7 was
4 marked for identification.)

5 BY MR. BARTHOLOW:

6 Q. Patty, what I've got in
7 front of you is marked in large
8 letters Exhibit-R. I will represent
9 to you that it was attached to the
10 Complaint in this case as Exhibit-R.

11 I'd like you to go ahead
12 and turn the page and take a look
13 through this and see if you've seen
14 any of these documents before.

15 A. (Witness examines
16 document.)

17 I've never seen these
18 documents before.

19 Q. Including the document
20 that's labeled page 30 of 45 at the
21 top that says "Reinstatement
22 Agreement"?

23 A. Correct.

24 MR. BARTHOLOW: You know, I

1 think we may be -- if I could have
2 maybe about ten or 15 minutes to sort
3 of collect my thoughts, but we may be
4 about done here.

5 THE WITNESS: Okay.

6 MR. BARTHOLOW: We can go
7 off the record.

8 MR. TOBIN: Great.

9 (A break was taken from
10 12:13 a.m. to 12:17 p.m.)

11 BY MR. BARTHOLOW:

12 Q. Patty, I think I just have
13 a few more questions for you and
14 these may go fairly quickly.

15 A. Okay.

16 Q. Do you know whether this
17 loan was in material default in any
18 way when it was added to the
19 securitized trust?

20 A. No. I couldn't know that.
21 To the best of my knowledge, it was
22 not.

23 Q. What role did Moody's and
24 Standard & Poor's play in the

1 securitization process?

2 A. I need to confirm, but
3 there would have been two rating
4 agencies on the deal. If it was
5 Moody's and Standard & Poor's, they
6 would have rated the senior bonds on
7 the transaction.

8 Q. What does that mean?

9 A. That means they would have
10 reviewed the deal and reviewed the
11 structure and rated the bonds, AAA,
12 so that they could be sold to the
13 secondary market.

14 Q. Is a AAA rating required in
15 order for them to be sold to the
16 secondary market?

17 A. No, not necessarily.

18 Q. Do you know whether ratings
19 were obtained for this deal?

20 A. Ratings would have been
21 obtained, yes.

22 Q. Would you have seen the
23 ratings in connection with putting
24 this deal together?

1 A. I would have, yes.

2 Q. What do ratings look like?

3 What is that?

4 A. We would have gotten what's
5 called a rating letter from both
6 Moody's and S&P or whichever the
7 rating agencies were.

8 Q. Do you know where the
9 rating letter is stored?

10 A. The rating letter, I
11 believe, I would need to double-
12 check -- they might be out on
13 Edgar. If they're not on Edgar, it
14 would be in our internal records.

15 MR. BARTHOLOW: If they're
16 not on Edgar, would you be able to
17 produce that?

18 MR. TOBIN: I think so.
19 Let me think about it. We will
20 consider it and just send me a letter
21 in follow up and I will respond.

22 MR. BARTHOLOW: Okay.

23 BY MR. BARTHOLOW:

24 Q. What does the rating letter

1 typically say?

2 A. It just states the ratings
3 for the deal at the different bond
4 levels.

5 Q. How many pages long is it
6 usually?

7 A. They're typically like not
8 more than a page.

9 Q. Do you know what the
10 process is for Moody's and Standard &
11 Poor's to come up with their ratings?

12 A. No.

13 Q. Do you work with them prior
14 to the closing in any way?

15 A. Yes. We work with the
16 underwriter on the transaction. That
17 would really be kind of the
18 interference between us and the
19 rating agencies.

20 They basically get the data
21 file and then run their analysis and
22 all based on the data from the pool.

23 Q. So we've got another party,
24 the underwriter.

1 Do you know who the
2 underwriter was for this deal?

3 A. There were two underwriters
4 and I looked yesterday, Goldman Sachs
5 and I think WAMU. Goldman Sachs,
6 S-a-c-h-s, and W-A-M-U.

7 I can verify that --

8 Q. They were both on it or it
9 would have been one or the other?

10 A. It would have been both. I
11 actually can confirm that.

12 Q. Would that be listed
13 anywhere in the deal docs?

14 A. It would be in the
15 prospectus that's on Edgar.

16 Q. With regard to the ratings
17 process, you would work with the
18 underwriter who then would work with
19 the rating agencies; is that correct?

20 A. That's the way the process
21 worked at GMAC at that time, yes.

22 Q. You mentioned a data file.

23 Is that a technical term?

24 A. That's -- you know, data

1 file, loan list, mortgage schedule,
2 it's all kind of one in the same for
3 us, for us internally, internal
4 speak.

5 Q. The data file is the loan
6 list or schedule of --

7 A. The data file is the loan
8 list with the attributes for the
9 mortgage loan.

10 Q. That's what you provided to
11 Goldman and that Goldman provided to
12 the rating agencies, correct?

13 A. That's right.

14 Q. That just provided the loan
15 attributes. Okay.

16 Did you ever talk to
17 anybody at the rating agencies prior
18 to the closing of the deal?

19 A. I don't recall if I talked
20 to them on a specific deal.

21 Q. Do you generally talk to
22 them on deals?

23 A. Generally, you know, there
24 may be a question, a point of

1 clarification or something.

2 It's not that we're not
3 allowed to speak to them, they
4 just -- typically, again, the
5 interference is run through the
6 underwriter, but it's not uncommon
7 that we would speak to the rating
8 agencies.

9 Q. That would just be to
10 clarify some question that they had?

11 A. Yes. Uh-huh.

12 MR. BARTHLOW: I think
13 that's all I've got today. Thank you
14 very much.

15 THE WITNESS: Okay. Thank
16 you.

17 MR. TOBIN: We reserve our
18 questions for the time of trial.

19 (Witness excused.)

20 (Deposition concluded at
21 12:23 p.m.)

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WITNESS CERTIFICATION

I hereby certify that I have read the foregoing transcript of my deposition testimony, and that my answers to the questions propounded, with the attached corrections or changes, if any, are true and correct.

DATE

PATRICIA C. TAYLOR

PRINTED NAME