MR. BOYLAN: Again, Your Honor, you're going beyond the pleadings. There's no allegation to that effect.

THE COURT: You're way beyond the pleadings in your brief, as far as I can see.

MR. BOYLAN: No, no. Our brief has got multiple citations to the complaint. Like I said, at page 3 it cites each and every sub-paragraph in the complaint. If you look at 23(G), we allege like a collection agency they were demanding payment on the underlying debt and providing wire instructions so that these people could wire money directly to them, collecting on behalf of the lender. If you look at 23(H) in the complaint we say they actually did collect money and they forwarded the money to the lenders on whose behalf they were acting. 23(I) in the complaint, they would forward the net cash proceeds as well. These are all specific facts that, I'll tell you, I'm frankly disappointed because they ignore all these allegations in their papers, but they're there. I just gave you the exact citations to them. They're in the complaint.

THE COURT: It doesn't even say on information and belief, which it should. I mean --

MR. BOYLAN: Well, we've got a lot of the notices. We've seen a lot of the -- I mean, I don't think we have to prove our case before we have discovery. We've got more than a good faith basis to allege all this. We've got their documents where they admit they were debt collectors. Let me say that again.

THE COURT: Well, you're talking about the mini-Miranda and I'm not sure I'm persuaded by that.

MR. BOYLAN: Did you read all the cases, including the ones they cite?

THE COURT: No, I haven't read all of the cases.

MR. BOYLAN: Do you know what they say?

THE COURT: There's too many cases to read --

MR. BOYLAN: Well, do you know what they say?

THE COURT: -- in a short period of time.

MR. BOYLAN: Do you know what all the cases say?

THE COURT: Yes.

MR. BOYLAN: They say, yeah, that's evidence. It's not dispositive, but yeah. It doesn't mean absolutely. It's still a factual issue.

THE COURT: But that's what everybody does because they-- and they're -- I mean, in my experience that's what everybody does is to insure that they don't get sued for some violation of the Fair Debt Collection Act.

MR. BOYLAN: And the cases talk about that. But again, you can't make a fact finding --

THE COURT: You're correct about that.

MR. BOYLAN: -- that they did it because they were just being careful instead of being truthful.

THE COURT: There has to be a record to support any finding.

MR. BOYLAN: Well, I mean, even if they had a witness that came in and said we were just doing this to be careful --

THE COURT: Yeah.

MR. BOYLAN: -- we didn't really think we were debt collectors, even that wouldn't be sufficient to award summary judgment. The writing says what it says and all inferences would be taken in favor of the plaintiff. They say we are a debt

collector. We are acting to collect a debt. Are we licensed in Nevada? No, we're not.

THE COURT: That's really your sole allegation is that they're not licensed and they're doing activities that under your allegations they're collecting a debt, not just a non-judicial foreclosure.

MR. BOYLAN: And that's the key. You've just put your finger on the reason why you have to deny this motion, because if you look at the allegations, they say we put them in a box. No. They put themselves in the box by doing all these debt collection activities. Look at the statute. If you issue any order in this case, please cite the statute. It says --

THE COURT: Which one are you citing?

MR. BOYLAN: 649.020.

THE COURT: Somewhere here I've got a copy of it.

MR. BOYLAN: It defines a collection agency. "All persons engaging, directly or indirectly." Let me say that again. Directly or indirectly, okay. "As a primary or a secondary object." Let me say that again. A primary or secondary object. So even if collecting debt was only a secondary object of the foreclosure process, they fall right into the statute. "In the collection of or in soliciting." Just soliciting is all they had to do. "Or obtaining in any manner the payment of a claim" -- not a debt, a claim -- "owed or due or asserted to be owed or due to another."

Now, if you look at the allegations in our complaint, and I've cited you the exact paragraphs, I've cited you the exact sub-paragraphs, clearly under any scenario I don't think you could rule that this complaint does not say that what they were doing, which is far beyond just recording a notice of default, what they were

doing in this case falls squarely in that definition, directly or indirectly, primary or secondary. There's just no way an order can determine that otherwise on a motion to dismiss, based on the allegations in this complaint.

Now, they say that, well, that doesn't really apply to them. We've addressed that at length in our brief. The Legislature made a couple of very specific exceptions and it did not except out someone who happens to be serving as a trustee under a deed of trust. They just didn't do it. They make all kinds of circular, semantic arguments about that, but it's just not in the statute.

So the problem for them, Your Honor, is they decided they wanted to make a lot of money when Nevada hit hard times by combining a whole package of services for which they could charge much more money, and they built into that package actions which constitute collection agency activity. That's what they did. And then when they realized it, QLS's list, they got caught, they went ahead and got their license. But this case concerns the thousands and thousands of actions they did before they got their license, and of course there's several of the defendants that never got their license. MTC did, as we state in our papers, and they've acknowledged that judicial notice is proper as to what we've asked for. We've given you --

THE COURT: And I'm taking judicial notice of everything. I mean, I understand that the decisions by other departments in this court are not binding. They're simply persuasive.

MR. BOYLAN: Well, if you get into the merit of this, which we've addressed, it's not persuasive in this case. First of all, when I went to law school, you can't cite unpublished trial court orders. I don't know when that changed, but --

THE COURT: Well, now -- you can cite unpublished supreme court orders now, but I don't know if there's anything about the trial courts.

MR. BOYLAN: I've never heard it. I've never heard it. But you see it. I've done a lot of class actions, and defense lawyers, they scour the country for some judge that went along with them, and you always see it, it's an unpublished trial court order. They've done a lot of that here. We analyzed Judge Williams' decision drafted by Lionel Sawyer. We've analyzed it carefully in our papers. And for whatever reason they drafted the order to say only that all they did was record a notice of default or conduct a sale. So although the record was different, I acknowledge the underlying record was different, that's not what the judge put in his order. Very interesting. And so he limited his order.

So, first of all, it wouldn't even be persuasive to this fact scenario because he doesn't recite those facts in his order. He says all they did was record a notice of default. If that's all they did, we wouldn't be here today. So that's the first thing. Then there are other things in Judge Williams' order that are just erroneous on their face, like he relied on the fact that they're not doing business in the state, but the subsection of the statute says that's not a defense to other regulations and statutes. So the order has got defects on its face as well. Plus, we don't know why they didn't appeal. We know that QLS got a license.

THE COURT: Well, now we're going way beyond the pleadings.

MR. BOYLAN: Well, they speculate. In their first page --

THE COURT: Okay. Everybody is speculating throughout their briefs from what I can see.

MR. BOYLAN: In their first page they tell you, well, it must be true that the

FID agreed. We don't know if they cut a deal with the FID; hey, we won't appeal it as long as you maintain your license. We don't know if they cut that deal. Only discovery will tell us that.

A couple other responses to arguments made. The deed of trust cannot license you to do illegal acts. If you have to have a license to be a collection agent in Nevada, a deed of trust can't authorize you to do something that the law doesn't allow. Again, the problem is they did so much more than simply record a notice of default. So when they engaged in the other activities, a deed of trust does not insulate them from the criminal law, from the civil law. It doesn't insulate them from the Deceptive Trade Practices Act. Just like having -- you know, being a trustee under a deed of trust doesn't insulate you from other statutory requirements. For example, do you know, Your Honor, that some of these companies or similar companies also do loan servicing? Again, they package all these things. Well, guess what? If you're doing loan servicing, even if it's related to foreclosure -- let's say someone calls and they want to do a loan mod or they get into that, you still have to have a license from the mortgage division of the FID.

THE COURT: Which is different from the license you're talking about here.

MR. BOYLAN: Well, my point is if you're doing acts beyond simply being the trustee, whether it's mortgage servicing or debt collection, you still have to be licensed. Chapter 107 doesn't give you carte blanche to violate any other law. Let's say this. Let's take an extreme example. What about in connection with foreclosure they send some henchmen out, some local guys to yank the homeowner out and throw him on the street and they say, hey, it's related to foreclosure.

THE COURT: Well, that's the kind of thing that the Debt Collection Act is

meant to prevent. But this is not the same kind of activity, that I can see.

MR. BOYLAN: Well, then all I can do then is re-read the statute because what we've alleged --

THE COURT: Yeah, I looked at the statue. I've got it right here in front of me.

MR. BOYLAN: Yeah. I mean, did they not act on behalf of the third party to demand and solicit payments and collect those payments?

THE COURT: Well, I think there's probably an issue of fact there. I'm not sure that's true, because by the time you get to a non-judicial foreclosure they're not paying, so you've got to provide a payoff.

MR. BOYLAN: If there's an issue of fact, why are we even arguing all this? This is a simple denial.

THE COURT: Well, that's only as to your first claim for relief.

MR. BOYLAN: Okay. And what are the Court's other questions? I can address these.

THE COURT: Well, the elder abuse, you don't cite any facts there, other than the fact that they're over 60. I mean, the natural consequences of losing your home to foreclosure is what you allege --

MR. BOYLAN: Your Honor, I'm sorry.

THE COURT: -- so I see no basis for that.

MR. BOYLAN: Well, here's the problem. I think the Court is not accepting as true what it must accept in this motion, and that is --

THE COURT: But you've got to allege some facts and all you've said is, well, gee, we were upset and one of them might lose their shelter.

MR. BOYLAN: No, no, no, we didn't.

THE COURT: Yeah, that's what you said in your second amended complaint.

MR. BOYLAN: But look at -- we incorporate the prior allegations, Your Honor.

THE COURT: Sure, and they belong with the other allegations. There's nothing that makes this unique, other than the fact that they are over 60, so.

MR. BOYLAN: Okay, under the statute if someone commits a statutory fraud against you and you're an elder, then you have additional remedies as an elder. We have said they committed a statutory wrong. They collected --

THE COURT: Okay, that's your first claim for relief.

MR. BOYLAN: Yes.

THE COURT: There's nothing that makes this elder abuse. There's no allegation in here that brings it within that kind of a statute or that type of claim.

MR. BOYLAN: Well, let me ask you this.

THE COURT: Okay.

MR. BOYLAN: If someone steals -- if someone comes and steals money from you in your house, you've got a claim for conversion, right?

THE COURT: Right.

MR. BOYLAN: And if they come and steal money from you in your house and you're over 70 years old, they're taking advantage of an elder. Let's say you can't walk or you have difficulty, they know it.

THE COURT: Okay. There's no allegations like that in here.

MR. BOYLAN: Okay. I think what we've alleged is that they were the victims of a statutory fraud at a time when they were elders, and under the statute that is sufficient.

THE COURT: I don't agree with you.

MR. BOYLAN: Well, then we would ask the opportunity to amend on that. And I will --

THE COURT: No. I mean, you've been through this enough.

MR. BOYLAN: I don't think we've -- I'm not sure we ever -- we've never had an opportunity to amend that, nor has it ever been challenged.

THE COURT: You've had -- this is your second amended complaint.

MR. BOYLAN: Well, that's because we were in federal court --

THE COURT: Okay.

MR. BOYLAN: -- and we had to deal with the erroneous orders that were reversed by the Ninth Circuit over there, Judge. It doesn't have anything to do with having an opportunity to satisfy you in Nevada. When have we even had an opportunity to amend as to elder abuse, even one?

THE COURT: Every time you filed a complaint.

MR. BOYLAN: It's never been challenged, Judge, and we've never had a judge tell us that they think it's deficient.

THE COURT: I think it's definitely deficient.

MR. BOYLAN: We've never had a judge say that you needed more facts here.

THE COURT: That's just part of pleading. You've got to plead something that says more than simply the same allegations that you put in the original claim. It says they didn't have a license, that debt-related notices, demands or collection -- that's in the first claim for relief -- were subject to debt collection when they were over 60. What's the -- there's no authority for that.

MR. BOYLAN: If you're not licensed it's a statutory fraud against an elder.

THE COURT: Okay. You've already said that in your first claim for relief. There's nothing that makes it the fact that they're over 60. All it says is: Inflicted pain, injury or mental anguish to an older person, as well as deprive an older person of shelter. If you don't pay for your house, what's going to happen? I mean, these are the natural consequences of being in foreclosure.

MR. BOYLAN: Well, again, you're going way beyond the pleadings and trying to turn to look at something that's really not at issue in this case. It doesn't matter. If someone is doing --

THE COURT: Well, if it's not an issue, then you're not going to be bothered by my dismissing it.

MR. BOYLAN: Well, no, what I'm saying is if someone commits an illegal act against you, it doesn't matter that you've had the misfortune that you're going to lose your house. I'm sorry, if someone is trying to do an illegal act against you that's contrary to law, they're not excused simply because you lost your job and you're going to lose your house. I'm sorry, that's not true.

THE COURT: But you don't get more -- additional recovery because you're over 60 unless you've really got elder abuse.

MR. BOYLAN: Do they have to physically beat you? What would that be?

THE COURT: Or take your money without -- you know, take your money without some kind of --

MR. BOYLAN: We've alleged --

THE COURT: But I'm not even persuaded that that's a good claim.

MR. BOYLAN: We've alleged --

THE COURT: I know you've alleged it.

MR. BOYLAN: We've alleged it. That's enough for today.

THE COURT: I disagree. I'm dismissing the elder abuse claim.

MR. BOYLAN: All right. I can't persuade you.

THE COURT: No, you can't.

MR. BOYLAN: What else, Your Honor? I know you have a lot of questions and I don't want to sit down before I get a chance to answer them.

THE COURT: Well, I think what it comes down to at this point -- it's almost a motion for summary judgment except there's no affidavit -- is that I can't really come to the conclusion that under no set of facts could you recover. I mean, I think it needs to be shown what the collection companies did, and I suspect -- well, I'm not going to speculate.

MR. BOYLAN: Well, that's true.

THE COURT: Or they're not collection companies, they're the trustees under the deeds of trust. That's who's here is the companies that do that.

MR. BOYLAN: Did you read the Reese case out of the Eleventh Circuit? This is a published appellate opinion by learned judges. Did you read that case? It says that you can do both -- you can be both. If you cross over and you're doing debt collection at the same time --

THE COURT: Okay. But -- and that's why I'm saying that I can't come to the conclusion that under no set of facts would you be able to prevail. So I'm denying the motion as to 1 and 2, granting it as to number 3, the elder abuse.

MR. BOYLAN: Thank you, Your Honor.

THE COURT: Well, I've already made a ruling.

MR. SCARBOROUGH: I know. Is there any chance I might be able to persuade you to go farther?

THE COURT: No. I mean, well -- and the person who made the motion gets the last word, so.

MR. SCARBOROUGH: I made the motion.

THE COURT: Right.

MR. SCARBOROUGH: Your Honor, this is the first time I've ever heard a motion to dismiss defeated by hypothetical. On the key core issue, if we are operating since 2011 as one of the other nine areas, if we can come in and prove, which we will on summary judgment that (D) applies to us, then we obviate the need for any consideration here.

THE COURT: Okay.

MR. SCARBOROUGH: I didn't want to do that, Your Honor, because I'm trying to be mindful of the allegations. But what you've heard is a defeat of a motion to dismiss by hypothetical and filibuster, divorced from Your Honor's good and crisp focus on the allegations of the complaint. That paragraph 23 is key. It is untethered -- untethered completely from any plaintiff and any fact. And Your Honor knows that under the trustee statute we have to put forward -- we have to as a matter of required law what those additional costs are going to be.

THE COURT: Well, and I understand that, but --

MR. SCARBOROUGH: If he can't allege that we're not -- that we aren't operating under one of those other nine possibilities, and that we only could possibly be a debt collection agency, then he doesn't have the ticket he needs to get into court. He's already made it clear that he's not going to be able to allege that.

And my last point -- I know Your Honor has ruled -- is on unjust enrichment. How can it be, as Your Honor stated it, that these deeds of trust which provide absolute entitlement for what occurred to these home borrowers, as sad and aggrieved as they are, how can that possibly be unjust enrichment under the law of this state spoken by the supreme court, the district court, and affirmed by the Ninth Circuit? Mr. Boylan chastises us for looking inside Nevada, which has its unique statutory scheme, and not having due regard for the Eleventh Circuit. I have great regard for the Eleventh Circuit; not on an issue of Nevada law and Nevada statutory construction. With all due respect, those are the decisions that count. And the unjust enrichment claim as easily as the elder abuse claim ought to be dismissed. If Your Honor is uncomfortable at all with deciding this licensure collection agency activity, I'd urge the Court to dismiss that.

This is their fourth pleading. I can explain why they had two shots at the -- at a second amended complaint. And Your Honor is right. Nobody precluded Mr. Boylan from taking all those things that he enthusiastically hurled at the bench behind which you sit in his first complaint, his first amended complaint, the second amended complaint that Judge Du wouldn't let into federal court. And we can show you a red line of the differences between this second amended complaint. That's four chances. As a matter of law the unjust enrichment claim at least should be dismissed. And that's all I have, Your Honor.

THE COURT: Okay.

MR. SCARBOROUGH: I think Ms. Schuler-Hintz wants to say a word.

THE COURT: Okay. Yeah, you haven't had a chance to weigh in.

MS. SCHULER-HINTZ: And I'm the one who knows the most about it.

Thank you, Your Honor. Good morning. Yes, I am the one person here who's been present throughout this and actually knows what went on with the FID and knows what went on with Quality, and knows what went on with Judge Williams and his order.

MR. BOYLAN: Can I cross-examine her, Your Honor? I'd love that.

THE COURT: No.

MR. BOYLAN: If we're going to get into that, let's get her right there, please.

THE COURT: No, I'm not going to do that. I mean --

MR. BOYLAN: I'd ask that she not give her little personal recitation unless we can examine her.

MR. SCARBOROUGH: You know, Your Honor, really, on behalf of my co-counsel --

THE COURT: She's acting as an advocate.

MR. SCARBOROUGH: -- I'd like to have her address it.

THE COURT: She's acting as an advocate. Go ahead.

MS. SCHULER-HINTZ: I'm just stating why I'm here, Your Honor. I know the history. I know that Quality has an order that says that Quality is not a debt collector. What I'm asking is that this Court honor that order.

THE COURT: Well, I don't really think I have to. I mean, it's not binding.

MS. SCHULER-HINTZ: I know it's not binding, Your Honor --

THE COURT: Right.

MS. SCHULER-HINTZ: -- but the court has already looked at this. The State of Nevada has looked at this. The FID has looked at it. And I can tell you we --

MR. BOYLAN: (Inaudible) you get your license.

MS. SCHULER-HINTZ: Counsel, I did not interrupt you when you were speaking. I expect the same courtesy.

THE COURT: Please address the Court, Ms. Schuler-Hintz.

MS. SCHULER-HINTZ: Thank you.

THE COURT: And no muttering back there. I can't really see him, so I don't know -- he's blocked by --

MR. BOYLAN: I'll put my hand up, Your Honor.

THE COURT: Okay.

MS. SCHULER-HINTZ: I guess they do things differently outside of Nevada.

THE COURT: No muttering. Please proceed, Ms. Schuler-Hintz.

MS. SCHULER-HINTZ: I think that there is a collateral estoppel argument here. The State had the opportunity to pursue it further. They had an opportunity to appeal it. They didn't. A ruling has been made on Quality as to whether it's a debt collector. It's not. These actions -- this case came at the same time as that one. So there's no difference here ascertainable as to why we should be in this case to be determined whether we're a debt collector, when the State of Nevada has already reached a determination that we're not a debt collector.

THE COURT: Well, I think there's an issue there because you've got the director, I can't remember his name, who concluded that they were, and then you asked for a judicial review and Judge Williams said they weren't, so I really feel like more information is needed as a part of the record in order for me to make a ruling on that, because the supreme court likes to see a record.

MS. SCHULER-HINTZ: I do understand, Your Honor. I would also add and remind the Court that when the State of Nevada instituted its foreclosure mediation

program, they had an opportunity to determine what body should govern it. The FID existed in 2009 when the foreclosure mediation program was brought into existence. They didn't give that --

THE COURT: They didn't give that to --

MS. SCHULER-HINTZ: They didn't give that power to the FID, they gave it to the court. So they've always kept matters of real property interest with the court in Nevada, not with government agencies. We saw the same with the NRS 116 decision; the power goes to the court. We saw the same with the Quality decision with Judge Williams; the power goes to the court. We see the same with the foreclosure mediation program; the power to determine a judicial foreclosure goes to the court. So I understand the Court's ruling, but like you said, we have to make a record. Thank you, ma'am.

THE COURT: Right, and I think that's necessary. So that's my ruling.

MR. REYNOLDS: Extremely briefly, Your Honor, if I might?

THE COURT: Oh.

MR. REYNOLDS: May I?

THE COURT: And you made a joinder, so go ahead. So you get to reply.

MR. REYNOLDS: Richard Reynolds for MTC. Your Honor, I did joinders throughout and it is true that they've had multiple opportunities because this is not a real second amended complaint, it's a third amended complaint. And they got extra time to decide. I think we had a status conference back in December and they had extra time to decide what they wanted to file to show, and deliberately put in allegations against a different company so that it could not be removed again because there's only one Nevada corporation --

THE COURT: Okay. So there's no diversity?

MR. REYNOLDS: -- which happens to be defunct --

THE COURT: Uh-huh.

MR. REYNOLDS: -- which is neither here nor there now. But my concern is we have six different parties and really there's six complete different complaints. Maybe there's six class actions, maybe nothing gets certified. But all I have is one paragraph, paragraph 5 of the Sansotas, who are not residents anymore, and all it says is we sent out a notice of default; it's attached. We sent out a notice of trustee sale; it's attached. The Court has taken judicial notice of the trustee's deed upon sale, which shows that it was bought for less than the debt by a third party. The Sansotas paid nothing. They couldn't possibly have an unjust enrichment because they're not -- there was nothing done at their expense. They didn't pay anything.

But my other issue is there are no -- paragraph 23 is -- are simply conclusions that are based on the actual notices that the Court's already got. It's the notice of default and the notice of trustee sale. There's no allegation that my client did anything other than act in accordance with the foreclosure statute. If the Court grants the motion and says, okay, amend and say something, then we've got something, but you can't come in consistent with the local rules of pleading, as well as Rule 11, and just say you're a collection agency and we don't care about this foreclosure statute, but by the way, we're incorporating the very notices we're complaining about. That's not the way pleading works.

And that's why I'm saying maybe they get the right to amend the first claim, but the Court should sustain it because they're not really alleging a fact that takes it outside of the foreclosure statute and that's what they have to do, unless

they're just saying as a matter of law it doesn't matter. And they're not saying that. They're saying it's possible to be a foreclosure company in Nevada and not have to be licensed. Okay, then plead what the heck people did as to your parties.

THE COURT: Well, paragraph 23 does, although it doesn't name you -- let's see. Yeah, it does, MTC Financial.

MR. REYNOLDS: We're even in the second cause of action. We're only one foreclosure trustee with one husband and wife out of these, whatever it is, twenty something people, some are husband and wife. What did we do? We're entitled to know that. You don't get to do a mass joinder and then, you know, fall on your sword and ask for mercy.

THE COURT: Well, that's what --

MR. REYNOLDS: They started it. They need to finish it with their own pleading so that we don't get stuck here forever.

THE COURT: Well, that's what Rule 16.1 is supposed to do.

MR. REYNOLDS: Well, actually that's what you're supposed to plead -- more than notice pleading when you're pleading fraud.

THE COURT: Right.

MR. REYNOLDS: They didn't do it. They just didn't do it. So the Court is saying -- I thought what the Court was saying originally was they didn't do it; I'm going to let you have one more chance. But now it seems like the Court is saying, well, you did it and everybody has to answer and let's start the party. I think they have to plead something and they didn't.

THE COURT: Well, I don't read paragraph 23 that way, so.

MR. REYNOLDS: They don't name --

THE COURT: They did name you.

MR. REYNOLDS; But 23 incorporates the foreclosure notices that the Court takes judicial notice of.

THE COURT: Okay.

MR. REYNOLDS: They didn't say that there were other notices.

THE COURT: Yeah, they do, actually.

MR. REYNOLDS: Actually, they don't --

THE COURT: Yeah.

MR. REYNOLDS: -- because I've spent the entire time reading the complaint.

THE COURT: Yeah, and that's the first thing that I read, so.

MR. REYNOLDS: Take a look at it. Read it again, it's all that.

THE COURT: Well, it says, "Plaintiff borrowers were told by defendants unless they could either remit the payoff on the loan or past due amounts, the amount owed to cure the delinquency on the account, their respective properties would be sold to satisfy the debt."

MR. REYNOLDS: They don't get to lump the defendants in as a matter of state law pleading, as the Court well knows. They lumped the defendants in. They need to say my client did it to the Sansotas. That's what they need to say. They didn't do it. Thank you.

THE COURT: Okay. Well, I'm going to allow -- I'm still going to deny 1 and 2. Three is dismissed.

MR. BOYLAN: We'll prepare the order, Your Honor.

THE COURT: Okay, and run it by counsel.

MR. BOYLAN: Absolutely.

THE COURT: All right. And this of course is without prejudice to a summary judgment if there's some -- just a collection of documents is what it sounds like to me. Are you thinking telephone calls and all kinds of things like that?

MR. BOYLAN: Yes, and we'll have to depose the key people who packaged this and decided to make it --

THE COURT: You're going to have to present affidavits of your clients as to what they got.

MR. BOYLAN: Right. But we're also going to show what they did, how they did it, what they sent, what their objectives were. We're going to show that all their actions fed right into that statute, meaning they were doing collection activities as well as simply serving as the trustee. They were packaging it that way, they were pricing it that way, and they knew what they were doing. They knew because they are collection agencies. They saw an opportunity to make a lot more money by combining all these different functions. And discovery, we believe, will show that.

MR. SCARBOROUGH: Your Honor, this is -- to think forward, one of the reasons I was so focused on the sufficiency of the pleading and what they need to allege, without attacking class actions across the board, where class actions get a bad name it's because -- and you just heard it come out of Mr. Boylan's mouth, now unleashed is an amount of discovery that oftentimes even when defendants are large and so-called well-healed, have to end up in a discovery fight, in a discovery burden where the discovery is one way, and that causes claims that have no basis in law to get settled even when they shouldn't.

And the only reason I say that is certainly not to tell this Court something it doesn't already know, but after we answer here, which is what you've

instructed us to do, it may well be that you see some early motions for summary judgment along the lines that I advertised about being other of the categories of permissible foreclosure. It may be relying on the very documents that you heard Mr. Reynolds say they seem to challenge. And you may see something that looks like a motion to strike the class allegations of the complaint, which is authorized under law, to try to at least pull this apart because we have an agglomeration of disparate entities doing different things.

And I don't say that negatively, but I think in fairness I wanted to advertise to the Court that in an attempt to try to curtail the expenditure that you hear coming, the fusillade of discovery that is clearly coming from my good friend on the other side, we may way to try to shorten this and decrease the expense to try to bring it to a position where you have what you think you need to decide these issues on the record.

THE COURT: Right. Well --

MR. BOYLAN: Based on my experience the way I read that is they're going to try to block every avenue of discovery because there's about eighty million dollars at issue under our estimate and they will have to block us from getting those documents, because those documents are going to show you when we get their documents, and they're going to block everything. Everything is going to be a fight.

THE COURT: Well, right now we don't have a class that's certified, so it's limited to the parties as far as the discovery goes.

MR. BOYLAN: Well, not under the law. I mean, in fact, we can brief that, Judge.

MR. SCARBOROUGH: There we go.

THE COURT: You'd have to because I --

MR. BOYLAN: I've briefed it many, many times.

MR. SCARBOROUGH: There we go.

THE COURT: Well, until you actually try to certify this class, I don't see any reason why --

MR. BOYLAN: Well, we can't certify it without giving you the evidence that shows you it was a policy and a practice that was spread across. I mean, how can we give you the evidence if we can't conduct the discovery to make the class certification motion? I'm sorry, it's just impossible. We have to gather that evidence in order to present it to you.

THE COURT: Well, you've got some named plaintiffs here, so.

MR. BOYLAN: Typically. Yeah, but we want to -- we're asking to certify an entire class. They're going to come in and say there's individual issues.

THE COURT: Well, it seems to me based on your complaint that there are individual issues. I mean, I'm not making a ruling, but that's kind of my take on your complaint.

MR. BOYLAN: Then they have to give us the documents that show it wasn't individual, that this is how they priced it and this is how they serviced it for thousands of people.

THE COURT: Not for thousands of people, for the people who are the named plaintiffs.

MR. BOYLAN: Well, typically -- in fact, invariably in a class action you have to do the discovery necessary to meet the class action requirements, including typicality, predominance and all that. We can't have a situation where they're

arguing that those things don't exist and then bar us from getting the discovery that showed these exist for the class, Judge.

THE COURT: Well, your own complaint doesn't say that they exist for the class. You've got different -- different people.

MR. BOYLAN: No. We have a class definition that says exactly that. We have a class definition. We framed our pleading. I've done this for decades.

THE COURT: Okay, that's fine.

MR. BOYLAN: I mean, it's in the pleading.

MR. SCARBOROUGH: Well, I'll stipulate that Mr. Boylan and I are both old and have being doing it for decades. You just heard what's coming at us. And this is the real disappointment in a sense that, as Your Honor pointed out, what are the damages here? He's talking about practices, procedures, all encompassing this, encompassing that. He's going through millions of documents, not because he wants to read any of the documents, but he wants us to cut a check. And the more he speaks, the more I'm disinclined on this side of the aisle to want to do any of that. But of course we're not spending our own money, either, we're spending our client's money. And my position, taking Your Honor's directive, will be to focus on the individual issues first. And like I say, you may see additional motion practice stemming from this.

THE COURT: It seems to me it all boils down to whether or not they are collection agencies, and you're alleging in your complaint that they conducted activities like making demands and phone calls and things that arguably may be collection activities. But this is under 107. I'm not convinced that the --

MR. BOYLAN: 107 does not allow you to commit crimes if you're doing

a foreclosure. 107 does not allow you to be a mortgage servicer. It doesn't allow you to do other things.

THE COURT: But I don't --

MR. BOYLAN: It doesn't allow you to be a collection agent.

THE COURT: Okay, so you've made some allegations. I need to see some paperwork.

MR. BOYLAN: Well, I'm going to ask them for it and they're not going to give it to me.

THE COURT: And I don't mean by that the packaging and all that. I want to see what they actually did, because if they packaged it that doesn't really matter --

MR. BOYLAN: I'm going to ask.

THE COURT: -- other than how they conducted their business.

MR. BOYLAN: I'm going to ask. There's documents that will show that and they're going to say no. And we're going to come back in here and ask you and I'm going to quote you and say, Judge, you wanted to see this; they won't give me the documents.

THE COURT: I want to see like the files for these particular individuals that you've named. I don't want to -- I'm not sure that I'm going to put much credence --

MR. BOYLAN: Well, then there can't be a class actions.

THE COURT: -- upon the packaging.

MR. BOYLAN: Well, then there can't be a class actions.

THE COURT: Well, maybe not.

MR. BOYLAN: If we can't show what they were doing on a class-wide basis, then how can we even make a motion to certify? It doesn't exist. You've just

eliminated class actions from the civil code. If we can't conduct the discovery to show it, we can't make the motion. It's over.

THE COURT: Well, you need to know some information before you even file, if that's the case.

MR. BOYLAN: Prove our case before we have discovery?

THE COURT: Rule 11.

MR. BOYLAN: We've met Rule 11 easily. We've given you the allegations, the specificity. We've attached documents where they admit they were a debt collector. Let's stop right there.

THE COURT: Yeah, because we've already argued this --

MR. BOYLAN: Yeah.

THE COURT: -- and I've made my ruling, so we're done. Okay.

MR. SCARBOROUGH: Thank you, Your Honor.

MR. REYNOLDS: Thank you, Your Honor.

THE COURT: Thank you.

(PROCEEDINGS CONCLUDED AT 11:36:30 A.M.)

* * * * * *

ATTEST: I do hereby certify that I have truly and correctly transcribed the audio/video proceedings in the above-entitled case to the best of my ability.

Liz Garcia, Transcriber
LGM Transcription Service

EXHIBIT “24”

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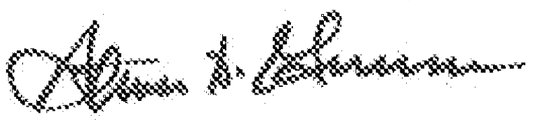

CLERK OF THE COURT

TRAN

EIGHTH JUDICIAL DISTRICT COURT
CIVIL/CRIMINAL DIVISION
CLARK COUNTY, NEVADA

JEFFREY BENKO, et al, Plaintiffs, vs. QUALITY LOAN SERVICE CORPORATION, et al, Defendants.	CASE NO. A-11-649857 DEPT. NO. XXIX

BEFORE THE HONORABLE BONNIE BULLA, DISCOVERY COMMISSIONER

WEDNESDAY, JULY 20, 2016

TRANSCRIPT RE:
ALL PENDING MOTIONS / DISCOVERY CONFERENCE

APPEARANCES:

For the Plaintiffs:	NICHOLAS A. BOYLAN, ESQ. SHAWN CHRISTOPHER, ESQ.
For Defendant Quality Loan Service Corporation:	KRISTIN A. SCHULER-HINTZ, ESQ.
For Defendant California Reconveyance Co:	LAWRENCE SCARBOROUGH, ESQ. JESSICA R. MAZIARZ, ESQ. KATIE M. WEBER, ESQ.
For Defendant MTC Financial, Inc.:	RICHARD J. REYNOLDS, ESQ.
For Defendant National Default Servicing Corporation:	KEVIN S. SODERSTROM, ESQ.

RECORDED BY: Francesca Haak, Court Recorder

CLARK COUNTY, NEVADA WEDNESDAY, JULY 20, 2016

PROCEEDINGS

(PROCEEDINGS BEGAN AT 9:05 A.M.)

DISCOVERY COMMISSIONER: Benko. I need everyone to state their appearances and who they represent, please. We'll start with plaintiffs' counsel.

MR. BOYLAN: Thank you. Good morning, Your Honor. Nicholas Boylan representing the plaintiffs, and also Shawn Christopher, my co-counsel, representing the plaintiffs in the case.

DISCOVERY COMMISSIONER: Good morning.

MR. CHRISTOPHER: Good morning.

MR. SCARBOROUGH: Good morning, Your Honor. Larry Scarborough, Jessica Maziarz and Katie Weber for CRC.

DISCOVERY COMMISSIONER: Good morning.

MR. REYNOLDS: Good morning, Your Honor. Richard Reynolds for defendant MTC Financial, Inc., dba Trustee Corps.

DISCOVERY COMMISSIONER: Good morning.

MS. SCHULER-HINTZ: Good morning, Your Honor. Kristin Schuler-Hintz on behalf of Quality Loan Service Corporation.

DISCOVERY COMMISSIONER: Good morning.

MR. SODERSTROM: Good morning, Your Honor. Kevin Soderstrom for National Default Servicing Corporation.

THE CLERK: I'm sorry, I didn't hear you.

MR. SODERSTROM: Kevin Soderstrom for National Default Servicing Corporation.

DISCOVERY COMMISSIONER: Good morning. So before we get started, I have a procedural question that I need to ask everyone. I'm going to start with the plaintiffs' counsel. When is the earliest possible date this case must be tried by?

MR. BOYLAN: Must be tried by or could be, Your Honor?

DISCOVERY COMMISSIONER: Must.

MR. BOYLAN: I don't know the answer as I sit here, Your Honor.

DISCOVERY COMMISSIONER: Okay. Defense counsel?

MR. SCARBOROUGH: Your Honor, if the five year rule applies, then we're looking at a trial I believe sometime in late 2017 or early 2018. We've got a schedule that doesn't contemplate that that has been exchanged between the parties and not agreed, but that would be my answer to your question.

DISCOVERY COMMISSIONER: I'm sorry. You said 2017?

MR. SCARBOROUGH: Late 2017 or early 2018.

DISCOVERY COMMISSIONER: And how did you calculate that?

MR. SCARBOROUGH: I calculate that from the dismissal in the federal district court before the appeal.

DISCOVERY COMMISSIONER: I don't think so.

MR. SCARBOROUGH: If it goes back to the original complaint, then the five year rule may well have run as we sit here today. Again, I don't have a full recollection of the original complaint.

DISCOVERY COMMISSIONER: I don't think it's run, but I think it expires -- unless the federal court proceeding tolls it, and I don't think it does because you were litigating in federal court.

MR. CHRISTOPHER: I have, Your Honor --

DISCOVERY COMMISSIONER: And our rule is different. Our Rule 41(e) is different, and I suspected that counsel was not aware of that. You have five years from the date of filing to bring your case to trial, which means by my calculations your file date I believe was on or about October -- I have 22nd but I thought it was earlier, actually.

MR. REYNOLDS: It's October 12th, Your Honor, 2011.

DISCOVERY COMMISSIONER: October 12th. Right. I think I just wrote the wrong date down. 2011. So that's the file date, so the trial date would have to be on or before October 12th of this year.

MR. BOYLAN: Your Honor, if I may comment, now that I understand. I have -- I've not researched it, but my strong impression is that the statute has to be tolled while the case is on appeal, and the case was on appeal in the Ninth Circuit for years. Now, I don't have the exact calculation in front of me, but I believe it was at least a couple years. It was a surprisingly long time before the Ninth Circuit issued and published its opinion in this case. So I would --

DISCOVERY COMMISSIONER: Okay. So here's my thought. And that may be, but I don't think being in federal court tolls the state court filing date. That's my concern. But if you were on appeal, it might arguably toll the time in federal court on the case. I just don't know if on remand it tolled the state court.

MR. BOYLAN: My thought, if I may, Your Honor, is the law is a very practical device and if you're in an appellate court you cannot go to trial. You simply -- it's as if you're imprisoned. So I can't imagine --

DISCOVERY COMMISSIONER: Some people probably believe that.

MR. BOYLAN: Yes. It takes -- it's a long term, a long prison term. So it's

not -- it would be really strange if the law said you're supposed to go to trial when you're in the appellate court.

DISCOVERY COMMISSIONER: Okay. So here's what I would like to have happen today before I proceed. I want the parties to stipulate to a date for the five year rule on the record, to be followed up with a stipulation. I don't know what is -- I don't know if this case is going to be reassigned to a different judge. I suspect it will be. We're still trying to work out the details of that. But I need -- because our rule is a mandatory dismissal, and if one of us is wrong in interpretation that could be a problem. Now, I hear what you're saying about it being tolled during the time it was on appeal in federal court. You may very well be right on that, but I don't have any case law before me and I think everybody has been proceeding without addressing that issue, and my defense attorneys from Nevada know that issue. You knew it.

MS. SCHULER-HINTZ: Your Honor --

DISCOVERY COMMISSIONER: So we need to figure this out on the record.

Yes, ma'am?

MS. SCHULER-HINTZ: Thank you, Your Honor. I was just trying to recollect the dates that it was actually on appeal. My recollection is that it went up on appeal approximately October 1, 2012 and it came back down I believe around August 2015, which would be about a three year tolling period, assuming tolling applies. Now, if you want us to pick a date somewhere before the end of three years as a firm trial date, we can step outside and pick out something that's --

DISCOVERY COMMISSIONER: I want an agreement by every attorney in here representing every party, that you have agreed that the five year rule does not

expire before this date.

MS. SCHULER-HINTZ: And I think we can --

DISCOVERY COMMISSIONER: And then I can deal with your motions and I can get you a trial date. We'll work on getting you a trial date.

MS. SCHULER-HINTZ: I think it's just in order to do that, rather than take up the Court's time, if we just step outside and do it.

DISCOVERY COMMISSIONER: Perfect.

MS. SCHULER-HINTZ: Then you can move on to another case and then we'll come back with an agreement for you.

DISCOVERY COMMISSIONER: That's perfect, because I am prepared to rule on your motions --

MS. SCHULER-HINTZ: Thank you, Your Honor.

DISCOVERY COMMISSIONER: -- but I needed this taken care of first.

(The matter was trailed and recalled at 9:16 a.m.)

DISCOVERY COMMISSIONER: Will counsel come back up? I'm going to recall Benko and I am going to perhaps ask a favor of counsel since there are so many of you and we do have a lot of work to do. I'm thinking if you could maybe give me 45 minutes or an hour I could get through the rest of my calendar and then I can give you all the time that you need. There's a café downstairs. Unless somebody has other obligations that they are going to be late for if I do that, in which case I will certainly accommodate you all.

MR. REYNOLDS: So check in at 10:00?

MR. SCARBOROUGH: I have an early afternoon plane, Your Honor, just after noon.

DISCOVERY COMMISSIONER: Okay.

MR. SCARBOROUGH: I'm willing to race for it to accommodate the Court's schedule, but I'm not sure I have unlimited time starting at 10:00. I probably need to be gone by 11:00.

DISCOVERY COMMISSIONER: Okay. I'm just looking at --

MR. SCARBOROUGH: I'm sorry for that.

DISCOVERY COMMISSIONER: No, I'm just looking at everything else I have and I think I can give you a good solid hour and maybe even more; you know, a good solid hour. But if you could come back at ten o'clock, but before we do that why don't we put a stipulation on the record as to the five year rule.

MR. BOYLAN: Thank you, Your Honor. We have agreed between us that the earliest possible date the five year statute could run is March 1 of 2019. The earliest possible date. Obviously we're reserving our arguments that it could be later, but we have agreed, as you exactly specified, that's the earliest date.

DISCOVERY COMMISSIONER: Okay. Can I have everybody's counsel state their appearance one more time and their agreement with the earliest possible date the five year rule runs would be March 1st, 2019.

MS. SCHULER-HINTZ: So stipulated, Your Honor. Kristin Schuler-Hintz for Quality Loan Service Corporation.

MR. SCARBOROUGH: So stipulated. Larry Scarborough for CRC.

MR. REYNOLDS: So stipulated. Richard Reynolds for MTC Financial.

MR. SODERSTROM: Kevin Soderstrom for National Default Servicing. So stipulated.

DISCOVERY COMMISSIONER: Thank you very much. And if you all --

MR. BOYLAN: And you may wish to note, Your Honor, I apologize for interrupting --

DISCOVERY COMMISSIONER: Yes?

MR. BOYLAN: -- that Meridian is not here today. Their counsel has filed a motion to withdraw. I don't recall the hearing date on that. So we have one party that is not present.

DISCOVERY COMMISSIONER: Okay. That could be a little bit of a problem. I would recommend that you all follow up with a written stipulation. You have a couple of months to get that done because the five year rule, if there's no tolling and we just look at the file date isn't until October, and I would highly encourage counsel to go ahead and do your waiver of the five year rule and -- or, I don't know if it would really necessarily be a waiver, but your agreement that the five year rule is extended to such and such a date, and hopefully get somebody from Meridian to sign off on it.

MS. SCHULER-HINTZ: I believe Meridian is defunct, Your Honor.

DISCOVERY COMMISSIONER: Oh. Well, then maybe it's --

MS. SCHULER-HINTZ: I don't know that they're going to be participating any further.

DISCOVERY COMMISSIONER: Yeah. It may not be an issue then.

MR. REYNOLDS: Your Honor, Richard Reynolds. Your Honor, I can assure you that Meridian is defunct.

DISCOVERY COMMISSIONER: Well, then it may not be a concern for you, but we do have the stipulation --

MR. BOYLAN: As to the others.

DISCOVERY COMMISSIONER: -- on the record.

MR. BOYLAN: As to the others. So, I mean, arguably if Meridian somehow was reincarnated the problem would only be as to it because we've got a stipulation --

DISCOVERY COMMISSIONER: Right.

MR. BOYLAN: -- as to the other defendants.

DISCOVERY COMMISSIONER: Absolutely.

MR. BOYLAN: Very well. Thank you, Your Honor.

MR. SCARBOROUGH: We'll be back at 10:00. Thank you, Your Honor.

DISCOVERY COMMISSIONER: Thank you very much.

(The matter was trailed and recalled at 10:20 a.m.)

DISCOVERY COMMISSIONER: Benko. Come on up.

All right. I'm going to relieve you of having to state your appearances again. So what I'd like to do first, since we've now stipulated to the earliest that the five year rule runs, is I would like to go ahead and have -- prepare your scheduling order and I think that this will make sense for the rest of the motions then that are before me today. I went back and read the hearing that you all had before Judge Scann. We do have another procedural problem and we're working on it. The Court is very sad right now with the passing of the judge and I hope that you all understand that. I had the pleasure of knowing the judge for a very long time. In any event, the order was never signed from the hearing. You all submitted competing orders, but the judge was going to revise the order and provide it or, you know, file it, and that was not done. We are working on it. I do not have an answer for you right now. So I know the parameters that the judge wanted to put in place for the discovery.

Now I'm going to tell you what I do and then I'm going to see if we can somehow work together to have a schedule that makes sense. And as I understand it, the summary judgment motions have been filed and moved to October, I believe.

MR. SCARBOROUGH: Only from one party, Your Honor.

DISCOVERY COMMISSIONER: Okay.

MR. SCARBOROUGH: The rest of us intend to do exactly the same thing, but we haven't done it yet.

DISCOVERY COMMISSIONER: Okay.

MR. REYNOLDS: Your Honor --

DISCOVERY COMMISSIONER: Yes, sir.

MR. REYNOLDS: MTC has -- Mr. Boylan and I have agreed, based on our schedules, to move our summary judgment motion as to Mr. and Mrs. Sansota, one punitive class named member, to October 10th. And that was signed -- that order was signed last week.

DISCOVERY COMMISSIONER: Okay. And I think Judge Ames signed the order, if my recollection serves me right.

So here's what I typically do on class discovery. And I understand there's a dispute whether this may be a class or may not be a class. I understand that. But in order to make that determination we have to do discovery. I think the court's concern, and I completely understand it, is there may have been -- there may be a legal issue here that precludes the plaintiff from proceeding in the case, period, whether there's a class or there's not a class. And I called -- I think the judge referred to this as discovery of the named plaintiffs only. I would like to maybe just recharacterize it as discovery in order to make the legal determination

as to the viability of plaintiffs' claims.

I know it may not be a significant distinction, but I think what you're really asking for, as I understand it, defense counsel, is just time, and the plaintiff is going to need the time to conduct the discovery to determine whether or not this reconveyance company, I guess, was a creditor or acted like a loan collection agency. I did not have access to Judge Williams' decision. I don't warrant it with my Westlaw program, so I did not have an opportunity to read it. But I suspect that, again, the other departments are not bound by that decision. It might be persuasive authority, but each department is going to have to reach its own decision and then maybe everything ends up on appeal. I think the other case was not appealed, for whatever reason.

MS. SCHULER-HINTZ: That's correct, Your Honor, it was not.

DISCOVERY COMMISSIONER: Yeah. But in any event, that's not this case, that's not these lawyers, that's not these plaintiffs. So we have to look at this case separately.

So what I envisioned was this. I envisioned giving you a couple of months to address the issue of the legal determination, and that would work with the summary judgment motions, I believe, or at least would be compatible with it. I don't know if you'll hear all of them at once, so it may necessitate the one summary judgment motion being moved to November. But I would like to say let's focus on that for a couple of months and do whatever discovery needs to be done for the legal determination as to the viability of the plaintiffs' claims.

Then this is Phase 2. I would absolutely require class discovery first. And the problem with the defendants' proposed dates is you go to Phase 2 class

discovery, that's your Phase 2, and you don't really give a date to file the dispositive motions on class certification. And then if the class is certified, what do we do? There's no more discovery. Oops. So that won't work. I think the belter approach is to have your Phase 2 be your class discovery and then the dispositive motion date in that phase would be the time to file the motion for class certification.

MR. BOYLAN: I'm sorry, I didn't understand that, Your Honor.

DISCOVERY COMMISSIONER: We have a dispositive motion deadline, which is like your summary judgment motions, but that would be the date that I would say that you should use to file your motion for class certification, if not before. But I'm just talking out loud now conceptually. The case that was right here before me, this is how we did it. We did the class discovery first and then the final -- but I will phase this in three phases because we do have that legal issue. But the third phase would be merit discovery, which would actually be liability and damages for the named plaintiffs as well as the class because there's no purpose in doing damages discovery on the named plaintiffs if we have a class and we have to do all of it at once. It just doesn't make sense to me.

So that's how I would typically phase the discovery. And next time I think maybe you use the word phase instead of bifurcate just because bifurcation has a very -- it's a term of art. Unfortunately it made the law clerk -- it made me panic. So we're phasing discovery. That's what we're doing.

MR. BOYLAN: May I share some initial comments, Your Honor?

DISCOVERY COMMISSIONER: Sure. Absolutely.

MR. BOYLAN: We have a lot to talk about, I think. The papers were lengthy.

DISCOVERY COMMISSIONER: Right.

MR. BOYLAN: Very voluminous. A lot of authority. But from our perspective the legal ruling that was presented by the pleadings was determined by the judge. The 12(b)(5) motion was denied. So the legal determination on the pleadings at least has been made. The only alternative now is a factual showing, so it has to be summary judgment. The legal determination is made. It can be revisited, but she was very clear she wanted a record, meaning facts, meaning summary judgment, as you've said. But I would ask the Court, what is the legal determination that you perceive Judge Scann wanted made based on the factual development, because I --

DISCOVERY COMMISSIONER: Are the defendants a collection agency, required to have a license? And that seems to me what the legal determination is and that seems to me to be a matter of law.

I do have one question, though, for the defendants. Do you really even need discovery on this issue, since you've already filed your summary judgment motions on it? And I don't know exactly conceptually what discovery you would undertake, except perhaps 30(b)(6) depositions of the defendants to ask questions about what type of activities they did, and, you know, did you act like a collection agency?

MR. BOYLAN: As a business in the state of Nevada, and that doesn't mean anecdotally with respect to one or two plaintiffs. Under the statute we are entitled to prove and in fact it appears we must prove that they were conducting a business in Nevada as a collection agent. So anecdotal information about one or two plaintiffs doesn't meet our proof requirement. So, if I can go on?

DISCOVERY COMMISSIONER: I agree with you. That's why I'm trying to --

and maybe I'm not saying this right or not communicating it as effectively as I would like, but that discovery that you just talked about, your proof on that issue, that's the discovery I think we need to do in Phase 1. And I don't think we should touch the individual. I understand what the judge meant by looking at the individual plaintiff's cases because she was thinking of the liability issue.

MR. SCARBOROUGH: That's right.

DISCOVERY COMMISSIONER: I really believe that, that she was thinking is there even a cause of action here, so let's just -- before we deal with the class, let's look at the individual plaintiff's cases.

MR. BOYLAN: Well, but she ruled there was a cause of action, at least on the pleading, so that was the ruling. So --

DISCOVERY COMMISSIONER: Right. But she invited the summary judgment motions. She contemplated discovery on that issue. She contemplated discovery on that issue.

MR. BOYLAN: Right, but here's the thing. It wasn't briefed. She had none of the evidence in front of her. She had none of the declarations that you now have. She was tired; it was the end of a long day. This is not something that should determine the course of this case, a random off-the-cuff discussion at the end of the 12(b)(5) hearing, Your Honor.

DISCOVERY COMMISSIONER: Oh, I agree with you. Believe it or not, plaintiffs' counsel, I actually am persuaded by your perspective of the case. Had I seen you all initially, I might have done something a little bit differently. But having said that, I understand where the court was coming from and I want to be able to make sure that we do this in a fashion that makes sense -- for your clients as well.

Why do you want to spend a lot of money doing research or discovery on class certification when you may not have a viable claim? That does not make sense to me.

MR. BOYLAN: I can answer that. And I've already been handling this case for five years. I went to the Ninth Circuit and back. They published opinion; probably the leading opinion now in the Ninth Circuit on CAFA. I'm not going anywhere. I believe we are a hundred percent right on the law. I also believe that the facts are incredibly strong already, and they won't even give us any discovery. If you saw the letters that we submitted, if you saw the documents we submitted, the declaration of Bijan, the evidence is already overwhelming. In fact, if you look at just MTC's summary judgment motion and the evidence we have already, that motion is dead.

Second, we've got a new plaintiff coming in who submitted a declaration -- Bijan. He's going to be added either by stipulation or motion very quickly. There's no way that summary judgment motion can prevail in light of that testimony. Now, I don't want you to get ahead of that. I'm not asking you to pre-judge that. What I'm saying is we don't want to duplicate discovery.

Let's look at the depositions, for example. The PMK depositions regarding the content and accessibility of their ESI. Now, you deal with this all the time. First, they should have disclosed what their ESI was in the 16.1. They could have reserved their argument that they're not going to produce it or whatever, but they should have at least disclosed what they had in what computers, what's the accessibility, what's the cost. How many files do they have? They didn't even disclose how many electronic files they have. Now, I believe normally that would

have made you upset. They didn't even bother to disclose it. This is called self-selecting --

DISCOVERY COMMISSIONER: Oh, you have no idea.

MR. BOYLAN: This is called self-selecting discovery. They determined the scope of discovery before we even saw you.

Now, let me tell you why that's handicapped you, if I may, Judge, because I've done this many times. If we had those depositions right now, you would have testimony in front of you from a PMK that says, oh, yeah, it's all in the computer, we just punch it in, it generates reports by name. We have a case history. It shows all of our telephone contacts. They deprived you of that information.

DISCOVERY COMMISSIONER: I don't need that information right now. I think it should have been disclosed under 16.1. I don't disagree with you on that because you have to disclose witnesses who may have knowledge. You have to disclose relevant documents. And obviously we could debate these issues right now on what is and what isn't, but lawyers get into trouble when they try to decide what's relevant and what isn't.

But having said all that, and I hear what you're saying, but I think that this is a significant enough case to phase the discovery and do it in a way that makes sense. And the first hurdle that the plaintiffs are going to have to overcome, and maybe it won't be a big hurdle, I don't know, you know, you're very confident. I just don't know the answers and that's not my decision to make. But I do believe that you need to focus in on your discovery on the legal issues. And that may mean, and defense counsel, you know that that may mean you'll have more than one 30(b)(6) deposition, but the 30(b)(6) deposition initially should be

as it relates to the credit collection services or aspects. And I would think you would want to take that and get that information up front.

MR. BOYLAN: Okay, but let's evaluate that. Let's sit in a deposition together right now. We're going to ask those questions and we're going to focus on the database so we can show they were doing this business statewide. They were in this business. They had thousands and thousands of files. With respect to these files, they were making calls from their phone bank, they were sending letters. That's part of our statutory proof. Now, how long is that deposition going to take just to ask the PMK about the data on that? An hour; two hours? Now, if we broaden that, how much longer is that deposition going to take to ask all the questions that might more broadly relate to the class? How much longer is that deposition going to take? Thirty minutes more? The questions are virtually identical, so why do we want to put an artificial limitation and end up doing that deposition twice? Depositions -- I've taken depositions in major cases for days. We're talking about a couple hours. Why would we separate that and then bring in all the lawyers from out of state --

DISCOVERY COMMISSIONER: Why would we increase litigation costs and expenses if the defendants -- and I know you disagree with this, but if they're correct on the law --

MR. BOYLAN: Isn't that true in every case?

DISCOVERY COMMISSIONER: -- that they are not collection agencies?

MR. BOYLAN: Isn't that true in every case where a defendant walks in -- I've had it in --

DISCOVERY COMMISSIONER: Well, this is a narrow legal issue, though.

This is a very concrete issue.

MR. BOYLAN: What is the issue?

DISCOVERY COMMISSIONER: Well, as I understand, the issue is whether or not the plaintiffs have legally valid claims under Nevada law, and specifically as it relates to these foreclosure entities acting as credit collection agencies.

MR. BOYLAN: Again, that was decided on 12(b)(5). Now --

DISCOVERY COMMISSIONER: No. No.

MR. BOYLAN: There's going to be summary judgment.

DISCOVERY COMMISSIONER: Listen. I know I may not look like it, but I probably practiced just about as long as you did before I took the bench. So -- let's hope I don't look like it, right? But here's the deal. That motion was a motion to dismiss on the pleadings. What the judge wanted you to do is do some discovery so she could decide it as a matter of law. That's what she wants done or wanted done. That was her plan. And why would you spend a lot of money doing class certification merit discovery without knowing the initial answer to the question of whether or not you have a legally valid claim under Nevada law?

MR. BOYLAN: Well, it may be that it is just semantics. I need to gather the evidence to defeat those motions. They're asking you to block me from significant components of that motion.

DISCOVERY COMMISSIONER: Well, I read through your motions, so I'm going to deal with those in a minute. But all I'm saying to you is why not phase the discovery? And maybe it is semantics. Maybe we're all talking about the same thing. Now, I don't see any, quote, "experts" being required in this phase. Does anybody see the need for experts?

MR. SCARBOROUGH: Absolutely not.

DISCOVERY COMMISSIONER: Yeah. I saw two deadlines. I saw a close of discovery deadline and a dispositive motion deadline. And then if the claims survive and as a matter of law the court says, yes, those claims are valid, then what I would anticipate is -- what I would anticipate is that we would go to Phase 2, which would be the class discovery. And I would do that next because the merit discovery would have to be the liability and damages for all the plaintiffs in the case.

MR. BOYLAN: In this case, however, if I may, counsel, please. I'm sorry. I understand what you're thinking now, but we need to dig a little deeper because if we're going to do the discovery that I think you're contemplating, it is going to overlap with factual development that relates to the class issues. Now, it's not for that purpose if you so design it, but there's going to be overlap there and we're going to need to --

DISCOVERY COMMISSIONER: There may be overlap in all the phases on certain discovery. That's the risk that you always have when you conduct discovery in phases. But when I think of class discovery, this is what I'm thinking. Who are the members of the class? Let's research that. You know, we've got to send letters out. The court would have to direct the letter to go to the class. I mean, there are a lot -- when I talk about class discovery it may not be the same as what you're contemplating, but that's what I would -- you know, the identification of the class members. And then do we satisfy class certification by numerosity, etcetera?

MR. BOYLAN: Let me give you a razor-sharp example that illustrates why this is problematic. Did you read the declaration of Bijan Laghaei? Now, his declaration -- he's going to be a plaintiff soon -- defeats summary judgment by MTC.

DISCOVERY COMMISSIONER: Okay.

MR. BOYLAN: Let me finish, please.

DISCOVERY COMMISSIONER: All right.

MR. BOYLAN: We had to find him on our own. So these people are witnesses. He has evidence -- You say you want a quick legal determination. These people have evidence which will defeat summary judgment, so I need to know their names and contact information. They are witnesses to defeat summary judgment. So does the Court contemplate that I'm not going to get their names and contact information? They're witnesses to defeat summary judgment.

DISCOVERY COMMISSIONER: I don't know how a witness could defeat summary judgment as a matter of law because that may raise factual issues and the court may say, hey, there are just too many factual issues. What we're talking about is a matter of law. Did these defendants qualify as credit collection agencies? I think you need to look at their conduct first. Now, that may necessarily mean that you get a list of all the people that they did business with and you look at that list. You may get the class list up front, you know, in accordance with the discovery that's being required, but you need to take your 30(b)(6) depositions of their principals. You need to depose their management staff and you need to find out what they actually did and whether or not their conduct and what they did in running their business qualifies under the law.

MR. BOYLAN: Okay, but why would I trust what they say as opposed to the other witnesses who already have a conflict? Rand Johnson, he's the principal of MTC. In support of summary judgment he submitted a declaration that says we never acted as a collection agent, never did forbearance agreements.

MR. REYNOLDS: Your Honor, this is really objectionable.

MR. BOYLAN: Okay. So, Bijan, we found him. We were lucky to find him. He submits a declaration which shows that all of that is false. So we can't just depose their managers and trust what they say.

DISCOVERY COMMISSIONER: Well, I think you need to find out what they did.

MR. BOYLAN: I agree with that, but we need their documents.

DISCOVERY COMMISSIONER: But you need to do that first.

MR. BOYLAN: Well, the other plaintiffs will show what they did. If you read Bijan's declaration --

DISCOVERY COMMISSIONER: Listen, he's not even a plaintiff in this case yet, okay.

MR. BOYLAN: He's a witness.

DISCOVERY COMMISSIONER: Fine.

MR. REYNOLDS: He's not anything.

MR. BOYLAN: But here's the problem. We have to make the legal determination first. That's what needs to be made first and that's what I'm going to require. I'm going to phase the discovery. Now, I'm not quite sure you will be objecting to on my Report and Recommendations because you'll have to do that with the motion work, but on the status check, which is why you're here today in part, the discovery conference. I'm going to phase it in three phases. We'll have to figure out the particulars of what discovery you think you need on those phases, but let's not get ahead of ourselves. I was only going to give you until September 16th to complete that discovery on the legal aspect of the legal validity of your claims.

You may need more time. You tell me.

MR. BOYLAN: Well, yes, much more time. At this point they've cancelled all the depositions. We should have taken two already. Did you see my supplemental declaration?

MR. REYNOLDS: Again, filed in violation of the rules, Your Honor.

DISCOVERY COMMISSIONER: You know what, I have seen a lot today, all right. I can't -- I go through it, I read it, I make notes, all right. That's what I do. Can I tell you specifically what's in it without reviewing it again? No, I can't. And you know what, here's one thing I don't care about your style of oral argument. I ask the questions, not you. If you need to ask me a question to clarify something, I am happy to listen, but I'm not here to be grilled or cross-examined by you today. All right?

MR. BOYLAN: Understood, Your Honor. Not my intention.

DISCOVERY COMMISSIONER: Okay. Well, you need to be careful.

MR. BOYLAN: I didn't know if the declaration made it to you.

DISCOVERY COMMISSIONER: I think it did. I've got three boxes full of materials and I have tabbed things.

MS. SCHULER-HINTZ: Your Honor, can I make a suggestion that might help move this along?

DISCOVERY COMMISSIONER: Yes.

MS. SCHULER-HINTZ: If you could tell us what dates you are thinking, we can take a look at those and then see if we need to move them or stipulate.

DISCOVERY COMMISSIONER: No. I'm going to give you your scheduling order today --

MS. SCHULER-HINTZ: Thank you, Your Honor.

DISCOVERY COMMISSIONER: -- because you need to get busy.

MR. SCARBOROUGH: Then on that, Your Honor, if I could?

DISCOVERY COMMISSIONER: Yes.

MR. SCARBOROUGH: I would suggest we need at least two more weeks from September 16th, round about to October 1st, so that from the defense side we can get the document requests out to see what these plaintiffs have in their possession and then go ahead and take their depositions. And I think given -- wanting to have the documents before the depositions, which is ordinary, we can get that all done on October 1st. I don't want to give this Court the impression that we're trying to extend this timeline. We're trying to do this first phase as quickly as we conceivably can.

DISCOVERY COMMISSIONER: Well, I wasn't contemplating you taking plaintiffs' depositions in the first phase.

MR. SCARBOROUGH: Well, then --

MS. SCHULER-HINTZ: Your Honor, I think we do need them.

MR. SCARBOROUGH: Yes.

MS. SCHULER-HINTZ: The affidavit of Mr. Benko made some claims that we really need to address because it goes to the heart of their allegation that we were engaging in credit collection work.

DISCOVERY COMMISSIONER: Well, you all have just argued yourself out of phasing discovery.

MS. SCHULER-HINTZ: In that case, Your Honor, we'll do it in phases.

MR. REYNOLDS: Well, Your Honor --

DISCOVERY COMMISSIONER: No, I'm serious about this. Listen to yourselves. Now we're getting into factual investigation. That's what you're getting into. Maybe this case doesn't lend itself to that. Maybe I just need to give you one set of deadlines and you do whatever you feel is best. But I was trying to be prudent. I was trying to honor what I believe was prudent on Judge Scann's part to address the legal issues first. But this is not a situation where I felt that we were going to depose the plaintiffs. In fact, I wouldn't see that happening until Phase 3 when we do the merit discovery. What needs to happen is -- and I'm not saying you wouldn't do written discovery on, you know, what do you base -- you know, what are the factual bases for your certification. But you know what? This may not be doable. It may not be doable in the way that you all want to complete discovery.

MS. SCHULER-HINTZ: Your Honor, if we can do the written discovery, then I don't see any problem with the phases.

MR. REYNOLDS: May I speak, Your Honor?

DISCOVERY COMMISSIONER: Yes, of course you may.

MR. REYNOLDS: For MTC. I start at this from a different perspective.

DISCOVERY COMMISSIONER: Okay.

MR. REYNOLDS: The first perspective I start at is what Judge Scann said. Quote, page 40, lines 20 and 21.

DISCOVERY COMMISSIONER: I've read the -- I really have read it.

MR. REYNOLDS: She says: "It's limited to the parties as far as the discovery goes." That's what it says. She specifically says: "Well, right now we don't have a class that's certified, so it's limited to the parties as far as the discovery goes."

DISCOVERY COMMISSIONER: We don't have a class that's certified because we don't have the discovery to certify the class.

MR. REYNOLDS: Let me -- Counsel complains about not producing documents. On the 16.1 as to his clients, the Sansotas, who are out-of-state residents in Ohio, he produced no documents, no communications between my client and his and only referred to those documents that are recorded. That is why we filed the motion for summary judgment because he conceded that if that's all it is, he doesn't have a case against my client as to the named parties. I have a summary judgment motion as to the named parties. I have requests for admissions that are out now as to the named parties that say, did we ever talk to you? The answer is going to be no. I can have a motion for summary judgment and be granted. If he wants to try to find another putative class member, go ahead. I'm happy to talk about Mr. Laghaei because the statute has run against him. He's represented by other counsel and has been for years. He doesn't mention that to you.

DISCOVERY COMMISSIONER: Okay.

MR. REYNOLDS: So that's my point is why am I -- why are we doing this --

DISCOVERY COMMISSIONER: Why are we --

MR. REYNOLDS: -- when we have a pending motion for summary judgment?

DISCOVERY COMMISSIONER: Well, because we have something called Rule 56(f), and I would be very surprised in the environment that we're in in this day and age that you're going to get a summary judgment motion granted without some discovery.

MR. SCARBOROUGH: And that, Your Honor, is why I think we need to be

able to hear from the named class representatives --

DISCOVERY COMMISSIONER: Well, I'm not going to have plaintiffs --

MR. SCARBOROUGH: -- in some --

DISCOVERY COMMISSIONER: I'm sorry, I don't mean to interrupt you, but I am not having the plaintiffs deposed more than once. So that means you're going to deal with their damages at the same time. That means we can't phase discovery.

MR. BOYLAN: Also, Your Honor, you made a good point. I don't think we should --

MR. SCARBOROUGH: Actually, I thought you and I were dialoging, Your Honor.

DISCOVERY COMMISSIONER: We are dialoging, but the problem is why am I going to have the plaintiffs deposed twice on damages and liability? I didn't see that as what we needed.

MR. SCARBOROUGH: And I'm pretty sure I didn't say that we needed to depose them twice at any point in this. What Ms. Schuler-Hintz said would work. I think for purposes of summary judgment what we need is the plaintiffs on record with a verification somehow of saying either I was the recipient of abusive telephone calls, which might qualify for debt collection services if indeed that takes it out of the ambit of Chapter 107, non-judicial foreclosure or not. It doesn't necessarily require their deposition. Or the statement you just made, Your Honor, that there's something called 56(f), what we're going to see is an affidavit from the plaintiffs when we file our motion, saying I was the recipient of 42 telephone calls and let me tell you how those came out.

To go back to Judge Scann, and I know you read the transcript.

DISCOVERY COMMISSIONER: I did.

MR. SCARBOROUGH: It's absolutely clear. What she was saying was to the main argument that every federal court in this state and Judge Williams in the QLS case -- Ms. Schuler-Hintz really wondering why she's here representing the same defendant again -- has ruled --

DISCOVERY COMMISSIONER: Because you're in a different case, different department.

MR. SCARBOROUGH: But has ruled that the debt collection licensing statute does not apply. So what's being argued to my right is an attempt to get a new ruling never before in this state, and that provides some context. Now, let me tell you what Judge Scann said. As you know, she said, okay, really, Mr. Boylan, and on behalf of the plaintiffs, if you think that there's something that takes this case outside the ambit of Chapter 107, then it ought to be in the files, the documentation that went back and forth between the particular mortgage foreclosure trustee and the named plaintiffs, and frankly it ought to be in the plaintiffs' heads about their own dealings with said mortgage foreclosure trustee. Once you assimilate that material, and I'm not pushing back on the deposition at all if we can ask some interrogatories, once we assimilate that material to take out the Rule 56(f) affidavit and make this a live summary judgment ruling, then the Court and we are going to have the ruling that Judge Scann contemplated being made before we move to class certification discovery. That's all I have to say on that topic, Your Honor.

DISCOVERY COMMISSIONER: So what do we do after class certification discovery? Let's say we flip phases. We make Phase 1 and 3, we kind of combine it. And so we call it just discovery of named plaintiffs only, for lack of a better phrase,

but really it is in order to make the legal determination of the viability of plaintiffs' claims. So let's say we conduct that discovery.

MR. SCARBOROUGH: That's Phase 1.

DISCOVERY COMMISSIONER: Okay.

MR. SCARBOROUGH: I would argue, based on what the Court has said, not necessarily the position we took, that you combine Phases 2 and 3 because I'll tell you why under your view, because we do get to take the deposition of the class representatives before the certification motion is decided because there's this issue of whether they are adequate class representatives.

DISCOVERY COMMISSIONER: Okay, but conceptually here's my problem. Let me just say what my problem is and then maybe you can help me fix it. So let's just say we combine 2 and 3 and that will be Phase 1.

MR. SCARBOROUGH: That will be Phase 2, in my view.

DISCOVERY COMMISSIONER: Well, but what will be -- but we can't now because what you're saying -- and I don't disagree with you, I'm not sure I want to limit you to written discovery. You may have to take the plaintiffs' depositions and they are the named plaintiffs right now. But the class discovery is intertwined with that because they are the class rep-- alleged. You know, we don't have class certification yet. But what happens if we combine Phases 2 and 3? Do I give you one scheduling order or do we do a second phase on damages? I mean, here's the problem. Once -- if the class is certified, which I don't -- I'm not sure how this is going to play out, but then we have to have time to do some discovery on the class. That's my concern.

So, really, I do this differently. In the cases before that you've seen,

we do the class discovery first, then we do liability and damages. We do merit discovery. That's how most of the classes are handled. But this is a little bit, I suppose, unique, just because of where you're at right now. But I think maybe the best way to do this is to give you one scheduling order with one group of dates and set the close of discovery far enough out that if the class becomes certified that you'll have time to follow up on any damages discovery. That's the only thing I can think of. And I will have to trust my attorneys to work together because unfortunately what you're telling me is that there is going to be overlap between the individual plaintiffs' cases and the class. But really, I'm frankly at a loss right now.

MS. SCHULER-HINTZ: Your Honor, may I --

MR. BOYLAN: Your Honor, we would agree with that plan.

MS. SCHULER-HINTZ: May I make a recommendation?

MR. BOYLAN: If I can? And just to --

DISCOVERY COMMISSIONER: Let me hear from defense counsel first.

Go ahead, ma'am.

MS. SCHULER-HINTZ: Thank you, Your Honor. I think that the phase is a good plan. I think what I see you struggling with is --

DISCOVERY COMMISSIONER: Is the practicality of it.

MS. SCHULER-HINTZ: The practicality. Exactly, because of the overlap. Now, the issue is the allegation at the motion to dismiss hearing was that we went outside the scope of 107.080 et seq and did things that were not foreclosure collection, and this is where Judge Scann had the issue. So if we do the phased discovery, I think what we can do is do Phases 1, 2 and 3 but do a limited combination of Phase 3 as to the named plaintiffs, as to their damages, their

depositions and all of that as part of Phase 1, because those are questions that would naturally come out in a depo or in discovery.

DISCOVERY COMMISSIONER: Then I'm going to let the plaintiffs do the class discovery. And the reason I'm saying that is there is going to be overlap. I don't know if I can, based on everything you're telling me -- now, what I could do is we could define the class discovery a little bit. You know, but I don't know how to do it, really.

MR. BOYLAN: It's hard.

DISCOVERY COMMISSIONER: And I have been down this road before and I am frankly concerned about this because necessarily you're going to end up doing class discovery. I want you to be able to take the plaintiffs' depositions to be able to determine what they know, to be able to defeat or to bring your motion for summary judgment on these issues, knowing that you have had the ability to fully depose the plaintiffs and you have all the facts so you are not surprised down the road.

MS. SCHULER-HINTZ: But we don't want --

MR. REYNOLDS: I'm not concerned.

MS. SCHULER-HINTZ: We also want limited -- I mean, I understand the struggle.

DISCOVERY COMMISSIONER: But how fair is that?

MS. SCHULER-HINTZ: But I don't think we need --

DISCOVERY COMMISSIONER: How fair is that to the plaintiffs, though, if I say to them you'll be deposed as class representatives; oh, but by the way, we're not doing class discovery. And by the way, in a year you have to come back and

you have to be deposed on your damages.

MS. SCHULER-HINTZ: No, Your Honor. We don't want them to have to come back in a year. Absolutely not. We don't want them to have to come back in a year. I think if there's -- as part of their depo, as part of their discovery their damages claims would come out in that, which is why they wouldn't have to come back. So if we get through the first phase of discovery and we do all of the discovery on the named plaintiffs, the files are open, they can look at everything to do with the named plaintiffs, and if they find something that's outside the ambit of 107.080, that would open the class discovery.

DISCOVERY COMMISSIONER: But what if in order to defeat their summary judgment motion they have to know all the plaintiffs that were -- potential plaintiffs that were affected by this or they find out that maybe these representatives or these people didn't exactly get all the phone calls but somebody else did maybe down the road --

MS. SCHULER-HINTZ: But then they're not really named plaintiffs.

DISCOVERY COMMISSIONER: -- how do I make this fair? How do I make it fair?

MS. SCHULER-HINTZ: But then they're not named plaintiffs, Your Honor, because they didn't get the phone calls. That's just it, is we're foreclosure trustees.

DISCOVERY COMMISSIONER: They're not named plaintiffs because we haven't done class discovery. We're in a circular --

MR. SCARBOROUGH: Your Honor, might I just say we cited two cases, the Ziniak (phonetic) case and the Bird Hotel case right on this point that make it clear that the obligation to find appropriate named class representatives rests with

the plaintiffs. They are not entitled to the records of all the people we dealt with, with whom we did business on the run-up to class certification in this phased kind of discovery. They're just not. We don't have to supply them with those names.

DISCOVERY COMMISSIONER: Are you willing to answer the question, though, whether you made phone calls to any of the fifty states and made phone calls to any of the people that you were servicing these loans? Did you make phone calls as part of your routine practice? And if you did, who did you call?

MS. SCHULER-HINTZ: Absolutely. I'll answer it right now. We did not.

MR. SCARBOROUGH: We're happy to answer those questions because that's fair.

MR. BOYLAN: Your Honor, on that point they cited two cases. Like much of their brief, they cite a lot of trial court orders. That is a minority and we distinguish those because discovery had actually been allowed in part in those cases. We cited ten appellate court cases, the complex case manual. I mean, this is very routine class action management. Of course we're entitled to find the witnesses and potential new class representatives. It's done all the time. If they -- what they're telling you right now is if we get this information their case is over because all these people are going to come forward with all their letters and their phone calls and it's going to be overwhelming.

MS. SCHULER-HINTZ: Objection, Your Honor.

DISCOVERY COMMISSIONER: Well, we don't know that.

MS. SCHULER-HINTZ: It's pure speculation.

DISCOVERY COMMISSIONER: Do we know that? No, we don't know any of this.

MR. BOYLAN: I'll tell you how we do know it.

DISCOVERY COMMISSIONER: This is speculative at this point.

MR. BOYLAN: No, no. Look at the deposition --

DISCOVERY COMMISSIONER: Sir, I'm so sorry about your airline flight. Can you --

MR. SCARBOROUGH: You know, Your Honor, this is way more important than that.

DISCOVERY COMMISSIONER: Are you able to rearrange your schedule? And I really apologize to you. I'm just -- I know you're in from out of state. There have been some delays that are not any of the attorneys' fault.

MR. SCARBOROUGH: No apology from this Court needed. This is extraordinarily important. And when I'm faced -- so I will rearrange my flight out of town. But I do want to say -- and Mr. Boylan has said things like this before about the weight of authority and the amount of years he's been in it. I guess I put my gray hair up against others --

DISCOVERY COMMISSIONER: Well, perhaps together we have more years. I don't know.

MR. SCARBOROUGH: -- in the room. But that is just not correct. And I don't want this Court to use as a basis something where --

DISCOVERY COMMISSIONER: I think this Court is a little more intelligent than that.

MR. SCARBOROUGH: I know this Court is intelligent, but I feel that if I sit here and do not give the counterweight to each of these things, that the incessent push, push, push backs us off from something which sounded absolutely sensible

and comported with what is really routine judicial judgment at this point in time in class action litigation.

DISCOVERY COMMISSIONER: Do your clients make phone calls to people who they service at all? Do they -- How do they communicate?

MR. REYNOLDS: On behalf of MTC, Your Honor, our clients do not call foreclosure borrowers.

DISCOVERY COMMISSIONER: Okay.

MR. REYNOLDS: If somebody calls us, we respond.

DISCOVERY COMMISSIONER: Okay.

MR. REYNOLDS: We do not make phone calls. I can assure you that is the case.

DISCOVERY COMMISSIONER: Is that pretty much how the industry works here?

MR. SCARBOROUGH: That is pretty much how the industry works. And as a result, that's why in our view, and we don't know what was in her head, but judging from the words that she spoke, that's why Judge Scann said before this incredible burden of discovery falls on defendants, which is something that causes defendants to up and settle unmeritorious claims before their time to avoid the expense, that she would ask for some focus on whether these types of telephone calls and other things that counsel is speculating occurred actually occurred. We have something like 17 named plaintiffs because -- and I think the Court sees this -- we don't have one class action here. We have as many class actions -- and they concede this at page 3 of their deposition papers, we have as many class actions as we have defendants because of course each homeowner with a home got involved

with a particular mortgage trustee, and so we've really got five mini class actions here.

DISCOVERY COMMISSIONER: This is why we were unable in the Eighth Judicial District Court to coordinate the quiet title cases, because each case is different. Each homeowner is different. Each set of circumstances are different. So I'm very aware of the problems.

MR. SCARBOROUGH: And you've just stated why this class won't ever be certified. But I agree that there ought to be a chance for discovery if there is a legal viability to any of these 17 individuals' individual claims.

DISCOVERY COMMISSIONER: So I still get back to where I started, which is I think we need to do some discovery on the legal determination --

MR. SCARBOROUGH: Yes.

DISCOVERY COMMISSIONER: -- of whether or not the plaintiffs, the named plaintiffs, if you will, have a viable cause of action. Now, the only caveat, though, I do want to say is this. I don't know if we need a certified class right now. I don't know if we do. But I am confident that the defendants have the technology to run reports to identify individuals that may be class appropriate. My only concern right now is that I get this case moving, and I want to do it in a cost effective way for everybody. It's important to me to do that. We don't have the proportionality rule that federal court does, but we have a rule called 26(g) which basically talks about the same thing.

So how can we do this, and how can I allow the plaintiffs to have the discovery that they really need as well, which may overlap? But I think what I don't want to get into right now is getting the list of the class representatives, making

phone calls to twenty, you know, two hundred people. First of all, I think you're going to have to have a letter sent to these individuals that the Court is going to have to acknowledge and accept and you're going to have to sort out the language of the letter that's going to go to the class. I mean, these are things that we don't want to be doing right now.

MR. BOYLAN: Well, we have to contact them as witnesses now because we need their evidence to defeat summary judgment. We also may need to add them, like Mr. Laghaei, as additional class reps for the reason you said yourself, which is maybe some of them got more letters, more phone calls.

And if I could respond to just a few things.

DISCOVERY COMMISSIONER: Uh-huh.

MR. BOYLAN: I deposed the principal of MTC, Mr. Reynolds' client. They have 200 employees. They have phone banks. They have at least 10 people working the phone bank.

MR. REYNOLDS: Your Honor, this is just completely false.

DISCOVERY COMMISSIONER: Okay. Okay.

MR. BOYLAN: It's in her -- it's in the transcript I gave you.

MR. REYNOLDS: It's completely false.

DISCOVERY COMMISSIONER: Okay, listen, I just want to stay focused for a moment, okay?

MR. BOYLAN: Okay.

DISCOVERY COMMISSIONER: I need you just to stay focused with me. Let's work out a scheduling order that makes sense.

Now, plaintiffs' counsel, when you start doing discovery, okay, when

you start doing discovery and when you start talking to your plaintiffs and if you run -- you get the factual information that you feel says, you know what, we need to start doing class discovery, why don't you come back and see me. But I think we need to start initially with determining what we do have because I don't even know if we know what we have right now.

MR. BOYLAN: Well, that's why we need evidence. And we submitted a lot of evidence. This is a little bit unusual. A motion to grossly limit discovery with no evidence, like they submitted no declarations on burden, expense, duplication.

DISCOVERY COMMISSIONER: This is phasing discovery, and I suspect in most of the manuals, the complex litigation manuals, I know that discovery can be phased. I don't think this is anything unusual. I will tell you in my experience I have put the class certification discovery first and then the merit discovery second.

MR. BOYLAN: Mine, too.

DISCOVERY COMMISSIONER: Now, that's how I've done it. I understand there's this legal issue. And in those other types of cases we know that they have the right to sue on a products liability claim, we're not worried about the legal issue of the liability of that cause of action. My concern here is there's an issue, a fairly serious issue of whether or not there's a viable cause of action under the Nevada law; period. That has to be determined. What do you need discovery-wise to make that happen? And that's where we're at.

MR. BOYLAN: We just --

DISCOVERY COMMISSIONER: Now, I think we need some foundation to go exploring to find other names of other individuals. We need more foundation and I just don't think we have it right now.

MR. BOYLAN: We have -- we've given quite a bit of that in actual sworn evidence and documents to the Court, Your Honor. We've given you a lot of evidence to show that foundation.

DISCOVERY COMMISSIONER: Okay.

MR. BOYLAN: And if I may, your comment about Rule 56(f) is very important. They want to file summary judgments to defeat a case and they want to limit discovery. We would suggest that as you were starting to go in the direction that at this point there should be no limitation. Let's start taking the PMK depositions. You can deal with it on a case-by-case basis when it starts to crystalize in front of you. And since there's already one summary judgment motion filed, we will just as a matter of course have to oppose any limitation. In the case that was argued before us, you looked at the lawyer and said he can ask any questions he wants in the deposition. And that's what --

DISCOVERY COMMISSIONER: I did. I did say that.

MR. BOYLAN: And that's what we need to do here, particularly until we get beyond summary judgment because they are now -- they are actually telling me in the deposition, such as the one I submitted to you, they're telling me what I can ask in the deposition.

DISCOVERY COMMISSIONER: No, not necessarily, but I do think it's fair under the facts and circumstances of this particular case and the complexity of it, we have to make the determination -- the Court has to make the determination initially of whether or not as a matter of law the plaintiff has viable claims; as a matter of law. So how do we do that without expanding discovery? I mean, I would personally not feel like I did my job and was responsible as the Discovery

Commissioner if I allowed class discovery at this point in a case where the claims are not viable. And I think that was -- I know that was Judge Scann's concern.

Now, I do agree in principal with the plaintiffs' position. I do. And I generally allow class discovery. Let's do the class, then we'll do the merit. But I think the concern in this case is the viability of those claims. So here's my proposal. I think I need to give you about 60 to 90 days to -- Listen, if class discovery waits 90 days, it is not going to be the end of the world for you, I guarantee it.

MR. BOYLAN: I'm going to be in Europe quite a bit. Mr. Reynolds and I have been speaking. He has a pretty significant --

DISCOVERY COMMISSIONER: Are you going to Europe, too?

MR. BOYLAN: We're not going together that I know of.

DISCOVERY COMMISSIONER: Not a group trip. Okay.

MR. SCARBOROUGH: That's Mr. Reynolds.

MR. BOYLAN: But Mr. Reynolds also has some vacation plans.

DISCOVERY COMMISSIONER: Sorry, Mr. Reynolds.

MR. SCARBOROUGH: I'm not going to Europe at all. I'll be here, Your Honor. I just want to assure you of that.

DISCOVERY COMMISSIONER: Okay.

MR. BOYLAN: So we have some scheduling --

DISCOVERY COMMISSIONER: Mr. Reynolds, what is your time frame? What do you think is realistic for you? I know you filed your motion for summary judgment and I appreciate that.

MR. REYNOLDS: Well, insofar as my time frame as to these named plaintiffs --

DISCOVERY COMMISSIONER: I want you to do what you feel like you need to do to --

MR. REYNOLDS: I don't need -- I need them to simply respond in three weeks to the written discovery and the case is over from my perspective.

DISCOVERY COMMISSIONER: All right.

MR. SCARBOROUGH: Sixty to ninety days works for the rest of us for sure.

DISCOVERY COMMISSIONER: Okay.

MR. REYNOLDS: What Mr. Boylan and I -- just so the Court knows, Mr. Boylan is out in Europe I think from the 9th to the 23rd, and what we were trying to do was not require his response to our motion for summary judgment to be right after he came back from his vacation. So I'm only gone from the 11th to the 17th of August. I'm taking my daughter back to college, but that's it.

DISCOVERY COMMISSIONER: Well, here's the problem.

MR. REYNOLDS: So that was between Mr. Boylan and I trying to make sure that, you know, he was not getting thrown under the bus during the month of August. That's what we were talking about.

DISCOVERY COMMISSIONER: Okay, and I appreciate that. Here's the Court's problem. Your presiding judge did pass away and we are going to have to figure out how we're going to manage this particular case due to its nature, so it may be reassigned. I wouldn't count on my summary judgment motion being heard in October. I'm not sure. I can't speak to that. But I just -- I don't want there to be a surprise there if that motion needs to be moved a month, okay. I don't want that to be a surprise to you.

What I'm thinking we should do, I should give you August, September

and October to get the initial discovery done as it relates to -- and I'm going to characterize Phase 1 as discovery in order to make legal determination as to the -- to make the legal determination as to the validity of plaintiffs' claims. I know that is a long title. And this is what I contemplate in this Phase 1 discovery. I contemplate that if necessary the defendants can take the plaintiffs' depositions; if necessary. This may not be a true damages -- it may be statutory, so I'm not sure we really have to have a proof of damages. I'm just not sure on that.

MR. SCARBOROUGH: Not from our perspective on Phase 1.

DISCOVERY COMMISSIONER: Yeah. I'm not sure. So maybe we just depose these plaintiffs one -- obviously one time. I'm not going to -- this is, believe it or not, we're going to be very prudent on how we proceed. Now, I will obviously during this first phase require the defendants to respond to written discovery, to have their 30(b)(6) depositions taken. The only limitation that I can really see at this point, and that is with the understanding, defense counsel, that you may very well have to produce a 30(b)(6) deponent again, would be I don't want to get into what I consider true class discovery where we're getting all the names of the potential class members, we're dealing with the numerosity issues, we're dealing with commonality issues.

I promise you, plaintiffs' counsel, that when the time comes you'll have the discovery you need. Now, you can't obviously move to certify the class until you have that discovery and I'm going to give that to you in Phase 2.

MR. BOYLAN: Understood. But part of our opposition to summary judgment will be we were barred in discovery from getting the names of the critical witnesses needed to submit declarations.

DISCOVERY COMMISSIONER: Okay. So let me explain this in case -- and I know you all don't -- some of you don't practice here in Nevada. We have something called 16.1, and I have just recommended extremely severe sanctions for a defendant who failed to disclose potential witnesses because they didn't think they were relevant. I am serious about this and I am not joking. If the defendants have knowledge of individuals who received phone calls, if they know their phone banks did call people and they don't identify those people as witnesses, then you can move for Rule 37 sanctions. That's --

MR. BOYLAN: And collection letters. Did you see the letters we submitted, Your Honor? Those are wonderful. They're unbelievable. They're slam-dunk collection letters.

DISCOVERY COMMISSIONER: Okay. You have to identify under 16.1 witnesses who have knowledge.

MR. BOYLAN: And documents.

DISCOVERY COMMISSIONER: Now, I don't expect the defendants to -- you know, to give you a list of people, but I do expect if the defendants have knowledge of people that would fall into these categories -- it sounds like it's a non-issue because you don't, but if you do you have to identify them.

MR. SCARBOROUGH: We understand the obligation in Nevada --

DISCOVERY COMMISSIONER: Okay.

MR. SCARBOROUGH: -- under 16.1 and we are mindful of what the Court has just said.

DISCOVERY COMMISSIONER: Okay. So if you do have a homeowner out there who you know of called you, okay, so they initiated it, and then you called

information that we were provided, yes.
BY MR. BOYLAN:
Q And that -- all of that information was related to the defaulted debt; correct? It wasn't about Disneyland or a trip to Europe next summer; it was about the defaulted debt; correct?
MR. SCARBOROUGH: Objection.
MR. WEISS: Object to the form.
MR. SCARBOROUGH: Argumentative.
MR. WEISS: Argumentative.
MR. SCARBOROUGH: Asked and answered.
MR. WEISS: Join.
THE WITNESS: It would be to discuss the information provided in the quote, whether it was a payoff quote or reinstatement quote, no other aspects regarding the loan.
BY MR. BOYLAN:
Q But it was a loan that was in default, which is why they were adding interest and different figures to the payoff amount; correct?
A I'm sorry. Repeat the question.
MR. BOYLAN: Please.
(Record read as follows:
"Q But it was a loan that was in default, which is why they were adding interest and

different figures to the payoff amount; correct?")
MR. WEISS: Object. Vague and ambiguous.
THE WITNESS: No, I don't -- I don't necessarily agree with that statement, no.
BY MR. BOYLAN:
Q Why?
A Because I don't know -- you mentioned interest. That's not the only reason they added interest was because it was a loan in default.
Q No, ma'am. I used that as an example.
A Okay.
Q Maybe you need me to clarify the question.
A Maybe.
Q CRC was communicating -- excuse me. CRC was inviting the borrower to contact CRC regarding payoff information concerning their defaulted debt? Yes or no, please.
MR. WEISS: Object to the form of the question.
MR. SCARBOROUGH: Join.
MR. WEISS: To the extent it's been asked and answered.
THE WITNESS: No.
BY MR. BOYLAN:
Q Why is that incorrect?

A Because the only time that we would provide a payoff figure is if we were requested by the borrower. And so if you're referring to them contacting us, it would be as a result of them initially contacting us for the information.
So the invitation, as you call it, would be for them to call regarding this particular quote.
Q Okay. Looking at the last page of Exhibit 5, Bates No. 371, I -- I just want to ask you if this is an invitation or not, according to your understanding and based on your 22 years of experience. It says there, "We suggest that you contact California Reconveyance at the address or telephone number on this letter to verify the exact amount necessary to pay off your loan number more than 24 hours before you make that payment."
Now, to your understanding, is that an invitation --
MR. SCARBOROUGH: Objection.
BY MR. BOYLAN:
Q -- to a borrower in default to contact CRC?
MR. SCARBOROUGH: Objection. Asked and answered.
MR. WEISS: Join.
BY MR. BOYLAN:
Q That specific language.

A It's a suggestion for the borrower or whomever receives this quote to call to verify the amounts reflected if it's more than 24 hours than making the payment.
Q And that was a policy and practice of CRC for all of its work at that time to -- to make that suggestion to the defaulted borrowers; correct?
A At the time of this payoff quote, it does appear that that language is reflected there. So in 2011, that would have been true.
Q For how many years was that true?
A I don't know.
Q Do you have any reason to believe there was a time when it was not true?
A I don't know when that language was added to the quote. So I'm not sure if it's always been there or if it was added at some point.
Q Thank you for that. Again, it's not an answer to my question.
My question is, do you have any reason to believe there was a time in your history at CRC where that suggestion was not included?
MR. WEISS: Object to the form of the question.
THE WITNESS: I'm not sure.

BY MR. BOYLAN:

Q Now, as reflected in this letter, Exhibit 5, to my clients, it was the policy and practice of CRC to -- with respect to the payment instructions, that the defaulted borrowers were told to make their payments -- to send their payments to CRC, not the lender; correct?

MR. WEISS: Object to the form of the question.

MR. SCARBOROUGH: Join.

THE WITNESS: Was the question make the payments and send?

BY MR. BOYLAN:

Q Send. No, it was only send.

A Okay.

MR. BOYLAN: Could you read it back, please?

MR. WEISS: No, it wasn't. It was about --

(Record read as follows:

"Q Now, as reflected in this letter, Exhibit 5, to my clients, it was the policy and practice of CRC to -- with respect to the payment instructions, that the defaulted borrowers were told to make their payments -- to send their payments to CRC, not the lender; correct?")

MR. BOYLAN: Thank you. And I correct it. And I apologize.

Q My question only relates to send. As reflected

on this letter, it was the policy and practice of CRC to instruct the defaulted borrowers to send their payments on the defaulted debt to CRC; correct? Yes or no, please.

A It was -- it's not yes or no, because it's not payments; it's to send the payoff to CRC.

Q So is that yes, then, with your correction?

A It would be the payoff -- based on this quote, the payoff funds -- the borrower was instructed to send the payoff funds to the attorney, trustee office listed on this letter, which is CRC.

Q And that was the policy and practice of CRC, at least as of the date of this letter, with respect to its business, including Nevada, as shown by the address on this letter; correct?

A Yes. As of the date of this letter, yes.

Q And do you have any reason to believe that there was a prior time when that was not the policy and practice of CRC?

MR. SCARBOROUGH: Objection. Asked and answered.

MR. WEISS: Join.

THE WITNESS: I -- I don't know if it was prior. I know that there was a time that it probably was not the instruction in the letter.

BY MR. BOYLAN:

Q What do you recall was the instruction previously?

A It -- I don't know if it was previously or -- or after 2011, to send the funds directly to the lender.

Q Why was that change made?

A I don't recall the exact reason.

Q Give me the inexact reason, please.

MR. WEISS: Objection to the form of the question.

THE WITNESS: I don't know if it was directed by Chase to have the funds sent directly to their office or why the change was made.

BY MR. BOYLAN:

Q Who did you report to at Chase, if you did, at any time during your tenure at CRC?

MR. WEISS: Objection to the extent it's been asked and answered.

THE WITNESS: So we're speaking to when I left CRC?

BY MR. BOYLAN:

Q We'll start there, yes.

A Kevin Hickey.

Q All right. I'm sorry. I wasn't sure if I phrased it that way earlier.

And prior to Mr. Hickey, do you recall?

A Umm, I don't remember exactly the order. But Ann Thorne was another manager that I had; Dave Gibson; and then the others were actually CRC employees, not Chase.

Q Okay. Let's focus on the Chase individuals. They periodically gave you -- they were -- they were your direct report; meaning, they had authority over you and your work; is that correct?

A That's correct.

Q Was that always true during your tenure there that someone at Chase had authority over your work and you?

MR. WEISS: Objection to the form of the question.

THE WITNESS: You're asking did I always have direct reporting to a Chase employee?

BY MR. BOYLAN:

Q No. I'll withdraw the question.

For how many of your 22 years did you have a direct report to a Chase employee?

A I don't remember exactly.

Q What's your estimate inexactly?

MR. WEISS: I'll object to the form of that question.

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THE WITNESS: I -- I don't remember.
BY MR. BOYLAN:
Q More or less than 10 years, are you able to estimate?
A I would say more than -- more than 10.
Q And Chase would issue directions to you with respect to the operation and policies and practices of CRC?
A During my tenure with CRC, yes, that would be correct.
Q And were those sometimes -- or were they generally communicated to you in writing?
MR. SCARBOROUGH: Objection. Vague and ambiguous.
THE WITNESS: Some were in writing; some were verbal communications.
BY MR. BOYLAN:
Q Where were the -- well, when you last saw them, where were the written ones? Were they electronic or paper or both?
A I mean, just any communication with my supervisor or manager, where were they? Over that time, various places there; it's the offices of CRC.
Q Right. But, I mean, it sounds like they were located, in large part, across the country or the like.

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So most of it was by e-mail in terms of the written directions you received from Chase; is that true?
MR. WEISS: Objection to the form of the question.
THE WITNESS: Some of the communication would have been via e-mail or hard copy communication.
BY MR. BOYLAN:
Q And do you recall whether those were on the -- in terms of your -- your portion of the e-mail, those were on your server or CRC's server or Chase's server, or was that all the same thing?
MR. SCARBOROUGH: Objection. Lacking in foundation.
MR. WEISS: Join.
THE WITNESS: You're speaking of my communication --
BY MR. BOYLAN:
Q Your e-mail communications --
A -- e-mails that I wrote?
Q -- with Chase people who were giving you directions regarding the business operations of CRC.
A That was a Chase server. CRC utilized a Chase server.
Q During your entire tenure there?
A No.

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Q During what portion?
A Oh, gosh. I'd have to -- whenever Chase acquired Washington Mutual. And I don't remember that year.
Q That was a long time ago. All right.
What do you think, ma'am? Are you in need of a break? We've been going a little over an hour. Do you want to take five minutes? Or do you want to keep going? It's totally up to you.
A We can keep going.
Q Okay.
THE REPORTER: I'd like to take a break.
MR. BOYLAN: Well, then we will.
THE VIDEOGRAPHER: Off the record at 2:25 p.m.
(Brief recess taken.)
(Whereupon Mr. Goulding left the deposition proceedings.)
THE VIDEOGRAPHER: This marks the beginning of Disc No. 4 in the deposition of Deborah Brignac. We are back on the record at 2:37 p.m.
(Plaintiffs' Exhibit 6 was marked for identification.)
BY MR. BOYLAN:
Q Ma'am, take a look, please, at what I've marked as Exhibit 6. The CRC Bates stamp on this is 468

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through 471. The top of the document says, "File History." It's got a Folder ID, which is identified -- correlated to Nevada, apparently, with the N and the V.
Do you see that?
A Yes.
Q The trustee sale number, which that's also a CRC, the Folder ID; correct?
A Yes.
Q And this relates to the Moores, which were the subject of Exhibit 5; correct?
A Yes.
Q What is this document, Exhibit 6?
A It's a file history of comments entered into the CRC case management system.
Q What system is that?
A FANDS.
Q What vendor was that system purchased from?
A I don't believe it was purchased.
Q It was provided by Chase?
A No.
Q Okay. What's the source of that software system, ma'am?
A I believe it's owned by First American.
Q It was licensed by CRC or Chase; is that correct?

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A Yes, by one or the other. I'm not sure exactly which.
Q Approximately when was it acquired and used by CRC?
A It was used until the asset purchase of CRC. And I'm not sure of the year that CRC began using it.
Q Was it used for approximately 10 or 15 years?
A At least 10.
Q Were you involved in the -- obtaining this document in any way?
MR. WEISS: Objection to the form of the question.
BY MR. BOYLAN:
Q How was this document obtained from the FANDS system and printed? Do you have any idea, ma'am?
A No.
MR. SCARBOROUGH: Objection. Lacking in foundation.
BY MR. BOYLAN:
Q Were you involved in that in any way?
A No.
Q You have no way of knowing whether this document is complete or incomplete; correct?
A I -- I don't know if it contains all of the comments entered in FANDS for this trustee sale

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number.
Q And why is that?
A Without looking at the system, I have no way of knowing.
Q Because the system may contain entries that this document does not; correct?
MR. SCARBOROUGH: Objection. It calls for speculation.
THE WITNESS: Yeah, it's possible. But I don't know the answer to that.
BY MR. BOYLAN:
Q And that would include phone communication entries; is that true?
A If the -- any phone communication would have been entered into the file history. So if all of the file history for this particular trustee sale were printed, they would be included here.
MR. BOYLAN: Move to strike as nonresponsive.
Q Not my question, ma'am.
Could you read my question back, please?
Let me -- let me redo it, because it was two; it was a follow-up question.
You're not sure if all of the events or activities which occurred with this borrower are, in fact, reflected on Exhibit 6, because you haven't looked

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at the system itself; that was your testimony; correct? Are you charging that testimony?
A Well --
MR. SCARBOROUGH: Whoa. One question at a time. Come on.
MR. BOYLAN: Well, she hesitated. I --
MR. SCARBOROUGH: She --
MR. BOYLAN: I can have it read back.
Would you like your answer previously --
MR. SCARBOROUGH: There's no time limit on the amount of time she can take to answer, Nick. And two seconds is clearly not long enough before cutting her off.
THE WITNESS: Yeah, I think I'm answering two different questions. So --
BY MR. BOYLAN:
Q Let's start with your previous testimony, if I may.
A Okay.
Q I thought you swore under oath -- and she has it recorded -- that you're not sure if all the entries or activity related to this borrower are, in fact, shown on Exhibit 6, because you haven't looked at the system itself; is that your testimony?
A Yes. I -- yes. That is correct.

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Q Okay. Now, my follow-up is this, ma'am, try to track with me --
A Uh-huh.
Q -- so your understanding is it's possible that there were phone communications -- telephonic communications with the borrower involved here that are not reflected on the file history, but you can't say because you haven't actually looked at the system; correct?
MR. SCARBOROUGH: Objection. It misstates her prior testimony.
THE WITNESS: Yeah, that's -- that's partly why. The other is it may not be entered here.
BY MR. BOYLAN:
Q Because not all phone communications were entered; correct?
A Correct.
Q And that was true as a practice of CRC's throughout your tenure; correct?
A That's correct.
Q Okay. Let's try to digest some of what is on Exhibit 6.
Part of the work that your firm, CRC, did for lenders was -- was something called a debt validation notice; is that correct?

A Umm, if it was addressed to CRC, we would respond to it.

Q That's not what I'm asking. I didn't say a dispute of a debt validation notice. That was not my question.

My question is, part of the work you did when you got a file from a lender was to issue to the borrower a debt validation notice; true or not?

A Not.

Q You would only issue the debt validation as part of your work on behalf of the lender if it was either requested by the borrower or the lender to be issued; is that true?

MR. WEISS: Objection to the form of the question.

THE WITNESS: No, that's not true.

BY MR. BOYLAN:

Q Did CRC at any time during your 22 years for any reason under the sun on this planet, surface of this globe, did your firm issue debt validation notices?

MR. WEISS: Object to the form of the question.

MR. SCARBOROUGH: Join.

THE WITNESS: No.

BY MR. BOYLAN:

Q As part of the work that you did -- your firm did on behalf of the lender, did your firm respond to any dispute by borrowers regarding the debt or the validity of the debt?

MR. WEISS: Objection. Vague and ambiguous.

THE WITNESS: Only if the -- the -- the correspondence was issued or directed to California Reconveyance Company.

BY MR. BOYLAN:

Q And so in that case, the answer is "yes," right, if that occurred?

A If that occurred, yes.

Q And you did so on behalf of the lender; correct?

A No. We did so in response to the correspondence that we received.

Q Okay. But it was related to the debt owed to the lender, not CRC; correct?

A That would have been correct.

Q Your firm was never trying to collect a debt owed to CRC itself; correct?

A That would be correct.

Q The only debt that your firm had responsibility for was the debt to the lenders; true?

MR. WEISS: Object -- object to the form of the question.

MR. SCARBOROUGH: Asked and answered --

MR. WEISS: Asked and answered.

MR. SCARBOROUGH: -- as well.

THE WITNESS: We weren't collecting debts. We were foreclosing on mortgage loans.

BY MR. BOYLAN:

Q With respect to the clients, Thomas and Kimberly Moore, your firm, on behalf of the lender, issued a response to a dispute by the Moores regarding the debt, correct, as shown on Exhibit 6?

A Based on this -- on the entry 1 -- 11-1-2001, the response was given at the request of Chase.

Q So you acted -- your firm acted as the agent of Chase in responding to that -- to the borrower and specifically at the request of Chase; correct?

MR. WEISS: Object to the form of the question. It lacks foundation, to the extent it calls for a legal conclusion.

THE WITNESS: No. The response was from California Reconveyance Company, not from Chase. So it was -- the response was given from CRC.

MR. BOYLAN: Thank you. But that's not my question.

Move to strike as nonresponsive.

Could you read the question back, please?

(Record read as follows:

"Q So you acted -- your firm acted as the agent of Chase in responding to that -- to the borrower and specifically at the request of Chase; correct?")

MR. WEISS: Same objection.

MR. SCARBOROUGH: Asked and answered.

BY MR. BOYLAN:

Q Well, let's dissect that and see which part is incorrect.

Your firm had contractual authority to act as the agent of the lender with respect to the borrowers; correct, ma'am?

MR. WEISS: Object to the form of the question, to the extent it calls for a legal conclusion. It lacks foundation.

MR. SCARBOROUGH: Join.

THE WITNESS: Umm, I didn't -- I don't believe so. We were trustee for the purposes of foreclosure, but not necessarily an agent of the lender.

BY MR. BOYLAN:

Q Have you seen any of the contracts between CRC and Chase?

MR. SCARBOROUGH: Objection. Asked and

answered.
BY MR. BOYLAN:
Q Lately. Lately. I'll amend that. I apologize. I think I did ask that. We'll get to that.
Just so your answer is clear for the record -- and I know you're not a lawyer; I'm just asking in your capacity of 22 years in the industry; as you indicated in LinkedIn, you were the president. What's your understanding of it means CRC to act as an agent of someone else, whether it be a lender or the like? What's your understanding of what that means?
MR. WEISS: Object to the form of the question. Asked and answered. And to the extent it calls for a legal conclusion.
MR. SCARBOROUGH: Join.
THE WITNESS: Yeah, I don't know that I have an answer for it. It's not something that I've considered CRC or a trustee being an agent of the lender.
BY MR. BOYLAN:
Q Okay. CRC was involved on behalf of the lenders in seeking an agreement to reinstate the loan or pay off the loan or modify the loan through mediation in Nevada; correct?
MR. WEISS: Objection to the form of the question.

MR. SCARBOROUGH: Vague and ambiguous. Compound.
THE WITNESS: Could you read that question for me, please?
(Record read as follows:
"Q Okay. CRC was involved on behalf of the lenders in seeking an agreement to reinstate the loan or pay off the loan or modify the loan through mediation in Nevada; correct?")
MR. WEISS: Same objection.
MR. SCARBOROUGH: Join.
THE WITNESS: No, that would be incorrect.
BY MR. BOYLAN:
Q Why?
A Because CRC didn't participate in those activities.
Q Item -- the item created on Exhibit 6, October -- 10-18, "FedEx election and check to Nevada office."
Your firm was paying for -- to mediate with the borrower regarding the defaulted debt; correct?
A I'm not sure exactly what that refers to. There was a mediation program in Nevada that there were forms that had to be submitted to the Nevada mediation office. But just as a matter of practice, CRC

forwarding those forms and any funds that needed to accompany those forms would have been our only participation. We did not discuss reinstatement or mediation or workouts with the borrower as a result.
Q But mediations were actually attended by either CRC or an attorney for CRC; correct?
A No.
Q Who attended on behalf of the lender with respect to Nevada mediations, ma'am?
A The lender.
Q Why did your firm pay the fee in order to mediate regarding the defaulted debt with the borrower, including the Moores?
A As part of the foreclosure, being able to proceed with foreclosure, the mediation had to be completed prior to proceeding. So we would submit the necessary forms to the Nevada mediation office and any funds that needed to accompany that.
Q But I don't understand why you did that. There was lawyers; you said a Chase lawyer attended; Chase could have done it; their lawyers could have done it. That's what I'm trying to get at. Why would CRC --
MR. WEISS: Objection.
BY MR. BOYLAN:
Q -- get involved with that, ma'am?

MR. WEISS: Objection. Asked and answered.
MR. SCARBOROUGH: Join.
THE WITNESS: That was part of our procedure to ensure that we could proceed with the foreclosure, to send the necessary documents to the mediation office, and in turn receive the completion -- completed forms to show that the mediation had been concluded, and we could proceed with foreclosure.
BY MR. BOYLAN:
Q I understand that. But why were you providing that service? The lawyers could have done it. Then they could have sent you the forms, so you knew everything was kosher. I'm just trying to understand why this company, CRC, was getting involved, limited as you claim it to be, with mediation of the defaulted debt?
MR. SCARBOROUGH: Objection.
MR. WEISS: Asked and answered.
MR. SCARBOROUGH: Asked and answered several times. Lacking foundation.
THE WITNESS: Yeah, other than what I've already said, there's no other reason.
BY MR. BOYLAN:
Q Well, let me try to clarify it for you.
Do you know why Chase chose CRC to do that

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instead of the lawyers or some other vendors?
MR. SCARBOROUGH: Objection. It assumes facts not in evidence.
MR. WEISS: Join.
THE WITNESS: No, I -- I don't know.
MR. BOYLAN: There's a redacted item on here.
Counsel, do you want to shed any light on that? I would be doubting the witness knows.
MR. SCARBOROUGH: I would be doubting the witness knows either. No.
MR. BOYLAN: You don't know what that is?
MR. SCARBOROUGH: Yeah. It's redacted. And you've got a privilege log. So I assume you can piece it together. I don't -- as I sit here today, I certainly don't know what each entry on our privilege log states.
BY MR. BOYLAN:
Q Let's interpret the entry, if you can help me, ma'am, for October 17th. Here, you received a letter disputing the debt from a borrower, and you forwarded it to Chase records; you, meaning CRC; correct?
A "Received letter disputing debt and notice of default" -- yes. That would be correct. That would be an entry made by CRC.
Q And what is Chase records?

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A Chase records was a department within Chase that housed all of the records related to foreclosure or origination.
Q Where was that located?
A In 2011, I'm not -- I'm not sure where they were located.
Q Give me any locations you ever were aware of at any time in your life.
A Jacksonville, Florida; and Milwaukee, Wisconsin. You know what, scratch that. I'm sorry. That's not correct. It would have been Jacksonville. I'm lumping Washington Mutual with that.
So as far as Chase is concerned, it would have been Jacksonville, Florida.
Q Well, I don't want to have to redo all of my questions. But Chase acquired Washington Mutual. So I would have assumed that Washington Mutual was included in my questions.
Have you been making a distinction there in your answers, ma'am, when I use the word "Chase"?
A No. But when I think of Chase records, I'm thinking of the -- the facility. And that speaks to just Jacksonville.
Q The item for September 30th, 2011 starts out "Received rein," r-e-i-n, "quote"; it goes on through

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there. Tell us what that means, please.
A It received reinstatement quote, good through the date; that means that we would have received a reinstatement quote from the -- from the lender.
Q It says "mailed" at the end. Does that mean it was mailed to the borrower?
A To the borrower -- I can't say for sure. To whomever requested the reinstatement quote.
Q Well, you have Exhibit 5. Does that in any way help you get an understanding of what that entry means?
A No. These are two separate dates. No, it doesn't.
Q So it appears that with respect to the Moores, your firm was involved in communicating reinstatement or payoff information on at least two occasions; correct?
A Well, the reinstatement was provided November -- excuse me -- September 30th, 2011. And this November 1st, 2011 -- this is Exhibit 5 -- is a payoff statement.
Q Can you answer my question "yes" or "no"?
MR. SCARBOROUGH: I'll object to the form of the question, in light of her prior answer.
MR. WEISS: Yeah. I'll just object that it's been asked and answered.
THE WITNESS: No, they're separate quotes

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and --
BY MR. BOYLAN:
Q Well, that's what I'm saying --
A -- types of quotes.
Q Is it your understanding then that the information -- that communication was provided to the borrower on at least two occasions?
MR. WEISS: Object to the form of the question.
MR. SCARBOROUGH: Join.
THE WITNESS: The reinstatement quote was provided here November, and payoff quote in November.
BY MR. BOYLAN:
Q So that's two communications regarding the debt from CRC to the borrower; correct?
MR. SCARBOROUGH: I'll object to the form of the question. It misstates the testimony and misstates the documents.
MR. WEISS: Join.
THE WITNESS: They're two communications regarding -- one reinstatement quote and one payoff quote.
BY MR. BOYLAN:
Q Thank you, ma'am.
Can you explain or interpret for us the entry

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on August 15th, 2011?
A It states that we will need to restart the foreclosure due to Treasury Bill 10.02. This is a start over due to failed Nevada mediation.
So it appears that the mediation failed, and we didn't have authorization to proceed with the foreclosure -- with the current foreclosure, so we needed to restart.
Q Do you have any idea why that is from looking at this document?
A No.
Q What is LPS?
A It is a communication tool between the lender and the trustee.
Q You mean CRC?
A CRC, yes.
Q What exactly do you mean by communication tool, ma'am?
A It is a tool that is used to communicate information between the lender and CRC, milestone information concerning the foreclosure, referral information.
Q Is that some type of linked software system to servers that are linked by means of software? Is that true?

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MR. WEISS: Objection to the form of the question.
THE WITNESS: Linked to -- I'm not sure I follow.
BY MR. BOYLAN:
Q Well, you said communication tool. I assume you meant electronic?
A Yes.
Q Okay. How is the electronic information communicated with this device? Over the Internet?
A It is the Internet. It's -- we -- you go into the application and retrieve the data.
Q The application is essentially software; right?
A Yes.
Q All right. And so was there common software used by Chase and CRC that they could communicate with -- this information that you're referring to as the LPS system?
A That system, LPS; we both went into LPS to communicate information.
Q And did Chase control the servers from which -- upon LPS was loaded?
MR. SCARBOROUGH: Objection. Lacking in foundation. Vague and ambiguous.
THE WITNESS: I'm not sure if Chase controlled

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it or -- or LPS. I don't know.
BY MR. BOYLAN:
Q And what's your understanding of where the data was stored in terms of -- did Chase store the data? Was LPS a third-party vendor that provided the data to Chase? How did it work?
MR. SCARBOROUGH: Same objections.
MR. WEISS: Lacks foundation.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Do you understand LPS to be not just a system, but a separate company, a third-party vendor?
A Yes. That's my understanding, they are.
Q How do you know that?
A Just -- I just think -- just personal knowledge. I know that they are a vendor that several lenders utilize --
Q Do you know where --
A -- not just Chase.
Q -- they're located?
A I believe they're in Jacksonville.
Q So in October of 2010, your firm, CRC, paid additional money to facilitate a mediation to resolve the defaulted debt in Nevada of the Moores; correct?
MR. SCARBOROUGH: Objection.

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MR. WEISS: Objection to form of the question.
MR. SCARBOROUGH: Asked and answered.
MR. WEISS: Asked and answered. It lacks foundation.
BY MR. BOYLAN:
Q No. I'm on a different date now, ma'am. I'm looking at the entry relating to October 27, which is Bates number 470 at the bottom.
MR. WEISS: It's the one we looked at before.
BY MR. BOYLAN:
Q I didn't think I did. I apologize if I did. I thought I was asking about the -- the one on October 18th, the FedEx of the check. Now we're talking about November -- in November of 2010.
MR. WEISS: Wait. October 18th? I'm sorry. I don't see it on here.
MR. BOYLAN: Bates No. 470, Counsel.
MR. SCARBOROUGH: Okay, 470. You're -- Nick, you're looking at the 11-9-2010 entry, just so we can all be together here?
MR. BOYLAN: It looks like that's one of them. But if you look at 10-27, it's confusing.
MR. SCARBOROUGH: Okay. But, anyway, that's where you're --

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MR. BOYLAN: Yes.
MR. SCARBOROUGH: I got it.
MR. BOYLAN: Yeah. Yeah.
MR. SCARBOROUGH: The lower portion of the document. I'm with you.
What is your question? I'm sorry.
BY MR. BOYLAN:
Q Your firm, again, on behalf of the lender or otherwise, issued a check to pay for a Nevada mediation, the purpose of which was to somehow resolve the defaulted debt?
MR. WEISS: Object to the form of the question. That's been asked and answered.
MR. SCARBOROUGH: And mischaracterizes the prior testimony.
BY MR. BOYLAN:
Q Is that what that entry indicates, ma'am?
A It would be the submission of the necessary forms and funds needed in order to initiate the mediation.
Q All right. Let's look at Bates number page 471. What is Vendorscape?
A Vendorscape is another communication tool, similar to LPS.
Q For what purpose? How is it distinguished from

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LPS, for example?
A It was actually the system utilized prior to LPS, so used in the same manner.
Q Am I wrong in saying that both systems were used in overlapping time periods, as shown by this document?
MR. WEISS: Objection to the characterization of the document.
MR. SCARBOROUGH: Join.
THE WITNESS: I don't believe that they were overlapping. There might have been a short period of time during their transition from Vendorscape to LPS. But --
BY MR. BOYLAN:
Q Well, there's -- there's a Vendorscape entry in 2010; and there's LPS references in 2011.
Am I misinterpreting the document, ma'am?
A No.
Q So the overlap was at least a year or two; is that correct?
MR. WEISS: Objection to the characterization of the document.
MR. SCARBOROUGH: Join.
THE WITNESS: So the Vendorscape reference was 2010. And that was September of 2010.

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BY MR. BOYLAN:
Q And then there's an entry regarding LPS on September of 2011.
A So, in my mind, that doesn't overlap.
Q Oh, I see what you're saying. I apologize. Thank you.
The top of the Bates number page 471, which is the last one, it says, "NOD recorded event completed by Vendorscape." What does that mean?
A That's just acknowledging that the event was completed and updated in Vendorscape.
Q Does that mean your firm is effectively communicating to Chase that that's been accomplished, and you're using Vendorscape to communicate that?
A That would be correct.
Q The BNE (sic) check has been reviewed. Do you see that entry on 9-22-2010, by Bernadette Ojeda?
A Yes.
Q What does that mean?
A Meaning, the beneficiary check received from the title company would have been reviewed; that primarily is just the -- the deed of trust, to confirm the deed that we are to foreclose on.
Q But it's a check. That's what I don't understand. It doesn't mean a check like a payment

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check; it just means it's -- like a checkmark, like something has been confirmed; is that true?
A Yes, confirmation; not a check.
Q Thank you.
Another CRC-produced document, Bates number 435, ma'am, Exhibit 7, if you could look at that, please.
(Plaintiffs' Exhibit 7 was marked for identification.)
BY MR. BOYLAN:
Q What is this document?
A It's a -- just a checklist that shows the documents in the file that was more than likely submitted to Chase.
Q And you say "more than likely," because of what reason?
A We utilized this checklist when Chase would request a copy of a file to show them what we were included in the file copy. But there were occasions that we would also use it internally.
Q What is iClear?
A iClear is a bill pay system where invoices are submitted to the lender to request payment.
Q Meaning, payment to CRC for the services it provided the lender with respect to any particular

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borrower's file; correct?
A Fees and costs associated with the foreclosure, reimbursement for costs of foreclosure, as well as fees.
Q And what records did CRC retain regarding the issuance of those invoices and/or payment thereof?
This is kind of a software or accounting question. As you know, businesses, mine, CRC, Larry's law firm, they issue invoices, and they get paid or they don't get paid or they get paid in part or whatever. They keep records of all of that.
How did CRC keep those records with respect to the invoices to the lenders?
MR. WEISS: Object to the form of the question.
THE WITNESS: They would have been maintained within FANDS, the case management system.
BY MR. BOYLAN:
Q And for each request for payment, would you indicate the file number in some way for the particular -- you know, so you linked it to a particular borrower's file?
A In FANDS?
Q Yes, ma'am.
A Yes.
Q And it looks to me, for example, Exhibit 6,

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that your file number indicated the state involved. So, for example, Nevada is there, NV at the end, at the top of Exhibit 6; that refers to a Nevada borrower; correct?
A That's correct.
Q So in the FANDS system, all of the invoices for which you submitted to Chase, for example, for payment with respect to Nevada borrowers, those would be identified by NV at the end of the file number; correct?
A Yes.
Q Was FANDS a -- what I will call a searchable database?
MR. SCARBOROUGH: At what point in time?
BY MR. BOYLAN:
Q Any time.
A There were ways you could search, you know, by -- search by trustee sale number or borrower name or property address.
Q Who was -- during your 22 years, who was the person most capable at searching and retrieving data or producing reports of data from FANDS?
MR. SCARBOROUGH: Objection. It calls for speculation.
THE WITNESS: I guess it would depend on what type of data. Anyone could go in and search by file

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number or property address or borrower's name. So anyone who had access to the system could do that.
BY MR. BOYLAN:
Q Good. So it was pretty simple?
A If you had the information to retrieve, yes.
Q So it took literally seconds to make such a search?
MR. SCARBOROUGH: Objection.
MR. WEISS: Objection. Vague and ambiguous.
BY MR. BOYLAN:
Q For example, a borrower's name; you punch it in, and boom, it comes up within seconds?
A It depends on the borrower's name, of course. I mean --
Q Usually, ma'am. Usually.
A Well, I -- if you search --
Q Jones. It's Jones.
A Jones? It probably would take more than seconds.
Q Okay. And what if it's Zubrowski?
A It probably would take a second.
Q All right. But generally speaking, you get search results within 10 seconds?
A I don't know. I've never timed it. It depends on what you're searching.

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Q All right.
A Yeah. I mean, if you -- if you enter a trustee sale number, it's going to return it in seconds. If you enter a borrower's name, depending on the borrower's name, it could take a little longer.
Q And then you get a list of common names, perhaps; is that what you're saying? It takes longer because there would be multiple borrowers with the same name?
A Correct.
Q But in all cases, the data would return in less than a minute; correct?
A I -- I can't say that for sure, sir.
Q All right. Do you recall any particular search you did that took longer than a minute to get results?
A I've never really timed it. But I can tell you that it does take -- it did take time.
Q All right. So when you say search for file number, can you also search by state, by the NV?
MR. SCARBOROUGH: Objection. Lacking in foundation. Also, not limited as to time.
BY MR. BOYLAN:
Q At any time.
A No. There was -- you couldn't search by just state.

Q And what about ZIP codes?
A No.
Q You said by address. Doesn't that include ZIP codes?
A It did have the -- I don't know if it had the ZIP code. It might have had the state. But you just couldn't enter Nevada, and it would return all of the Nevada loans. You had to enter a property address.
Q Well, but my question is, was there a field for ZIP codes?
A I believe that there was.
Q And that was a searchable field; correct?
MR. SCARBOROUGH: Objection.
MR. WEISS: Objection.
MR. SCARBOROUGH: It misstates her testimony.
MR. WEISS: Join.
THE WITNESS: You couldn't enter -- just solely enter the ZIP code and get a return of data. You had to enter a street address, a property address, along with a ZIP code.
BY MR. BOYLAN:
Q Okay. I think that answers my question. But it's actually not precisely correct in terms of a response. Now, I can infer what you mean by that. But --

MR. WEISS: Objection --
MR. SCARBOROUGH: Nick --
MR. WEISS: -- to characterizing her answers as right or wrong or correct or not. You know, you're not grading her papers. You're asking her questions. She's giving you answers.
BY MR. BOYLAN:
Q I'm trying to clarify for you. What I mean is -- do you know what a searchable field is?
A Yes.
Q What is a searchable field?
A If there's a field that you can enter data and get a return with the information requested.
Q How many searchable fields are there in this system with respect to these borrowers' files?
A I believe --
MR. SCARBOROUGH: Continue my objection. It's overbroad. It's not limited as to time.
BY MR. BOYLAN:
Q At any time.
MR. SCARBOROUGH: Yeah. At any time is not a limit as to time, just FYI.
THE WITNESS: I believe it was just the three -- well, no, the four; so the trustee sale number, the loan number, the property address, and name.

BY MR. BOYLAN:
Q The property address was in one block, two blocks, three blocks? How many -- I assume that when you're looking at the screen, there's a block for a particular field, is that correct, or a line?
A Correct. There's a field for you to enter the information.
Q Is it a blocked field or just a line?
MR. SCARBOROUGH: Objection. Vague and ambiguous.
MR. WEISS: Objection as to form. Vague and ambiguous.
THE WITNESS: There's a box.
BY MR. BOYLAN:
Q Okay. Is there a seperate box for ZIP code, or is it all in the same block as the address?
A Like I said, I don't really recall there being a ZIP code block. We usually just enter the property address.
Q So you don't remember one way or the other?
A No.
Q Is there a block for the state -- a separate block for the state?
MR. SCARBOROUGH: Objection. Asked and answered.

MR. WEISS: Objection. Asked and answered.
THE WITNESS: I -- I don't recall. I know that the entries that I usually did for searches just was the property address, not necessarily the state.
BY MR. BOYLAN:
Q Let's go back to the question I asked you before, because you didn't -- you didn't answer it. And I'd like to get your answer, if I may. And if it's not one person, it's two or three people.
During your tenure there, who did you observe was the most efficient, the most capable at searching and producing information or data reports from these electronic files of the borrower, the borrowers' files?
MR. SCARBOROUGH: Objection. Asked and answered.
MR. WEISS: Objection. Asked and answered.
THE WITNESS: I can't think of any one person. Everyone was able to do the search.
BY MR. BOYLAN:
Q And you -- you observed that everyone with equivalent skill in doing so?
A It didn't take much skill to enter the information and hit a button to get it -- to return information.
Q Who was in charge of your data and information

systems at CRC during your last eight -- eight years?
A I assume it would just be Chase IT. I mean, it wasn't -- we didn't have anyone specific in CRC that was -- that was responsible.
Q Is there any person who had that within their jurisdiction in some form?
A At CRC?
Q Yes.
A No.
Q Who was the Chase IT people that you can recall talking with?
A It was always just a help desk. I don't recall any one person in particular.
Q At any time during your tenure, your 22 years, did you generate any type of reports to Chase with respect to Nevada foreclosures; meaning, number, quantity, fees, anything related to reporting information to Chase regarding Nevada foreclosures?
MR. SCARBOROUGH: You mean Nevada specific?
MR. BOYLAN: That's what I said.
THE WITNESS: Not that I recall. No, we didn't have any real reporting that we provided to Chase.
BY MR. BOYLAN:
Q What about dollar figures, did you ever report to Chase how much money you had invoiced them or how

much they had paid you with respect to Nevada foreclosures?
A Not that I can recall, no.
Q Well, what is your -- do you have any ballpark estimate of what those amounts were for, say, your last year at CRC?
MR. WEISS: Objection. Asked and answered.
THE WITNESS: For Nevada foreclosures? None.
BY MR. BOYLAN:
Q Can you tell us whether it's more or less than $50,000?
A It was zero.
Q Oh, I'm sorry. I can restate it.
In your last year that your firm was doing work in Nevada -- so I guess that would be sometime between 2010 and 2011 -- what -- what is your estimate of the amount of fees and costs that were charged by CRC for Nevada foreclosures to Chase?
A I don't know.
Q Was it more or less than 50,000?
A I don't know the answer to that.
Q What was -- what's your best estimate as the president of CRC of the total amount of fee and cost income obtained by CRC in 2011 or 2010, 2009, any of those years?

A I don't remember.
Q Did you review those financial data to show what your -- you were the president; right?
A I don't know if I was at that time.
Q Oh. Well, you were the vice president at least; right?
A Based on documents that we've looked at today, yes.
Q Oh, okay. As the vice president, did you review any annual financial data, ma'am?
MR. WEISS: Objection to the form of the question. Ambiguous as to time.
BY MR. BOYLAN:
Q Any time in your 22 years, or whenever you were vice president.
A I'm sure I did review financial data.
Q And that includes annual receipts for monies billed to lenders; correct?
A I would think so, yes.
Q Can you give me any ballpark estimate of the average of those total receipts for any of the years up to and including 2011?
A No.
Q Can you tell us under the oath you've taken here today whether the average of that income -- fee and

cost income to CRC for those years was greater than $200,000?
MR. WEISS: Objection. Asked and answered.
MR. CERAN: I'm sorry. I didn't hear that question. Could you read it back, please?
(Record read as follows:
"Q Can you tell us under the oath you've taken here today whether the average of that income -- fee and cost income to CRC for those years was greater than $200,000?")
MR. CERAN: Thank you.
THE WITNESS: I don't remember the amounts. It's not something that I recall.
BY MR. BOYLAN:
Q I know. I'm just trying to get your recollection on scale of magnitude. I mean, no -- nothing negative to you, but most people would remember if it was like hundreds of thousands or tens of millions. You know, it's just those are aggregate numbers.
MR. CERAN: Not me.
MR. WEISS: Objection.
BY MR. BOYLAN:
Q But your --
MR. SCARBOROUGH: Mick --

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MR. WEISS: Object to the testimony of counsel.

MR. SCARBOROUGH: Yeah. Stop testifying and just ask a question. That's what's chewing up all the time.

BY MR. BOYLAN:

Q Do you have any recollection of the magnitude of the numbers?

MR. WEISS: Objection to the form of the question.

THE WITNESS: Of the revenue? No.

BY MR. BOYLAN:

Q Well, let me ask you this, surely, ma'am -- and out of respect to you; you were the president, the vice president, whatever title you had. But you can tell us a ballpark average of -- average of the fees and costs charged by CRC with respect to each of the borrowers' files; is that true?

MR. SCARBOROUGH: Objection. Asked and answered. That misstates her prior testimony.

MR. WEISS: Join.

THE WITNESS: No. It -- no, it varies based on loan type, the unpaid principal balance. There's a lot of different --

BY MR. BOYLAN:

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Q That's why people ask for averages when there's variances.

Do you understand what that means? An average?

A Yes. But I can't give you one.

Q All right. Can you tell us the high and low then, what was the typical bottom amount and what was the typical high?

MR. SCARBOROUGH: Objection. Asked and answered. This is now badgering the witness.

MR. WEISS: Join.

THE WITNESS: No, I can't.

BY MR. BOYLAN:

Q Can you give us any estimate of the -- the lowest amount likely charged and the highest amount with respect to a particular borrower's file?

MR. WEISS: Same objection. Vague and ambiguous.

MR. SCARBOROUGH: Join.

THE WITNESS: Yeah, I can't. Like I said, there's so many different variances, when the loan reinstated or -- there's just -- no, I'm not able to do that.

BY MR. BOYLAN:

Q What was the highest charge you ever recall seeing?

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MR. WEISS: Same objection.

THE WITNESS: I wouldn't be able to provide that either.

(Plaintiffs' Exhibit 8 was marked for identification.)

BY MR. BOYLAN:

Q Take a look, please, ma'am, at what I've marked as Exhibit 8, Bates No. 612, provided by CRC in this case. It's a single page from a lengthy contract document, which you may or may not have seen recently. I think you said you did review some contract documentation in preparation for your deposition. I apologize if I'm wrong about that. But I didn't copy the whole thing on this -- I might have it here somewhere. But this is a single page because I wanted to ask you some specific questions if -- and I'll make those representations to you. But if you're unable to answer, then we'll just swap it out in a series of questions under oath.

MR. SCARBOROUGH: The shading is, again, your highlighting?

MR. BOYLAN: Yes.

MR. SCARBOROUGH: I may have an objection about showing her an incomplete document. But I'm willing to go question by question here. So let's see what your

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interest is, whether --

BY MR. BOYLAN:

Q Okay. Do you recognize the document at all, ma'am?

A Um, yes. It looks familiar.

Q Is this one of the documents or a page of one of the documents you reviewed in preparation for your deposition?

A I believe we looked at the entire document. I don't --

Q Good. I thank you for that. Yeah. All right.

So that said, there's an item there, "Bankruptcy/Foreclosure Reinstatements/Payoffs." And it goes on from there.

Do you see that heading under Arabic number 2?

A Yes.

Q These were contractual obligations that were imposed upon CRC by the lender, Chase; correct?

MR. SCARBOROUGH: Object to the form of the question.

THE WITNESS: These were requirements outlined in the -- the agreement that this document comes from, yes.

BY MR. BOYLAN:

Q And one of the requirements was that all the

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money that you collected on the debts held by Chase through reinstatement and payoff were to be forwarded by overnight mail to Chase's office within 24 hours of receipt, as indicated in 2 b); is that correct?

A Yes. That is correct.

Q And did your firm do that with respect to California, Nevada, and all of its work?

MR. WEISS: Object to the form of the question. Vague and ambiguous as to time.

THE WITNESS: For the most part, that was our practice. This -- I don't recall when this document was initially issued. But definitely from the time that this document was issued, that would have been the practice.

BY MR. BOYLAN:

Q And the requirements of Chase, as reflected in this document, or the like, applied to all the states where Chase had lent money, right, that you were servicing, Nevada, California, and the others; correct?

A It would be applicable to any states that we were handling on behalf of Chase at the time that this document was written, yes.

Q And according to the mandate of Chase, all the fees and costs that you incurred or charged for the work related to the defaulted debts, you were not allowed to

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subtract those from the payoff proceeds, but you had to separately bill through iClear your fees and costs and be paid separately by Chase; correct?

MR. WEISS: Object to the form of the question.

THE WITNESS: Right. Any fees associated were billed to Chase -- any fees associated with the foreclosure fees and costs were billed to Chase through iClear or whatever tool they were using at the time.

MR. BOYLAN: Her first word was "right"; did you get that, Madam Reporter?

THE REPORTER: Yes.

MR. BOYLAN: Thank you.

Q You know that Susan Kallen is one of the plaintiffs related to CRC in this case; correct?

A I believe I recall seeing the name in the document I reviewed yesterday.

Q Do you know whether -- with respect to Susan Kallen, whether CRC completed the entire foreclosure process?

A No.

Q Do you have a recollection that it was taken over by National Default Servicing Company?

A No.

Q What about with respect to the Moores, do you know whether, as to the Moores, CRC completed the

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foreclosure process?

A No, I don't know.

Q So forgive me if this is within the scope of earlier answers. You did not review at any time in 2016, including in preparation of your -- for your deposition -- you did not review the files -- the entire files related to the Moores and Susan Kallen?

A That's correct. I did not.

Q Did you ask to do so?

A No.

Q Did you ask to see any additional documents or records or get access to any database in order to refresh your recollection and give accurate testimony under oath?

A No, I didn't make the request.

MR. BOYLAN: Okay. If you don't mind, let's take a short break. I'm going to hit the restroom. And it will give everybody a few minutes. And we'll be back and maybe plow through some stuff.

THE VIDEOGRAPHER: Off the record at 3:32 p.m.

(Brief recess taken.)

THE VIDEOGRAPHER: We are back on the record at 3:40 p.m.

BY MR. BOYLAN:

Q We touched in this area that I'm about to

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pursue before, ma'am, but didn't get very far or very deep.

So if I may, at any time during your 22 years with CRC, did CRC have or maintain a Website?

A No.

Q Why is that?

A It's just something we never pursued.

Q But is there a reason?

A No, not to my knowledge.

Q Well, let me -- let me suggest one to you and see if it rings a bell that you can corroborate.

Essentially, CRC was dedicated to Chase. So you -- you weren't marketing yourself to other lenders; you didn't really need marketing materials or outreaches such as a Website; does that sound familiar?

MR. SCARBOROUGH: Objection. It mischaracterizes her prior testimony.

MR. WEISS: Join.

THE WITNESS: That is true that we didn't market our services. But I can't say that that's the reason why we didn't have a Website.

BY MR. BOYLAN:

Q Why did you not market your services to other lenders?

A Primarily we -- our client was Chase.

Q I understand that. We can all have a primary client and still seek more clients. I'm looking -- searching to go deeper. Why did you not want other clients?

A It just wasn't something that we pursued.

Q Was it, in fact, a requirement of Chase that you not -- CRC not provide services to other lenders?

A No.

MR. BOYLAN: 9 is the number, ma'am?

THE REPORTER: Yes.

(Plaintiffs' Exhibit 9 was marked for identification.)

BY MR. BOYLAN:

Q Take a look, please, ma'am, at what I've marked as Exhibit 9. This is a CRC document production, as well. I can't tell you why CRC did not Bates number this document. I'm not really asking you. I don't expect you would know. Some of the pages, I think, say JPMorgan. I don't know. There's no Bates numbers.

MR. WEISS: Well, aren't there Bates numbers at the top?

MR. BOYLAN: Are there?

MR. SCARBOROUGH: Turn it landscape and look at the very top.

MR. BOYLAN: Oh, I'm sorry. I see those now.

Thank you.

So this one seems to begin with 282. And can anyone pick up the last one? I don't see it.

MR. SCARBOROUGH: I do want to tell you and confirm, Nick, that I think you're right; not every single page does bear a Bates number; some do.

MR. BOYLAN: Okay.

MR. SCARBOROUGH: The last one in this stack that you've provided appears to be 000572.

MR. BOYLAN: All right. So we've got it good enough for identification. And, of course, it's marked as Exhibit 9.

Q Now, ma'am, I'd like you to flip through the pages of this because, obviously, I've got to -- I have to rely upon you to tell me what this is and what it means. And there's different types of documents that seem to be encompassed within this Exhibit 9.

So if you don't mind, just tell us what this -- what this document is and what it's comprised of.

MR. CERAN: In mine there are some duplicates; the first page and the third page are duplicates. And it's not numbered consecutively.

MR. BOYLAN: All right. Well, I'll apologize for that.

Q But with that qualification, can you answer my question, please?

A It appears to be information extracted from FANDS. So data from FANDS for -- I don't know yet if it's one particular loan or multiple loans. It looks like it's multiple loans or files.

Yes, there are at least two files that I've seen. And it's just data from FANDS.

Q Okay.

MR. BOYLAN: Counsel, do you know -- it doesn't say. But has information been redacted on some of these pages? Because most of these pages, a substantial portion of them are blank.

MR. SCARBOROUGH: I don't know.

BY MR. BOYLAN:

Q Okay. All right. Well, let's look at the very first page of this Exhibit 9, ma'am. Let's look at the headings across the top first.

What do those mean?

A Case client, loan number, that would be the lender's loan number. Case key would be our CRC reference number.

Q Including the state; correct?

A Right. Well, that -- the entire would be -- in its entirety would be the number --

Q Uh-huh.

A -- the reference. I don't know what that "LU" stands for, but "recording doc description." So these are a list of documents that would be found in FANDS; and then the case instrument number; so the instrument number of that document along --

Q What does that mean, ma'am?

A The recording instrument. So the instrument number assigned by the county recorder when that document was recorded. So the deed of trust instrument number would be 731.

The recording book is that next number, 20041124; the recording page; the recording parcel, parcel number of the property; and the recorded date.

Q Are each of these headings also a searchable field?

A No. Oh, well, just the loan number and case key. I'm sorry.

Q Did you personally -- I want you to take your time on this and give me your best answer under your oath. Did you ever personally do a search in the case key field by just punching in MV?

A I don't believe so.

Q Did you ever do it by just punching in, say, CA -- did CA stand for California?

A Yes.

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Q Did you ever do that? Did you ever try that?
A I don't believe so.
Q What about any of the other states?
A No. I don't think I would have.
Q So forgive me, but -- and you may not agree with me, but at least in terms of your personal efforts, your personal knowledge from what you, yourself, did, you don't know whether punching NV into the case key field would bring up a report that shows all of the Nevada files; correct?
MR. SCARBOROUGH: Objection. It misstates her prior testimony.
THE WITNESS: I don't believe that it would. It definitely wouldn't bring up a report. It would just bring up the information on that particular screen, if anything.
BY MR. BOYLAN:
Q If anything. Meaning, it would bring up all the Nevada files on the screen?
A If that were the case.
Q And the screen is printable, though; right?
A A screen shot; you could screen shot it. If -- there's not a print capability, you'd have to screen shot it.
Q And then print it; correct?

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A (No audible response.)
Q Yes?
A Yes.
Q But you also -- don't you also have the ability to save it in some type of file?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
THE WITNESS: So if -- if I were to enter NV, and it returned data, could I save that?
BY MR. BOYLAN:
Q Yes. In some type of separate file?
A No. You'd have to screen shot it and save it, but not from that screen, you wouldn't able to.
Q And screen shotting it, you'd have to do each individual screen and scroll it? Or you could screen shot it, and it would basically create an image of all of the data returned?
MR. SCARBOROUGH: Objection. Asked and answered.
THE WITNESS: Yeah. My experience with screen shots, you probably would have to scroll down to get -- if there were, you know, a full screen, you wouldn't get it all in one screen shot, so you'd probably have to have multiple screen shots, I would imagine.
BY MR. BOYLAN:

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Q What would you -- I apologize if I've asked you this before, but I don't think I asked it this way: What would you estimate was the total number of files that you handled -- "you" meaning CRC -- handled in Nevada in the last year that CRC did Nevada work?
A I don't recall the number of active files that we had at the time. Yeah. I wouldn't be able to speculate on the number.
Q I'm not asking you to speculate. I'm just asking you to estimate.
A I couldn't do that either. I don't remember.
Q Well, let me see if I can give you some help by ballparking it.
Would you be able to estimate that it was more or less than 5,000?
A I don't remember the number.
Q Would you --
A I -- yeah.
Q I'm just trying to get you to ballpark.
A But if I don't remember, I'm not comfortable in providing you with a number or even a ballpark.
Q Well, just -- and I'm not trying to argue with you, just so you understand. It's not a matter of comfort. It's a matter of --
MR. SCARBOROUGH: Ask your next question.

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BY MR. BOYLAN:
Q -- complying with your oath if you're able to estimate. For example --
MR. SCARBOROUGH: Please ask the next question.
MR. WEISS: Asked and answered.
MR. SCARBOROUGH: That's not acceptable, Nick.
MR. BOYLAN: It is --
MR. SCARBOROUGH: No, it's not.
MR. BOYLAN: -- because explaining what an estimate is is done by thousands of lawyers every day.
MR. SCARBOROUGH: She's explained to you why she's been uncomfortable. Now we're into the fifth hour of her discomfort on --
MR. BOYLAN: Discomfort is not a reason --
MR. SCARBOROUGH: -- on guessing --
MR. BOYLAN: -- to not give an answer.
MR. SCARBOROUGH: It's the reason why she's not going to guess on any of your range issues. She's made that abundantly clear.
MR. BOYLAN: It's massive, vicious coaching that has resulted in that.
MR. SCARBOROUGH: No, it's not.
MR. BOYLAN: And I'm trying to --
MR. SCARBOROUGH: It's frustration.

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MR. BOYLAN: -- work around it.
MR. SCARBOROUGH: It's the fact that you've chewed up all kinds of time of a witness, who's not employed by CRC, and instead of asking questions and getting answers, you're lecturing her and telling her why her answers are not acceptable. I've asked you, and so has Mr. Weiss several times to stop it; please stop it. I don't want to instruct because you're harassing the witness. I really don't.
MR. BOYLAN: Well, if you do, you're going to be sanctioned.
Q Let me give you an example that most lawyers --
MR. SCARBOROUGH: I'm not -- I'm not in your court. You're not the judge. And if there's anything that we both know is that this conversation belongs in front of a judge, not chewing up the time of the witness.
BY MR. BOYLAN:
Q Let me give you an example, ma'am, that many lawyers give, which I don't like to give because it's -- but it does work. And it helps witnesses understand.
They tell a witness what an estimate means for the purposes of answering questions under oath. For example, if I asked you to estimate the length of this table, you can see it. Now, would you be

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uncomfortable -- too uncomfortable to estimate the length of the table? I think not. It's maybe, what, 22 feet, 25 feet, estimate. It's an estimate.
Now, if I asked you how -- how many feet is the length of my desk in my office, that would be speculation. You have no earthly idea. Right? I mean, I might be the kind of guy that works off a little -- teeny little thing or I might actually work off of a huge conference table as my personal desk. You have no idea. I understand why you'd be uncomfortable estimating the length of my desk. So that's the difference between an estimate and speculation.
Do you -- are you understanding what I mean by that now?
MR. WEISS: Objection to the form of the question. Objection. Argumentative.
MR. SCARBOROUGH: Calls --
MR. WEISS: Objection to the extent it's been asked and answered. Objection. Calls for speculation.
MR. SCARBOROUGH: Join.
THE WITNESS: I believe I understood your question, the difference between an estimation prior to that. But I just don't have the information to provide to you.

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BY MR. BOYLAN:
Q Page 2 of Exhibit 9. This seems to have some different headings on it. Why is that?
A It's information taken from a different screen within PANDS.
Q How many screens are there?
A Boy, I don't remember exactly the number of screens.
Q Can you estimate?
A I recall there being 11 screens.
Q And they all have searchable fields?
A No.
Q How many screens have searchable fields?
A One.
Q Which screen is that?
A It would be -- I don't know what we would call it. I'll label it the landing page where you would do the search. So that would be the search fields that I've already --
Q All right. Now, you're not an IT expert; right? So I'm asking based on your knowledge. But is it fair to say that whether an IT professional is able to search fields on those other pages is beyond the scope of your knowledge?
A I'm not an IT person, but there -- there were

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no search fields on any of the other screens.
Q What's on those screens then?
A Data.
Q Data that's not searchable, not retrievable?
A You cannot search on the other screens.
Q How do you retrieve the data on the other screens?
A You pull up the screen and view the information.
Q But how do you -- how do you find it?
A By that landing page, entering the -- one of those searchable fields --
Q Uh-huh.
A -- and pulling up that file and from -- once you're in that file, you can view the multiple screens.
Q Tell me -- tell me what the -- the headings mean on page 2 of Exhibit 9.
A So the case client loan number again; the case key is the CRC reference; the created by would be the individual user ID that entered the information; the user first name, user last name; the date that the entry was made; the description -- I'm not sure which screen this is. This looks like a -- a document -- this looks like the document screen. So the date that -- created date would be the date that the document was saved; the

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description of the document and the image file would be where the document was saved and the recording description.

Q What does 10-day letter mean?

A 10-day letter would be a letter from the title company advising that the notice of default recorded and providing any required mailings at the time the NOD recorded.

Q Let's go a few pages deeper. Bates number ending in 83, it looks like; it's very tiny, and my eyes are struggling. But, yeah, it ends in 83. The type is small, but this is how it was provided to us.

What is it we're seeing on this page?

A This is -- this is our -- the PANDS event screen. So this would be the tracking of the foreclosure, so the milestone events for the foreclosure.

Q From looking at this, can you tell me whether the foreclosure process was completed by CRC with respect to the file indicated?

A And when you state -- I think you said "completed"?

Q Uh-huh.

A What do you mean by "completed"?

Q What do you understand that to mean?

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A I -- it could mean a few things. So I'm not sure.

Q Well, tell me the few things it could mean, and I'll try to help define the question for you.

A Did we complete it as far as sale, or did we close it due to reinstatement or payoff?

Q Completion by sale.

A I'm not sure looking at this. Based on the steps completed, I'm going to say no. But I am not certain of that.

Q The category that says -- I guess it says "Cases," slash, something. I'm sorry, the print is so small, I can't read it. Can you help me with that? The first item under it, it says, "Closed." Then it says, "Sale scheduled for."

Do you see that column?

A Yes, I do.

Q What is that column generally?

A So that would be all of the events of the foreclosure; so when the file is opened, all of the steps generate. And then we have the scheduled date, as well as the completed date for each of those events.

Q So is this document incomplete? Because it -- it should start with open and not closed. I'm confused.

MR. WEISS: I'm just going to say objection, to

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the extent it lacks foundation whether we have a complete document here.

THE WITNESS: Yeah. It's -- that information is there. It's -- if you look towards the bottom and work your way up, it's about one, two, three, four, five, six, seven, eight -- about the ninth step from the bottom, file received and set up.

BY MR. BOYLAN:

Q All right. So is it just simply not in chronological order? Is that our conclusion?

A It appears that's the case.

Q Was that normal for PANDS or --

A No, not in our view of PANDS, it wasn't.

Q Any -- any belief as to why that's occurring on this document?

A No. I don't know how this information was obtained.

Q Let's keep going to -- let's go a couple pages deeper. I don't think that tells us anything.

Ma'am, a lot of these pages are not Bates-numbered. But there's one about -- approximately nine pages in that starts with "Comment Comment" at the top. I'll show you, so you can maybe help put your hand on it.

A Okay.

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Q Do you have it?

A Yes.

Q What is this?

A It looks like our file history information, similar to what we looked at earlier.

Q Just based on your knowledge and familiarity with these -- these records, do you have any idea what was redacted? Do you see there, there's several places where it says, "Redacted."

A No, I'd have no idea.

(Plaintiffs' Exhibit 10 was marked for identification.)

BY MR. BOYLAN:

Q Take a look, please, at what's been marked Exhibit 10. Again, this is a CRC production, which seems not to be Bates-numbered, ma'am. I don't know why. Larry may or may not know why. But it doesn't really need to concern us.

What is this document?

A It appears to be, again, our event screen in multiple pages. So about the -- the first eight pages would be the event screen.

Q Near the end of the events, it says, "The sale was scheduled for," and then beneath that, it says, "Closed." And there are dates in 2011.

But, again, you're unable to tell whether the sale was actually -- was actually accomplished from these records, including Exhibit 10; is that true?

MR. WEISS: Objection. You say "again." Are we dealing with a different loan now? It's a different loan number.

BY MR. BOYLAN:

Q Oh, okay. Then we'll ask the question as to this. Do you know from looking at this whether the sale was accomplished as to this file?

A No. I'm having a hard time following it. No.

Q Now, there were fields indicating the city of the location of the borrower's home in the PANDS database; correct?

A The property, yes; the subject of the foreclosure, yes. The city was included in PANDS.

Q And that was a searchable field?

A The city? No. Like I said earlier, I don't -- I don't recall it being a searchable field just by the city.

Q Okay. It seems to be a separate -- if you look deeper in this document, it seems to be a separate item. And there's a bunch of cities listed. And they all have the same code number.

So, again, I'm not trying to argue with you.

We may have to consult and do additional discovery. But it appears to be --

MR. WEISS: What page are you on?

MR. SCARBOROUGH: Yeah. Can you -- can you direct us to a page, Nick?

MR. BOYLAN: I can't, because they're not numbered. But I can show you, and you can track it. It's about -- it's about midway through the document.

MR. SCARBOROUGH: Okay. Well, hold that up. I hate to do it this way, but that will tell us which way it's --

MR. CERAN: May I see it, too?

MR. BOYLAN: Wait your turn. Just kidding, Allan.

MR. SCARBOROUGH: That's not it.

MR. BOYLAN: Okay. The witness has it. So we're making progress.

Q You found what I'm looking at, ma'am?

A Yes.

Q What is that?

MR. SCARBOROUGH: Hang on for one minute, please.

MR. BOYLAN: Larry --

MR. SCARBOROUGH: Boulder City. Here we go. I got it. I don't want to get in the picture, but I do

want to see what you're looking at to make sure we're on the same page. Okay. We are.

BY MR. BOYLAN:

Q Do you see there, ma'am, it has a separate field and a separate column for the city?

A I do.

Q And do you see also it has a separate column with its own heading for the state; correct?

A Yes, I do.

Q And this is part of the PANDS system?

A It is.

Q The cities listed all have the same number 71 next to them. So what -- that number is obviously not tied to a particular city. What does that number 71 mean?

A I'm not sure.

(Plaintiffs' Exhibit 11 was marked for identification.)

BY MR. BOYLAN:

Q Take a look, please, at what's been marked as Exhibit No. 11.

Sorry. Apparently, I'm a couple short on this one. Do you want to look at mine first, Allan? Oh, actually, wait a minute. No, I do have one here.

Okay. Exhibit 11, a multi-page document, CRC

production Bates number beginning 688. It looks like it goes to 757.

Do you have it in front of you, ma'am?

A Yes.

Q What is this document?

A It's the Home Lending Foreclosure and Bankruptcy Manual.

Q And this is the manual created by Chase and which contractually obligated various policies, practices, and procedures to be executed by CRC?

MR. SCARBOROUGH: I'll object that it calls for a legal conclusion.

MR. WEISS: Yeah. Same. Join.

THE WITNESS: This is the document that we referred to regarding requirements that we were to handle on behalf of Chase and how to handle them.

BY MR. BOYLAN:

Q "We" meaning CRC?

A CRC, yes.

Q And to the best of your knowledge, CRC actually executed its policies and practices with respect to its business, including in Nevada, consistent with the requirements stated in this document; correct?

MR. SCARBOROUGH: I'll object that it's overbroad.

MR. WEISS: I'll join in that objection. This is a 70-page document.

THE WITNESS: As it related to the services that we provided, we would have complied with this. I see that there are possibly some things that were not applicable to CRC. But as they related to matters that we handled that were applicable, we would comply with them.

BY MR. BOYLAN:

Q And, for example, CRC, as a general rule, as provided on page 11, which is Bates number 698, returned phone calls from borrowers regarding the debt within 24 hours?

A If an inquiry was made to CRC, we would return the call that -- I can't say that it was always done within one business day, or if it was concerning their loan; it might have been related to the foreclosure. But that would have been our procedure.

Q And the same is true with respect to written communications, correspondence, as indicated there, CRC as a practice responded to correspondence from borrowers regarding the debt within one business day?

A Yeah, I -- this doesn't really speak to a debt per se. But any information that was requested of CRC would have been responded to.

Q Well, let's change the word to "loan" because "loan" is used right above in the "Records" column. So if you're more comfortable, let's use the word "loan."

Generally, CRC complied, in terms of it responded to correspondence from borrowers regarding their loan within one business day; isn't that true?

MR. WEISS: Object to the extent it mischaracterizes the document.

THE WITNESS: I believe that -- I don't know that I and J are referring to the same thing. I think they're talking about telephone calls and other communications. And most of the communication that CRC received, other than quotes, had to do with the foreclosure, not the loan.

BY MR. BOYLAN:

Q You don't think the foreclosure is related to the loan; is that why you're answering that way?

MR. SCARBOROUGH: Objection. It misstates her prior testimony.

MR. WEISS: Join.

THE WITNESS: We were foreclosing on a loan, but we couldn't respond to the borrower about their loan, only the foreclosure.

BY MR. BOYLAN:

Q Is it true that CRC provided a number of other

foreclosure-related services to Chase with respect to the loans on the properties it held?

MR. SCARBOROUGH: Objection. Vague and ambiguous.

MR. WEISS: Join.

MR. SCARBOROUGH: As to "other"; other than what?

THE WITNESS: There were other services that we provided to Chase.

BY MR. BOYLAN:

Q Related specifically to the borrowers and/or the properties that were the subject of the debt; correct? I mean, you didn't provide bus tours to Disneyland; right? It all revolved around the debt or the properties involved; correct?

MR. WEISS: Object to the form of the question.

MR. SCARBOROUGH: Join.

THE WITNESS: We provided the foreclosure services. And then there were a few other services that we provided, as well.

BY MR. BOYLAN:

Q What were they?

A Senior lien monitoring and deeds in lieu of foreclosure.

Q What else?

A That's all I can think of off the top of my head.

Q Did CRC, at any time during your tenure, have any other licenses from the State of Nevada, such as a license from the mortgage division?

MR. SCARBOROUGH: Objection. Lacking in foundation.

MR. WEISS: Object to the form of the question. Assumes facts not in evidence.

THE WITNESS: Not to my knowledge.

BY MR. BOYLAN:

Q Well, was your firm involved in eviction in any way on behalf of the lender?

A No.

Q Look at page 28 of the agreement, Bates number 715. It says -- the heading of 13 says, "Other Foreclosure-Related Services."

Do you see that, ma'am?

A I do.

Q So one of the services your firm provided was scheduling the mediation with respect to the defaulted loans; correct?

MR. WEISS: Object to the form of the question, and to the extent it mis -- mischaracterizes the

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document.

MR. SCARBOROUGH: Join.

THE WITNESS: I don't believe we were involved in scheduling the mediations.

BY MR. BOYLAN:

Q Well, I -- I beg your pardon, and I'm not trying to argue with you, but there's a lot of documents that I've not yet marked which suggest that you were. But time permitting, I'll come back to those and try to refresh your recollection if I may.

MR. WEISS: Objection. Argumentative.

BY MR. BOYLAN:

Q Did CRC at any time have any licenses or authorizations from HUD with respect to any of the work it performed?

A No.

Q 13 b) says, "Occupant- or Tenant-Related Services" and describes various items.

Is it your testimony that CRC did not perform any of those services at any time during your 22 years?

A We would send HUD letters, but as part of the foreclosure process, not as a separate service.

Q It was included in the market basket of services that you provided; correct?

MR. WEISS: Object to the form of the

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question.

MR. SCARBOROUGH: Mischaracterizes prior testimony.

THE WITNESS: Yeah. I just view it as part of the foreclosure, not a separate, stand-alone service.

BY MR. BOYLAN:

Q Well, that's not the way I formed my question.

My understanding, ma'am, from your testimony is you view everything as -- everything we've talked about as within the foreclosure process. Is that a fair statement?

MR. WEISS: Object to the form of the question.

MR. SCARBOROUGH: Join.

THE WITNESS: I'm not sure that I do. I -- we've talked about a lot. So I can't say yes to that.

BY MR. BOYLAN:

Q Okay. Well, what falls outside of your definition of the foreclosure process that you provided at CRC as a service?

A Yeah, I'm not sure. We've talked about a lot. I don't know.

Q You can't think of one thing that, according to your testimony, falls outside of foreclosure; right?

A Yeah. I just -- we've talked about a lot, so I don't want to just make a blanket statement that --

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Q Well, let's not think about what you talked about. Let's think about what you did for 22 years.

Did you ever do anything -- did CRC ever do anything that, according to your testimony, fell outside of foreclosure services?

MR. WEISS: Object to the form of the question.

THE WITNESS: I believe I said that everything was part of the foreclosure service that we did.

BY MR. BOYLAN:

Q Okay. Now, that's why I asked you the way I did.

Did your firm at any time perform the occupancy- or tenant-related services as part of that process in your 22 years?

A And I believe that I said that we did send HUD occupancy letters --

Q Anything else?

A -- as part of that foreclosure service.

Q Anything else?

A As it relates to HUD?

Q Any other type of service that would fall within 13 b) on Bates number page 715 of Exhibit 11?

A No.

Q What was your role at CRC with respect to

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litigation at any time during your tenure there?

MR. WEISS: Object to the form of the question, and to the extent it calls for privileged information.

THE WITNESS: I don't know that I had a specific role. If Chase inquired regarding a foreclosure that was in litigation, I would provide information. That would be the extent.

BY MR. BOYLAN:

Q Well, it appears -- and I'll just try to jog your memory -- that there were very specific requirements regarding requesting appearance of a witness; there's a form for it in the back of this document, Bates number 748; there's guidelines --

MR. WEISS: Do you want to -- do you want to -- are we going to talk about 748? We're skipping around a lot.

BY MR. BOYLAN:

Q You're free to look at 748, ma'am, if it would help you.

745, the heading is "Request for Appearance or Other Testimony by a Chase Witness"; "Service of Process" is one of the headings -- sub-headings.

MR. WEISS: Let's take it -- take it page by page.

MR. BOYLAN: There's no question pending,

Counsel. I'm just referring her to particular pages for her to review in preparation.

MR. WEISS: I understand that. She needs to be --

MR. BOYLAN: There's no question pending so you don't have to worry.

MR. WEISS: -- able to do that in an orderly fashion.

BY MR. BOYLAN:

Q Do those pages refresh your recollection at all about what CRC's responsibilities were with respect to litigation?

A No. As I mentioned, there are various items in this document that did not pertain to CRC. And this would be one of them.

Q Look at Bates number pages 736 and 737. And as you -- you don't have to answer yet. Take a look at them.

But my question is, to the best of your knowledge, including at the conclusion of CRC's business and the asset sale, did CRC comply with the contractual requirements of paragraphs 8 and 9 of the -- the contract, which is Exhibit 11, and the Bates number pages are 736 and 737?

MR. SCARBOROUGH: Objection. Lack of

foundation.

THE WITNESS: Yes. All of the information was stored on Chase servers. So they would have access to the information.

BY MR. BOYLAN:

Q So, to the best of your knowledge, the answer to my question is "yes"?

MR. SCARBOROUGH: I'll object. That misstates her testimony that she just gave.

THE WITNESS: They would have access to it. I mean, we didn't do anything other -- do anything with it. So it was on their server. So there was nothing -- we just signed out of the system that day. And that was it. So they had access to the information.

(Plaintiffs' Exhibit 12 was marked for identification.)

BY MR. BOYLAN:

Q Take a look, please, at what's been marked as Exhibit 12, if you would, please, ma'am.

Water spilled; only water, though, thankfully.

MR. CERAN: We're trying to conserve water in this part of the state.

MR. BOYLAN: Thanks, Allan.

Q Exhibit 12, ma'am, the last page, Bates number

760 appears to have your signature.

Is that, in fact, your signature?

A Yes, it is.

Q What is this document, Exhibit 12?

A It's a Chase engagement letter.

Q How many of these did you sign while you were at CRC? Do you recall?

A No.

Q Do you know why you were signing one in 2011 after, you know, many, many years?

MR. WEISS: Object to the form of the question.

THE WITNESS: No, other than it was Chase issued the -- the letter and requested a signature.

BY MR. BOYLAN:

Q And you signed it -- you or -- there was a different vice president at this time; is that true? Ashley Deel, who is that?

A Ashley Deel is or was with Chase.

Q Oh, I see. I'm sorry.

Did you sign or countersign this in any way or simply agree to it by e-mail? Or how did that occur? Oh, you signed the last page. I apologize. Okay. I see what happened. Thank you.

And there were attachments; the attachments

that are referenced there, you were obligating CRC to comply with those; correct? The -- the manual and the -- the two manuals that are shown as attachments?

A Yes. The -- where are you looking?

MR. WEISS: Yeah. Where --

MR. SCARBOROUGH: Where are you?

BY MR. BOYLAN:

Q It's right below the signature block of Ashley Deel.

A So one of them would have been just what we were just looking at, the Home Lending Bankruptcy and Foreclosure Manual. I don't remember the Outside Counsel Manual and the contents of that. But, yes, to the sections that were applicable to CRC as trustee, we would comply.

Q Thank you.

Now, you're also agreeing to comply with the -- well, actually, the two manuals are referenced in the text there, huh, on page 758, OCM and HLFBM, to the extent they applied to the foreclosure services; correct?

A To the trustee companies, not to law firms.

MR. BOYLAN: 13, I believe, is our number now, ma'am.

(Plaintiffs' Exhibit 13 was marked for

identification.)
BY MR. BOYLAN:
Q Ms. Brignac, if I could pass to you what I have marked as 13, please, produced by CRC. Bates numbers 573 through 605, it appears. The heading on the face of it is Master Services Agreement Between JPMorgan Chase Bank, National Association and CRC. This bears the date of 2008.
Despite my description, ma'am, for the benefit of the record, can you please tell me what this document is?
A As you've outlined, it's an agreement between JPMorgan Chase and California Reconveyance Company.
Q And CRC was agreeing to perform the services for the lender that are described in the document and specifically also in the schedules that were part of the agreement; correct?
A As applicable, yes.
Q Do you recall if it was you who obligated CRC to this Master Services Agreement, or it was some other person at CRC?
A I don't know if I signed this one or not.
Q You believe that you -- you did sign it? Or you just have no concept or idea whatsoever?
A I just can't recall in 2009 whether I signed

this or not.
MR. BOYLAN: I don't think we were given a signed copy, Larry. But I don't know the reason for that either so --
(Plaintiffs' Exhibit 14 was marked for identification.)
BY MR. BOYLAN:
Q Take a look, please, ma'am, at what I've marked as Exhibit 14, Bates number, produced by CRC, 139.
Can you tell us what this document is or what it is a copy of, please?
A It's a copy of a California Reconveyance Company check to the Foreclosure and Mediation Program Administration.
Q In Nevada; correct?
A Yes, it appears so, based on the trustee sale number referenced on the check copy.
Q And this reflects what we talked about at some length earlier, which is your firm was itself out of its own pocket paying the fees necessary to conduct a mediation regarding the defaulted loan of the Nevada borrower; correct?
MR. WEISS: Objection to the extent it misstates the prior testimony.
THE WITNESS: We were -- we advanced the -- the

fee for the mediation, and then we would obtain reimbursement from Chase as part of the foreclosure fees and costs.
BY MR. BOYLAN:
Q California Reconveyance had its own lawyers that would -- at the Cooper Castle law firm that would represent CRC with respect to trying to mediate defaulted loans; is that true?
MR. SCARBOROUGH: Objection. It misstates prior testimony.
THE WITNESS: No.
(Plaintiffs' Exhibit 15 was marked for identification.)
BY MR. BOYLAN:
Q Take a look, please, at what I've marked as Exhibit 15. As you can see, this involves my client Susan Kallen. There's a reference there to the trustee being CRC, located in Chatsworth, California. And I see -- I see -- my understanding now, perhaps, changes as I look at this. It talks about the lender's lawyers being at Cooper Castle.
Did you work with those lawyers; meaning -- "you" meaning at CRC -- did you work with those Cooper Castle lawyers in any way?
A We may have had some communication with them,

but very rarely. It primarily was the lender Chase that communicated with them.
Q One of the services that your firm was contractually obliged to assist the lender with was alternatives to foreclosure; is that correct?
A No.
MR. WEISS: Object to the form of the question.
(Plaintiffs' Exhibit 16 was marked for identification.)
BY MR. BOYLAN:
Q Take a look, please, at what I've marked as Exhibit 16, which is a portion, I believe, of one of the prior agreements that you've had the entire thing presented to you. I can figure out which one in a moment, or you can probably tell me better than I. It might have been Exhibit 11.
MR. WEISS: I think Exhibit 8?
THE WITNESS: No, it's 11.
BY MR. BOYLAN:
Q It's 11.
So Exhibit 16 now is a portion of the agreement to which CRC was bound, the entirety of which is Exhibit 11. But this helps us focus in particular on alternatives to foreclosure that's a part of that agreement.

Do you see it beginning at CRC Bates number 624, carrying over to 626, Bates numbers?

Do you follow me, ma'am?

A I do.

Q Okay. So your firm, according to this document, according to your understanding of it, was obliged to assist Chase with alternatives to foreclosure with respect to the defaulted debt; is that true or not?

MR. SCARBOROUGH: Objection.

MR. WEISS: Objection. It misstates prior testimony.

MR. SCARBOROUGH: Join.

THE WITNESS: No. That's not true.

BY MR. BOYLAN:

Q Why -- are you saying that those provisions of the agreement did not apply to CRC?

A Yes.

Q And why do you believe that?

A Because that is not something that we assisted Chase with.

Q There are -- my understanding is the agreement carves out which provisions do not apply to CRC's work, as opposed to a law firm's work expressly; is that your understanding?

MR. SCARBOROUGH: Objection. It misstates the document.

THE WITNESS: I don't recall exactly the -- the verbiage used in that letter. But I know for certain what services we provided, and alternatives to foreclosure was not one of them.

BY MR. BOYLAN:

Q And that's true for 22 years; is that your sworn testimony?

A That is true.

Q So, for example -- and I'm just -- I'm giving you an opportunity; I'm not trying to argue with you -- if I were to depose -- take the testimony of six or eight of the employees, is it your expectation then that all of them would swear that they never had any involvement with loan modification?

A That is true.

MR. BOYLAN: Let's do this, we're going to change the tape, ma'am. We're going to take another short break. And it may well be that I'm either finished or super close to finished. So the break will facilitate my figuring that out. Okay?

THE VIDEOGRAPHER: Off the record at 4:39 p.m.

(Brief recess taken.)

THE VIDEOGRAPHER: This marks the beginning of

Disc No. 5 in the deposition of Deborah Brignac. We are back on the record at 4:44 p.m.

BY MR. BOYLAN:

Q From your knowledge of the 22 years at CRC and your knowledge of its databases, and the like, what is the most efficient means to determine the number of Nevada files -- excuse me -- yeah, the number of Nevada files that CRC handled, meaning, Nevada debtors, from 2007 to 2012?

MR. SCARBOROUGH: I'll object. That's outside the scope of what's permitted under the 30(b)(6) deposition notice.

Feel free to answer, if you can. I'll object that it's lacking foundation, calling for speculation.

THE WITNESS: Yeah. At this time, I'm not sure how you would go about obtaining that information.

BY MR. BOYLAN:

Q What -- what is your knowledge -- and I know this is a bit repetitive, but I have to make my record -- what is your knowledge about the most efficient means to determine the number of letters and notices, meaning, correspondence, letters, notices --

MR. SCARBOROUGH: Same set of objections.

BY MR. BOYLAN:

Q -- for the Nevada files that CRC sent to Nevada

debtors from 2007 to 2012?

MR. SCARBOROUGH: Same set of objections.

THE WITNESS: At -- at this point in time, I'm not sure how you would go about obtaining that information.

BY MR. BOYLAN:

Q The next one -- again, ma'am, I apologize; it's repetitive somewhat, but I just need to do this, please.

What can you tell me about the total amount of dollars collected or received by CRC from Nevada debtors during each of the years 2007 to 2012?

MR. SCARBOROUGH: Same -- same objections. It's outside the scope. Calls for speculation. Lacking in foundation.

THE WITNESS: I wouldn't be able to share anything with you.

BY MR. BOYLAN:

Q What can you tell me, to the extent you haven't already done so, about the names of former employees of CRC -- well, I'll withdraw that.

Were you personally involved in any way -- in any way with collection of documents to be produced in this litigation by --

A No.

Q -- CRC?

A No.
Q Were you asked to search for or help find or provide any type of documentation or data of any kind?
A No.
Q I want to clarify something. I think you've testified to this. I apologize if it's repetitive, but allow me to frame the record.
You've already told me about your knowledge about the content and access of the databases that you utilized at CRC with respect to the storage of its business activities with respect to debtors; correct?
A I'm sorry --
MR. WEISS: I'm just going to object to the form of the question.
THE WITNESS: Yeah. I'm not sure if I understand what you're asking.
BY MR. BOYLAN:
Q All right. What can you tell me about the content, accessibility, and current location of all the data and databases, electronic information reflecting the business that CRC conducted with respect to Nevada debtors from 2007 to 2012?
MR. SCARBOROUGH: I'm going to object that that's outside the scope, lacking in foundation, calling for speculation, particularly as to the present time.

THE WITNESS: Yeah, I'm not -- I wouldn't be able to advise you on -- on that currently. I'm not sure.
BY MR. BOYLAN:
Q You have no information to give under oath here today about that?
A It's -- no, I don't know where the data -- how to retrieve the data.
Q What can you tell me about the current address and name of the person who is the custodian for all of CRC's records, paper and electronic, related to its business activity in the state of Nevada for the years 2007 to 2013?
MR. SCARBOROUGH: Same set of objections.
THE WITNESS: Sole and separate, apart -- just Nevada? I don't know that there's any one person that --
BY MR. BOYLAN:
Q Okay. To include Nevada then, ma'am. Let me correct it. To include Nevada.
MR. SCARBOROUGH: Same set of objections. Also lacking in foundation.
THE WITNESS: As far as I know, Chase has the -- the CRC data.
BY MR. BOYLAN:

Q Okay. But the name and address of the custodian who has that data, do you know who that is?
A I don't know where it's stored. One individual that I know had access to it at one point would be Danielle Meadows.
Q Where is she located nowadays?
A I'm not sure.
Q What state? Do you know, ma'am?
A The last known that I was aware of was Jacksonville, Florida. I'm not sure if she's still there or not.
Q She was a Chase employee?
A Yes.
Q But you have no address?
A No.
Q And you have no knowledge of where the telephone bills are that would reflect CRC's communications, calls made or received from debtors in the state of Nevada from 2007 to 2013; correct?
A That is correct.
Q No information about the location or the content of those telephone bills; correct?
A No information.
(Plaintiffs' Exhibit 17 was marked for identification.)

BY MR. BOYLAN:
Q Take a look, please, at what's been marked as Exhibit 17. This is the Amended Notice of Taking The Deposition of CRC's Person or Persons Most Knowledgeable.
It was served on you, Counsel. If you have a problem when you hear a question, just let me know. It's got my notes on it.
MER. CERAN: Oh, it's got your notes.
BY MR. BOYLAN:
Q Do you have it in front of you, ma'am?
A Yes.
Q Okay. Have you ever seen this document before?
A Yes.
Q When?
A Yesterday.
Q Did you have communications regarding this document with anyone other than Larry Scarborough or the other lawyer to his left?
MR. SCARBOROUGH: That would be Jonathan Weiss.
MR. WEISS: I forgive you for forgetting my name.
MR. BOYLAN: I'm not seeking forgiveness.
MR. SCARBOROUGH: No surprise there.
Go ahead, Ms. Brignac.

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THE WITNESS: Yes. An associate of Larry's. And I apologize. I don't remember her name.
BY MR. BOYLAN:
Q A lawyer named Jessica?
A Jessica, yes. Thank you.
Q All right. Anyone you understood that was not a lawyer?
A No.
Q McCarthy, Holthus is a -- in part, a debt collection firm; correct?
MR. WEISS: Objection.
MR. SCARBOROUGH: Objection. Outside the scope.
MR. WEISS: Also, objection to the extent it calls for a legal conclusion.
THE WITNESS: I'm not certain if they're a debt collector.
BY MR. BOYLAN:
Q Are you aware whether McCarthy Holthus puts on its correspondence a statement that it's a debt collector?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
THE WITNESS: Not that any of the documents that I've seen or correspondence that I've seen.

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BY MR. BOYLAN:
Q Is it true, as a general matter, that all of your employers for the last 30 years have been involved in one way or another in the debt collection business?
MR. SCARBOROUGH: Objection.
MR. WEISS: Objection to the form of the question.
MR. SCARBOROUGH: Misstates prior testimony the prior day.
THE WITNESS: No, I don't believe that's true.
BY MR. BOYLAN:
Q So just to be clear -- I'm not trying to argue with you; I need a clear record because we're going to go to trial on some questions -- your sworn testimony is, to the best of your knowledge, your current employer, McCarthy, Holthus is not a debt collector; correct?
MR. WEISS: Objection to the form of the question; also to the extent it calls for a legal conclusion.
THE WITNESS: To my knowledge; I don't know one way or another if they are or not.
BY MR. BOYLAN:
Q Well, let's talk about the employer just prior to that; that was -- what was it called? ALAW?

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A Yes.
Q What was that firm?
A A law firm.
Q And did it also have default services or a foreclosure division or group within it, to your knowledge?
A They offered foreclosure services.
Q And a variety of default-related services; isn't that true, ma'am?
A I believe so. I can't speak to what they offered in the way of services.
Q And, in fact, that firm was a debt collector, your former employer, ALAW; correct?
MR. WEISS: Object to the form of the question and to the extent it calls for a legal conclusion.
MR. SCARBOROUGH: Join.
THE WITNESS: I'm not certain if they were.
BY MR. BOYLAN:
Q Take a look, please -- and it has some marks on it.
These are my marks, Larry. So I don't want you to come out of your chair.
But take a look at Exhibit 18, please, ma'am.
(Plaintiffs' Exhibit 18 was marked for identification.)

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MR. CERAN: Oh, now I get one.
MR. BOYLAN: Are there two there?
MR. CERAN: Yeah.
MR. BOYLAN: Okay.
MR. CERAN: I'll take the one with the marks so it will help you follow up.
BY MR. BOYLAN:
Q Okay. Exhibit 18, if you'd page through it with me. The second page of ALAW indicates "What We Do," "Services Offered." This is from the Web page.
Did you ever see the ALAW Web page at any time you were employed there?
A Yes.
Q Were you aware that it specifically offered debt collection services, as indicated on page 2?
A I see that here in this document. I don't know that I was aware at the time that I -- when I reviewed the page.
Q But as you look at it now, you see it says, "Unsecured and Secured Debt Collection"; right?
A I do.
Q And that secured debt collection includes debt collection by means of foreclosure; correct?
MR. SCARBOROUGH: Objection.
MR. WEISS: Objection to the form of the

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question, to the extent it calls for a legal conclusion.

MR. SCARBOROUGH: Also lacking in foundation.

THE WITNESS: I don't understand it to say that. It says, "Unsecured and Secured Debt Collection."

BY MR. BOYLAN:

Q What do you understand secured debt collection to be, ma'am?

MR. SCARBOROUGH: Objection. Lacking in foundation.

MR. WEISS: Join.

THE WITNESS: Collecting on a secured debt.

BY MR. BOYLAN:

Q And, to your understanding, that includes debt secured by real estate?

MR. SCARBOROUGH: Same objection.

THE WITNESS: I imagine it could, secured by -- whatever it's secured by.

BY MR. BOYLAN:

Q How long did you work there, ma'am?

A A little less than a year.

Q At any time during your 22 years, did CRC have a license to collect debts in any state in the United States?

MR. SCARBOROUGH: Objection. Lacking in

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foundation and calling for speculation.

THE WITNESS: Not that I'm aware of.

BY MR. BOYLAN:

Q To your knowledge, did CRC ever apply for a license to collect debts in any state during your 22 years?

MR. SCARBOROUGH: Same objections.

THE WITNESS: Not that I'm aware of.

BY MR. BOYLAN:

Q Do you recall discussions with whether it should do so in any state other than Nevada -- because we covered that -- with anyone other than attorneys?

A No.

Q Was there any material change in the services, in the business activities performed by CRC in Nevada at any point in time during your tenure at CRC?

A No. Other than starting and stopping the practice of conducting foreclosures in Nevada, there's no change; and then the implementation of the mediation program which occurred during the time that we conducted foreclosures in Nevada.

Q And do you consider the statement that the firm was a debt collector, the imposition of that statement, do you consider that a material change or not?

A No. It didn't change our day-to-day business.

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Q Was the -- the market basket of services you provided in Nevada -- CRC did during that time period, was it materially different than services provided in any of the other states during your 22 years?

MR. SCARBOROUGH: Objection. Vague and ambiguous.

MR. WEISS: Join.

THE WITNESS: During the time that we conducted foreclosures --

BY MR. BOYLAN:

Q Of course.

A -- in Nevada?

Q Yes, ma'am.

A No. Services provided were foreclosure services no matter what the state.

Q So there wasn't any particular item of service that you provided in California that you didn't do in Nevada, for example, or vice versa; true?

A Somewhat; for example, there was no mediation program in California. So we didn't -- or Arizona. So we didn't have to deal with the mediation in those states. So that would be something that would be different. But as far as the foreclosure function, it would be the same based on the statute of the state.

Q Was there any differences in terms of the money

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you received, either directly from the defaulted debtor, such as a reinstatement payment or a payoff amount, or money received as a result of the sale -- was there any differences there between Nevada and the other states?

MR. WEISS: Objection to the form of the question.

THE WITNESS: I'm not sure I'm following you. I don't want to --

BY MR. BOYLAN:

Q The policies, practices, and procedures that you utilized in Nevada with respect to money received, either directly from defaulted debtors related to reinstatement or payoff, or from -- indirectly from the sale, how you treated that money, what you did with it, when and how you passed it on to the lender, was any of that different or unique to Nevada, as compared to the other states?

MR. SCARBOROUGH: I'm going to object.

MR. WEISS: Objection to the form of the question.

MR. SCARBOROUGH: It's overbroad. I'll object.

THE WITNESS: It -- we handled the funds in the same manner as far as what we received in the office. It didn't depend on the state and how we handled it.

BY MR. BOYLAN:

Q As you sit here, can you think of any major distinctions in the business activities you performed or did not perform between the states based on any particular state law, other than the mediation item that you mentioned?

MR. SCARBOROUGH: Same objection. It's overbroad.

THE WITNESS: There were differences in the statutes, but -- I mean, so the foreclosures weren't handled in the same manner. The documents were different; time frames were different. But for, you know, all intents and purposes, we handled the foreclosure in accordance with the statute. So if there were differences, they were handled differently.

BY MR. BOYLAN:

Q Right. But in terms of the market basket of services included within your work for the lender, other than the mediation program that you've described, was there any other particular service that was unique to Nevada?

MR. WEISS: Objection to the extent it's been asked and answered.

MR. SCARBOROUGH: Join.

THE WITNESS: No.

MR. BOYLAN: Okay. All right. Ma'am, I want to thank you for your time.

I would like to discuss off the record -- let's go off, please.

MR. SCARBOROUGH: No, let's not go off.

MR. BOYLAN: Oh, okay.

MR. SCARBOROUGH: I have some questions.

MR. BOYLAN: Oh, I'm sorry. I thought you wanted to talk about a stipulation.

MR. SCARBOROUGH: No. I'm mindful of your time. I'll take two seconds.

I think the next exhibit in order is No. 19; if I can have that marked as 19.

(Defendant's Exhibit 19 was marked for identification.)

MR. BOYLAN: Well, let's -- before you go on, how much time do you estimate? Because you never mentioned this.

MR. SCARBOROUGH: Two minutes.

MR. BOYLAN: All right. I don't mind at all. But we've got other people who do. So --

MR. SCARBOROUGH: Well, if -- the impetus for that problem is not on this side of the table, Nick.

MR. BOYLAN: Well, we can disagree about that.

MR. SCARBOROUGH: So let's --

MR. BOYLAN: And still be friends.

EXAMINATION

BY MR. SCARBOROUGH:

Q Let's have you take a look at Exhibit 19. I'm going to represent to you, Ms. Brignac, that this is a copy of your LinkedIn profile that we had printed out of LinkedIn in this office at about the noon hour this afternoon. And I simply want -- have I shown this to you before? Have you looked at this?

A No.

Q No.

I want to take you down to where it says, "President." Do you see any reference to California Reconveyance Company there?

A Yes.

Q And what does it say there?

A "California Reconveyance Company - Chase."

Q Okay. Let me show you what's been marked as Exhibit 1, which is the copy of your LinkedIn profile that Mr. Boylan showed to you at the outset of the deposition.

Do you recall seeing that?

A Yes.

Q Can you explain -- do you have any idea why Mr. Boylan's version doesn't have "California Reconveyance Company - Chase" under "President," and the one that we had printed out at the noon hour does?

A No.

MR. SCARBOROUGH: That's all I have.

MR. BOYLAN: Yeah, ma'am. It looks like there was a copying error. I apologize for it. But you straightened it out. So I'm fine with that, Counsel. Thank you very much.

Now did you want to talk about a stipulation?

MR. SCARBOROUGH: What stipulation?

MR. BOYLAN: With respect to the transcript, sir.

MR. SCARBOROUGH: We'll read and sign.

MR. BOYLAN: Okay. And, typically, at least in California, and generally in Nevada, in my experience, we will stipulate to relieve the court reporter of her duty to retain the original; to the extent that applies here, we've got Nevada litigation, but we've got a deposition taken in California.

MR. SCARBOROUGH: I'm fine with that.

MR. BOYLAN: All right. So the -- the general rules -- or excuse me -- the general portions of the stipulation are that she will be relieved; I will -- it

will be delivered to me ultimately; I will make it available to you or anyone else, frankly, in the litigation upon reasonable request for any pretrial or trial purpose; the witness will be given an opportunity to sign it under penalty of perjury -- penalty of perjury and make corrections. We'll talk in a minute about how much time she would like for that.

We generally agree that if she doesn't sign it for any reason, an unsigned original or copy can be used for any purposes as if it were signed.

MR. SCARBOROUGH: We don't need to stipulate to that, Nick, and do all of this. She's going to read and sign. And the usual customary practice in various jurisdictions is 30 days. That's all we ask.

MR. BOYLAN: Very good. I've had actually witnesses that have died. So we do use that stipulation in case they're unable to sign or they have a serious illness. Is it objectionable?

MR. SCARBOROUGH: Yeah. We'll read and sign.

MR. BOYLAN: Okay. But if for any reason, she doesn't -- I mean, it's typically agreed that an unsigned original or a copy, if it's certified, can be used.

MR. SCARBOROUGH: I don't have a problem with that.

MR. BOYLAN: Okay. And so you will then take responsibility -- because the original is going to be sent directly to you. So I would like you to agree, unless you want her to make corrections and sign off a copy; we can agree to that, as well; but typically the original will be sent to you; you'll provide it to her to sign under penalty of perjury; and you'll receive any corrections she has and forward those to all counsel within that same 30-day period.

MR. SCARBOROUGH: Absolutely.

MR. BOYLAN: Very good. And you'll return the original to my office; correct?

MR. SCARBOROUGH: No problem.

MR. BOYLAN: Very good.

Madam Reporter, you have his information for purposes of that.

Is everyone agreed to that stipulation, Counsel?

MR. CERAN: So stipulated.

MR. WEISS: So stipulated.

MR. BOYLAN: Thank you very much.

THE REPORTER: Did you want a copy? Yes?

MR. SCARBOROUGH: Yes.

THE REPORTER: Did you want a copy?

MR. CERAN: No, thanks.

THE VIDEOGRAPHER: This concludes today's deposition and Disc No. 5 of Deborah Brignac. We are off the record at 5:05 p.m.

(Proceedings concluded at 5:05 p.m.)

* * *

STATE OF _____)
) ss.
COUNTY OF _____)

I, the undersigned, declare under penalty of perjury that I have read the foregoing transcript, and I have made any corrections, additions or deletions that I was desirous of making; that the foregoing is a true and correct transcript of my testimony contained therein.

EXECUTED this _____ day of _____, 20 _____, at _____, _____.
(City) (State)

_____
DEBORAH BRIGNAC

DEPOSITION ERRATA SHEET

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Deborah Brignac Dated

REPORTER'S CERTIFICATE

I, LISA T. ONEM, CSR No. 4475, Certified Shorthand Reporter, certify:

That the foregoing proceedings were taken before me at the time and place therein set forth, at which time the witness was put under oath by me;

That the testimony of the witness, the questions propounded, and all objections and statements made at the time of the examination were recorded stenographically by me and were thereafter transcribed;

That the foregoing is a true and correct transcript of my shorthand notes so taken.

I further certify that I am not a relative or employee of any attorney of any of the parties, nor financially interested in the action.

Further, that if the foregoing pertains to the original transcript of a deposition in a Federal Case, before completion of the proceedings, review of the transcript (X) was ( ) not requested.

I declare under penalty of perjury under the laws of California that the foregoing is true and correct.

Dated this 20th day of September, 2016.

LISA T. ONEM

CSR No. 4475

EXHIBIT "23"

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EIGHTH JUDICIAL DISTRICT COURT
CIVIL/CRIMINAL DIVISION
CLARK COUNTY, NEVADA

JEFFREY BENKO, et al, Plaintiffs, vs. QUALITY LOAN SERVICE CORPORATION, et al, Defendants.	CASE NO. A-11-649857 DEPT. NO. XXIX

BEFORE THE HONORABLE SUSAN SCANN, DISTRICT COURT JUDGE

MONDAY, FEBRUARY 22, 2016

TRANSCRIPT RE:
DEFENDANTS' JOINT MOTION TO DISMISS PLAINTIFFS' SECOND AMENDED COMPLAINT

DEFENDANT MTC FINANCIAL, INC. dba TRUSTEE CORPS. JOINDER IN DEFENDANTS' JOINT MOTION TO DISMISS PLAINTIFFS' SECOND AMENDED COMPLAINT; SUPPLEMENTAL MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF

APPEARANCES:

For the Plaintiffs:	NICHOLAS A. BOYLAN, ESQ. SHAWN CHRISTOPHER, ESQ.
For Defendant Quality Loan Service Corporation:	KRISTIN A. SCHULER-HINTZ, ESQ.
For Defendant California Reconveyance Co:	LAWRENCE SCARBOROUGH, ESQ. JESSICA R. MAZIARZ, ESQ. KATIE M. WEBER, ESQ.
For Defendant MTC Financial, Inc.:	RICHARD J. REYNOLDS, ESQ.

APPEARANCES (Continued):

For Defendant Meridian Foreclosure Service: SHAUN M. ROSE, ESQ.

For Defendant National Default Servicing Corporation: KEVIN S. SODERSTROM, ESQ.

RECORDED BY: Angie Calvillo, Court Recorder

CLARK COUNTY, NEVADA MONDAY, FEBRUARY 22, 2016

PROCEEDINGS

(PROCEEDINGS BEGAN AT 10:32:40 A.M.)

THE COURT: Jeffrey Benko versus Quality Loan Service Corporation. Case Number A-11-649857. Good morning.

MS. WEBER: Good morning, Your Honor. Katie Weber on behalf --

THE COURT: Appearances. We've got lots of appearances. What was your -- I'm sorry?

MS. WEBER: Katie Weber, local counsel on behalf of California Reconveyance Company.

MR. SCARBOROUGH: And good morning, Your Honor. Larry Scarborough and Jessica Maziarz also on behalf of California Reconveyance.

THE COURT: Okay.

MS. SCHULER-HINTZ: Good morning, Your Honor. Kristin Schuler-Hintz on behalf of Quality Loan Service.

MR. REYNOLDS: Good morning, Your Honor. Richard Reynolds on behalf of MTC Financial.

MR. ROSE: Good morning, Your Honor. Shaun Rose on behalf of Meridian Foreclosure Services.

MR. SODERSTROM: Good morning. Kevin Soderstrom for National Default Servicing Corporation.

THE COURT: Did we get everybody? Okay. And everybody else is just observing, I assume. You're observing?

MS. MAZIARZ: No. Jessica Maziarz. I'm actually on the case as well.

THE COURT: Oh, okay.

MS. MAZIARZ: I practice with Mr. Scarborough.

MR. SCARBOROUGH: Yes.

THE COURT: And plaintiff?

MR. BOYLAN: Good morning, Your Honor. Nicholas Boylan and Shawn Christopher representing the plaintiffs today.

THE COURT: Okay. And this is a motion to dismiss brought by the defendants of the second amended complaint.

MR. SCARBOROUGH: Good morning, Your Honor. Larry Scarborough again.

THE COURT: Good morning. Now, the standard is under no set of facts. It's not, you know, federal court, so.

MR. SCARBOROUGH: And we are mindful of that. And in fact, we've couched our arguments that way. The index of issues, the table of contents that were handed out beforehand are very helpful. And to be targeted about this, our motion presents two different avenues for complete relief; that would be dismissal in this case. The first is what I'll call the collection agency issue or the licensure issue. If plaintiffs have failed to state a claim or an avenue to force us into the collection agency box while we're engaged in non-judicial foreclosure activities, then plaintiffs lose as a matter of logic across the board.

In addition and alternatively under classic standard pleading standards, as the Court just prescribed, if they fail to plead enough elements to make out a claim from a factual basis, not a threadbare conclusionary basis, then with respect to each of consumer fraud, unjust enrichment and elder abuse, then they also lose.

I can do that in either order. I thought what I would do is start with the licensure issue.

THE COURT: The collection -- whether you're collection agencies, whether you're required to be licensed.

MR. SCARBOROUGH: Yes.

THE COURT: Yeah. That makes sense to me.

MR. SCARBOROUGH: Okay. On that issue, as I said, it transcends each of the three claims. I think everyone in this courtroom is aware that NRS Chapter 107 has always for purposes of this case governed non-judicial foreclosure. The underlying deeds of trust -- and I know we'll get to the request for judicial notice. Let me pause there for a second simply to say our position is that the Court should consider all of it from either side. We see nothing that runs afoul of the dismissal standards and converts this into a summary judgment motion in terms of --

THE COURT: I see a lot of representations, no affidavits, but a lot of representations about what the facts may or may not be.

MR. SCARBOROUGH: Well, all I'm talking about in that regard are the documents, the deeds of trust, what we can call Judge Williams' decision in the sister court decision.

THE COURT: As far as the judicial notice part goes.

MR. SCARBOROUGH: Yes.

THE COURT: Yeah.

MR. SCARBOROUGH: Exactly. So anyway, coming back to this, it's undisputed that the underlying trust deeds relating to each of the plaintiffs, relating to each of the putative class members, provide that defendants would engage in

non-judicial foreclosure activities in the event plaintiffs defaulted on their loan obligations. It is undisputed, based on a regard for the complaint, that plaintiffs in fact defaulted on those obligations, which is what triggered the recording of the notices of default and the other related non-judicial foreclosure activities.

As this Court knows better than anyone else, homeowners aggrieved by that process have always come to court, this Court and all of this court's sister courts in this courthouse, to challenge asserted wrongs relating to non-judicial foreclosure, but this entire case is built on things that occurred irrespective of the propriety of those non-judicial foreclosure activities. Before 2011, as the Court knows, there were no limits concerning who might serve as a trustee. Since 2011 there have been ten categories of those who might serve. To create a putative class action out of disparate homeowner non-judicial foreclosure experiences, plaintiffs try to put defendants into the box of collection agencies and say that everything they were doing in the non-judicial foreclosure arena occurred within the collection agency box.

The fatal problem with that contention, Your Honor, looking at this through the prism of dismissal, is there is not a single allegation anywhere in the second amended complaint that says that these defendants could not be operating and were not one of those other nine categories of entities and individuals that could serve as non-judicial foreclosure trustees. Without those allegations as a matter of theory and logic, they can't even attempt to stuff us into the box, to use some vernacular, of collection agency conduct.

Plaintiffs concede that they can't do that and that they're not going to do that. You've seen it at page 13, note 8 of their brief and also at page 25.

They say that they, and I'm quoting, "do not allege that all trustees of deeds of trust are also collection agencies by virtue of their being trustees." Their argument can't even get airborne unless they put us into that category, and they've got no allegations that say we aren't operating as one of the other nine after 2011, and of course there were no limits before that.

That defect points out a very simple, practical fact. The judiciary, courts like this court, have dealt -- have always dealt with homeowner complaints concerning upsets relating to non-judicial foreclosure while -- and this is perhaps the elephant in the room -- the Financial Institutions Division is cabined and is limited in what it can do in terms of regulating under NRS 649. That's not what governs non-judicial foreclosure. That the two don't overlap completely, that there's not an intersection as a matter of law, or put another way a legal underpinning that plaintiffs have given you to stuff us into this collection agency only box is the absolute import of what Judge Williams did in the Quality Loan decision.

And there are a number of aspects that we quote from in our briefing. I'll just put forward one of them in which the sister court found that NRS Chapter 107 grants no regulatory authority or oversight of the power of sale by trustees to any state executive agency; rather, all regulatory authority for that exercise of the power of sale under NRS Chapter 107 is exclusively granted to the judiciary by actions filed in district court pursuant to NRS Chapter 107 challenging the validity of the trustee's exercise of the power of sale. There is not even any such challenge here. I grant you that plaintiffs' claim looked a lot better between the time the Financial Institutions Division entered those findings of fact and conclusions of law, before that was all reversed and held void *ab initio* by Judge Williams, and since the

Financial Institutions Division elected not to appeal that result or launch any further challenges of that type.

And I have to say, Your Honor, that's not the first time since this entire case has built on something that's been reversed in connection with the Financial Institutions Division that the Nevada Supreme Court has told the Financial Institutions Division that its powers and its interpretative abilities are limited. You've seen in our papers the 2012 decision where the Financial Institutions Division sued the Nevada Association Services and the Nevada Supreme Court held that the Financial Institutions Division does not have the authority to interpret or regulate NRS 116 relating to common interest communities. So too the Financial Institutions Division on which earlier now reversed findings form the basis not only of the logic of plaintiffs' claim but are verbatim taken into the second amended complaint before you, the Financial Institutions Division in 2012 was told by the Nevada Supreme Court to stay limited.

Now, that's not all. We have two cases, one that directly overrules the attempt that's being put forward to Your Honor in this complaint and the 2012 decision, but there are -- my term is a near avalanche, there are a number of Nevada federal district court cases looking at the deceptive practices piece of this very consumer fraud claim that's before you that also have held those claims do not state an action that has any vitality at all. Now, the plaintiffs are going to say no, no, wait a minute, those cases were all construing the FDCPA, but those cases talk about this very license argument that's been put to Your Honor. There is no companion or corollary licensure provision under the FDCPA. So when the Nevada district court cases, and there are a number of them and we've cited them all to

Your Honor, say that licensure is no basis for a deceptive practices claim, which is the same thing that's asserted to be consumer fraud in this case, those courts, those federal district courts had in front of them 649.075 and 649.020, which are exactly the statutes that have been put before you.

So because you have no legal underpinning that undoes these defendants' ability to be operating as trustees in the non-judicial foreclosure arena, there simply is no basis upon which to sustain any of these claims. But even if this Court were to conclude otherwise -- and I'm not sure as a matter of law to conclude that we were operating as collection agencies would be appropriate on a motion to dismiss brought by us, given the posture, it wouldn't matter because of the pleading deficiencies under ordinary circumstances, ordinary rules that apply to each of the three claims.

Let me cover the three claims quickly. So let's take consumer fraud. As I said, that's built on deceptive practices. It's those very claims that were considered in what I have termed the near avalanche of federal district court decisions here in Nevada that have rejected similar claims and held that, no, non-judicial foreclosure trustees are not subject to challenge on that basis. But more importantly, I'll put it this way, what difference does it make in terms of injury in fact or harm or damages or causation as to the licensure status of the non-judicial foreclosure trustee when there is no challenge here in this courtroom to the propriety of those underlying non-judicial foreclosures? The answer is none. And if you have no injury in fact, no damages, no causation, you're missing -- depending upon how you view the difference between injury in fact and damages, I view it as two distinct things -- but you're either missing three of the elements of a consumer fraud claim

or you're missing at least two, irrespective of the licensure issue. And they've got nothing that they have put forward that would change that analysis, which is why we're asking for dismissal with prejudice.

Let me cover the last two claims which absolutely ought to be dismissed with prejudice. The first is unjust enrichment. I certainly know I don't need to take this Court all the way back to 1981 and the Union America case, but paraphrasing, it's a benefit conferred by the plaintiff to these defendants that the defendants retain unjustly. There's no allegation anywhere here that we've retained the benefit. Again, plaintiff's pleading undercuts their ability to plead it. And I'm pointing to the second amended complaint, paragraph 23(D), when they acknowledge that these defendants were acting on behalf of a lender or loan servicer as trustee or agent of the beneficiary or trustee with regard to the deed of trust and did so with regard to properties.

This Court knows, and this is why this name game or labeling really should not be countenanced, that in the course of non-judicial foreclosure, and we cited the statute, statements of fees that accrue or occur are absolutely required to be put across to the homeowner who is in default of his or her obligations. But because these defendants did not retain any benefits themselves simply serving as an agent or a trustee for others, there can be no unjust enrichment claim here.

We cite a case that's exactly on point. It's the Grand case at page 22 of our motion papers, which arose out of federal court in Nevada, went to the Ninth Circuit, was affirmed, and there the court cited to Lease Partners, which I know this Court knows is a more recent Nevada Supreme Court case that talks about the elements of unjust enrichment, and here's what was held. Under Nevada law

an action based on a theory of unjust enrichment is not available when there is an express written contract. Here, the rights and obligations of the parties are dictated by express contracts, the first mortgage note and the deed of trust. We cite another district court case there as well.

And finally, elder abuse.

THE COURT: You don't even need to address that.

MR. SCARBOROUGH: I'd be happy not to address that. So there are two ways to look at this case, trying hard to look at it from a pleading requirement's perspective. One is the licensure issue where because their Financial Institutions Division's exuberant attempt to move into the non-judicial foreclosure arena has been foreclosed as a matter of law, that's a reason to dismiss. But even apart from that, the failure to adequately plead facts as opposed to conclusions tracking elements of claims defeats each of the three substantive claims as well.

Unless you have questions, Your Honor, thank you.

THE COURT: No, I don't have any other questions.

Okay, but I have some questions for the plaintiff.

MR. REYNOLDS: Your Honor --

THE COURT: Oh, you've got a joinder.

MR. REYNOLDS: Yes, I do.

THE COURT: Right. Okay.

MR. REYNOLDS: Richard Reynolds for MTC Financial, Your Honor. I'll only address the Court's points on this outline, unless the Court needs judicial notice --

THE COURT: Are you going to -- Do you have anything to add that counsel didn't talk about?

MR. REYNOLDS: Yes, I do.

THE COURT: Okay.

MR. REYNOLDS: What's missing here is -- I don't think it's necessary, but as the Court pointed out the questions that the Court had as to my client, my client -- this is a 54 paragraph complaint, 23 pages. My client is in paragraph 5, other than saying what my client's name is, and that's it. And there are actually different allegations of these people that are now living in Ohio. There's different bankruptcy allegations, whether somebody has the right to sue or doesn't have the right to sue. If that matters -- I don't think it does, but it makes it so this is not a class action. This is --

THE COURT: It hasn't been certified as such at this point.

MR. REYNOLDS: And it isn't possible. It is not even perhaps a correct joinder. It's lumping people that happen to be in the same business. It has nothing to do with anything else.

I'm not going to restate the fact that there's no damages pleaded as they indicate, but if you just look at what's there, remember, this is the second amended complaint. How many chances do you get? That's the question.

The other thing is, what's not really addressed is we don't allow common law remedies in foreclosure cases in Nevada against trustees. There's case law on that. What they're really trying to do is graft something onto a statute that only the Legislature gets to do. It's not within the province of a court to add a remedy that is not clear in a statute where we've got such an all-encompassing statute. People are supposed to know what to do. The deed of trust says what to do. The deed of trust is approved by the State Legislature. The foreclosure process

is approved by the State Legislature. There's no allegations that anybody did anything other than what was approved. And you cannot be held liable for doing something the State tells you to do, specifically.

And that's all the allegations there are, so that is why I believe at least as to our client, if not all of us, it should be dismissed with prejudice. Thank you.

THE COURT: Okay. So is that it from the moving party side? Okay.

MR. BOYLAN: Thank you, Your Honor.

THE COURT: What are you trying to accomplish here, counsel, because I don't see any damages whatsoever. Even if you happen to be right about the breadth of the statute, 649, what damages? There's nothing in the pleading that tells me anything.

MR. BOYLAN: We talked about that in our papers, Your Honor, at some length. And I'd like to direct you to it in writing first and then I will --

THE COURT: It's got to be in the complaint, and the only thing I saw in the complaint was something about collection costs that your clients didn't pay, and if they've been through bankruptcy it doesn't matter.

MR. BOYLAN: No. If we go to -- there's a summary of the allegations with citations to the particular paragraphs in our opposition. If I may just put my hand on it for a moment, it starts I think around page -- well, it's 33 on my copy and then 34. We talk about the fact, Your Honor -- first of all, this is a deceptive trade practices claim. It's a statutory remedy. It's not common law fraud. The rules related to --

THE COURT: Well, you cite common law fraud.

MR. BOYLAN: No, we cite the statute.

THE COURT: I mean, 41.600.

MR. BOYLAN: They do. They do. They talk about common law fraud, we don't. In fact, we say the opposite in our papers. We say this is statutorily defined as fraud when you're doing an act that you have not obtained a license for in Nevada. That's -- it's not deception. There's no -- it's not like common law fraud at all. The statute has said this is a deceptive trade practices, period. It also says you can get all the remedies related to that: damages, injunctive relief, attorney's fees.

Now, let's talk about the specific facts alleged in the pleading, because in all of their briefs and in all of their discussions they don't talk about the specific facts. We've alleged --

THE COURT: Because there aren't very many in this complaint.

MR. BOYLAN: I want to walk you through them then, because they are there.

THE COURT: You recite the existence of the foreclosures. Apparently your clients didn't pay for the property. A number of them went through bankruptcy, so there's no personal liability.

MR. BOYLAN: That's not true, either. We addressed that in our joinder brief at some length with published authority. We don't rely on unpublished trial court decisions that are inconsistent with a long series of appellate pronouncements. That's not what we did. We rely on published decisions that explain this. The Nevada statute is based on a claim, not a debt. The claim itself is not resolved in bankruptcy and there can be *in rem* recovery as well. This is addressed in our brief. Did you see our brief in opposition to MTC's joinder?

THE COURT: I haven't read that.

MR. BOYLAN: Because all the bankruptcy and the related authorities, published authorities that constitute precedent are in there. For example, if you look

at the definition under the Nevada statute of a collection agency, it defines them as acting to collect a claim, not a debt, so the bankruptcy doesn't come into play, first of all.

THE COURT: Sure it does, because there's no claim against your clients. It's an *In rem* action to collect on -- to foreclose.

MR. BOYLAN: No, there is a claim that has not been discharged in many cases. Plus, keep in mind, this is a class action.

THE COURT: Well, it hasn't been certified as such.

MR. BOYLAN: I understand that, but you still have to look at the putative class. You can't dismiss the case based on a particular characteristic of a named plaintiff. This hasn't been briefed. If you want me to brief it, I'll get you a load of cases that say you can't dismiss the case because a named plaintiff has a particular characteristic that is not consistent with the majority of the class. I can get you those authorities. Ninety-eight percent of the class didn't go through bankruptcy. These particular class reps did.

THE COURT: Well, how do you know?

MR. BOYLAN: Statistical logic. Experience. I mean, even if you say it's fifty percent did not go through bankruptcy. How about this, how about we allege it? If you think that's --

THE COURT: I'm not going to allow you to amend this complaint again. Two times is enough.

MR. BOYLAN: Well, let me tell you why that's a problem. We were in federal court. Do you remember what they did? Did you see the antics that they played in federal court? They removed it. We had a right to amend. Then the district court,

who the Ninth Circuit found was way wrong, she was very wrong, as I told her, but the district court said, well, we've got a problem here. So we said, okay, here's a proposed second amended. The district court over there said I'm not going to consider that, either. The Ninth Circuit said, no, you are going to consider it, and in fact, we're going to consider it and we're not even going to give it back to you to reconsider. We're going to order you to send it back to Judge Scann. Order you. You don't get to reconsider nothing.

THE COURT: But now you've filed your second amended complaint.

MR. BOYLAN: Yeah, but we're just beginning. We have no discovery. Are you telling us we can't amend our complaint when we've never had any discovery after four and a half years? I mentioned discovery the last time.

THE COURT: You need to have enough to satisfy Rule 11 before you can file it.

MR. BOYLAN: Well, I mean --

THE COURT: I mean, you've got to have some facts. What you don't have in here is facts.

MR. BOYLAN: Okay. Well, let's go look at that because we need to make the Court aware. Looking at page 3 and 4 of our brief.

THE COURT: Okay.

MR. BOYLAN: Now, are you talking about facts as to collection actions?

THE COURT: The complaint. I'm talking about the second amended complaint because that's what we're focused on in this motion.

MR. BOYLAN: Right. Well, you first asked about damages. We've alleged that they charged thousands of dollars, first file, and they added it to our client's debt.

THE COURT: None of which your client's ever going to pay. I mean, is there --

MR. BOYLAN: Well, that debt has already been added. We don't know without discovery how much of it has been paid or not.

THE COURT: But you haven't paid that. It's for the benefit of the plaintiff -- or the defendants, the lenders. So how is that your damages? How would you ever get that money back, or how would you ever get that money?

MR. BOYLAN: You know, I can answer that. That's an easy question. If you are doing an illegal act and you get money for performing an illegal act, which is then charged to my client, of course you can't keep that. It has to be disgorged to my clients. They charged thousands of dollars to violate the law in Nevada, and that thousands of dollars was added to my client's account. That's a no-brainer. You can't do an illegal act and keep the money, period. You can't keep the money in your pocket when you violate Nevada law. I feel that is very simple.

THE COURT: So your clients, who haven't paid -- haven't satisfied their mortgage notes, get money for not satisfying their mortgage notes?

MR. BOYLAN: Well --

THE COURT: That's kind of what it comes down to.

MR. BOYLAN: Well, that's going way beyond the pleadings. I mean --

THE COURT: Yeah. I mean, most of these arguments go way beyond the pleadings, as far as I can see.

MR. BOYLAN: Well, then you have to deny it, right? I mean, you have to deny it on the law.

THE COURT: I have to decide that under no set of facts could you recover.

MR. BOYLAN: Right. So let's look at the facts. Page 3 of our brief.

THE COURT: I want to see in the complaint.

MR. BOYLAN: Okay. Well, they cite to paragraphs. They cite to paragraphs. One through fifteen of the complaint specifically alleges that they were making demands for payment past due debt on the underlying debt from each of our clients. Those are as to each representative plaintiff. And then you go to paragraph 23(C). There's a specific allegation that they were acting on behalf of the lenders collecting for a third party. They were demanding that these people either remit the payoff amount or the past due amounts or cure the delinquency. Paragraph 23 --

THE COURT: That gives them an opportunity to redeem the property, not to collect a debt.

MR. BOYLAN: Oh, no, you don't know that. We say -- we allege that they --

THE COURT: No, that's true, I don't know that.

MR. BOYLAN: No, we allege that they collected money. We allege that they collected money as an agency and passed it on to the lender.

THE COURT: From your clients?

MR. BOYLAN: Pardon me?

THE COURT: From your clients?

MR. BOYLAN: Yes, ma'am. That's in the complaint. I'm sorry, again, this is all in our brief. Page 3 --

THE COURT: Well, I'm focusing on your complaint.

MR. BOYLAN: Okay. Then look at 23(F).

THE COURT: I mean, you can try to argue the facts as you would.

MR. BOYLAN: Look at 23(F), 23(C), 23(G) in the complaint. 23(C) is what

I just recited. 23(F) indicates they were demanding payment on a past due amount, communicating the payoff and asking that our client send a cashier's check to them, which they process --

THE COURT: How else do you act as a non-judicial foreclosure trustee? So you're trying to say that every activity that they did makes them a debt collector.

MR. BOYLAN: No, that's just false. That's a mischaracterization of our complaint. They make that argument, Your Honor, but that's not true. It's real simple.

THE COURT: Why isn't it true?

MR. BOYLAN: It's real simple. If you want to serve as a trustee you can do that, but you can't engage in a whole variety of packaged services that constitute debt collection under NRS 649.20. So what they did is, Your Honor, they're not just serving as a trustee.

THE COURT: Sure, they are.

MR. BOYLAN: What they did is they packaged it. They packaged it and said, oh, I will do this for you. We'll collect the debt, we'll do this, we'll make the phone calls, we'll send the letters, we'll collect the money, we'll pass the money on to you.

THE COURT: The bankruptcy discharge would prevent them from doing that.

MR. BOYLAN: Pardon me?

THE COURT: The bankruptcy, the injunction under 524 would --

MR. BOYLAN: It did not in this case.

THE COURT: Okay.

EXHIBIT “22”

DISTRICT COURT

CLARK COUNTY, NEVADA

JEFFREY BENKO, a Nevada resident; et al.,

Plaintiffs,

vs. Case No. A-11-649857-C

QUALITY LOAN SERVICE CORPORATION, a California corporation; et al.,

Defendants.

VIDEOTAPD DEPOSITION OF PERSON MOST KNOWLEDGEABLE OF

CALIFORNIA RECONVEYANCE COMPANY

DEBORAH BRIGNAC

September 9, 2016

9:34 a.m.

333 South Hope Street

Los Angeles, California

REPORTED BY:

Lisa T. Owen

CSR No. 4475

APPEARANCES:

For Plaintiffs, except for Antoinette Gill:
LAW OFFICE OF NICHOLAS A. BOYLAN, APC
BY: NICHOLAS A. BOYLAN, ESQ.
444 West C Street
Suite 405
San Diego, California 92101
619.696.9364
nablawfirm@gmail.com

For Defendant California Reconveyance Company:
BRYAN CAVE
BY: LAWRENCE G. SCARBOROUGH, ESQ.
Two North Central Avenue
Suite 2200
Phoenix, Arizona 85004-4406
602.364.7137
lgscarborough@bryancave.com

For Witness Deborah Brignac:
KIRKLAND & ELLIS LLP
BY: JONATHAN M. WEISS, ESQ.
333 South Hope Street
Los Angeles, California 90071
213.680.8155
jonathan.weiss@kirkland.com

For Defendant MTC Financial, Inc. dba
Trustee Corps:
BURKE, WILLIAMS & SORENSEN, LLP
BY: ALLAN E. CRVAN, ESQ.
444 South Flower Street
Suite 2400
Los Angeles, California 90071
213.236.0600
acevan@bwslaw.com

APPEARANCES (Continued):

Also Present:

CARISSA MARCISO, Videographer

DAN GOULDING, General Counsel,
Quality Loan Service

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INFORMATION REQUESTED:

(None)

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LOS ANGELES, CALIFORNIA;

FRIDAY, SEPTEMBER 9, 2016; 9:34 A.M.

* * *

THE VIDEOGRAPHER: Good morning. We are on the record. This is the recorded video deposition of Deborah Brignac, in the matter of Jeffrey Benko, et al., vs. Quality Loan Service Corporation, et al., taken on behalf of the plaintiffs. This deposition is taking place at Kirkland & Ellis, 333 South Hope Street, Los Angeles, California 90071, on Friday, September 9th, 2016 at 9:34 a.m.

My name is Carissa Narciso. I'm the videographer with U.S. Legal Support, located at 11845 West Olympic Boulevard, Suite 600W, in Los Angeles, California. Video and audio recording will be taking place unless all counsel have agreed to go off the record.

Would all present please identify themselves, beginning with the witness.

THE WITNESS: Deborah Brignac.

MR. BOYLAN: Good morning. Thank you. Nicholas Boylan, representing the plaintiffs.

MR. SCARBOROUGH: Good morning. My name is Larry Scarborough. I represent Defendant CRC.

MR. WEISS: Jonathan Weiss. I represent Deborah Brignac.

MR. GOULDING: Dan Goulding, Quality Loan Service.

MR. CERAN: Good morning. Allan Ceran, representing MTC Financial, Inc. dba Trustee Corps.

THE VIDEOGRAPHER: The certified court reporter is Lisa Owen.

Would you please swear in the witness?

DEBORAH BRIGNAC,

having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MR. BOYLAN:

Q Good morning, ma'am.

A Good morning.

Q Could you state your full name, please?

A Deborah Brignac.

Q Ms. Brignac, thank you for being here today with us.

Can you tell me how you're currently employed?

A I'm currently employed with McCarthy & Holthus.

Q What is your position?

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A I am a southwest director.
Q How long have you held that position?
A A little under a year.
Q What is your current business address at that employment?
A The business address is 2763 -- you know what, and I apologize, I don't know it by heart.
Q That's okay. Take your time.
A I actually work remote. So I -- I believe it's Camino Del Rio in San Diego.
Q From what location do you do most of your remote work?
A My home.
Q And that address, please?
MR. WEISS: I'm going to object to that. If you need to contact her, Counsel, you can do it through me.
MR. BOYLAN: Okay. If you instruct her not to answer, I'm going to ask for sanctions. You can object, Counsel, but you can't instruct the witness not to answer on that basis according to the rules that govern this deposition.
MR. WEISS: Do we have a confidentiality order in place, Counsel?
MR. BOYLAN: Regarding her residence address;

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it's probably searchable on the Internet, Counsel. There's no basis to instruct her not to answer. She's working from that address, as well.
MR. WEISS: I asked if we had a confidentiality order in place --
MR. BOYLAN: I don't think --
MR. WEISS: -- for the deposition.
MR. BOYLAN: -- an order has been signed, no.
MR. WEISS: Is there a motion pending for an order?
MR. SCARBOROUGH: There will be on Monday, consistent with our agreement. We understand -- and, Nick, we've discussed this -- that we expect you not to release any information from the entirety of this deposition pending the outcome of that motion. I know you may disagree with that. But I want to be clear on the record that that is your position.
MR. BOYLAN: Yeah. And we've expressed our views about that in writing.
Q So can you tell me the location --
MR. WEISS: What are your views on that? You disagree with treating this as confidential pending the outcome of that motion?
MR. BOYLAN: Other than trade secret information or extremely sensitive, private information,

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such as sexual history, which is not involved in this case, there's no basis for confidentiality or a protective order that I'm aware of.
MR. WEISS: So the answer is, no, you're not going to treat the deposition transcript as confidential pending an order from the court on the motion that counsel said he's bringing on Monday?
MR. BOYLAN: Correct. I am not going to treat an entire deposition transcript as confidential. At the same time, I have no intentions of using any sensitive information, to the extent any is disclosed. I don't know what that could be. I can't even fathom it. But we can take that question by question. Certainly, her residence address from which she works remotely doesn't fall into that category.
You're losing a lot of my time. This is inappropriate under the Nevada rules, and I think California, as well.
Are you going to instruct her not to answer?
MR. SCARBOROUGH: Let me ask you a question, Nick: Are you -- are you going to publish her home address to the world before we get this order resolved in front of the court?
MR. BOYLAN: No --
MR. SCARBOROUGH: That seems an unremarkable

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request --
MR. BOYLAN: No intention --
MR. SCARBOROUGH: -- to us.
MR. BOYLAN: -- to do that with respect to her home address; can't imagine why I would want to do that.
MR. SCARBOROUGH: Neither can we, which is why we don't see this should be an issue.
MR. BOYLAN: Well, but you're asking for an entire deposition transcript.
MR. SCARBOROUGH: No. I'm saying, I'm going to hold you to that consistent with what Commissioner Bullis said, which is if she ends up entering a protective order, and you lose, and it turns out that you've acted not in accordance of what she enters, that sanctions are automatic. That was her admonition to all of us. And I simply want to remind you of that fact.
MR. BOYLAN: I disagree with that. She couldn't ever hold anyone in contempt for an order never issued and not the record with respect to sensitive information. She couldn't do it. She wouldn't do it. And that was not her intention.
Are you going to instruct her not to answer?
MR. WEISS: If you're acting inconsistently with the admonition of the court, per counsel's

representation, I will absolutely instruct her not to answer. That's -- that's -- that's --

MR. BOYLAN: There is no order to that effect or admonition.

MR. WEISS: Well, counsel just said on the record there was.

MR. SCARBOROUGH: The admonition is that if somebody violates an order later entered, that it becomes sanctionable conduct. That was the admonition apart from whatever your legal position is, which I respect.

I think the key to get by this, Nick, is simply for you to say that you're not going to publish her home address anywhere pending the outcome of that motion.

MR. BOYLAN: No intention to do so.

MR. WEISS: Are you or are you not going to do it? I don't want to know about your intention. Let's not parse the words. Yes or no, are you going to do it or not?

MR. BOYLAN: No.

MR. WEISS: All right. Go ahead and answer the question.

THE WITNESS: My home address is [redacted]

BY MR. BOYLAN:

Q [redacted]; correct?

A That's correct.

Q Thank you.

With respect to this case and/or your deposition today, did you hire a personal lawyer, or was one provided for you?

MR. WEISS: Objection to the extent it calls for privileged information.

MR. SCARBOROUGH: Can you answer the question without revealing privileged information, Ms. Brignac?

THE WITNESS: I don't believe so.

BY MR. BOYLAN:

Q Okay. So at no time prior to this moment as we speak did you hire a personal lawyer for this case or your deposition; is that true?

MR. SCARBOROUGH: Same objection.

MR. WEISS: Same objection.

MR. SCARBOROUGH: Same instruction.

MR. WEISS: Asked and answered.

MR. BOYLAN: I just want clarity. I think it was clear.

MR. WEISS: Asked and answered. Same instruction.

BY MR. BOYLAN:

Q So on what date, if you can give me your best

estimate, ma'am, was a lawyer provided for you with respect to either this case or this deposition?

MR. WEISS: Same objection.

THE WITNESS: I don't believe I can answer that question.

BY MR. BOYLAN:

Q I'm asking only for a date.

A I don't know.

Q Can you give me your best estimate?

A I don't know.

Q Can you tell me whether it was in this month of September?

A I -- I don't know the answer to that question.

Q When did you first have a meeting of any kind where it was proposed that a lawyer would be provided for you if you wanted?

MR. WEISS: Objection to the extent it calls for privileged information.

THE WITNESS: I -- I don't believe that there was ever a meeting.

BY MR. BOYLAN:

Q Was it a telephone call?

A There was no meeting or telephone call.

Q Okay. When was it that the opportunity to have a lawyer provided to you was first -- came to your

attention?

MR. WEISS: Objection to the extent it calls for privileged information.

THE WITNESS: I -- I -- I can't answer that question. I don't know.

BY MR. BOYLAN:

Q When -- I'm asking only for a date -- when is the first time you met with any lawyer, whether for you or some other person's lawyer or some other company's lawyer, related to this case?

A I don't recall the exact date.

Q And what is your best estimate, please?

A I would say several months ago.

Q And can you explain how that came about?

MR. WEISS: Objection to the extent it calls for privileged information. Also, vague and ambiguous.

THE WITNESS: I'm sorry. If you can repeat the question.

BY MR. BOYLAN:

Q Yes.

How did that meeting come about?

MR. WEISS: Same objection.

THE WITNESS: It was a -- a telephone call.

BY MR. BOYLAN:

Q From whom, ma'am?
MR. WEISS: Objection to the extent it calls for privileged information.
THE WITNESS: The initial call was from Jonathan Weiss.
BY MR. BOYLAN:
Q And how did he introduce himself?
MR. WEISS: Objection. Privileged.
Counsel, I mean, you talked about not wasting time. Come on. You're asking the same question, you know, multiple different ways. She's not going to give you *any* privileged information. She's not going to tell you about the nature of our conversation; how I introduced myself; it's just -- it's completely off the reservation. So if you want to get back on track, you know, please do. But objection, for the record.
BY MR. BOYLAN:
Q You can answer, ma'am.
MR. WEISS: What's the question?
MR. BOYLAN: Read it back, please, Madam Reporter.
(Record read as follows:
"Q And how did he introduce himself?")
MR. SCARBOROUGH: Well, objection. By its very nature, that calls for privileged information. I --

I'll join. And I'll also instruct the witness not to answer. Let's move by that.
MR. WEISS: And by the way --
MR. BOYLAN: I don't think you can do that. But let me clarify it for the record because we're going to have motion practice. It's very clear.
Q For example, did he -- when you picked up the call, did he tell you that he represented CNC or Chase Manhattan Bank? Or who did he say he was a lawyer for?
MR. WEISS: Objection. I'll instruct the client not to answer the question because it calls for privileged information.
BY MR. BOYLAN:
Q Well, let's do it this way: When you got that call from him, you had never spoken to him before; correct?
MR. WEISS: Objection to the extent it calls for privileged information.
THE WITNESS: I'm sorry. The last question was?
BY MR. BOYLAN:
Q I know you're -- I know you're struggling with this -- with all these objections. I understand.
But when you received the first call from Jonathan Weiss, you had never spoken to him before;

correct?
A That is incorrect.
Q It is incorrect?
A Yes.
Q All right. I apologize.
So that was the first call regarding this case. But you had spoken to him before on other matters; is that a correct clarification?
MR. WEISS: Objection to the extent it calls for privileged information.
THE WITNESS: That is correct.
BY MR. BOYLAN:
Q All right. What -- when you -- when you picked up that phone, what was your understanding of who he represented, who he was a lawyer for?
MR. WEISS: Objection. Privileged. I instruct the client not to answer your question. You're seeking to elicit privileged information from this client.
MR. BOYLAN: Who do you represent, Mr. Weiss, other than this witness? I mean, it's not privileged who you're a lawyer for. That's not privileged information.
MR. WEISS: I stated on the record that I represent Deborah Brignac.
BY MR. BOYLAN:

Q Okay. You -- at the time of that phone call -- you said earlier that you never hired a lawyer for you personally.
Are you changing that testimony?
MR. SCARBOROUGH: Objection.
MR. WEISS: Objection. It misstates prior testimony.
MR. SCARBOROUGH: Yeah. I'll join. I'll join in that. That misstates what she said.
BY MR. BOYLAN:
Q Can you answer, please, ma'am?
A I didn't say that.
Q Okay. When -- this is a date I'm asking for -- when did you first personally hire a lawyer to represent you in connection with this case?
MR. WEISS: Objection to the extent it calls for privileged information, and asked and answered. Counsel.
THE WITNESS: I did not personally.
BY MR. BOYLAN:
Q Okay. All right. So, to your knowledge, if you know, when did someone else or some other entity -- I'm asking for a date -- hire a lawyer to represent you in connection with this case?
MR. SCARBOROUGH: Objection. It calls for

speculation.
THE WITNESS: I don't know the answer to that.
BY MR. BOYLAN:
Q When you had your first call with Mr. Weiss regarding this case, did he ask you if he could represent you?
MR. WEISS: Objection. Privileged.
MR. BOYLAN: That's not privileged.
MR. WEISS: Instruct the client not to answer the question.
MR. BOYLAN: It's not privileged. You can't force representation on a witness, Counsel. And you can't especially do it to hide information. And this is fully discoverable. And I'm allowed to show that it appears that certain defendants are trying to force representation on a former employee. You can't do that. And I'm allowed to expose it.
These are not privileged questions. I've not asked for the content of your communication with her after an engagement. She never engaged you personally. There's no record of when you were ever engaged. You can't force yourself on a witness.
MR. WEISS: Is there a question pending?
MR. BOYLAN: Yes.
MR. SCARBOROUGH: What's the question?

BY MR. BOYLAN:
Q Do you know who hired Mr. Weiss to purportedly represent you in this connection with this case?
MR. WEISS: Objection on grounds of privilege.
THE WITNESS: Not exactly, no.
BY MR. BOYLAN:
Q What is your best belief on who hired him to represent you?
MR. WEISS: Objection.
MR. SCARBOROUGH: Objection.
MR. WEISS: Same objection. Asked and answered.
THE WITNESS: I -- I'm not sure, sir.
MR. SCARBOROUGH: And this is a minor point, but we don't want to waste time on -- on objecting to questions that are truly objectionable like these. But Mr. Weiss and I join in each other's objections, unless we -- we affirmatively do not. We'll try to --
MR. WEISS: Correct.
MR. SCARBOROUGH: -- do the best we can.
MR. BOYLAN: Well, I don't want to waste time. But I -- I can't agree to a wholesale incorporation of objections because it can create a confusing record. I would just ask you to use your best judgment. And you

can use one word; it's called "join."
Q Some other person or entity is paying, as far as you know, for the lawyer to represent you; correct? You're not paying them?
MR. WEISS: Objection. Instruct the client not to answer the question. You're harassing the client at this point.
MR. BOYLAN: That's not privileged. Payment issues are not protected communications. It also goes to bias. It's fully discoverable. You're very wrong.
MR. WEISS: You can ask the court for that. I'm instructing my client not to answer the question. And you're harassing the client.
BY MR. BOYLAN:
Q Are you going to follow that instruction, ma'am?
A Yes, I am.
Q What is -- how would you describe your current scope of job duties for McCarthy Hole -- Holthus?
A I currently oversee a foreclosure unit that conducts foreclosures in New Mexico.
Q Has that been the scope of your duties there since you joined the firm?
A For the most part, yes.
Q What else have you had jurisdiction over or

other tasks you've performed?
A I wouldn't say jurisdiction over any other unit, other than New Mexico. I have assisted with other units of -- of the firm.
Q What other units are those?
A The -- a portion of the California unit.
Q You understand that McCarthy, the firm that employs you is a law firm; is that true?
A Yes.
Q And do you understand that partners of that firm own one of the defendants in this case, Quality Loan Services?
MR. SCARBOROUGH: Objection. Lacking in foundation.
MR. WEISS: And object to the extent it calls for a legal conclusion.
THE WITNESS: No. I -- I wouldn't be comfortable in agreeing to that statement.
BY MR. BOYLAN:
Q Okay. Well, it's not disputed in this case. I'm just wondering if you're aware of it?
MR. SCARBOROUGH: Same objection.
MR. WEISS: Same objection.
THE WITNESS: I -- I'm not real clear on the relationship between McCarthy, Holthus and Quality Loan

Service.
BY MR. BOYLAN:
Q What was your last position with California Reconveyance, which I'll refer to as CRC?
A My last position was department manager.
Q When did that employment end?
A I believe it was in December 2013.
Q I need to get an understanding from you under your sworn testimony, not -- not the lawyers. Who do you understand is your lawyer in connection with this case?
MR. WEISS: Objection to the form of the question.
THE WITNESS: Yeah. I'm not sure I understand the question.
BY MR. BOYLAN:
Q Who is your lawyer in connection with this lawsuit or this deposition or both? Do you know?
A I don't -- yeah, I don't see -- I'm having my deposition taken. I don't see it as I definitely have a lawyer. I'm not named in the case. So I don't see that I have a lawyer necessarily in this case.
Q Well, you and I feel the same way about that. But these gentlemen are, apparently, taking a different view.

You're not represented by McCarthy, Holthus; correct --
MR. SCARBOROUGH: In connection --
BY MR. BOYLAN:
Q -- as your lawyer?
MR. SCARBOROUGH: -- with what?
BY MR. BOYLAN:
Q In connection with this case?
A No.
Q Okay. All right. Let me ask you this then: Let's go back in time. When did you first speak with anyone at McCarthy, Holthus about this lawsuit?
MR. SCARBOROUGH: Objection. It assumes facts not in evidence.
THE WITNESS: I don't remember.
BY MR. BOYLAN:
Q Can you tell me what year?
A This year, 2016.
Q And who did you speak to?
A It would have been my managers at the time.
Q And could you give me their names, please?
A Katie Jo Keeling.
Q Spell, please.
A Katie, K-a-t-i-e; next word Jo, J-o; Keeling, K-e-e-l-i-n-g. And Matt Pominenik. Pominenik -- I'm

going to try to spell it for you -- P-o-d-e-m-n-i-c (sic).
Q And was that in a face-to-face meeting or telephonically?
A I -- I don't remember.
Q Was anyone -- was anyone else present or attending by phone?
A I -- I don't remember. I don't know that -- I don't believe that the conversation was held with both of them at the same time. I -- I don't remember.
Q Okay. What -- is either one of those folks a lawyer?
A Yes.
Q Who?
A Both.
Q And they're employees of QLS?
MR. SCARBOROUGH: Objection. lacking in foundation.
BY MR. BOYLAN:
Q Excuse me. I apologize. McCarthy, Holthus. Correct?
MR. SCARBOROUGH: Same objection.
THE WITNESS: I can't say who they're employed by.
BY MR. BOYLAN:

Q You just don't know?
A I don't know.
Q But they were your managers at the time of the communications?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
BY MR. BOYLAN:
Q Correct?
A At least one of them. I don't remember, because I don't remember exactly when the conversation took place. So I really would not be comfortable saying that would be the case.
Q Okay. Tell me your best recollection of what was said at the meeting.
MR. WEISS: Objection to the extent it calls for privileged information.
THE WITNESS: I believe it was just me notifying them that I was asked to provide information regarding CRC in this case.
BY MR. BOYLAN:
Q And you were asked by who?
A By Chase.
Q And what was the person's name, please?
A I don't have an individual name. It's my understanding that the request came from Chase.

Q And that's JPMorgan Chase Bank? Or was it just Chase?
A I don't know which entity of Chase.
Q The call came in from someone at Chase that you had never spoken to before?
A No. I didn't receive a call directly from Chase.
Q How -- how did you become aware that the request came from Chase that you communicate regarding CRC?
MR. WEISS: Objection to the extent it calls for privileged information.
MR. SCARBOROUGH: Join.
THE WITNESS: That was through Jonathan Weiss.
BY MR. BOYLAN:
Q Okay. So your conversations with Keeling and -- and Matt Bodmenik -- if I'm not saying it correctly, I apologize -- did you have any substantive conversations with them about the information you would be providing or what you would be doing --
MR. WEISS: Objection to the form of the question.
BY MR. BOYLAN:
Q -- at Chase's request?
MR. WEISS: Objection to the form of the

question. Vague and ambiguous.
MR. SCARBOROUGH: Join.
THE WITNESS: No. My communication was just advising them that I was asked to provide information regarding CRC.
BY MR. BOYLAN:
Q And did they give you permission to do that?
MR. WEISS: Objection to the extent it calls for privileged information.
THE WITNESS: It wasn't a conversation that I was seeking permission. I was advising them of the fact that that would occur.
BY MR. BOYLAN:
Q Did they have any comments in response?
MR. WEISS: Objection to the extent it calls for privileged information.
THE WITNESS: I'm sorry. If you can repeat the question.
BY MR. BOYLAN:
Q Did they have any comment in response?
MR. WEISS: Objection. Privileged.
THE WITNESS: Not particularly.
BY MR. BOYLAN:
Q Okay. What subsequent conversations did you have with anyone at Chase or at McCarthy, Holthus

regarding either this case or ultimately your -- your providing information regarding this case?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
MR. SCARBOROUGH: Objection. Compound.
THE WITNESS: I didn't have any subsequent questions (sic) with Chase or anyone else at McCarthy & Holthus.
BY MR. BOYLAN:
Q Never again till this day have you spoken with anyone at McCarthy, Holthus about this lawsuit? Is that your testimony?
A Not even till this day. I had the initial conversations with Katie Jo and Matt and no other discussions with anyone at McCarthy & Holthus.
Q Let's talk more, please, ma'am, about your last position with CRC, which I believe you described as department manager.
Could you explain exactly what that means?
A I was responsible for the day-to-day operations of CRC.
Q And was CRC owned at that time by JPMorgan Chase Bank or one of its entities?
MR. SCARBOROUGH: Objection. Lacking in foundation.

MR. WEISS: Object to the extent it calls for a legal conclusion.
THE WITNESS: It's my understanding it was owned by one of the Chase entities. I can't say which one.
BY MR. BOYLAN:
Q And who did you report to?
A At -- in what period of time? I'm sorry.
Q Let's start with your last position, and then we'll work backwards over time.
A My last -- when we left CRC, it was Kevin Rickey.
Q What was Mr. Rickey's title at that time?
A I don't know.
Q What was his role, if you know?
A I don't.
Q Do you know where he offices?
A Jacksonville, Florida.
Q Do you know his title?
A No.
Q Is it correct that you were never a corporate officer of CRC?
MR. WEISS: Objection to the form of the question, to the extent it calls for a legal conclusion.

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THE WITNESS: And you're speaking of when I left CRC?
BY MR. BOYLAN:
Q Well, yes. And I'm not -- this is not a trick or a quiz, ma'am. But, excuse me, I don't know your knowledge regarding corporate entities. But corporations, for example, can have officer positions, president, vice president. They can have board of directors, as I'm sure you know.
My understanding is you were at a manager level; you were not at an officer level of the corporation. But I'm asking you.
Can you confirm that for me or explain your answer?
MR. WEISS: Object to the form of the question.
THE WITNESS: I did hold a title -- an officer title when I left CRC.
BY MR. BOYLAN:
Q All right. And do you know the difference between a title and an actual corporate office holding?
MR. WEISS: Object to the form of the question.
THE WITNESS: No. I wouldn't be able to articulate that.

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BY MR. BOYLAN:
Q All right. Well, let me try to illustrate for you. A lot of times banks, for example, will call people vice presidents or senior vice presidents, but they're not officers of the corporation.
Do you understand that?
A Yes.
Q All right. Is that what applied to you, that same scenario?
MR. WEISS: Objection to the form of the question to the extent it calls for a legal conclusion.
THE WITNESS: I'm not sure, sir.
BY MR. BOYLAN:
Q Do you know what kind of entity CRC was when you worked there? A corporation, for example?
A It was a corporation -- to my knowledge, it was a corporation.
Q Do you know who the president of the corporation was?
A I -- I held the title as president, but I don't know -- in the way that you're speaking, I'm not sure if that's of the corporation or if it was a -- some other form.
Q Do you know what -- in what state CRC was a

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corporation?
A California.
Q And was that true during all the time of your employment with CRC, as far as you know?
A Yes.
Q Do you currently maintain a -- a Web appearance on LinkedIn?
A Yes.
Q When is the last time you edited that Web page?
A I don't remember.
Q But you created the page yourself?
A Yes.
Q And do you know approximately when?
A No.
Q Did you ever delete any information on the Website related to your time with CRC?
A I don't believe so.
Q Did you ever put any information on the LinkedIn Website to reflect your experience at CRC?
A Yes.
Q When did you last do that?
A I don't remember.
Q Can you estimate the year? Or we can start with a decade.

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A In this decade. I don't remember when, though.
(Plaintiffs' Exhibit 1 was marked for identification.)
BY MR. BOYLAN:
Q Take a look, please, at what I've marked as Exhibit 1.
MR. CERAN: Do you have an extra copy, Counsel?
MR. BOYLAN: You know what, Counsel, I -- based on -- I didn't expect this many participants. So I'm at the limit of my copies.
MR. CERAN: Well, that doesn't help me. I need to see it before you ask questions about it. Can someone share with me after they're done?
BY MR. BOYLAN:
Q You've had a chance to look at it, ma'am?
A Yes.
Q What is this document, Exhibit 1?
A It appears to be a screen shot of a LinkedIn page.
Q And, in fact, your LinkedIn page; correct?
A Correct.
Q And that's your picture there?
A Yes.
Q Very good picture, by the way.
A Thank you.

Q You created all the text shown on the -- the Web page reflected on Exhibit 1?

MR. WEISS: Objection to the form of the question.

THE WITNESS: As it relates to me personally, I did. There's other information here that I did not.

BY MR. BOYLAN:

Q Yes. And I thank you for that clarification. I don't mean the advertisements and the like. But all the text which describes you personally and your history, you created that yourself; correct?

A Again, aside from -- I know there's some recommendations there that I did not, but other than that, yes.

Q Very good. Thank you for that.

Now having seen this, does this in any way spark your recollection as to when you last created or edited the document, or the Web page, rather?

A No.

Q You've had a chance to look at it. But take more time if needed, because I'm going to ask you, is everything on here that you created -- the text that you created, is everything on here fully accurate and true?

A Yes.

Q Correct me if I'm wrong, but I don't see any

text describing your tenure at CRC. Am I misinterpreting the Web page in any way?

MR. WEISS: I'll object to the form of the question.

MR. SCARBOROUGH: Join.

THE WITNESS: Yes. There is information regarding my employment with CRC.

BY MR. BOYLAN:

Q All right. And I appreciate that. Can you direct me to that, please? Is it on the first page or the second?

A The second.

Q And where exactly is it on the second page?

A The top of the second.

Q The very top. All right. So forgive me. Let's look at the bottom of the first page where it says, "President."

Do you see that?

A I do.

Q What were you the president of? I mean, what's that refer to?

A It would refer to California Reconveyance Company.

Q But there's no -- there's no reference to CRC by name; correct?

MR. SCARBOROUGH: Well, I'll object to that. It misstates --

MR. BOYLAN: It's a question.

MR. SCARBOROUGH: -- the document.

MR. BOYLAN: She can answer it, if she disagrees, Counsel.

MR. SCARBOROUGH: It misstates the content of the document, Counsel.

MR. BOYLAN: Okay. That will be your objection.

MR. WEISS: I join in that objection.

THE WITNESS: I'm sorry. If you can repeat the question.

BY MR. BOYLAN:

Q And I apologize if I'm missing it. But is there a reference that shows you were the president of CRC? I don't see the word "CRC" on here. And I'm asking you because I may, you know -- it could be that I'm mistaken.

MR. SCARBOROUGH: And I'll renew my objection.

MR. WEISS: Join.

THE WITNESS: The words "California Reconveyance Company" are not reflected. But the description that's outlined on the top of page 2 describes my position with California Reconveyance

Company.

BY MR. BOYLAN:

Q And do you know why there's no reference to CRC?

A I don't.

Q Okay. There's also no -- no dates for your term at CRC; correct?

A That is correct.

Q What were your dates of employment at CRC?

A I don't remember the month, but 1992 to December 2013.

Q What happened in 2013 that caused your employment to deviate from CRC?

MR. WEISS: Object to the form of the question.

THE WITNESS: CRC -- some of the assets of CRC were sold to a new -- a different entity. And we were subsequently employed by that new entity.

BY MR. BOYLAN:

Q And by "we," you mean you and approximately 80 other employees; is that correct?

A I don't remember the number of employees.

Q Does that sound like a fair estimate, ma'am?

A No.

Q What would be your estimate?

A I don't remember the number. 80 doesn't sound accurate, though.
Q Does it sound too low or too high?
A Too high.
Q Would you estimate a number closer to 50?
A I -- I really don't remember the number. I -- 80 just sounds high to me.
Q Were you involved in creating any public announcements or press releases related to that asset purchase transaction?
A I might have participated in some of that, but not directly responsible.
Q And your participation included what exactly?
A I believe it was just a review of the information.
Q That information that was publicly disclosed included the number of employees that were being effectively transferred over to the purchaser; correct?
A I don't remember if it included the number or not.
Q Do you recall that any public information about the number of employees transferred was inaccurate in any way?
A Not to my knowledge. I don't know the answer to that.

Q Looking again at Exhibit 1, the top of the second page, there's a reference there to "operation of 125 representatives"; and they were conducting business in multiple states, including Nevada; correct?
A That's correct.
Q All those 125 people worked under you as the manager; is that correct?
A No, not directly.
Q What -- what number of them worked directly under you?
MR. SCARBOROUGH: Objection. Vague and ambiguous.
MR. WEISS: Join.
THE WITNESS: And what point in time are you referring to?
BY MR. BOYLAN:
Q Any point in time during your career with CRC. If you want --
MR. WEISS: Objection. Vague and ambiguous.
BY MR. BOYLAN:
Q -- you want to start at the end of your employment, and you can work backward, if you would like.
A Well, it did change throughout my employment.
Q I appreciate that. I'm sorry. Let's start

with the last 24 months of your employment with CRC, please.
MR. WEISS: Same objection. Vague and ambiguous.
THE WITNESS: At the end of my tenure, there were -- I believe I had four direct reports.
BY MR. BOYLAN:
Q And who did the other approximately 120 people report to?
A And, again, at the end of the tenure, you're referring to?
Q Yes, ma'am.
A Colleen Irby; and Huey Chiu.
Q How is Huey's last name spelled?
A C-h-i-u.
Q Were those people superior to you in the company?
A No.
Q Did they report to you?
A Yes.
Q When you wrote -- when you wrote 125 representatives conducting business in multiple states including Nevada, what were you referring to?
A I'm sorry. I -- I'm not sure I understand your question.

Q Okay. 125 people -- these were all the employees that were under your jurisdiction as the president; they may not have directly reported to you, but they were all under you; correct?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
THE WITNESS: Through our reporting structure at the time, they would have, yes, reported to me.
BY MR. BOYLAN:
Q Okay. So you -- as you wrote here, you led the operation of these 125 representatives. By "representatives," do you mean employees of CRC?
A Yes.
Q Were they divided into divisions in any way?
A Not divisions; we didn't have divisions; more of units.
Q Is there any documents that show what the units were, what the structure was?
MR. WEISS: Object. Vague and ambiguous.
MR. SCARBOROUGH: Join. It also calls for speculation.
THE WITNESS: At the time, there would have been.
BY MR. BOYLAN:
Q Where are those documents today?

A I don't know.
Q What's your best belief about where those documents are today?
MR. SCARBOROUGH: Objection. Lacking in foundation.
THE WITNESS: I'm not sure.
BY MR. BOYLAN:
Q Where were they when you last were a part of CRC?
A If you're -- you're speaking to just documentation regarding the units?
Q Documents, yes. Corporate structure that would show what units existed, the organization of the company.
A So at -- they would have been in my possession if -- at the time that I was there.
Q And what did you do with them when the company stopped operating?
A They were left there.
Q Well, did you have any responsibility for essentially closing up shop for the bank before you moved over to the law firm that acquired the assets?
MR. SCARBOROUGH: Objection.
MR. WEISS: Object to the form of the question.

MR. SCARBOROUGH: Join. It assumes facts not in evidence.
THE WITNESS: There was some responsibility. If -- I'm not sure exactly what you're asking, though.
BY MR. BOYLAN:
Q For example, document and data storage or retention, did you have any involvement in that when the company sold its assets?
A I had some, yes.
Q What was your involvement?
A Well, there was a lot. Anything in particular? I mean --
Q Documents and data, what was your involvement in the retention of that at the time the assets were sold?
A Just identifying which documents should be stored or left with CRC and/or Chase.
Q Did you create any memoranda or documents reflecting what documents were to be stored or data or how that was to be accomplished? Memoranda? E-mail? Anything?
A Not that I recall.
Q What did -- as far as your recollection and your participation, what was the protocol with respect to storage of documents, let's say, physical documents

first?
MR. WEISS: Object to the form of the question. Vague and ambiguous as to time.
THE WITNESS: Are we still talking about at the time that CRC closed or --
BY MR. BOYLAN:
Q Yes, ma'am.
A -- prior to that?
Q Yes, ma'am.
A That was something that I was not involved in.
Q But you had some awareness of what occurred or --
A No, I -- I don't.
Q Who -- who was in charge of that? Do you know?
A I don't.
Q Was it someone at Chase, for example? Or was it someone at CRC, if you know?
A It would have been someone at Chase.
Q Who were the individuals at Chase that you interacted with in connection with the asset sale and the subsequent events?
MR. WEISS: Object to the form of the question.

MR. SCARBOROUGH: Join.
THE WITNESS: It would have been Kevin Hickey and Danielle Meadows and Louise Penantes.
BY MR. BOYLAN:
Q Spell the last name, please.
A P-e-n-a-n-t-e-s.
Q When is the last time you spoke to any of those individuals?
A I -- I don't remember.
Q What -- let's go back to the Exhibit 1 and the 125 representatives. What were the units that they were divided into?
A It would have been the referral team; the TSO team; publications team; sales team; and support team.
Q And did these teams have sub groups or sub teams, shall we call it?
A No.
Q The -- the -- CRC employees who dealt with reinstatement, what team were they in?
A Support.
Q All right. What were the -- the other functions or elements of the support team?
A It included the receptionist and accounts payable, in addition to the quotes team.
Q The what team?

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A In addition to the quotes team.
Q Quotes.
A You mentioned the reinstatement and payoff, quotes.
Q Forgive me. I'm going to back up for a minute, if I may.
I want to know what documents you have reviewed related to this case in the last several months since you first got that phone call.
A I've reviewed the -- the deposition subpoena and a few other documents.
Q What are those?
A Some foreclosure notices and some screen shots.
Q Screen shots of what, please, ma'am?
A Of the case management system used by CRC. And actually they weren't really screen shots; they were maybe just data that had been extracted from the case management system.
Q How many of those were there?
A I -- I don't remember.
Q More or less than 10 pages?
A I -- I -- I'm not sure.
Q I appreciate that.
Give me an estimate -- and we've got videotape,

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so you can do it with your hand if you choose -- what was the volume of documentation that you've reviewed over the last several months taken all together related to this case?
A Well, it wasn't actually in a stack similar to what you have there. So I really can't say. It was -- it was in a notebook. And we didn't look at all of the documents in that book. So --
Q Who provided you the notebook?
A Well, I didn't -- wasn't necessarily provided to me. I viewed it in a meeting. And it was with -- with Larry that I reviewed those documents.
Q The attorney to your left representing CRC in this case?
A Yes.
Q And that occurred yesterday here in this office?
A No.
Q When did that occur?
A I believe it was a few weeks ago.
Q Where did it occur?
A Here in this office.
Q Can you remember any of the other documents you reviewed, ma'am?
A Other than -- let's see -- the -- I believe

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there were a few types of agreements from Chase.
Q What were those?
A They were more instructional-type documents from Chase to their -- to their vendors.
Q What other documents, if any, do you recall taking a look at in that notebook that was presented to you at the meeting with the attorney for CRC?
A I believe that was all that we reviewed.
Q The teams that you referred to earlier or the units, let's go back to that, if I may.
Each of these units did work with respect to debtors in each of the states involved, Nevada, California, and Arizona; is that true?
MR. SCARBOROUGH: Objection. Compound.
MR. WEISS: Join.
BY MR. BOYLAN:
Q Or were they divided up according to state?
MR. WEISS: Same objection.
THE WITNESS: Would you tell me about when we're talking about?
BY MR. BOYLAN:
Q Well, I'm really interested in the entire time. But let's focus on, say, between 2005 and 2013.
A I -- you know what, I'm -- I'm not sure if we had any state-specific units at that time.

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Q All right. So your best recollection is during that time frame, all the units did work in all the states; correct?
A No. I can't say that. I don't remember if that is true.
Q When did -- when did the units perform work related to Nevada debtors?
A When did they?
Q Yeah. Your entire tenure?
A No.
Q What -- what would be the range of years that various units of CRC performed work with respect to Nevada debtors?
A I -- I don't recall when we started conducting foreclosures in Nevada. I don't remember when we started.
Q What decade?
A I just don't remember when we started, if it was -- I know that in 1992 when I started in -- with CRC, we were not conducting foreclosures in Nevada. But I don't remember when we started.
Q But, surely, you were doing so by the year 2000; correct?
A I -- I don't remember.
Q Well, let's give your best estimate. Were you

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conducting Nevada work related to the debtors there for the last 10 years of your work with CRC?
A No.
Q Do you think it was longer than that or less than that?
A I -- I don't remember, sir. I'm not comfortable in speculating, because I really just don't remember.
Q All right. Well, let me quiz that, just if I may take it one step further.
Certainly, your memory is sufficient to say that the firm was performing work related to Nevada debtors for the last five years of your employment with CRC; correct?
A No. That would be incorrect.
Q Why is that?
A Because we were not conducting foreclosures in Nevada when -- in 2013.
Q All right. Okay. Actually, thank you for that.
Is it correct that CRC stopped operations generally in 2011?
MR. SCARBOROUGH: Well, I'll object to the form of the question.
I know you don't want my help. But I think you

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were going for Nevada there, but you didn't include it in your question.
BY MR. BOYLAN:
Q Okay. Is it true then, as your counsel is suggesting, that CRC stopped operations in Nevada in 2011?
A That is correct.
Q How do you know that?
A Just in communicating with counsel, that I was informed of that information.
Q So at least -- just for your recollection, I'm going to give you a narrower window to focus your memory.
For at least the last four years of your term with CRC, before they stopped in 2011, CRC had been performing work with respect to Nevada debtors for the last four years; right?
MR. WEISS: Object to the form of the question. You're saying from 2007 to 2011? Is that the time frame?
MR. BOYLAN: That would be the math. I don't think we need you to do that on the record. But --
THE WITNESS: I'm -- I don't -- I just don't remember when we started. I'm sorry.
BY MR. BOYLAN:

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Q I didn't ask you when you started. I just asked you to confirm that you were working with Nevada debtors during that four-year period. Can you answer that?
MR. SCARBOROUGH: Well, objection. That's argumentative in light of the witness's last answer, Mr. Boylan.
BY MR. BOYLAN:
Q Can you answer that?
MR. WEISS: Join in that objection.
THE WITNESS: No, sir. I can't.
BY MR. BOYLAN:
Q What about your last month there, was the firm performing work with respect to Nevada debtors your last month --
MR. WEISS: Actually, asked and answered.
BY MR. BOYLAN:
Q -- in 2011, before they stopped operations there?
MR. WEISS: Object to the form of the question.
THE WITNESS: Yeah. I -- it's a little confusing -- your question is a little confusing. I'm not sure -- you'll have to clarify it for me. I'm sorry.

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BY MR. BOYLAN:
Q Let me narrow it to the very last year. So that would be, I assume, 200- -- somewhere in 2010 to 2011. Was CRC performing work with respect to Nevada debtors at that time?
A And what are you referring to, "last year"?
Q The last year before they stopped operations in Nevada.
A Yes. That would be correct.
Q Thank you.
And what about the year before that -- so we're looking at 2009 now to 2011 -- was CRC performing work with Nevada debtors then?
A I -- I don't remember when we started conducting foreclosures in Nevada. So I'm not comfortable in answering that.
Q All right. And it may be -- because I have similar situations with my memory, but I can still tell the number of years. I may not know the exact start date or the end date. In this case, you do know the end date. But without knowing the exact start date, can you estimate the total number of years -- "estimate" is the word -- can you estimate the total number of years while you were working with CRE -- CRC -- excuse me -- that the company was performing work with respect to Nevada

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debtors?
MR. SCARBOROUGH: Objection.
MR. WEISS: Object. I'm sorry.
MR. SCARBOROUGH: Objection. Asked and answered. Lacking in foundation.
MR. WEISS: Join in the objection.
THE WITNESS: No.
BY MR. BOYLAN:
Q Can you tell us, for example, if it was -- the total number of years was more or less than five years?
A No.
Q Okay. The support team, the specific people that dealt with reinstatement, approximately how many of those people were there?
MR. WEISS: Object to the form of the question. Vague and ambiguous as to time.
THE WITNESS: What period of time are we referring to?
BY MR. BOYLAN:
Q Any one that your memory will give it to us; and then you can tell us when it is.
MR. WEISS: Object to the form of the question.
THE WITNESS: At the time that we left CRC,

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there were, I believe, four individuals that provided reinstatement and payoff quotes.
BY MR. BOYLAN:
Q And what was the greatest number during your entire term of employment of folks that were involved with reinstatement of debts?
MR. SCARBOROUGH: Objection to the form of the question.
MR. WEISS: Join.
MR. SCARBOROUGH: It misstates her testimony.
THE WITNESS: I -- I don't remember if four was the most or if there were more during my tenure.
BY MR. BOYLAN:
Q What are the names of some of the four people that were the last to perform that work?
A Zelma Thorpes.
Q Zelma?
A Zelma.
Q Spell the last name.
A T-h-o-r-p-e-s.
Q Uh-huh.
A Brandon Reed.
Q Uh-huh.
A Oh, gosh. I'm sorry. I'm not recalling the others.

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Q Smirna Tieng, Elena Martinez, Carla Dodd, Domingo Santos, any of those names ring a bell?
A Well, they all ring a bell, not as it relates to the information that you're seeking.
Q For reinstatement? Okay.
Colleen Irby? Oh. Danielle Meadows? None of those were involved with reinstatement directly, ma'am? Patricia Ramos? I'm just trying to help jog your memory.
A Elaine Martinez was a supervisor over the quotes team, but none of the others that you've mentioned.
Q Where did these people office at the end of your tenure?
A In Chatsworth, California.
Q Do you maintain contact with any of them?
MR. SCARBOROUGH: Object to the form of the question.
Honestly, Nick, who is "them"? Every name that you've given her?
BY MR. BOYLAN:
Q No. Kevin Mickey -- no. Excuse me. I apologize. Zelma, Brandon, Elena.
A Zelma and Brandon, I do maintain contact.
Q Have you talked to them at all about this

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lawsuit or that you were going to be deposed?
A No.
Q Where do they live nowadays?
A Zelma lives in Palmdale; I'm not sure where Brandon lives.
Q Do you happen to know her address or have it with you?
A I'm not sure if I have it with me or not.
Q I'm not asking you to cause any problems for her. We may just need to take her testimony. So I need to be able to find her or communicate with her.
So if you have her phone number or her address, including if you have it with you in your phone, I would ask you to provide it. Do you have any of that?
MR. SCARBOROUGH: I'm going to object to that. That's outside the -- the scope here, number one. And number two, you're entitled to her recollection as she sits here, Nick. We're not doing research. If you want information, you know how to ask for it.
MR. BOYLAN: Are you instructing her not to answer? Because I think the discovery commissioner is going to want me to be able to find witnesses. It's pretty basic. If you're hiding witnesses, it's a problem.
MR. SCARBOROUGH: Well, that's outrageous.

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MR. BOYLAN: Okay. Then let her answer the question.
MR. SCARBOROUGH: Nick, what I'm saying to you is we're not going to sit here and do research --
MR. BOYLAN: Okay.
MR. SCARBOROUGH: -- while you're conducting a -- what's supposed to be a 30(b)(6) deposition.
MR. BOYLAN: Okay.
MR. WEISS: By the way, is that person represented by counsel -- Zelma Thorpes?
BY MR. BOYLAN:
Q Do you have that information, ma'am?
A Yes.
Q Can you tell me what that is, please?
A I don't know it off the top of my head.
Q Okay. Are you willing to provide it?
MR. WEISS: Objection.
MR. SCARBOROUGH: Yeah. Again, you know how to ask for information. We're not -- we're not going to conduct research as part of your -- your day with Ms. Brignac, who you've already established is employed by somebody else, not CRC. But we were nice enough to make her available for this purpose of this lawsuit, Nick.
MR. BOYLAN: You did it to be nice?

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MR. SCARBOROUGH: Among other things, yes.
BY MR. BOYLAN:
Q Can you tell me her phone number, please, ma'am?
MR. WEISS: Objection. She just said that she doesn't know as she sits here today.
BY MR. BOYLAN:
Q Effectively, ma'am, they're instructing you not to pick up your telephone and give me her phone number. Are you going to follow that objection? Because I --
MR. WEISS: Objection.
BY MR. BOYLAN:
Q -- I need her phone number.
MR. WEISS: Objection, Counsel. Same objections.
MR. BOYLAN: Okay. Are you instructing her not to do what I've asked, Counsel?
MR. SCARBOROUGH: I've said we're not conducting research. I don't know how much more clearer I could be than to say that.
MR. BOYLAN: It's not research to pick up your telephone, Counsel.
MR. SCARBOROUGH: Do you see her telephone sitting there?
MR. BOYLAN: I'm sure she's got --

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Q Do you have your telephone with you, ma'am?
MR. SCARBOROUGH: We're not conducting research.
MR. BOYLAN: Are you instructing her not to answer that question? I just need to make a record because I'm going to ask for relief.
Are you instructing her not to answer whether she has her telephone with her?
MR. SCARBOROUGH: If she has the telephone in her physical proximity?
MR. BOYLAN: Yes.
MR. SCARBOROUGH: You can ask her that.
BY MR. BOYLAN:
Q Do you have your phone here, ma'am?
A I do.
Q And is -- is -- may I ask, please, is Zelma -- I think you mentioned -- is her phone number in that phone?
A Yes.
MR. BOYLAN: All right. And just to be clear, Larry -- you've kind of avoided it -- you're instructing her not to access her phone to give me that information?
MR. SCARBOROUGH: That's right.
MR. BOYLAN: Okay.
Q And you'll follow that instruction?

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A Yes.
Q Thank you, ma'am.
MR. WEISS: I would also just add for the record, I don't know whether or not this person is represented by counsel. But as you're well aware, Counsel, if Zelma Thorpes is represented by counsel, you need to contact counsel for Ms. Thorpes.
MR. BOYLAN: Yeah. Well, as you're well aware, you can't hide information by forcing counsel on former employees, which is apparently being attempted to do broadly in this case.
MR. SCARBOROUGH: That's a baseless accusation without any underpinning whatever.
MR. BOYLAN: Really?
MR. SCARBOROUGH: Really.
MR. BOYLAN: Well, we've got something like -- an incredible number of former employees all represented by Kirkland & Ellis, a thousand-dollar-an-hour law firm? That's very unusual.
MR. WEISS: That's --
MR. BOYLAN: I don't believe you represent any of them, by the way. And I'm going to challenge it. You can't force yourself on former employees. And I am going to challenge it.
MR. SCARBOROUGH: That's going to come to a bad

ending. And if you ask us --
MR. BOYLAN: Okay.
MR. SCARBOROUGH: -- some questions the way counsel typically do or ask interrogatories or document requests, you would get all of those answers, not the fantasy, Mr. Boylan, that's in your head.
MR. BOYLAN: I'd rather get it from the witnesses under oath.
MR. SCARBOROUGH: That's great. You go right ahead.
BY MR. BOYLAN:
Q So the reinstatement group that you were referring to, these individuals were involved with providing amounts of the debt that were overdue for purposes of reinstating the loan that -- to the lenders that CRC was representing; correct?
MR. SCARBOROUGH: Object to the form of the question.
MR. WEISS: Join.
THE WITNESS: If you can repeat that, please.
BY MR. BOYLAN:
Q I will. I'm calling for a "yes" or "no," if you can.
MR. BOYLAN: Could you read that back, please?
(Record read as follows:

"Q So the reinstatement group that you were referring to, these individuals were involved with providing amounts of the debt that were overdue for purposes of reinstating the loan that -- to the lenders that CRC was representing; correct?")
MR. SCARBOROUGH: Same objection. Vague and ambiguous.
MR. WEISS: Join.
THE WITNESS: I don't think I can just answer just "yes" or "no." The quotes team worked with primarily Chase to obtain the necessary quotes requested by borrowers to reinstate and/or pay off their loans.
BY MR. BOYLAN:
Q So with respect to all of the loans involved, they were already in default; correct?
A Loans that CRC would have provided quotes were in foreclosure.
Q Well, can you answer my question? The loans were in default; correct? You know what "default" means, don't you, ma'am?
A They were in default, delinquent, yes.
Q All right. In fact, that's why CRC was hired; correct?
A CRC was hired to conduct a foreclosure on a defaulted loan, yes.

Q So each time that CRC was hired by a bank to perform these services, it was with respect to a loan that was in default; correct?
A Services of foreclosure?
Q Any and all services you provided.
MR. WEISS: Object to the form of the question.
MR. SCARBOROUGH: Join.
THE WITNESS: I -- I believe so, that the borrower would be in default when CRC was contacted to conduct a service, yes.
BY MR. BOYLAN:
Q And you were hired by a bank -- "you" meaning CRC; I don't mean you personally, ma'am. Is that okay with you that I can say it that way sometimes?
A I probably would prefer CRC.
Q Okay. So CRC was hired to help the lender realize some type of recovery with respect to the debts that were in default; correct?
MR. WEISS: Object to the form of the question.
MR. SCARBOROUGH: Join.
THE WITNESS: No. That wouldn't be my understanding.
BY MR. BOYLAN:
Q Well, CRC was hired with respect to these debtors in default so that you could obtain a payoff,

obtain reinstatement or obtain the property, sell the property and apply those proceeds to the loan; correct?
MR. SCARBOROUGH: Object to the form --
MR. WEISS: Object.
MR. SCARBOROUGH: -- of the question. It mischaracterizes her prior testimony.
MR. WEISS: Join.
THE WITNESS: No. I don't believe that's the case.
BY MR. BOYLAN:
Q Then what was the purpose of hiring CRC with respect to these debtors who were in default?
A To foreclose on the mortgage that was in default.
Q And by that, you meant including selling the property and having the proceeds apply to the loan; correct?
A If the foreclosure did continue through sale, yes, that would be correct.
Q So the whole purpose was to obtain money to pay down the loan; correct?
MR. SCARBOROUGH: Object to the form of the question.
MR. WEISS: Join.
THE WITNESS: Whose purpose?

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BY MR. BOYLAN:
Q The lender's --
A I'm sorry.
Q -- purpose for which CRC was hired.
A I -- I can't speak to the lender's purpose and -- and what their intent would have been.
Q Your understanding, though, that it was the CR- -- the role of CRC acting on behalf of the lender was to obtain cash proceeds in order to pay down the debt; correct?
A No.
Q Okay. So when you -- when a property was foreclosed upon and money was paid, it didn't go to the lender; is that your sworn testimony?
MR. SCARBOROUGH: Objection. It mischaracterizes her testimony.
MR. WEISS: And object to the form.
THE WITNESS: No. I don't believe that's what I said.
BY MR. BOYLAN:
Q Okay. Then the objective of CRC's work was to obtain money, including through the sale, in order to pay down the debt; correct?
MR. SCARBOROUGH: Objection.
MR. WEISS: Object to the form of the question.

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Asked and answered, Counsel.
MR. SCARBOROUGH: Join.
THE WITNESS: No.
BY MR. BOYLAN:
Q Foreclosure included selling the home to get money; correct?
MR. WEISS: Object to the form of the question.
THE WITNESS: That is possibly an end result of a foreclosure.
BY MR. BOYLAN:
Q And you did thousands and thousands of those over your 20 years; correct?
A I don't know how many.
Q It's thousands, though, isn't it?
A I don't know how many.
Q Is it more than 1,000?
A I'm not sure of the exact number.
Q Do you know what estimate you put -- you wrote in your LinkedIn profile?
A I can look at it and tell you --
Q Well, you mentioned --
A -- if it's in here.
Q You mentioned 30,000 cases. Could you estimate the percentage of those that resulted in money that was

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obtained to pay down the debts of the lenders?
MR. WEISS: Are you talking about Nevada? Object to the form of the question. Vague and ambiguous.
MR. SCARBOROUGH: Join.
THE WITNESS: No, I wouldn't be able to.
BY MR. BOYLAN:
Q Can you tell us whether it's more or less than 10 percent of the 30,000 cases that you wrote in your LinkedIn profile?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
MR. SCARBOROUGH: Join.
THE WITNESS: No.
BY MR. BOYLAN:
Q You would confirm, though, under oath that it's a significant percentage of those 30,000 cases where the property was sold to obtain money, which was then used to pay down the debt owed to the lenders; correct?
MR. WEISS: Object to the form of the question. Asked and answered.
THE WITNESS: No.
BY MR. BOYLAN:
Q You would agree under oath that some of those 30,000 cases resulted in sales and the collection of

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money from the sale that was then used to pay down the debt owed to the lenders; correct?
MR. WEISS: Object to the form of the question.
THE WITNESS: During my tenure, some loans did result in sale, yes.
BY MR. BOYLAN:
Q And the money that was obtained was delivered to the lender to pay down the defaulted debt; correct?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
MR. SCARBOROUGH: Join.
THE WITNESS: That would strictly be the lender's role as far as how funds were applied. That's not something CRC would have been involved in.
BY MR. BOYLAN:
Q But your knowledge is such, from 20, 30 years in the industry, that that's what occurred; right? The money from the sale was used to pay down the debt; correct?
MR. WEISS: Object to the form of the question.
THE WITNESS: Yeah, just a general knowledge of, you know, passing the funds over to the lender and what -- how they're applied, I can't speak to that.

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BY MR. BOYLAN:
Q All right. So CRC passed the funds over to the lender; is that what you're saying?
A Resulting from a trustee sale?
Q Yes, ma'am.
A Yes.
Q Okay. So with respect to the defaulted debt, including Nevada, CRC would collect the money, put it into its trust account, and then deliver that money over to its client, who was a lender; correct?
A Would you clarify which monies you're referring to?
Q The money from the sale, ma'am.
A Okay. Just -- you talked about quotas and sales. I want to be sure I'm responding correctly.
So monies from a sale, we did not deposit to -- that's not true. We deposit proceeds from a sale to a trust account and deliver the proceeds of that -- of the sale to the lender, yes, that is correct.
Q And what -- and how many of such cases would you estimate occurred in Nevada during your tenure?
A I have no idea.
Q More than a hundred?
A I -- I don't know.
Q Less than a hundred thousand?

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A I don't know the number.
Q Can you estimate it?
A No.
Q How would you determine that from the records, if you were to set about to do that today?
MR. SCARBOROUGH: Objection. Lacking in foundation. Calling for speculation.
THE WITNESS: I wouldn't personally have any way of doing that.
BY MR. BOYLAN:
Q But there are records that would allow that information to be provided; correct?
MR. SCARBOROUGH: Same objection. Lacking in foundation and calling for speculation.
THE WITNESS: I'm not sure.
BY MR. BOYLAN:
Q Who would have that information?
MR. SCARBOROUGH: Same objection.
THE WITNESS: If available, Chase, I would imagine, would have access to that information.
BY MR. BOYLAN:
Q Why do you believe that?
A Because it would have been their system that would contain that information. So if the system was still available, they would have access to it.

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Q What system is that?
A NDS or FANDS.
Q What's your knowledge about the current existence or form of that system?
MR. SCARBOROUGH: Lacking in foundation. Calling for speculation.
MR. BOYLAN: Actually, I'll withdraw that question. We're going to come back to that.
Q So the -- the money that was collected from sales by CRC and deposited into its trust account and then delivered over to the lenders, during your tenure, how many millions of dollars would you estimate was collected in the way -- in that particular way?
MR. WEISS: Objection to the form of the question. It assumes facts not in evidence.
THE WITNESS: I would -- I don't remember the amount. I have no idea really.
BY MR. BOYLAN:
Q Can you give us a ballpark estimate?
A No.
Q All right. Would you look at Exhibit 1? You mention "Direct responsibility for client trust account in excess of $4 million."
What does that refer to, ma'am?
A That would have been the trust account held by

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CRC for the purposes of trustee sales.
Q And that's -- $4 million was the average balance of that trust account?
A I don't remember the average balance.
Q What did you mean when you wrote "in excess of $4 million"?
A I don't remember exactly why I showed that amount.
Q What's your best estimate of why -- what the source of that number was?
A It would have been taken from my knowledge of the trust account. But whether or not I used an average of some sort, I -- I don't remember.
Q What do you mean when -- what did you mean when you said you had direct responsibility for this client trust account?
A Responsible for the process and procedures for use of that trust account.
Q And that included the collection of money related to the defaulted debts and delivery over to Chase or whoever the lender was; that was your responsibility?
A Not direct responsibility, but, yes, oversight.
Q Oversight of clerical people who performed those tasks was your responsibility; correct?

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A Yes.
Q So when you wrote that here, you were saying you had ultimate responsibility for that particular work, correct -- when you wrote that in your LinkedIn account?
A Yes.
Q Were you --
MR. WEISS: I just want to object to the form of the question.
BY MR. BOYLAN:
Q Were you a signatory to the trust account that you were referring to?
A Yes.
Q Was that a trust account at Chase Bank or more than one bank?
A And, again, we're speaking of -- at the time that we left --
Q Yes.
A -- CRC?
One trust account.
Q How many were there that collected funds related to defaulted debts?
MR. SCARBOROUGH: Objection.
MR. WEISS: Object to the form of the question.
MR. SCARBOROUGH: Join.

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THE WITNESS: During what period of time?
BY MR. BOYLAN:
Q Your entire tenure.
A It varied --
Q Well --
A -- during my tenure.
Q Okay. How many in total?
A I believe two to three.
Q Were there any banks other than Chase?
A Yes.
Q What were those banks?
A Union Bank.
Q Uh-huh.
A And Wells Fargo.
Q You were a signature (sic) on the signature card on all of those accounts, ma'am?
A I'm going to say yes for Union Bank, definitely; I don't recall whether or not I was on the Wells Fargo account.
Q And you were a signator on the Chase account?
MR. SCARBOROUGH: Objection. It assumes facts not in evidence.
BY MR. BOYLAN:
Q I apologize. Was there a Chase account?
MR. SCARBOROUGH: Trust account -- are we still on that?
MR. BOYLAN: Yes, sir.
THE WITNESS: I don't recall whether or not there was a Chase trust account.
BY MR. BOYLAN:
Q Okay. Which Union Bank branch was the account established?
A I'm not sure.
Q Who was your primary contact at Union Bank?
A I don't remember.
Q Which Wells Fargo branch was the trust account established?
A I'm not sure.
Q Who was your contact there?
A I don't know that I had one.
Q Did you physically visit the branch, or did you do all the banking electronically or some combination?
A Are you speaking of me personally?
Q Yes, ma'am.
A I didn't do any of the banking.
Q Who did? Who was your subordinate who actually did the banking?
A Banking, Dos Santos.
Q Spell, please.
A D-o-s, S-a-n -- last name S-a-n-t-o-s.

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MR. SCARBOROUGH: Nick, we've been going about an hour and a half. When you get to a convenient spot, how about a break?
MR. BOYLAN: Absolutely. I think it's a good time. Thank you very much.
Ma'am, thank you for your patience. Let's take a break.
THE VIDEOGRAPHER: Off the record at 11:00 a.m.
(Brief recess taken.)
THE VIDEOGRAPHER: This marks the beginning of Disc No. 2 in the deposition of Deborah Brignac. We are back on the record at 11:15 a.m.
BY MR. BOYLAN:
Q The trust accounts that you mentioned that we were talking about a moment ago, including at Wells Fargo Bank and Union Bank, did one or both of those banks host funds related to Nevada debtors at any time during your tenure?
A I would say definitely Union Bank we utilized for Nevada trustee sales. I am not certain about Wells Fargo.
Q How many -- during your tenure, how many clients other than Chase did CRC have lenders on whose behalf it worked?
A I don't remember the number. Chase was the

primary lender. There were others from time to time.

Q Give us some examples, please.

A Examples -- names of lenders?

Q Yes, ma'am.

A Let's see. Specialized Loan Servicing; Ocwen.

Q Was Ocwen related to Deutsche Bank, do you know?

A I don't know at the time if they were. That -- we didn't have very many. Like I said, Chase was our primary client. The only time that we serviced accounts for other lenders is if we had a foreclosure in progress for Chase, and Chase released the servicing to another lender or another services.

Q So does that mean in all cases where CRC was performing services, that the defaulted debt -- the underlying debt was owed to Chase?

MR. WEISS: Object to the form.

MR. SCARBOROUGH: Yeah. Join.

THE WITNESS: I wouldn't say that that would be true, no.

BY MR. BOYLAN:

Q The reason why I ask is because it appears that these are servicing entities that you mentioned, not lenders who would actually own the note. Am I -- am I incorrect about that?

MR. WEISS: Object to the form of the question.

THE WITNESS: I wouldn't be able to say that for certain, no.

BY MR. BOYLAN:

Q And then you mentioned that Chase would release the servicing.

So Chase held the note in all cases; is that a correct interpretation of your comment?

MR. WEISS: Object to the form of the question. Vague and ambiguous.

THE WITNESS: I wouldn't be comfortable saying that would be true in all cases, no.

BY MR. BOYLAN:

Q Well, who were some of the other lenders then? Can you name one?

A No. Those would be the only -- no, I shouldn't say that. I don't remember the others, if there were others. Those are two that stand out in my mind that we conducted foreclosures on behalf of.

Q And is it your understanding that those are lenders or servicing entities working on behalf of lenders?

A At the time that we conducted foreclosures for them, I'm not sure.

Q Did you ever have any discussions with any

representative of Chase at any time during your tenure regarding why Chase used CRC with respect to reinstatements and payoffs of defaulted debt?

MR. SCARBOROUGH: Object to the form of the question.

THE WITNESS: I don't believe so.

BY MR. BOYLAN:

Q What's your understanding of why Chase employed CRC to provide work with respect to reinstatement and payoff of defaulted debts?

MR. SCARBOROUGH: Same objection.

THE WITNESS: CRC -- that was a service that we provided, as far as providing reinstatement and payoff quotes for mortgage loans that were in default.

BY MR. BOYLAN:

Q Yes.

And my question is, what is your understanding of why Chase employed CRC to do that, rather than do it itself?

A I wouldn't be able to answer that question.

Q What particular skills or capabilities did CRC have in the area of reinstatement and payoffs of defaulted debts?

MR. SCARBOROUGH: Objection. It mischaracterizes her testimony.

MR. WEISS: And object to the form of the question, as well.

THE WITNESS: Are you -- I'm not sure I understand what you're asking.

BY MR. BOYLAN:

Q Well, you've got -- just by way of explanation, you've got this huge bank that is hiring your firm, CRC, to perform work related to reinstatement and payoff of defaulted debts, not doing it itself.

So I'm asking, what was your -- what was your firm's capability or expertise related to reinstatement and payoffs that they would hire you, rather than either do it themselves or hire someone else?

MR. SCARBOROUGH: I'll object to the form of the question. It mischaracterizes her testimony.

MR. WEISS: And argumentative.

THE WITNESS: I wouldn't necessarily say that they hired us to actually provide the quotes. We were conducting the foreclosures on loans that the borrowers would request those quotes. And so we offered that service on behalf of Chase to provide the quotes to the borrowers.

MR. BOYLAN: Move to strike as nonresponsive.

Q What capabilities or training or expertise did CRC have in order to perform that work?

A I -- I wouldn't call it expertise in any way. The team that was responsible would receive training to ensure that they provided the information that was accurate as requested by the borrowers.

Q And to communicate that information to reinstate or pay off the defaulted debt to the borrowers; correct?

MR. SCARBOROUGH: Object to the form of the question. Mischaracterizes her testimony.

THE WITNESS: They received -- the team that was responsible for providing the quotes did receive training to ensure they provided accurate quotes.

BY MR. BOYLAN:

Q To the borrowers; correct?

A To the borrowers, as requested, yes.

Q Right.

So this team of CRC people provided this information to reinstate the defaulted debt or pay off the defaulted debt to the borrowers on behalf of the lender; correct?

MR. SCARBOROUGH: Same objection. It continues to mischaracterize her testimony.

THE WITNESS: I'm sorry. Repeat that.

BY MR. BOYLAN:

Q It calls for a "yes" or "no," if you can,

ma'am.

MR. BOYLAN: Please read it back.

(Record read as follows:

"Q So this team of CRC people provided this information to reinstate the defaulted debt or pay off the defaulted debt to the borrowers on behalf of the lender; correct?")

THE WITNESS: Well, the request -- the -- the request came in from the borrowers or sometimes it did come in from Chase. So it depends on, you know, who requested the information. We were providing the information as requested; so whether it be from the borrower or occasionally we would receive requests directly from Chase --

BY MR. BOYLAN:

Q So is the answer "yes"?

A -- to provide quotes.

MR. SCARBOROUGH: Same objection.

MR. WEISS: Objection. Asked and answered.

BY MR. BOYLAN:

Q I don't believe you answered the question directly. I appreciate your effort, ma'am. But I don't believe you answered the question.

And I'll have it reread. And if you can, it just calls for a simple "yes" or "no," if you can,

please.

(Record read as follows:

"Q So this team of CRC people provided this information to reinstate the defaulted debt or pay off the defaulted debt to the borrowers on behalf of the lender; correct?")

MR. SCARBOROUGH: Same objection.

MR. WEISS: Same objection. Asked and answered.

MR. SCARBOROUGH: Asked and answered.

THE WITNESS: Yeah. I -- I can't answer that with a "yes" or "no." I'm sorry.

BY MR. BOYLAN:

Q Because why?

A Because you're -- the way that it's stated, it's not accurate. In my mind, it's not accurate.

Q Well, let's do it little by little.

The team of people that worked for CRC would obtain the payoff or reinstatement amounts from the lender; correct?

MR. WEISS: Object to the form of the question. Vague and ambiguous.

THE WITNESS: The figures to determine the reinstatement or payoff quotes were obtained from the lender.

BY MR. BOYLAN:

Q And that's with respect to the defaulted debt; correct?

A To the -- to the -- the mortgage that was in foreclosure.

Q Are you unable to answer "yes" or "no"? It is a defaulted debt; right?

MR. WEISS: Object to the form of the question. And badgering of the witness, Counsel.

MR. SCARBOROUGH: Yeah. Asked and answered several times. Argumentative at this point.

BY MR. BOYLAN:

Q Are you able to answer "yes" or "no"?

A No.

Q Okay. All right, ma'am.

All right. So you would -- CRC would obtain that information from the lender; and then on behalf of the lender, it would communicate that information to the debtors who were in default; correct?

MR. WEISS: Object to the form of the question.

THE WITNESS: There -- so the information -- we would obtain figures from the lender, and then we -- there was certain work that we had to do, as well, before providing the information to the requester,

whether it be the borrower or some other entity.
BY MR. BOYLAN:
Q Okay. Are you able to answer the question "yes" or "no"?
A No.
Q Okay. So I didn't ask you about the work you had to do before. But I just asked you -- and I'll ask you again, because I don't think you've answered -- you would take that information regarding reinstatement or payoff of the defaulted debt, and CRC would pass that information to the borrowers; correct?
MR. SCARBOROUGH: Object. It mischaracterizes her testimony. Asked and answered.
MR. WEISS: Join.
THE WITNESS: No.
BY MR. BOYLAN:
Q So that was not the procedure? Your firm never passed on the information regarding reinstatement or payoff to the lenders; is that your -- to the borrowers; is that your testimony?
MR. WEISS: Object to the form of the question.
THE WITNESS: Not in the way that you've stated.
BY MR. BOYLAN:

Q Okay. Then you tell me how you did it. How did you pass it on to the borrowers, ma'am?
MR. WEISS: Object to the form of the question.
THE WITNESS: Well, I believe that's what I was -- you know, I attempted to explain that; the information we received, there was additional work that we had to do prior to providing the information to the requester.
BY MR. BOYLAN:
Q And after -- if the requester was the borrower, after you performed that work, you provided the information to the borrower; correct?
A The quote that we prepared would be provided to the borrower.
Q Is that "yes"? I'm just searching again if I can ever get a "yes" or "no"; I'm not trying to argue with you; it's just I have to inquire; it's my job.
Are you able to answer that question "yes" or "no"?
MR. WEISS: Objection. Argumentative.
MR. SCARBOROUGH: Objection. Absolutely argumentative.
THE WITNESS: No. I'm not able to answer it "yes" or "no."

BY MR. BOYLAN:
Q Is it true, from your knowledge and experience at CRC, that the majority of the requests for reinstatement or payoff amounts with respect to the defaulted debt came from the borrowers?
MR. WEISS: Objection. Vague and ambiguous.
THE WITNESS: And you're speaking during my entire tenure with CRC?
BY MR. BOYLAN:
Q Yes, ma'am.
A I would not be comfortable in saying that that would be true.
Q What -- from who then, generally, did the majority of the requests for amounts to pay off or reinstate the defaulted debt -- from where did they come, the majority of them?
A I'm not comfortable putting a -- you know, a majority on any given group. But we received requests for payoff quotes from other parties other than the borrower.
Q All right. Well, let's just talk about the borrower.
What percentage, according to your estimation, based on your 20, 25, 30 years' experience, what, roughly, percentage of the requests for amounts to

reinstate or pay off the defaulted debt came from borrowers?
MR. WEISS: Objection. Asked and answered.
MR. SCARBOROUGH: Join.
THE WITNESS: I'm not sure.
BY MR. BOYLAN:
Q I'm asking for an estimate. Are you able to estimate?
A No.
Q Can you tell us for -- perhaps, whether it's more or less than 50 percent?
MR. WEISS: Objection. Asked and answered.
THE WITNESS: I -- I don't know.
BY MR. BOYLAN:
Q What -- did you create or participate in the creation of the training materials for the people who worked in reinstatement and payoff of the defaulted debts?
A I don't remember if I did or not.
Q What were the training materials? Can you describe them?
A It would have been just a procedural document. I can't place, you know, what was -- what it looked like or what was included at this time. But it would have been a procedural document used.

Q Did you retain a copy of that?
A As I sit here today, do I have a copy of it? I mean --
Q Yes.
A No.
Q Do you know where it is?
A No.
Q Where do you think it might be?
MR. SCARBOROUGH: Objection. It calls for speculation.
THE WITNESS: I have no idea.
BY MR. BOYLAN:
Q Did the procedural document include any guidance regarding to -- telephone communications with debtors regarding payoffs or reinstatements?
A In what way?
Q Any way.
A I -- I don't know. I'm not sure.
Q Did they provide any guidance to the trainees regarding telephonic communications with debtors?
MR. WEISS: Objection. Asked and answered.
THE WITNESS: I'm not certain.
BY MR. BOYLAN:
Q What's your best recollection of what the policies of CRC were with respect to telephone

communications with debtors regarding reinstatement and payoffs?
A Just a general procedure to provide -- we need to confirm who they were speaking to or whom they were providing the quotes to prior to releasing the information. As far as requests for quotes -- payoff quotes, they were required to be received in writing.
Q So one of the protocols for that department or that group with respect to communications -- telephonic communications with debtors is to tell them that a quote had to be requested in writing; correct?
A A payoff quote had to be requested in writing, yes.
Q In terms of confirmation of the identity of the debtor before providing the information, you or your company made that a requirement for the trainees as a result of federal or state laws related to debt collection; correct?
MR. WEISS: Objection. It lacks foundation, to the extent it calls for a legal conclusion.
MR. SCARBOROUGH: Join.
THE WITNESS: No, I wouldn't say that that -- I don't know why that procedure was implemented.
BY MR. BOYLAN:
Q You have no idea, as you sit here, ma'am?

MR. SCARBOROUGH: Objection. Asked and answered.
MR. WEISS: Objection. Asked and answered.
THE WITNESS: No.
BY MR. BOYLAN:
Q In your LinkedIn profile, is it true that you wrote that you kept abreast of legal requirements and rules and laws related to either debt collection or foreclosures?
A And what are you referring to?
Q I'll let you look at it, ma'am, and see if you can interpret it that way. We can go to specific passages if you're unable to answer the question.
A If you wouldn't mind directing me.
Q "Ensured adherence to standards by monitoring and evaluating operations performance ... kept apprised of legislative changes," and it goes on from there.
A And your question was?
Q What -- what kind of legislative changes did you keep apprised of in your role at CRC, ma'am?
A Legislative changes would refer to legislation surrounding the foreclosure practices.
Q And that included debt collection laws; is that true?
MR. WEISS: Objection to the extent it calls

for a legal conclusion.
MR. SCARBOROUGH: Join.
THE WITNESS: Not in my mind, no.
BY MR. BOYLAN:
Q Did you ever review any aspect of the federal debt collection laws at any time?
A No, I don't believe so.
Q Did you ever review any laws related to foreclosure or debt collection in Nevada at any time?
MR. SCARBOROUGH: Objection. Compound.
THE WITNESS: I reviewed legislation related to foreclosure in Nevada, not necessarily debt collecting.
BY MR. BOYLAN:
Q Why do you say "necessarily"?
A Because I don't recall reviewing any debt collection legislation or matters in Nevada or otherwise.
Q With your 30 years of experience, is it your understanding that foreclosure is a process of collecting on a debt?
MR. SCARBOROUGH: Objection. Asked and answered.
MR. CERAN: No foundation.
THE WITNESS: No.

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BY MR. BOYLAN:
Q What is the purpose then of foreclosure?
A The purpose of a foreclosure is for the lender to regain the property or the asset if the loan is not cured.
Q And the lender does so in order to recoup on the debt; correct?
MR. SCARBOROUGH: Objection. Asked and answered.
THE WITNESS: I don't know. I mean, a foreclosure -- in my mind, a foreclosure is apart and separate from collecting the debt.
BY MR. BOYLAN:
Q But there would be no foreclosure unless there were defaulted debt; right?
MR. SCARBOROUGH: Objection.
MR. WEISS: Objection. It lacks foundation, to the extent it's been asked and answered.
MR. SCARBOROUGH: Join.
BY MR. BOYLAN:
Q Isn't that right, ma'am?
A There would need to be a defaulted mortgage in order to foreclose.
Q A mortgage is a loan, isn't it?
A Sure. I believe so.

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Q Yeah.
So there would have to be a defaulted debt before there could ever be -- a defaulted loan before there could ever be a foreclosure; right?
A The loan would need to be in default in order to foreclose in some form or fashion, yes.
Q And so it's that underlying debt that provides the purpose of foreclosure, whether to either obtain the property or cash proceeds for the property with respect to the underlying debt; correct?
MR. WEISS: Objection to the form of the question. It lacks foundation, to the extent it calls for knowledge beyond this witness's purview.
THE WITNESS: I would answer it the same way. You would need to have a loan that's in default in order to foreclose.
BY MR. BOYLAN:
Q Right. But I'm going to the tail end of it. The -- the objective of the foreclosure is to obtain either money or property to apply against the defaulted debt; correct?
MR. SCARBOROUGH: Objection. Asked and answered. Lacking in foundation.
MR. WEISS: Join.
THE WITNESS: The end -- yeah, the end result

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of a foreclosure is either the lender receives -- gets the property back or the loan is cured or paid in full.
BY MR. BOYLAN:
Q Or paid in part; correct?
A Reinstated, cured, yes. Uh-huh.
Q So when you said "cured," you meant to include money was collected that paid the loan in part?
A Reinstated the loan, to bring the loan current --
Q Well --
A -- is what I -- is what I'm referring to when I say "cured."
Q All right. But also there are sales where the proceeds aren't sufficient to pay the loan in full, but, nevertheless, those -- those sale proceeds are used to pay down the defaulted debt; correct?
MR. WEISS: Objection. It lacks foundation.
MR. SCARBOROUGH: Join.
THE WITNESS: No. That would be incorrect, in my mind. You're speaking of a trustee sale?
BY MR. BOYLAN:
Q Yeah. If you sell the property -- let's say the mortgage is a hundred thousand.
A Uh-huh.
Q And it's in default. The loan is in default.

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It was a hundred thousand dollar loan. You sell the property. CRC follows through the foreclosure process. But only 60,000 is gotten for the property. But that money -- that 60 grand is used to pay down the debt, even though it's only part of the loan; correct?
MR. SCARBOROUGH: Same objection.
MR. WEISS: Same objection.
THE WITNESS: Yeah. I -- again, that would be something the lender would handle, how they apply the proceeds. It's not something that the trustee was involved with.
BY MR. BOYLAN:
Q But what's your understanding from 30 years in the business? Can you tell me, is that your understanding?
MR. SCARBOROUGH: Objection.
MR. WEISS: Same objection.
MR. SCARBOROUGH: Asked and answered.
MR. WEISS: Lacks foundation.
THE WITNESS: I'd have to answer the same way. I've never been on the lender's side and how funds are applied or how they determine how to apply those funds. It's not something that I have knowledge of.
BY MR. BOYLAN:
Q All right. Well, just to be clear, so we get a

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clear record, I'm not asking for the specifics of how they allocate the funds, but generally the sales proceeds are to be applied in some way -- you don't know the details, because you're not a lender -- but in some way, those proceeds are applied against the defaulted debt; correct?

MR. SCARBOROUGH: Same objection.

MR. WEISS: Same objection.

THE WITNESS: I -- I'm not able to answer that. I don't know.

BY MR. BOYLAN:

Q Let's go back to the Nevada law that you said you reviewed.

When was that that you conducted that review?

MR. WEISS: Objection, to the extent it misstates her prior testimony.

THE WITNESS: I would have reviewed -- I -- I don't remember. It's been some time that I've looked at the foreclosure statutes related to Nevada. I don't remember exactly when.

BY MR. BOYLAN:

Q In your current job, you have no work responsibility whatsoever that relates to Nevada?

A That is correct. I do not.

Q When is the last time you had any work

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responsibility that related to Nevada debtors?

A I would say 2011.

Q What Nevada laws related to what you've said is foreclosure did you review? Do you recall?

A I don't.

Q Can you describe anything about it for me based on your recollection?

A I don't remember the actual statutes. It would have just -- the portion that I would have reviewed would have outlined the process of foreclosing in Nevada.

Q What licensing requirements did the State of Nevada have in place related to the business of CRC while you were employed there?

MR. SCARBOROUGH: Objection. Lacking in foundation. Calling for speculation.

THE WITNESS: I'm not sure.

BY MR. BOYLAN:

Q What licensing requirements did you review at any time related to Nevada while you were at CRC?

A I don't know that I did.

Q When was the first time you ever were involved in any discussion with any person on this planet regarding whether CRC should or might obtain a collection agency license in Nevada?

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MR. SCARBOROUGH: Objection. It assumes facts not in evidence.

Beyond that, I'm going to caution the witness not to divulge any privileged information, to the extent the question calls for it.

MR. WEISS: Join.

BY MR. BOYLAN:

Q I'm not talking about your conversations in the last six months with your lawyers.

MR. SCARBOROUGH: Neither am I. I'm talking about conversations with any of her lawyers or the company's lawyers. So I want to be very clear about that.

MR. BOYLAN: It sounds like there's something to be concerned about there. But we'll -- we'll pass on that for a moment.

Q Other than someone --

MR. SCARBOROUGH: I'll agree with you that privilege is always a matter of great concern, Mr. Boylan.

BY MR. BOYLAN:

Q Other than lawyers for the company, when is the first time you ever had any discussions with anyone on the planet regarding whether CRC should or might or might consider getting a collection agency license in

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Nevada?

MR. SCARBOROUGH: Objection. It assumes facts not in evidence.

THE WITNESS: Yeah, I -- I don't know.

BY MR. BOYLAN:

Q What decade was that first discussion?

MR. WEISS: Objection.

MR. SCARBOROUGH: Objection.

MR. WEISS: It assumes facts not in evidence.

THE WITNESS: I -- I don't know.

BY MR. BOYLAN:

Q Who was the discussion with?

MR. SCARBOROUGH: Same objection.

MR. WEISS: Same objection.

THE WITNESS: I don't recall a discussion per se.

BY MR. BOYLAN:

Q I don't mean per se. Anything related to that, what do you recall?

MR. WEISS: Object to the form of the question. Vague and ambiguous.

MR. SCARBOROUGH: And, again, I'll caution the witness to divorce all conversations with lawyers.

THE WITNESS: Then there would be no discussions.

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BY MR. BOYLAN:
Q Why did you say "discussion per se"? What did you mean by that?
A Because I just don't recall any actual discussions.
Q Can you name any lawyer, without disclosing the content, but the general subject matter -- any lawyer that you discussed that with?
MR. WEISS: Objection to the form of the question. Vague and ambiguous.
THE WITNESS: No.
BY MR. BOYLAN:
Q So is it true that you never discussed that with a lawyer?
MR. WEISS: Discussed what?
BY MR. BOYLAN:
Q The subject matter being whether CRC should or might or should consider obtaining a collection agency license in Nevada.
A I believe I did have a discussion with a lawyer -- a Chase lawyer.
Q Okay. What's the date, what year, your best estimate?
A I have no idea.
Q Was it before 2011?

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A I don't remember.
Q Was it before or -- before or after you left your employment with CRC?
A It would have been before.
Q So at the time of the discussion, you were employed by CRC?
A That's correct.
Q Was the discussion on the phone or in a meeting?
A I don't remember.
Q Was anyone else present?
A I don't remember.
Q What was the name of the person?
A I don't remember.
Q Do you know whether at the time of the discussion this lawsuit had been filed -- the one that brings us here today?
A No.
Q Meaning, you don't know, or it had not been filed?
A I don't know.
Q Give me your best estimate of how many months or years before the end of your employment with CRC you had that discussion.
A I -- I don't remember the timing of the discussion. So it's hard to give you an estimate. I don't remember.
Q Did you take any action or direct any other individuals to take action after that conversation related to licensing in Nevada?
A What type of action?
Q Any type of action. Any type of action. Such as -- and I do mean any; don't limit it to my examples; I'm trying to help you -- instruct someone to get the licensing materials, instruct someone to get an application, instruct some other people to write a memo in order to conduct a meeting to determine whether CRC should obtain a license -- any type of action on the surface of the earth did you take after that discussion with the Chase lawyer?
A I don't believe so, no.
Q Okay. And why is that?
MR. SCARBOROUGH: Objection, to the extent it calls for privileged information. Just another attempt to blow through the privilege.
MR. BOYLAN: No. I'm not asking -- no. No. Excuse me.
Q I'm not asking you to reveal the content of your communication with the Chase lawyer. I'm not asking you to do that. I am asking you, to the extent

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you have an answer independent of that content, to tell me why is it, what was your thinking, what was your rationale as to why you took no action related to a collection agency license for CRC?
MR. SCARBOROUGH: And I want to caution the witness not to answer unless you have something to say that is divorced from your privileged conversation.
MR. WEISS: Join.
THE WITNESS: Yeah, I don't believe I can.
BY MR. BOYLAN:
Q Did you ever discuss it with any other employees thereafter -- any other employees of either CRC or Chase?
MR. WEISS: Object to the form of the question.
THE WITNESS: Ever discuss?
BY MR. BOYLAN:
Q The issue, possibility, question about whether CRC might obtain a collection agency license in Nevada.
MR. SCARBOROUGH: Objection. Asked and answered.
THE WITNESS: I don't believe so, no.
BY MR. BOYLAN:
Q Let's go back to the policies and practices of CRC with respect to telephone communications with

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debtors who were in default.

How many people and how many different departments received those instructions or units, as you say? Let's start with units. These instructions and protocols and practices with respect to telephone communications with debtors in default, which of these units received that training? Referral teams, TSG, sales, support -- and I'm sorry, I can't read my writing for the last one -- what was the last one? It begins with a P.

A Publications probably.

Q Publications.

So which -- which of the -- which of those unit employees received that training?

MR. WEISS: Object to the form of the question. Vague and ambiguous.

THE WITNESS: I -- I'm not sure which training -- are you referring to the quotes training that we discussed?

BY MR. BOYLAN:

Q No. Maybe we need to broaden the question.

We know the people that were involved with reinstatement and payoffs of defaulted debts -- we know they received -- I think you said a specific memo of directives for telephone communications; correct?

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A No, I don't believe I said that. But they received procedures regarding quotes.

Q And that includes telephone communications where you said, for example, they had to identify the person and qualify their identity in some way before providing the information on the phone; correct?

A That was all a part of the quotes training.

Q Okay.

A Yes.

Q And you said that quotes training also had something in writing; correct?

A Procedures, yes.

Q Okay. Now, my question to you -- let's back up and broaden the question.

You've got one, two, three, four, five units that you've identified. Which units were given any type of direction or policies or practices or protocol regarding telephone communications with defaulted debtors?

A All of the units would have received information and training regarding telephone calls in general, whether it be from a borrower or a vendor or a client. So I would say all units would have received that training for telephone communications.

Q Okay. I'm only asking about borrowers, ma'am.

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So, respectfully, please don't change my question, because I need a clear record. I'm not trying to argue with you.

A Okay.

Q Okay. So my question is about telephone communications with borrowers. Is it still correct that all of the five units received training regarding telephone communications with the defaulted debtors, the borrowers?

MR. WEISS: Objection to the form of the question.

THE WITNESS: All of the units would have received training regarding communicating with borrowers.

BY MR. BOYLAN:

Q And the reason they received that training is because they had or could have telephone communications with borrowers; correct?

A I would say could have.

Q Are you able to answer "yes" or "no"?

A Not the way that the question was phrased.

Q Well, you said could have. Do you want me to restate it that way? All -- they received that training because in their role within the scope of their duties, they could have telephone communications with borrowers;

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correct?

A That would be correct, yes.

Q All right. Now, in your LinkedIn profile, you talk about you were involved in monitoring and evaluating operations and performance against data and goals, and you kept track of the matrix involved in that quality of management and control, correct, ma'am?

A Yes.

Q And, in fact, one of the things that you monitored was telephone communications with borrowers, correct, how that was conducted?

A No.

Q Did you eval- -- did you have any role in evaluating matrix or quality or performance with respect to telephone communications with borrowers at CRC?

A No.

Q Who did that?

A That wasn't something that we did.

Q So there was no policy, practice, or procedure with respect to evaluating how or the quality of CRC's communications with defaulted debtors; is that your sworn testimony?

MR. WEISS: Object to the form of the question.

THE WITNESS: There was no procedure in place

for monitoring or tracking communications with borrowers -- telephone communications with borrowers.

BY MR. BOYLAN:

Q What means was there to evaluate the quality or effectiveness of the employees in that work regarding their communications with defaulted debtors?

A There was no monitoring or tracking of performance for the team communicating with the borrowers.

Q During your tenure there -- which was how many years? 20-some-odd years with CRC?

A Yes.

Q Were any individuals reprimanded or fired based on improper telephone communications with debtors?

A I don't believe so.

Q Were there practice or protocols regarding words or things that could not be said in communications with borrowers, such as curse words, profanity, threats?

A I don't believe we had any documentation that called out that -- that type of information.

Q Did any of the training include guidance on words that could or could not be used or other rules with respect to telephonic communications with borrowers?

A No. We didn't have a separate procedure for communicating with borrowers.

Q Were all telephone communications with Nevada borrowers performed out of a single office of CRC?

MR. WEISS: Object to the form of the question.

THE WITNESS: Yes, I believe so.

BY MR. BOYLAN:

Q Which office was that?

A Chatsworth, California.

Q Why do you recall that?

MR. WEISS: Object to the form.

MR. SCARBOROUGH: Join.

BY MR. BOYLAN:

Q Let me state it another way. Why was that?

MR. WEISS: Still same objection.

THE WITNESS: That's where the employees were that conducted the foreclosures in Nevada. They worked out of the Chatsworth office.

BY MR. BOYLAN:

Q And who -- what companies were the telephone providers? AT&T? Sprint? Pac Bell? You know all the providers, ma'am. I don't think you need me to list them for you.

Can you tell me who the telephone providers

were for the phone lines at Chatworth -- Chatsworth?

A No.

Q You have no idea?

A I don't.

Q Did the telephone bills for that phone service for that office -- I assume they came to the Chatsworth office; is that correct?

A No. That would be incorrect.

Q Where did the telephone bills go?

MR. SCARBOROUGH: Objection. Lacking in foundation. Calling for speculation.

MR. BOYLAN: That's coaching.

Q Where did the telephone bills go, ma'am?

A I'm not sure.

Q Where do you think?

MR. SCARBOROUGH: Objection.

MR. WEISS: Objection.

MR. SCARBOROUGH: It calls for speculation.

MR. WEISS: Asked and answered.

THE WITNESS: I -- I don't know.

BY MR. BOYLAN:

Q Was there a corporate office that paid most of the -- the administrative bills for CRC, all of its offices?

MR. WEISS: Objection. Vague and ambiguous.

THE WITNESS: There was no CRC corporate office that paid all of the bills, no.

BY MR. BOYLAN:

Q Did Chase pay the bills?

A And we're speaking of telephone bills; correct?

Q We'll start with that.

A I would assume that Chase paid the -- the telephone bills. I don't know who paid them, to be honest.

Q All right. Well, excuse me. I don't mean to argue with you, ma'am. But in your LinkedIn, you say that you ran the -- the entire operation of CRC. Is that -- was that a true statement?

MR. WEISS: Objection to the form of the question, and to the extent it misstates her prior testimony.

MR. SCARBOROUGH: Join.

THE WITNESS: The -- I ran the day-to-day operations of the trustee company.

BY MR. BOYLAN:

Q Okay. So did you gain knowledge of who paid the bills of that operation?

A Not the telephone bill; I have no idea who paid the telephone bill.

Q What bills do you have knowledge of? What

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about the rent, who paid the rent?
A I don't know.
Q Did you have any -- a car or a phone or anything provided by the company, you personally?
A No.
Q Who reimbursed your expenses -- your reimbursable expenses?
A I didn't have any.
Q Who paid you?
A California Reconveyance Company.
Q And were you involved with communications with Chase regarding how much money needed to be transferred to cover payroll?
A No.
Q Did Chase fund payroll for CRC?
A I don't know.
Q On any occasion during your 20 -- I'm sorry. I apologize. Is it 20 or 25 years you were with CRC?
A I believe it was 22.
Q All right. Let's use 22.
At any time during those 22 years, including by accident or mistake, did a defaulted debtor send a check or money by some other means to CRC with respect to the defaulted loan to the lenders?
MR. WEISS: Object to the form of the

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question.
THE WITNESS: A check in the way of reinstatement or payoff?
BY MR. BOYLAN:
Q That would be included. I said any way, even by mistake. So it's everything under the sun.
Did that ever happen, ma'am?
A During 22 years, yes, I'm sure that it did.
Q And you had a policy for how to deal with that, didn't you?
A Yes.
Q What was your policy?
A To send it to the lender.
Q So that money which came in from the borrower to CRC, you received it as the agent for the borrower and then you would -- excuse me -- the lender, and then you would pass it on to the lender; correct?
MR. WEISS: Object to the form of the question, to the extent it calls for a legal conclusion.
MR. SCARBOROUGH: Join.
THE WITNESS: As the trustee, we would send the funds to the lender. Any funds that we received from the borrower, we would send to the lender.
BY MR. BOYLAN:
Q And because it happened as -- often or at least

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sometimes, you had a policy to specifically how that would be handled; correct?
MR. WEISS: Object to the form of the question.
THE WITNESS: I can't say how often it occurred. But we did have a policy in place if we received the funds. And the policy was just that; if we received funds from the borrower, we would overnight them to the lender.
BY MR. BOYLAN:
Q Did you create that policy yourself?
A I don't remember how the policy came about.
Q How were those funds kept track of? Meaning, what records were made -- obviously, money, you guys were very careful as a trustee to keep track of any money that came in from borrowers; correct?
A Yes.
Q Very careful, right, because you had fiduciary obligations; correct?
MR. SCARBOROUGH: Objection to the form of the question.
MR. WEISS: Join. Including to the extent it calls for a legal conclusion.
THE WITNESS: We were responsible for the funds because they were received in our office. And we would

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take care to ensure that they were sent to the lender timely.
BY MR. BOYLAN:
Q And what was the -- the process of keeping records of those funds that came in? Was it electronic? It was on paper? Was it both? Was it QuickBooks? Was it -- what was it, ma'am?
A It was electronic; the -- we would identify the particular associated foreclosure and document our case management system with the information.
Q What system was that? Did it have a name?
A FANDS.
Q What employees can you recall were involved in that actual work, the clerical work associated with that? Can you give me any names?
MR. WEISS: Object to the form of the question.
THE WITNESS: At the time that we left, the same individuals that we've mentioned previously --
BY MR. BOYLAN:
Q Okay.
A -- would have been involved in that process.
Q And that is Zelma, Brandon, and Elena, as a supervisor?
A Correct.

Q Thank you.

Okay. Now, on any occasions when those funds came in from the borrower, if it occurred by mistake, or whatever, that the check was made out to CRC, did you have a policy for dealing with that situation?

A Yes.

Q What was that?

A To endorse the check to the lender and then overnight the check to the lender.

Q And using the FANDS system, you also kept track of each occasion where that occurred; correct?

A I'm not certain that that would have been documented, if we endorsed the check.

Q Well, let me state it another way then.

The situation where the check came in payable to you, you would have documented that; correct?

MR. SCARBOROUGH: Objection.

BY MR. BOYLAN:

Q "You," meaning, CRC. I'm sorry.

MR. SCARBOROUGH: Well, asked and answered. It misstates her testimony that she just gave.

MR. BOYLAN: No. That's not true. She distinguished the second aspect of it, which is passing it on to the lender. And that's why I'm asking the question.

Q Please, if I may, respectfully, ask you to listen to the question. I'm asking now about whether in documentation of any kind, including the FANDS system, in the occasions when the check came in payable to CRC, there was a record made of that; correct?

A No. I can't say that that would be true.

Q So the only record that you're certain of was the receipt of the funds from the borrower, not the payee; is that your testimony?

A That would be correct.

Q Who -- who had the power to endorse the check over to the lender? Was that you? Was that subordinates? Accounting people? Was there a stamp? Or did it have to require a personal endorsement?

A There -- we had a stamp. I was authorized to sign the endorsement, as well as Huey Chiu and Colleen Irby.

Q Their names again, please?

A Huey Chiu and Colleen Irby.

Q Okay. So where was the stamp physically, or was there more than one stamp?

A There was more than one stamp.

Q Okay. For someone to use the stamp to endorse the funds from the defaulted debtor over to the lender, did that require a signature by either you or Huey or

Colleen?

MR. WEISS: Object to the form of the question.

THE WITNESS: We used --- to endorse the -- the checks from the lender -- from CRC to the lender, we used both the stamp and a signature.

BY MR. BOYLAN:

Q All right. So -- and who had signature authority for that, to take those funds that had been received from the borrower and endorse them over directly to the lender?

A Myself and Huey and Colleen.

Q And how often did you -- again, this is an estimate -- how often did you exercise that authority, say, in the last year of your employment with CRC?

A I have no idea.

Q But it happened at least once a week; correct?

MR. WEISS: Objection. Asked and answered. She said she had no idea.

THE WITNESS: I don't know.

BY MR. BOYLAN:

Q What's your best estimate?

A I really don't know.

Q You don't know how many times you signed your

name to endorse the funds over?

MR. WEISS: Objection. Asked and answered.

THE WITNESS: No, I don't.

BY MR. BOYLAN:

Q None. Okay.

Some of these checks were large numbers; correct? Tens of thousands of dollars or, perhaps, even more?

A It could be. I -- you know, it's not something that I recall the actual dollar amounts of any of the checks. It's possible, though.

Q It's probable, isn't it? More than possible; it's probable?

MR. SCARBOROUGH: Objection. Vague and ambiguous.

MR. CERAN: Probable ---

THE WITNESS: I would have to say possible. I --

BY MR. BOYLAN:

Q Now, was there -- in the FANDS system or in any other type of management tool, could you call up the data to show the total amount of funds that had been received from borrowers in any particular quarter or financial calendar year?

MR. WEISS: Objection. Vague and ambiguous.

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MR. SCARBOROUGH: I'm going to object that it's not limited to time. You don't have to put a time period on it, but that would be helpful.

THE WITNESS: No, we wouldn't be able to.

BY MR. BOYLAN:

Q Well, you -- the record itself is in the form of a ledger? How would you describe it? When the funds come in, you indicated it was recorded in the FANDS system -- when the funds came in from the borrower; correct?

A That is correct.

Q It's in the from of a ledger?

A No.

Q What form?

A It would be a comment within the FANDS system.

Q What records did you keep of the total amount of funds delivered to the lender in any particular period?

A None. And let me just rephrase that. None as it relates to reinstatement and -- and/or payoff quotes of checks that we sent to the lender received in our office.

Q What money then were you referring to that records were kept of the totals sent to the lender?

MR. WEISS: Objection to the form of the

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question.

MR. SCARBOROUGH: Join.

THE WITNESS: Well, I'm clarifying that just to make sure we're on the same page, that the funds I'm speaking of that I would not be able to keep track of would be the reinstatement and payoff funds.

We would be able to -- we did keep track of funds sent to the lender as a result of a trustee sale.

BY MR. BOYLAN:

Q How did you do that?

A Through the accounts -- the trust accounts that we discussed.

Q Can you give me a better explanation of how that was done through those accounts, please?

A Well, through the deposits of the funds received from trustee sales and then the subsequent checks issued to the lenders.

Q Okay. So after the sale, CRC would receive the funds and then pass them on to the lender?

MR. WEISS: Objection to the form of the question.

MR. SCARBOROUGH: Join.

THE WITNESS: We would deposit the funds, the proceeds from the sale, whatever proceeds we received would be deposited into the trust account, and then a

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check issued to the lender.

BY MR. BOYLAN:

Q And by that, you mean CRC received the funds from the sale, put it in its trust account, and then cut a check to remit those funds over to the lender; correct?

MR. WEISS: Objection to the form of the question.

THE WITNESS: Yes.

BY MR. BOYLAN:

Q Okay. Now, my -- now, I'm wondering, the funds that you received, was that typically by wire transfer or to a check made payable to CRC?

A Sale proceeds were received in the form of a check -- a cashier's check normally.

Q Okay. And that check was made payable to CRC, obviously?

A Yes.

Q What's your understanding from all your work, your knowledge, your expertise, 30 years, of why the lender used CRC to collect the money from the sale and then pass it over to the lender, rather than do that itself or use some other vendor?

MR. WEISS: Objection to the form of the question. It lacks foundation. Asked and answered.

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MR. SCARBOROUGH: Join.

THE WITNESS: CRC, as the trustee, was responsible for conducting the trustee sale or coordinating the trustee sale and as a result of the foreclosure, and therefore, handled the proceeds of that sale.

BY MR. BOYLAN:

Q But there are other vendors and entities that do that work, as well; correct?

A The trustee sales?

Q Collecting the funds and transmitting them to the lender?

A I don't know the answer to that. I --

Q But CRC offered that within its portfolio or package of services that it would market to the lenders; correct?

MR. WEISS: Objection to form.

MR. SCARBOROUGH: Objection. Assumes facts not in evidence.

THE WITNESS: No. That would not be correct.

BY MR. BOYLAN:

Q Well, in its agreement with Chase, for example -- in its agreements with Chase, one of the services that it offered to provide and included within its price structure was collecting the money after the

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sale and then remitting it over to the lender; correct?

MR. WEISS: Objection to the form of the question.

THE WITNESS: I don't believe so.

BY MR. BOYLAN:

Q You don't believe that was in any of the written agreements between Chase and CRC?

MR. WEISS: Same objection to the form of the question. Vague and ambiguous.

THE WITNESS: I don't believe that that particular process was outlined in any type of agreement.

BY MR. BOYLAN:

Q Then how is it that it was done that way? Why is it?

A That's the -- the -- part of the duty of the trustee in conducting the trustee sale.

Q Okay. Let's go back to the five units. You indicated that all of them were given instructions with respect to telephone communications with debtors.

What's your understanding of in what circumstances members of the referral team had communications with defaulted debtors?

A It would be only the borrowers calling in that

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they would have communication with a borrower.

Q In what type of circumstances, for example?

A It could be, you know, whenever the borrower would call in to inquire regarding the foreclosure.

Q What does TSG stand for?

A Trustee sale guarantee.

Q What does that mean?

A It's a title product that's used in the foreclosure process.

Q And sometimes individuals in that unit would also have telephone communications with borrowers so they received training in that regard?

A Yes. Any of the units could receive a phone call from a borrower.

Q Were any of the units prohibited from telephone communications with borrowers at any time by the policy of CRC?

A No. If a call came in from a borrower, anyone could take the call.

Q But in order to talk about any aspect of the debt -- the defaulted debt, all of them had to properly identify the borrower before discussing the debt or specific information; correct?

MR. WEISS: Objection to the form of the question.

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THE WITNESS: For the most part, the only team that discussed, you know, the quotes would be the only -- you know, part of the loan that they would discuss; everyone else would discuss the foreclosure itself. So not -- we didn't discuss the loan per se with the -- with the borrower --

BY MR. BOYLAN:

Q Well, but --

A -- just the foreclosure.

Q But the borrower -- you couldn't control the questions that the borrower asked; right? So --

A Well, we wouldn't be able to respond. We didn't have the information to respond. So it wouldn't -- we wouldn't discuss it. We couldn't. We would refer them to the lender to discuss the loan.

Q I understand your answer. But can you -- I would like you to answer my question first. And that is, each of the units, if they received a call from the borrower, their training required them to properly identify the caller as the borrower before discussing anything about the foreclosure or the debt; correct?

A It's hard to answer. We didn't discuss the loan. So it was -- so --

Q So I could call up and ask about the foreclosure on your home, ma'am? Is that your

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testimony?

MR. WEISS: Objection to the form of the question.

THE WITNESS: It depends on what you were asking. If -- if -- we would provide public information to callers that -- that called in, and they didn't have necessarily direct interest in the loan. So if someone called regarding a sale date, you could call in and get the sale date on my property if I was in foreclosure, yes.

BY MR. BOYLAN:

Q All right. But any private information, each person in every unit was instructed to first properly qualify the identity of the caller as the borrower for private information; correct?

A Again, the -- primarily the only private information that was discussed with the borrower was with the quotes team. The other units did not discuss the loan. It was discussion regarding the foreclosure that they had with the borrowers or any other parties.

Q Let's take the last year of your employment with CRC. How many -- and I apologize if I've asked you this before. And we'll take another break here soon. But can you estimate how many millions of dollars or hundreds of thousands of dollars were received from

defaulted debtors by CRC that you then had to pass on to the lender?

A I don't know.

Q Do you know whether it was millions?

A I have no idea.

Q Do you know whether it was more than a dollar?

A I don't know the amount.

Q I'm just asking if you know whether it was more than one dollar?

A I don't know the amount. So I -- I don't know.

Q Your LinkedIn says you developed a quality control team as a first line of defense against errors when you were at CRC.

Could you explain that?

A It was quality control to ensure that all of the data that was entered into our case management system was accurate as it was entered.

Q And did you develop that because there had been historical problems or errors that were unacceptable to you?

A No, I wouldn't say so. It was in an effort to be proactive to ensure that the information that we entered into the system was -- was accurate.

Q Had there been a history of errors?

A I wouldn't say history. We did have errors. I

mean, it's -- we have humans that are entering the information. So there definitely were errors.

Q Did you quantify the errors in order to design the quality control system?

MR. WEISS: Objection. Vague and ambiguous.

THE WITNESS: We did track errors.

BY MR. BOYLAN:

Q How did you do that?

A Primarily it was a manual process that we used.

Q Can you explain that, please?

A Well, it was just a matter of QC'g the documents and determining errors and documenting those errors usually on an Excel spreadsheet of some sort.

Q And was that true -- for what period of time when you were with CRC?

A At the time that we left, we had that in place.

Q How many years had it been in place, according to your estimate?

A I'm not sure when we implemented the process.

Q Your best estimate?

A I -- I don't know.

Q Was it in place for years?

MR. WEISS: Objection. Asked and answered.

THE WITNESS: I'm not sure of the specific length of time it was in place when we left.

BY MR. BOYLAN:

Q Which of the one, two, three, four, five units that you've described of CRC received training or instruction regarding written communications of any kind -- and by that, I mean electronic included -- with defaulted debtors?

A We didn't really have any training as far as written communication. All of our communication with borrowers primarily had to do with just notices of foreclosure. So we really didn't have any team other than the quotes team that had written communication with borrowers.

Q Okay. I'm -- I'm trying for a "yes" or "no" because it's unclear to me. So I'll try one more time.

I'll say it this way: Did any of the five units receive training or guidance with respect to written communications with defaulted borrowers?

A And when you say "written," are you -- like letters? Correspondence?

Q Yes, ma'am. And e-mail; anything other than oral.

A I would say none of them.

Q Which -- which of those five units had authority or the ability according to company policy to communicate in writing, as you said, correspondence,

e-mail, everything, with defaulted borrowers?

MR. WEISS: Objection to the form of the question.

THE WITNESS: I would say if -- if someone received an e-mail by chance from a borrower, they would be authorized to respond to that e-mail communication. But none of the units -- actually, the entire department -- initiated communication with borrowers.

BY MR. BOYLAN:

Q But they did respond; and that was part of the company policy; they had the authority to respond to borrowers?

A I -- I don't know that I would say that company policy; I think that our policy was that we responded to e-mail communication. So if that was from a borrower, they would respond to it.

Q And what -- who was the e-mail provider? Was it a Chase server?

A Yes.

Q And do you know what happened to the contents of that server when the company stopped doing business? Was it passed over to ALAW? Or was it kept by Chase?

A It was kept by Chase.

Q How do you know that?

A Because I know that ALAW did not -- it wasn't

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passed on to ALAW.

Q Just based on your observation and recollection over the 22 years, is it true that employees in each of the five units would periodically correspond with borrowers by e-mail or otherwise?

MR. WEISS: Objection to the form of the question.

MR. SCARBOROUGH: Join.

THE WITNESS: I -- I don't know how often it -- it could have happened. I mean, again, it would be the -- the borrower somehow getting an e-mail address for an employee and e-mailing them. So it definitely could have happened. I don't know how often that occurred.

BY MR. BOYLAN:

Q Can you estimate how often it occurred?

A No.

Q But there was also a CRC general e-mail address that borrowers could write to; correct? They didn't need an individual's e-mail, did they?

A Yes. They would have needed -- we didn't have -- I don't believe we had a general e-mail address.

Q Nothing like info@crc.com or -- nothing for a general mailbox, ma'am?

A No. Because we -- we actually tried to, you

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know, defer from borrowers or vendors e-mailing directly individuals. It was usually just phone call communication.

Q So the majority of communications with borrowers by CRC was phone calls over correspondence -- over e-mail?

A Communication with borrowers initiated by CRC?

Q Either. Make a call, receive a call, either, ma'am.

A Yes. It would have been phone calls.

Q Do you have any estimate of how many phone calls either made or received with borrowers occurred on average each month?

A No. That's not something we monitored.

Q I'm going to examine you now, if I may, ma'am, about one document. And then I think we should take another break for your sake and everyone's, please.

(Plaintiffs' Exhibit 2 was marked for identification.)

BY MR. BOYLAN:

Q Take a look, please, at what's been marked as Exhibit 2.

Is that your signature on document Exhibit 2?

A Yes.

Q What is Exhibit 2?

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A It looks like a response to correspondence from Thomas and Kimberly Moore.

Q Okay. So this is a letter authored by you on behalf of CRC and addressed to the borrowers indicated there, the Moores; correct?

A I'm going to say that it's -- yes, that Thomas and Kimberly Moore -- without looking at the loan history, I'm not sure if they're the borrowers. But based on the content of the letter, I guess I could come to that conclusion.

Q Yeah. It was not a trick question. I just -- we lawyers do something called authentication. So a witness with knowledge has to say what it is.

And this is a letter addressed to the Moores by you on behalf of CRC; would be that correct?

A That would be correct.

Q Thank you very much.

Why if I may ask -- your title was vice president at this time?

A It appears so, yes.

Q And this is near the end of 2011; correct?

A Yes.

Q Was your title correct at that time? Was it vice president?

A Based on this letter, yes.

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Q Had you been demoted or had you not yet been made president?

A Based on this letter, I had not been made president as of 2011.

Q And the company stopped operations in 2011; is that correct?

MR. WEISS: Objection to the form of the question.

In Nevada?

MR. BOYLAN: Sure.

Q The company stopped operations in Nevada in 2011, ma'am?

A That's correct.

Q When?

A I don't know.

Q Why were you responding to these borrowers personally, rather than your staff?

A I don't remember why.

Q But you did that as a matter of course?

A Occasionally; I -- I don't remember why particularly on this. I responded to this correspondence. But there would be occasions that I would respond.

Q And what circumstances would cause you to respond personally, rather than your staff?

A In this case, because they had sent correspondence, the staff was not authorized to generate letters or respond directly to written correspondence. So that would be the case here based on this "In response to your correspondence dated." So we did receive correspondence. So I would have responded myself or Colleen or Huey.

Q When was that policy put in place?

A I don't remember.

Q Why was that policy put in place?

A We didn't have templates and for -- to respond to correspondence. So there were only a select few that could respond to correspondence from borrowers.

Q Have you given me the names of all of those select few?

A Yes.

Q And was that the policy during your entire tenure with CRC, or did that come about sometime during the course of your work there?

A I am not sure.

Q Did it come about because there had been some perceived problems with staff members communicate -- written communications with borrowers?

A I don't believe so. It was just the fact that we didn't have form templates for the staff to use. And

so we chose to limit the number of individuals that would be responding to -- to borrowers.

Q Is that a rule you imposed or someone else in the company or Chase?

A I don't remember if I did or if it came down through Chase. I don't remember.

Q Do you recall anything about this letter or --

A No.

Q -- or what prompted it?

A No.

Q Did you ever have any discussions with the Moores?

A Not that I recall.

Q The information you were providing regarding the payoff and reinstatement, that was on behalf of the lender and the information that you had obtained from the lender regarding the defaulted debt; correct?

MR. WEISS: Object to the form of the question.

THE WITNESS: Umm, the quotes, again, would have been -- we would have obtained the figures from the lender. Without seeing the actual attachments that were included here, more than likely it would have been our form that was included that -- that provided the quotes -- the two quotes.

BY MR. BOYLAN:

Q So CRC had a form itself for obtaining reinstatement or payoffs on the defaulted debts?

A Not to obtain it; but the information that we provided to the borrower was a form generated by CRC that included the figures.

Q And the purpose of providing that information to the borrower was to allow them to make a payment to either reinstate or pay off the loan; correct?

MR. WEISS: Object to the form of the question.

MR. SCARBOROUGH: Join.

MR. WEISS: It lacks foundation.

MR. SCARBOROUGH: Join.

THE WITNESS: The purpose of the quote -- we were responding to a request. That was the only time that we generated these quotes was in response to a request from the borrower or an agent of the borrower.

BY MR. BOYLAN:

Q But your understanding the purpose of providing that information was to give the borrower an opportunity to make a payment on the debt that would either reinstate or pay off the loan; correct?

MR. SCARBOROUGH: Same objection.

MR. WEISS: Same objection. And asked and

answered.

THE WITNESS: Not necessarily. I mean, I can't speak to why the borrower would request a quote. Oftentimes they would request it and not submit the payoff or reinstatement. So --

BY MR. BOYLAN:

Q Well, if I may, listen to my question carefully.

A Okay.

Q Because I said to give them the opportunity. And you kind of changed it to whether they actually did it. So let me ask it again, please, if I may.

The purpose of CRC providing information of the amount to reinstate or pay off the defaulted loan was to give the borrower an opportunity to make a payment in order to do so; correct?

MR. SCARBOROUGH: Objection.

MR. WEISS: Objection to the form of the question. Lacks foundation. And asked and answered.

MR. SCARBOROUGH: It misstates her prior testimony, as well.

THE WITNESS: I -- I don't believe so. We were responding to a request. And, you know, what they chose to do with the information is -- was not necessarily our concern. It was to provide the information that was

requested. I don't look at it as an opportunity for them to provide the funds.
BY MR. BOYLAN:
Q Well, then other than -- well, understanding you're responding to the request. But the specific information that you gave in response, what was the purpose of that particular information?
MR. WEISS: Same objection.
MR. SCARBOROUGH: Same objections.
BY MR. BOYLAN:
Q I mean, they could have asked you, you know, who is going to be in the Disneyland parade tonight? And you -- maybe you would have responded. But they asked for something very specific, which is amounts to either reinstate or pay off the loan.
So what's your understanding of what the purpose of providing that information to them was?
MR. SCARBOROUGH: Same objections.
MR. WEISS: Objection.
MR. SCARBOROUGH: Asked and answered several times now.
THE WITNESS: To respond to the request that was made to CRC.
BY MR. BOYLAN:
Q It had nothing to do with the debt; is that

your testimony?
MR. SCARBOROUGH: Objection.
MR. WEISS: Objection.
MR. SCARBOROUGH: It misstates the testimony.
BY MR. BOYLAN:
Q I'm not trying to argue with you, ma'am. It just seems like a very simple question.
MR. WEISS: Objection. Argumentative.
MR. CERAN: Actually, that's exactly what you're doing.
MR. WEISS: Argumentative. Asked and answered.
MR. BOYLAN: Well, fortunately, gentlemen, we have video. So it can all be evaluated by a neutral trier of fact.
MR. SCARBOROUGH: Is there a question pending?
MR. BOYLAN: No, sir.
MR. SCARBOROUGH: Can I ask you while there's not a question pending, the Exhibit 2 has some shading on it. And I'm wondering whether that was the form of the document that was produced or whether the shading has been added subsequently?
MR. BOYLAN: There are other clean copies of it. I think it's just when it's photocopied with yellow highlighting on it, it ends up shading and -- so --
MR. SCARBOROUGH: So the shading was added, is

what you're telling me? That's what I'm asking, Nick. That's all.
MR. BOYLAN: Added is not quite the right word. But, yes, the shading was not on the original.
MR. SCARBOROUGH: Okay. Thank you.
MR. BOYLAN: All right. Do you all want to take a break? Do you want to talk about the schedule? Can we go off? Do you want to go off?
MR. SCARBOROUGH: We can go off.
MR. WEISS: Sure.
MR. BOYLAN: Yeah. Let's go off.
THE VIDEOGRAPHER: Off the record at 12:39 p.m.
(Brief recess taken.)
THE VIDEOGRAPHER: This marks the beginning of Disc No. 3 in the deposition of Deborah Brignac. We are back on the record at 1:15 p.m.
BY MR. BOYLAN:
Q Ms. Brignac, have you ever given sworn testimony before today?
A Yes.
Q On how many occasions?
A I don't remember how many occasions.
Q What is your estimate?
A I'm not really sure.
Q More or less than 10?

A I -- I don't know over the years. I'm not sure how many times.
Q Have you ever been a plaintiff or a defendant in a lawsuit yourself?
MR. WEISS: Object to the form of the question.
THE WITNESS: I've been a defendant.
BY MR. BOYLAN:
Q What was that case about?
A A contested foreclosure case.
Q When was that?
A I don't recall the -- the timing.
Q What decade?
A This decade.
Q Was it here in Los Angeles?
A I don't know if the case or cases were filed in Los Angel- -- what court they were filed in. I don't remember.
Q Did you ever go to court?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
MR. SCARBOROUGH: Join.
THE WITNESS: I don't believe I ever went to court for any cases that -- where I was personally named.

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BY MR. BOYLAN:
Q How many cases were you named personally as a plaintiff or defendant?
MR. WEISS: Objection to the form of the question.
THE WITNESS: I was never a plaintiff in a case. I don't remember the number of cases where I was named as a defendant personally.
BY MR. BOYLAN:
Q In each case, were you defended by a Chase lawyer or a CRC lawyer?
A I'd have to say no. No.
Q Who was your lawyer or lawyers?
MR. WEISS: Object to the form of the question. Vague and ambiguous.
THE WITNESS: In the contested foreclosure cases where I was personally named, it would have been -- I don't remember all the cases, so I can't speak for all of the cases. I know that for some cases, Jonathan Weiss -- I was represented by Jonathan Weiss.
BY MR. BOYLAN:
Q Any of those cases outside the state of California?
A No.
Q Any of those cases outside of Los Angeles

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County?
A I don't remember.
Q Did you ever give a deposition in those cases?
A Yes.
Q How many, roughly?
A I don't remember the number of --
Q Can you --
A -- depositions.
Q I apologize.
Can you estimate whether it was more or less than five?
A I don't remember the number.
Q Can you estimate whether it was less than a hundred?
MR. WEISS: Objection. Asked and answered.
THE WITNESS: I'm just not sure of the number.
BY MR. BOYLAN:
Q Did any -- to your knowledge, did any of those cases involve issues about licensing requirements or compliance with legal requirements by CRC?
MR. WEISS: Objection to the form of the question. Vague and ambiguous. Also, to the extent it calls for a legal conclusion.
MR. SCARBOROUGH: Join.
THE WITNESS: I'm not sure I'm knowledgeable --

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or I don't remember the cases, to begin with. So all of the -- the nature of the cases, I'm not sure of what all the details were.
BY MR. BOYLAN:
Q Well, if I may, permit me; I'm not asking about details; I'm just asking generally. Did any of the cases involve issues regarding proper licensing by CRC?
A I don't know.
MR. BOYLAN: 3, Madam Reporter?
THE REPORTER: Yes.
(Plaintiffs' Exhibit 3 was marked for identification.)
BY MR. BOYLAN:
Q Take a look, please, ma'am, at what I've marked as Exhibit 3.
I will, if I may, represent to you that this was produced in this lawsuit by CRC. As you can see, it has a CRC Bates number in the lower right-hand corner. And it's -- take a look at it. It's related to one of the plaintiffs in the case, Susan Kallen, whose signature is on the last page.
Do you recognize this as a promissory note based on an adjustable rate?
A It appears to be so, yes.

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Q And what's your understanding, just as a fundamental matter, why -- why would this be in the file of CRC?
A For -- in preparation of foreclosure documents, there would be information that would be required to obtain from the -- the note.
Q What specifically?
A The -- the interest rate; the date -- date of the note; large charge amount; payment amount.
Q Anything else, ma'am?
A Not off the top of my head.
Q And the services that CRC provided in this case with respect to Ms. Kallen were based on this promissory note -- this debt being in default; correct?
MR. WEISS: Objection.
MR. SCARBOROUGH: Objection.
MR. WEISS: It lacks foundation.
MR. SCARBOROUGH: Join.
THE WITNESS: I can't be sure. Just by looking at this, I -- I don't know the answer to that.
BY MR. BOYLAN:
Q Well, just -- I'm just -- if I can approach it a different way; I believe you indicated earlier that CRC didn't get involved and didn't provide any services to the lender unless the debt was in default.

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And what I'm trying to ask you, if I may approach it a different way, do you know of any other reason why the promissory note of Susan Kallen would have been in the CRC file?

MR. WEISS: Objection. It misstates prior testimony. Lacks foundation.

MR. SCARBOROUGH: Calls for speculation. And join in the others.

THE WITNESS: Yeah, I -- I guess I'm just a little uncomfortable; I -- without the file and all of the contents of the file, this one note, I don't know if this is the -- the note that was subject of the foreclosure. I'm just not sure just by looking at the note by itself.

BY MR. BOYLAN:

Q Is there anything about the appearance of the document which suggests that the default of this note was not the basis of the services CRC provided with respect to Susan Kallen?

MR. WEISS: Objection. It lacks foundation.

THE WITNESS: No. It's not the note itself. It's just that I can't say for certain looking at this that CRC initiated foreclosure on this note.

BY MR. BOYLAN:

Q Well, can you look back at Exhibit 3? And this

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relates to the Moores. So I guess I need to get you the letter related to Susan Kallen.

Will that help you confirm that?

MR. SCARBOROUGH: Objection.

MR. WEISS: Objection.

MR. SCARBOROUGH: Vague and ambiguous.

MR. WEISS: Incomplete hypothetical. Vague and ambiguous.

THE WITNESS: No, it wouldn't help me.

(Plaintiffs' Exhibit 4 was marked for identification.)

BY MR. BOYLAN:

Q Take a look at what I've marked, please, as Exhibit No. 4.

Focusing on the first page of Exhibit 4, are you familiar with the subject matter of this writing?

A Yes.

Q Why -- why and how are you familiar with the subject matter of this writing?

A Because I was directly involved.

Q Can you explain, please?

A Well, I was an employee of California Reconveyance Company at the time that ALAW purchased the assets of California Reconveyance Company.

Q And, at that time, CRC was owned by JPMorgan,

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as indicated; is that correct?

MR. SCARBOROUGH: Objection. Asked and answered. Lacking in foundation.

BY MR. BOYLAN:

Q And I say that as of indications by the date of this document.

A I -- I'm not sure of what entity of Chase owned California Reconveyance Company.

Q But it was one of them as of the date indicated, December 2013?

A My understanding, as I recall, they -- California Reconveyance Company was a subsidiary of JPMorgan Chase. So as far as anything other than that, I can't speak to it.

Q You were -- perhaps, "transferred" is not the right word; but I'll permit you to correct me if you feel the need -- but as a result of this transaction, your employment was moved over to some entity called ALAW; is that true?

MR. WEISS: Objection to the form of the question.

THE WITNESS: We -- I don't know if, yeah, "transferred" would be the correct term. We became employees of ALAW as a result of this purchase.

BY MR. BOYLAN:

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Q Indicated here is that 80 employees were kept at work.

Do you see that --

A Yes.

Q -- near the bottom?

A Yes, I do.

Q Was that true?

A I don't recall it being 80. But that's what this document does say, yes.

Q Do you have a recollection that would suggest that number is inaccurate?

A I just don't recall the number.

Q Were all of the employees located in the Chatsworth office at the time of this transaction, or were there multiple CRC offices?

A They were all located in Chatsworth.

Q Both firms were, at the time of the transaction, involved in what's called default services for lenders; is that true?

A And "both firms" meaning?

Q The purchaser of the assets and CRC.

A Yes.

Q And the -- to your understanding, the objective was to provide a broad range of default services for the big banks as they reduced their internal staff and had

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fewer and fewer vendors; is that true?
MR. WEISS: Objection. It lacks foundation.
THE WITNESS: I was not directly involved with the negotiations or the reasoning behind the sale of CRC. So I can't speak to that.
BY MR. BOYLAN:
Q Was that your understanding of what was going on in the industry at the time?
A What was going on? I'm sorry.
Q Firms were trying to expand to consolidate a broad range of default services to provide a full service to the big banks with respect to loans in default?
A No, I wouldn't be qualified to say yes or no to that.
Q Did CRC employ attorneys when you were with the firm?
A No.
MR. SCARBOROUGH: I presume you meant in-house, Nick, in that question?
MR. BOYLAN: I did.
Q Did you understand it that way?
A Right. CRC, the corporation, California Reconveyance Company did not employ attorneys.
Q Did it use a particular group of attorneys for

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services related to default -- default loans?
MR. WEISS: Objection. Vague and ambiguous.
THE WITNESS: Any particular aspect of the default, loans in foreclosure or --
BY MR. BOYLAN:
Q Anything, ma'am.
A Primarily the Chase legal group.
Q So that was in-house Chase lawyers, correct?
A Our communication was with in-house Chase lawyers.
Q And was that legal staff and those attorneys included within -- moved over to ALAW with the acquisition that's referenced here in Exhibit 4?
MR. WEISS: Objection to the form of the question. It lacks foundation.
MR. SCARBOROUGH: Yeah. It misstates her prior testimony, as well.
THE WITNESS: I don't believe that there were any Chase attorneys that were part of this asset sale of California Reconveyance Company.
BY MR. BOYLAN:
Q Well, let me read this paragraph, if I may. And if you can shed light on it, I'd appreciate it. The third paragraph, "The acquisition comes with 80 CRC employees - including legal staff with experienced

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attorneys."
Can you explain what, if any, understanding you have of what that means?
A No.
Q Do you believe that to be accurate?
A No. I can't speak to it, because, again, I was not involved in negotiations and the actual documentation of the sale.
Q Going back to the five units that comprised CRC, what was the policy and procedure with respect to CRC as applied to the support unit regarding making any false statements to borrowers, either orally or in writing?
A What was the procedure?
Q What was the policy? For example, I'll give you a simple example -- it's not the limitation of my question -- "Our policy at CRC was not to make false or misleading statements to borrowers, either orally or in writing"; or "Our policy was" -- I don't know what else it could be. But can you tell me what it was, please?
MR. WEISS: Objection to the form of the question.
MR. SCARBOROUGH: Join.
THE WITNESS: Yeah, I -- I don't recall any policy that stated that specifically.

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BY MR. BOYLAN:
Q What about generally?
A Generally, it would just be something that we wouldn't do, make false statements to a borrower.
Q To your knowledge, that never occurred during your tenure?
A To my knowledge, it never occurred.
Q And that applies to both written communications and telephonic communications, to your knowledge?
A To my knowledge, that would be correct.
Q Were you at any time involved in determining the contents of any information that had to be included in written correspondence of any kind with defaulted borrowers?
MR. SCARBOROUGH: Objection.
MR. WEISS: Objection to the form of the question. Vague and ambiguous.
MR. SCARBOROUGH: Vague and ambiguous.
BY MR. BOYLAN:
Q Do you understand it, ma'am?
A If you can help me -- if you can rephrase it. I don't know. It seems pretty extensive.
Q All right. Let's go back. I'll try to do it a different way.
Was there any policy or procedure regarding any

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particular statements or words that had to be used or were never to be used in written communications with defaulted borrowers?

MR. WEISS: Object to the form of the question.

THE WITNESS: I don't think we had any written policies that outlined what couldn't be said. If we did, I just don't remember.

BY MR. BOYLAN:

Q My question included what couldn't be said and what had to be said.

Does your answer include both, ma'am?

A As far as correspondence?

Q Yes, ma'am.

A Yes.

Q So no policy or practice requiring particular words or statements to be included in correspondence with borrowers that were in default; correct?

MR. WEISS: Object to the form of the question. We were talking about written -- written policies a moment ago.

THE WITNESS: Yeah, if -- if I'm understanding you correctly, there were no written policies that outlined what could or could not be said in written correspondence that was generated by CRC.

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BY MR. BOYLAN:

Q Were there any unwritten policies or practices that -- that governed those communications in that way?

A I just think the -- you know, some of the examples that you've provided, I just think just the normal -- in the normal course of business and professional environment, there were things that people just knew were unacceptable.

Q Anything else, ma'am?

A No.

Q At some point during your tenure with CRC, CRC adopted the policy or practice of informing defaulted borrowers that CRC was a debt collector; correct?

MR. WEISS: Objection to the form of the question.

MR. SCARBOROUGH: Join.

THE WITNESS: In what manner?

BY MR. BOYLAN:

Q Are you unable to answer the question, please?

A I --

MR. WEISS: Objection. She's asking for a clarification from you, Counsel.

BY MR. BOYLAN:

Q Are you unable to answer the question as phrased?

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A Yes.

Q And can you tell me why, so that I can improve it for you, ma'am?

A I just need to know in what manner.

Q Any manner on the surface of the planet. Would you like the question reread?

A Yes, please.

MR. BOYLAN: Please read the question.

(Record read as follows:

"Q At some point during your tenure with CRC, CRC adopted the policy or practice of informing defaulted borrowers that CRC was a debt collector; correct?")

BY MR. BOYLAN:

Q Can you answer "yes" or "no," please?

A I -- yeah, I don't know if I can answer "yes" or "no." We did adopt the practice of putting some language on foreclosure notices at some point that was just a boilerplate language on some of the foreclosure notices; actually, probably all of the foreclosure notices, but not correspondence.

Q Where did you get that word "boilerplate"?

A That's just what we used as far as the information that we -- it wasn't something that we ever used other than just the foreclosure notices.

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Q What does "boilerplate" mean?

A Just a standard language that we're required to place on documents.

Q Required why, ma'am?

A We were directed by Chase legal to do so.

Q When was that?

A I don't recall exactly when.

Q What's your best estimate of the year?

A Of the year? I -- I really couldn't tell you. I don't know.

Q For how many years did that order govern your conduct at CRC prior to your departure in 2011?

MR. WEISS: Object to the form of the question.

THE WITNESS: I'm not sure, because I don't know when we started.

BY MR. BOYLAN:

Q What's your best estimate?

MR. SCARBOROUGH: Objection. Asked and answered.

THE WITNESS: I don't recall.

BY MR. BOYLAN:

Q Did you have any meetings, e-mail, discussions, or anything about that with anyone?

A I mean, what are we talking about? At CRC

or --

Q Anybody anywhere on this planet.

A Anyone ever?

Q Yep.

MR. SCARBOROUGH: Well, I'm going to caution the witness to divorce from the answer any of the Chase legal folks, as that would call for privileged information.

THE WITNESS: Yes, I'm sure I did with CRC employees.

BY MR. BOYLAN:

Q Because you had to instruct your staff, right, to do it?

A I'm not sure if I included the information on the templates or if -- or if one of the other managers did. I don't remember who added it.

Q So there was a template for communications with borrowers; is that your testimony?

A No.

Q What template are you referring to?

A The notices -- foreclosure notices.

Q You don't consider that a communication to the borrower, ma'am?

MR. SCARBOROUGH: Objection. Argumentative.

MR. BOYLAN: It's a question.

THE WITNESS: It's a notice. I -- it's -- I consider it a notice; not -- when you mentioned communication, I think of correspondence. So that was -- our foreclosure notices were just that, notices.

BY MR. BOYLAN:

Q Why did you tell your staff that it was necessary -- other than what the lawyer said, why did you tell your staff that it was necessary to include a statement that CRC was a debt collector on those -- those documents?

A Other than we received a direction from Chase legal, that would have been the only reason.

Q What's your -- other than what the lawyer told you, do you have any independent understanding of why?

A Without -- no. Those were the directions that we received, and we added the information.

Q What kind of seminars, continuing education, industry events, or the like, did you attend during your 22 years at CRC?

A Um, I attended meetings of the California Trustees Association.

Q Any others?

A No. That would probably be about it --

Q Any --

A -- industry related.

Q Any held in Las Vegas?

A Yes.

Q Approximately how many?

A I don't remember.

Q Do you recall any seminars or continuing education or industry events that talked about your firm's work in Nevada or Nevada generally?

A I don't remember.

Q What do you recall from any of those continuing education events, seminars, the like, regarding statements that the firm was a debt collector?

A CRC specifically? They --

Q No, just anyone in the industry, ma'am.

A Umm, I don't remember anything generally that was discussed.

Q It was discussed; correct?

A Quite possibly. I don't remember.

Q During your tenure at CRC, was CRC sued for violation of debt collection laws?

MR. WEISS: Objection to the form of the question. It lacks foundation. It calls for a legal conclusion.

MR. SCARBOROUGH: Join.

THE WITNESS: I don't know.

BY MR. BOYLAN:

Q Were you ever sued for violation of debt collection laws?

A Me personally?

Q Uh-huh.

MR. WEISS: Same objection.

THE WITNESS: No.

BY MR. BOYLAN:

Q What's your understanding of the basis upon which you were sued in these lawsuits you just mentioned?

MR. WEISS: Objection. Asked and answered.

THE WITNESS: They were all related to foreclosures -- contested foreclosures.

BY MR. BOYLAN:

Q Right.

But what was the basis of the lawsuits? Your firm didn't comply with the law in some way or you didn't?

MR. WEISS: Objection. Asked and answered.

THE WITNESS: I really can't speak to the specific claims, other than they were all related to foreclosures that quite possibly I signed a document within that foreclosure or something related to that, that nature.

BY MR. BOYLAN:

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Q Do you recall if any of them included an allegation that there was some violation by you or the company of debt collection laws?

MR. SCARBOROUGH: Objection. Asked and answered.

THE WITNESS: No, I don't know.

BY MR. BOYLAN:

Q When was the last lawsuit?

A I'm not sure.

Q Was it in this decade?

A Yes.

Q Was there more than one in the last decade?

MR. SCARBOROUGH: Objection. Vague and ambiguous.

Nick, you're --

BY MR. BOYLAN:

Q Of the lawsuit type I just described.

MR. SCARBOROUGH: Where Ms. Brignac is a defendant? I'm just trying to --

MR. BOYLAN: Or the company.

MR. SCARBOROUGH: Okay. I just want to be sure we're clear.

THE WITNESS: So either -- what was the question?

BY MR. BOYLAN:

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Q Was there more than one lawsuit against the company or yourself within the last decade?

MR. WEISS: Objection to the form of the question.

THE WITNESS: I don't remember really.

BY MR. BOYLAN:

Q Ma'am, I want you to understand something before I ask this next series of questions. This is part of my job. I'm not trying to impugn you in any way personally. It's just necessary and -- prior to trial.

Are you currently under the influence of any medication that affects your memory or your ability to recall and relate events?

A No.

Q Are you -- have you suffered any trauma, say, in the last five years that you understand has had an impact on your memory or your ability to recall and relate events?

A No.

Q Are you currently under any set of circumstances, personal strife or difficulty or anything else going on in your life which is affecting your ability here today to recall and relate events of the last many years?

A No.

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Q Has any doctor told you that -- or suggested the possibility to you that any condition that you have of any kind impacts your ability to recall and relate historical events?

A No.

(Plaintiffs' Exhibit 5 was marked for identification.)

BY MR. BOYLAN:

Q Take a look, please, at Exhibit 5. It's a three-page document, CRC Bates numbers 369 to 371. It appears to be a letter from California Reconveyance's Chatsworth office addressed to one of the plaintiffs -- to the Plaintiffs Thomas and Kimberly Moore, dated November 1st, 2011.

MR. SCARBOROUGH: Nick, is the shading the result of your highlighting --

MR. BOYLAN: Yes.

MR. SCARBOROUGH: -- and not the original?

MR. BOYLAN: Yes.

MR. SCARBOROUGH: Okay.

BY MR. BOYLAN:

Q That description is for the record, ma'am. You're the witness. Can you tell me what this document is?

A It appears to be a payoff statement issued by

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California Reconveyance Company.

Q Now, correct me if I'm wrong -- I'm not trying to argue with you -- but I thought you said that the statement that California Reconveyance was a debt collector was only included on notices of default. Exhibit 5 is not a notice of default; correct?

A Yes. I believe I said that it was included on foreclosure notices. And you are correct, this is not the notice of default.

Q So all notices -- and I need to help myself here with what you mean now by "notices," ma'am -- all notices related to foreclosure had a statement where CRC was saying that it was a debt collector, attempting to collect a debt; is that your testimony?

MR. WEISS: Objection to the extent it misstates the prior testimony.

If you know the answer, you can answer the question.

THE WITNESS: Yeah, when I stated foreclosure notices, I'm speaking of notices related to foreclosure, such as the notice of default, notice of trustee sale.

BY MR. BOYLAN:

Q All of the notices -- list all of what you're referring to as a notice which included the statement that CRC was saying it was a debt collector, attempting

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to collect a debt.
MR. WEISS: Objection to the form of the question. Vague and ambiguous.
MR. CERAN: Also vague as to time.
THE WITNESS: When I mentioned foreclosure notices, those are the two notices that I had in mind.
BY MR. BOYLAN:
Q Do you have any others that you can identify for us -- any other type of document which you call a notice that included a statement by CRC that it was a debt collector, and it was attempting to collect a debt?
A No. My recollection that it was included on the two that I've mentioned. Although, looking at this payoff quote, it is -- the language is included here.
Q So this -- you now can testify that, in fact, communications from CRC regarding payoff or reinstatement that were sent to borrowers also included a statement that CRC was a debt collector, attempting to collect a debt; correct?
A I would limit that to the payoff statement, because that's the only one I have in front of me. And I don't recall it being here, other than just looking at it. So I would have to say the payoff statement, not necessarily the reinstatement quote.

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Q All right. With that qualification, is your answer yes?
A Yes.
Q Do you know why there would have been a distinction between payoff statements and reinstatement with respect to use of the statement that the firm was a debt collector, attempting to collect a debt?
A No.
Q Now, that statement -- let's take this document, for example, addressed to my clients, Thomas Moore and Kimberly Moore. That statement by CRC in this letter, as of the date that -- of this letter was a false statement; correct?
MR. WEISS: Objection.
MR. BOYLAN: Don't coach the witness.
MR. WEISS: Objection to the form of the question, and to the extent it calls for a legal conclusion.
THE WITNESS: Yeah, I couldn't answer that. The language that was placed here was placed at the direction of Chase legal. And that's as much as I can speak to it.
BY MR. BOYLAN:
Q Well, as of this time, you were there about 22 years at this firm; correct -- as of the date of this

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letter?
A Close, but not exact. Yes.
Q Okay. So I'm just basing it on that; all your knowledge, experience, expertise.
That statement, to your knowledge, at the time it was made by CRC, that it was a debt collector, attempting to collect a debt, that was a false statement; correct?
MR. SCARBOROUGH: Objection. Asked and answered.
MR. WEISS: Same objection.
THE WITNESS: No. I wouldn't be comfortable saying that, no.
BY MR. BOYLAN:
Q It was a true statement then; correct?
MR. WEISS: Same objection. Asked and answered.
MR. SCARBOROUGH: Join.
THE WITNESS: Information -- it's information we were required to place on these documents by Chase legal. And it didn't really impact our day-to-day business of conducting foreclosures.
BY MR. BOYLAN:
Q Thank you. But I didn't ask you that.
Would you like the question reread, please?

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A Sure.
(Record read as follows:
"Q It was a true statement then; correct?")
MR. WEISS: Objection. Asked and answered.
MR. SCARBOROUGH: Join.
THE WITNESS: Yeah. I believe I said I couldn't answer that.
BY MR. BOYLAN:
Q Well, I thought you said you couldn't answer it if it was false. Now I'm asking you if it was true.
Are you able to answer that "yes" or "no"?
MR. WEISS: Objection. Asked and answered. Argumentative.
THE WITNESS: No.
BY MR. BOYLAN:
Q Have you been instructed by anyone, other than the lawyers, to refuse to answer that question in terms of truth or falsity of that statement?
MR. SCARBOROUGH: Well, you know, now you've asked a question where I have to instruct not to answer because it calls for privileged information where the implication is, as in when did you stop beating your wife, that there was some instruction. I think the question is offensive. I think you know it. And I'm going to instruct the witness not to answer, because I

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have no other choice, although I'd dearly love to let her answer, Nick.

MR. BOYLAN: Well, the question excluded lawyers, so there's no privilege involved. So that's an improper and sanctionable instruction.

MR. SCARBOROUGH: No, it didn't.

MR. BOYLAN: You can say it assumes facts not in evidence. That's the content of your objection, sir. She's a very smart, educated woman who's heavily prepared. So I think you can trust her to answer. And if you don't let her answer, I will make a motion, because I excluded lawyers from the question. I'm going to ask -- just for a perfect record, I'm going to ask the question be read back again, please.

(Record read as follows:

"Q Have you been instructed by anyone, other than the lawyers, to refuse to answer that question in terms of truth or falsity of that statement?")

MR. SCARBOROUGH: You missed my whole point of the objection, which I'll renew. It implies, Nick, that the lawyers have instructed her to answer the question a particular way. That's what I find offensive.

MR. WEISS: There's an easy fix for this. You know that; right? Just simply ask the question have -- has anyone instructed you to refuse to answer this

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question that's not a lawyer?

BY MR. BOYLAN:

Q Can you answer the question, please, ma'am? I don't hear an instruction not to answer at this moment.

A No.

Q Have you discussed that particular statement utilized by CRC, "We are a debt collector. This is an attempt to collect a debt," or any equivalent thereof -- have you discussed that with anyone at any time in your life on this planet, anywhere on the surface of this globe, other than the lawyers who represented you or CRC?

MR. SCARBOROUGH: Objection. Asked and answered.

MR. WEISS: Join.

THE WITNESS: Yes, I believe I have.

BY MR. BOYLAN:

Q Who is that?

A It would have been the CRC employees, I'm sure, during the course of my tenure with CRC.

Q And who else? Anyone else? Anyone else at Chase, for example?

MR. SCARBOROUGH: Are you now excluding the lawyers?

MR. BOYLAN: I said that, yes. The original

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question excluded Chase lawyers. Yes.

Q It could be Mr. Rickey. I don't know, ma'am. You know better than I. Did you discuss it with anyone else at Chase?

A I don't believe so.

Q Who are the employees at CRC you discussed it with, your best recollection, please?

A I -- I would say definitely Huey Chiu and Colleen Irby, but couldn't recall anyone else. I wouldn't be able to give you any other names.

Q When is the last time you spoke to either of them?

A Colleen, maybe earlier this year, maybe January, or so; with Huey, maybe a month ago.

Q Why were you speaking to Huey a month ago?

A Just personal discussions.

Q Friendship? Nothing related to business?

A No. No.

Q Let's focus together, please, on Exhibit 5. Smirna Ting is, apparently, the signer as an operations senior specialist.

Do you see that?

A Yes.

Q What was the scope of her job duties at this time, the date of the letter?

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A Based on the letter, she would have been responsible for providing reinstatement and payoff quotes as requested.

Q Now, it's also true, ma'am, that CRC employees provided defaulted borrowers specific payment instructions with respect to the defaulted debt, correct, on behalf of the lender?

MR. WEISS: Objection to the form of the question.

THE WITNESS: Like -- I mean, like what in particular?

BY MR. BOYLAN:

Q Well --

A Payment instructions?

Q Yeah.

A Are you referring to what's there in the letter?

Q Well, I mean, I'm asking you first based on your 22 years of experience. If you -- if you can't answer without looking at the letter, that will be your position.

I'm just asking you based on your 22 years' experience and your being the president, according to your LinkedIn, isn't it true that CRC provided specific payment instructions --

MR. WEISS: Objection.
BY MR. BOYLAN:
Q -- to the borrowers with respect to the defaulted debt?
MR. WEISS: Objection. Argumentative.
THE WITNESS: We did provide instructions. I was just trying to get an understanding of what you were getting at. But we did provide instructions.
BY MR. BOYLAN:
Q And that was part of the services you provided to the lenders; correct?
MR. SCARBOROUGH: Objection to the form of the question.
THE WITNESS: I believe -- it was a service that we were providing to the borrower to provide the requested information.
BY MR. BOYLAN:
Q You were being paid by the lender to do these services; correct?
A We were paid by the lender to do -- to conduct the foreclosure.
Q And all the services related to it, such as providing payment information; correct?
A That was part of the service we provided, to provide quotes, yes.

Q No. You switched my question from payoff information to quotes, ma'am. I'm not trying to argue with you. But I need a clean record.
Could you read the question back, please?
(Record read as follows:
"Q And all the services related to it, such as providing payment information; correct?")
MR. WEISS: Object to the form of the question.
MR. SCARBOROUGH: Join.
THE WITNESS: What we provided were quotes, either a reinstatement quote or a payoff quote. It wasn't necessarily payment information. They were quotes to reinstate the loan or pay off the loan.
BY MR. BOYLAN:
Q Let me restate it for you again, ma'am. We'll keep trying.
Part of the services that your firm and its business activities, including in Nevada, that it provided to its lender clients was to provide to the borrowers payment instructions with respect to the defaulted debt; is that true?
MR. WEISS: Objection to counsel's gesticulating. It's not picked up by the video. But that's inappropriate, Counsel. Stop badgering the

witness. Argumentative.
MR. BOYLAN: I disagree with you just about -- on just about everything.
MR. WEISS: I'm sure you do.
MR. BOYLAN: I think you need to go try some lawsuits, if they'll let you.
Q Can you answer the question, please, ma'am?
MR. WEISS: Now you got that off your chest. Anything else, Counsel, you want to direct to me --
MR. BOYLAN: No.
MR. WEISS: -- before we get back to business here?
MR. BOYLAN: Would you like the question reread, ma'am?
THE WITNESS: Please.
MR. BOYLAN: Please.
(Record read as follows:
"Q Let me restate it for you again, ma'am. We'll keep trying.
"Part of the services that your firm and its business activities, including in Nevada, that it provided to its lender clients was to provide to the borrowers payment instructions with respect to the defaulted debt; is that true?")
MR. WEISS: Object to the form of the

question.
MR. SCARBOROUGH: Join.
MR. WEISS: Vague and ambiguous.
MR. SCARBOROUGH: Join.
THE WITNESS: Again, I have to answer it the same way. The payment instructions were only provided at the time that payoff quotes or reinstatement quotes were provided.
BY MR. BOYLAN:
Q So is that "yes"?
MR. WEISS: Objection. Asked and answered.
THE WITNESS: Yeah, the payment instructions were provided at the time the quotes were provided to the requester.
BY MR. BOYLAN:
Q And that was part of the bundle of services that your firm, CNC, provided to the lenders and for which it was paid; correct?
MR. WEISS: Objection to the form of the question.
THE WITNESS: It was -- it was part of the service that we provided as -- as it relates to the loans that we had in foreclosure. I don't look at it as a bundle of services. We didn't have a list of services that we provided. We provided foreclosure services.

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BY MR. BOYLAN:
Q Nowhere ever in your 32 years at CRC did it ever compile a list of the various types of specific services that it would provide the lenders, ma'am? Is that your testimony?
MR. WEISS: Objection to the form of the question.
THE WITNESS: I am sure that we had documentation that outlined the services, but not something that we published to lenders and solicited lenders for services -- to provide them services.
BY MR. BOYLAN:
Q Thank you.
Describe that documentation that listed those services, please, including its last known location.
MR. WEISS: Objection. Vague and ambiguous, including as to time.
THE WITNESS: Yeah, I -- it would have been an internal document where it -- probably a procedural-type document that showed the services that we offered.
BY MR. BOYLAN:
Q And you either created that or edited it or had some role in that?
A I'm sure I had some role. I don't know if I created it or not.

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Q And where was it the last time you saw it?
A Umm, I -- I don't remember, because I don't remember a specific document. I just know that we probably did have something that would provide a list of services that we offered.
Q Could it have been, perhaps, more than one document? A collection? Is that what you're suggesting?
A I'm suggesting that over time, there could have been different documents that listed those services.
Q Okay. When is the last time you saw any of those documents on that subject?
A Oh, I don't remember.
Q Where did you last see them? In CRC's offices?
A Yes. That's where I would have seen them.
Q And were they hard copies or electronic or both?
A Umm, I don't recall the last time I saw it, and if it was electronic or hard copy. I'm sure it would have been in both forms.
Q And your understanding is Chase has possession of that data and documents?
MR. SCARBOROUGH: Objection. Lacking in foundation. Calling for speculation.
THE WITNESS: I'm not sure where -- I'm not

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sure who has them.
BY MR. BOYLAN:
Q Well, who had them last, according to your knowledge?
A They were in -- any documents of that nature would have been in my possession at the time that I left CRC. After that, I'm not sure.
Q But it's your understanding from subsequent communications, ma'am, that possession of all of that data and documentation was taken by Chase; correct?
MR. SCARBOROUGH: Objection. Asked and answered.
MR. WEISS: Join.
THE WITNESS: I believe so.
BY MR. BOYLAN:
Q And you did have subsequent communications; right? I mean, you moved over to ALAW. But, I mean, I'm like you; I've got 30 years' experience. There's always subsequent questions, e-mail, what happened to this? Where is this? What are we doing about this? You had those types of communications, didn't you, ma'am?
MR. WEISS: Object to the form of the question.
MR. SCARBOROUGH: Yeah. I object to the form

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of the question. With whom?
BY MR. BOYLAN:
Q With folks at Chase.
A About documents that CRC had at the time?
Q Anything related to the CRC business. Let's start with that.
A I'm sure I did have communication with Chase.
Q Yeah. Including e-mails; right?
A Yes.
Q All right. And were those on your ALAW server at that point, those communications, because you had moved over?
A If I was with ALAW, they would have been on the ALAW server.
Q Have those been destroyed, do you know?
A I have no idea.
Q When is the last time you searched historical e-mails to know how far back they go?
MR. WEISS: Object to the form of the question.
MR. SCARBOROUGH: Yeah.
MR. WEISS: Vague and ambiguous.
BY MR. BOYLAN:
Q Do you understand it, ma'am?
A Are you referring to ALAW e-mails?

Q Yes. We'll start with that.
A I don't have access to ALAW.
Q Well, that's right. I apologize. You're at McCarthy, Holthus now.
All right. I've asked you some general questions related to the business practices of CRC generally. Now I do want to focus specifically on Exhibit 5. And I apologize if it seems redundant, but there is a distinction.
So let's look at Exhibit 5. This letter, which begins with the statement "We are a debt collector. This is an attempt to collect a debt," in this letter on behalf of the lender, CRC was providing to the defaulted borrower the dollar amount required to pay off the loan; true?
MR. WEISS: Objection to the form of the question.
THE WITNESS: I'm not sure if the response -- if the request for the payoff quote came from the borrower or from Chase.
BY MR. BOYLAN:
Q Ma'am --
A So it is a response to a request for payoff.
Q Okay. I apologize. But that's not what I asked you. My question is much simpler. And it calls

for a "yes" or "no."
Could you read it back, please?
(Record read as follows:
"Q So let's look at Exhibit 5. This letter, which begins with the statement 'We are a debt collector. This is an attempt to collect a debt,' in this letter on behalf of the lender, CRC was providing to the defaulted borrower the dollar amount required to pay off the loan; true?")
MR. WEISS: Same objection.
THE WITNESS: I think my answer would be the same, sir. I --
BY MR. BOYLAN:
Q Are you able to answer "yes" or "no"?
A No.
Q Okay. In addition, CRC, with respect to the defaulted debt, was providing the defaulted borrower specific breakdown of fees and costs that were included in the payoff amount, as shown on page 2; correct?
A Correct.
Q And do any of those dollar figures on page 2 -- page 2 include fees or costs related to the work of CRC?
MR. WEISS: Objection. Vague and ambiguous.
THE WITNESS: Yes.
BY MR. BOYLAN:

Q Which items?
A The anticipated foreclosure cost and possibly a portion -- a portion of the corporate advance balance, but not the total amount.
Q What portion would you estimate?
A I have no idea.
Q What's your best estimate based on typical transactions over your 22 years?
A I really have no idea.
Q Do you know if it's more or less than 20 percent?
MR. WEISS: Asked and answered.
THE WITNESS: I don't know, because I don't know what makes up that amount that's reflected there in that corporate advance balance.
BY MR. BOYLAN:
Q Well, forgive me. I don't mean this in a pejorative sense. But you were the president. Who would know, if not you, ma'am?
MR. WEISS: Objection. Asked and answered.
THE WITNESS: The lender would know.
BY MR. BOYLAN:
Q Did your firm add to numbers provided by the lender with respect to its own fees or costs or anticipated fees and costs by CRC? Isn't that part of

the work you did, ma'am?
A Yes. But it wouldn't be included in that corporate advance balance.
Q In fact, let's get a clear record on that, because you mentioned that earlier. You said that when you received payoff and reinstatement information from the lender, you had to do some work on it at CRC before it was passed on to the borrower.
Do you remember that testimony?
A I do.
Q Part of that work was figuring out the fees and costs that CRC was going to charge, which would be added to the balance; correct?
A Added to -- to the payoff amount or reinstatement amount?
Q Yes.
A Yes, that would be correct.
Q Now, ma'am, your firm, with respect to as a general practice, but also as reflected in Exhibit 5, would actually invite the defaulted borrowers to contact CRC regarding the defaulted debt; correct?
MR. WEISS: Objection to the form of the question.
MR. SCARBOROUGH: Join.
THE WITNESS: To invite to discuss the -- the

STATE OF CALIFORNIA)
) SS.
COUNTY OF Orange)

I, the undersigned, declare under penalty of perjury that I have read the foregoing transcript, and I have made any corrections, additions or deletions that I was desirous of making; that the foregoing is a true and correct transcript of my testimony contained therein.

EXECUTED this 11 day of August, 2016, Irvine (City) at CA (State).

TERRY JOHNSEN

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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT **CIVIL CODE § 1189**

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State of California)
County of Orange)

On 8-11-16 before me, Jared Degener, notary public
Date *Here Insert Name and Title of the Officer*

personally appeared Terry Johnson
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

JARED DEGENER
Notary Public - California
Orange County
Commission # 2147958
My Comm. Expires Apr 26, 2020

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____
Signature of Notary Public

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☐ Individual ☐ Attorney in Fact	☐ Individual ☐ Attorney in Fact
☐ Trustee ☐ Guardian or Conservator	☐ Trustee ☐ Guardian or Conservator
☐ Other:	☐ Other:
Signer Is Representing:	Signer Is Representing:

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EXHIBIT “8”

QUALITY LOAN SERVICE CORP.

2141 Fifth Avenue
San Diego, CA 92101
Telephone (619) 645-7711
Facsimile (619) 645-7716
www.QualityLoan.com

CAMILO MARTINEZ, ANA L. MARTINEZ, JUAN M PEREZ RAMIREZ
3305 GREEN ICE AVENUE
NORTH LAS VEGAS, NV 89081

RE: 0186301664
3305 GREEN ICE AVENUE, NORTH LAS VEGAS, NV 89081

Dear Borrower(s):

You may have had an unexpected expense or circumstances beyond your control which forced you to miss your mortgage payments. If this is the case, Nationstar Mortgage, LLC would like to discuss your situation to determine if there are options available to help you avoid foreclosure. These options are voluntary and can include:

- **Extension/Stipulation:** You would pay a determined portion of your delinquency payments and the remaining portion of the arrears would be added to the end of the loan.

- **Loan Modification:** A loan modification is a written agreement between you and the lender that temporarily changes the terms of the loan. A loan modification includes adding the arrears to the end of the loan.

- **Loan Modification w/ Intent to Sell the Property:** A loan modification as stated above, but during the period of the modified terms, you agree to list the property with a realtor and sell the property.

- **Deed In Lieu of Foreclosure:** You would transfer ownership of your home to the lender. You would be given a reasonable period of time to move from your home. (In some cases, the lender will pay some or all of your moving expenses.)

- **Reinstatement of your Loan:** You would pay the total amount necessary to bring your loan current (including but not limited to late fees, tax advances, legal fees, etc.)

- **Pre-foreclosure Short Sale:** This means you would sell your property prior to the foreclosure. If the price you are going to sell at is less than the total due, Nationstar Mortgage may agree to accept the sale proceeds to satisfy some or the entire amount you owe. Nationstar Mortgage must approve any offer that is less than the total amount due on the mortgage before an offer is accepted.

For more information on any of the above options, please contact us at (888)645-7711 ext. 3728 so that we may put you in contact with the Nationstar Mortgage Loss Mitigation Department. Their loss mitigation specialist will be able to assist you with the qualification process. While there can be no assurance that Nationstar Mortgage will be able to offer you all or any of the above options,

they certainly would like to work with you to avoid the continuation of the current foreclosure action.

Contacting this office will not suspend your obligation to make your mortgage payments. This office will continue all collection and foreclosure activity unless and until a workout plan has been completed and agreed to by Nationstar Mortgage and you. You may be responsible for any and all legal fees and expenses incurred through this action. Responding to this does not terminate your obligation to timely respond to any pleadings you received in the pending Foreclosure action. We strongly recommend that you consult an attorney to preserve your legal rights.

Pursuant to federal law, we are a debt collector and any information obtained will be used for that purpose.

Sincerely,

Quality Loan Service Corp.

EXHIBIT “9”

Quality Loan Service Corp.
2141 5th Avenue
San Diego, CA 92101
619-645-7711

Date: 5/7/2009

T.S. Number: NV-09-277551-RM
Loan Number: 0017012022

DEBT VALIDATION NOTICE

1. The enclosed document relates to a debt owed to:
EMC Mortgage Corporation

2. You may send us a written request for the name and address of the original creditor, if different from the current creditor, and we will obtain and mail the information within thirty (30) days after we receive your written request.

3. As of 4/29/2009 the total delinquency owed was $12,423.55, because of interest, late charges, and other charges that may vary from day to day this amount will increase until the delinquency has been fully paid. Before forwarding payment please contact the above at the address or phone number listed in order to receive the current amount owed.

4. As of 5/7/2009, the amount required to pay the entire debt in full was the unpaid principal balance of $313,399.92, plus interest from 6/1/2008, late charges, negative escrow and attorney and/or trustee's fees and costs that may have been incurred. The amount will increase daily until the debt has been paid in full. For further information please write to the above listed address or call 619-645-7711.

5. You may dispute the validity of this debt, or any portion thereof, by contacting our office within thirty (30) days after receiving this notice. In that event, we will obtain and mail to you written verification of the debt. Otherwise, we will assume that the debt is valid.

WE ARE ATTEMPTING TO COLLECT A DEBT, AND ANY INFORMATION WE OBTAIN WILL BE USED FOR THAT PURPOSE.

EXHIBIT "10"

Quality Loan Service Corp.
2141 5th Avenue
San Diego, CA 92101
619-645-7711

Date: 5/12/2010

T.S. Number: NV-10-360187-RT
Loan Number [redacted]

DEBT VALIDATION NOTICE

1. The enclosed document relates to a debt owed to:

   Americas Servicing Company

2. You may send us a written request for the name and address of the original creditor, if different from the current creditor, and we will obtain and mail the information within thirty (30) days after we receive your written request.

3. As of 5/4/2010 the total delinquency owed was $7,353.42, because of interest, late charges, and other charges that may vary from day to day this amount will increase until the delinquency has been fully paid. Before forwarding payment please contact the above at the address or phone number listed in order to receive the current amount owed.

4. As of 5/12/2010, the amount required to pay the entire debt in full was the unpaid principal balance of $139,978.42, plus interest from 1/1/2010, late charges, negative escrow and attorney and/or trustee's fees and costs that may have been incurred. The amount will increase daily until the debt has been paid in full. For further information please write to the above listed address or call 619-645-7711.

5. You may dispute the validity of this debt, or any portion thereof, by contacting our office within thirty (30) days after receiving this notice. In that event, we will obtain and mail to you written verification of the debt. Otherwise, we will assume that the debt is valid.

WE ARE ATTEMPTING TO COLLECT A DEBT, AND ANY INFORMATION WE OBTAIN WILL BE USED FOR THAT PURPOSE.

EXHIBIT "11"

1/29/2011 8:28 AM **Request NV Certificate Sent to FMP** Entered by s[redacted]

Trustee Affidavit sent to FMP on 1/30/2011

45.
1/29/2011 8:28 AM **Hold updated** Entered by s[redacted]

AB 149 Missing Mediation Certificate Hold

46.
1/21/2011 11:50 AM **tcf-bwr** Entered by s[redacted]

JEFFREY W. BENKO II 702-352-7787 called because hes receiving letters from his HOA to clean up his lawn and he surendered the prop in 2009 in a bk. advised him emc has not advised us to close out his file. advised him to contact emc directly

47.
1/6/2011 7:36 AM **Hold updated** Entered by s[redacted]

AB 149 Missing Mediation Certificate Hold

48.
12/30/2010 9:49 AM **Hold updated** Entered by s[redacted]

AB 149 Missing Mediation Certificate Hold

49.
12/14/2010 7:46 AM **Hold updated** Entered by s[redacted]

AB 149 Missing Mediation Certificate Hold

50.
11/29/2010 9:11 AM **Request NV Certificate sent to Foreclosure Mediation Program** Entered by s[redacted]

Re-request Certificate sent to FMP on 11/29/2010.
First Certificate request was on 7/8/2010.

51.
11/18/2010 8:38 AM **Hold updated** Entered by s[redacted]

AB 149 Missing Mediation Certificate Hold

52.
11/15/2010 3:29 PM **Hold updated** Entered by s[redacted]

AB 149 Missing Mediation Certificate Hold

53.

EXHIBIT "12"

AFFT
Nicholas A. Boylan, Esq.
Nevada Bar No. 5878
LAW OFFICE OF NICHOLAS A. BOYLAN, APC
444 West "C" Street, Suite 405
San Diego, CA 92101
Phone: (619) 696-6344
Fax: (619) 696-0478
nablawfirm@gmail.com

Shawn Christopher, Esq.
Nevada Bar No. 6252
Christopher Legal Group
2520 Saint Rose Parkway, Suite 316
Henderson, NV 89074
Phone: (702) 737-3125
Fax: (702) 458-5412

Attorneys for Plaintiffs, except for Antoinette Gill

DISTRICT COURT

CLARK COUNTY, NEVADA

JEFFREY BENKO, a Nevada resident; CAMILO MARTINEZ, a California resident; ANA MARTINEZ, a California resident; FRANK SCINTA, a Nevada resident; JACQUELINE SCINTA, a Nevada resident; SUSAN HJORTH, a Nevada resident; RAYMOND SANSOTA, a Ohio resident; FRANCINE SANSOTA, a Ohio resident; SANDRA KUHN, a Nevada resident; JESUS GOMEZ, a Nevada resident; SILVIA GOMEZ, a Nevada resident; DONNA HERRERA, a Nevada resident; ANTOINETTE GILL, a Nevada resident; JESSE HENNIGAN, a Nevada resident; KIM MOORE, a Nevada resident; THOMAS MOORE, a Nevada resident; SUSAN KALLEN, a Nevada resident; ROBERT MANDARICH, a Nevada resident, JAMES NICO, a Nevada resident and PATRICIA TAGLIAMONTE, a Nevada resident

CASE NO: A-11-649857-C

Honorable Susan W. Scann
Dept. 29

DECLARATION OF JEFFREY W. BENKO, II IN SUPPORT OF PLAINTIFFS' OPPOSITION TO DEFENDANTS' JOINT MOTION TO BIFURCATE AND LIMIT DISCOVERY TO NAMED PLAINTIFFS IN INITIAL PHASE OF DISCOVERY AND TO VACATE DEPOSITION NOTICES

our lack of payment on that debt that Quality Loan Service Corporation became involved. Between approximately May of 2009 and October of 2012, I received numerous and various harassing collection phone calls from Quality Loan Service Corporation, with respect to collecting on the debt.

3. I recall the phone calls were made primarily in the early morning hours.

4. Generally, the numerous and various harassing collection phone calls from Quality Loan Service Corporation were from "blocked" and/or from an "unknown" number.

5. During the same time, I also received numerous mailings from Quality Loan Service Corporation regarding and seeking collection of back payments and fees on the loan for my house.

I declare under penalty of perjury under the laws of the State of Nevada that the foregoing is true and correct and that this Declaration was executed in Las Vegas, Nevada, on June 29, 2016.

Jeffrey W. Benko, II

EXHIBIT "13"

National Default Servicing Corporation
7720 N. 16th Street, Suite 300
Phoenix, Arizona 85020
Phone (602) 264-6101
Fax (602) 264-6209

Date: February 3, 2010

To: JAMES D. NICO

Re: NDSC Loan No.: 09-34943-FF-NV
Loan No. 0016074627
Borrower: JAMES D. NICO
Address: 4931 BLACK BEAR ROAD #104
LAS VEGAS NV 89149-7719

From: Jacqueline Silva

This transmittal forwards the payoff figures you requested.

Should you wish to pay the pay-off amount quoted, please be advised that only the amount stated in the quotation received in the form of certified funds payable to National Default Servicing Corporation (NDSC) will be accepted. Any amount received short of this figure will not be accepted and will be returned to the remitter.

Certified funds (i.e. cashier's check or money order) should reach our office at the above address no later than 2/26/10.

Please be advised that, as this loan is in foreclosure and/or bankruptcy, these figures are subject to change at any time, as additional fees and costs relating to that proceeding may accrue before the "good through" date. Please note that by providing these figures to you with a "good through" date, no deadlines are waived, postponed and/or tolled, including, but not limited to, trustee's sale dates and statutory reinstatement dates.

Please do not hesitate to contact me should you need any further information.

Jacqueline Silva
602.264.6101
JSilva@ndscorp.com

National Default Servicing Corporation
7720 N. 16th Street, Suite 300
Phoenix AZ 85020
TIN No.: 86-0813496
(602) 264-6101 Fax (602) 264-6209

Reinstatement Quote

Printed on: 02/01/2010

EMC Mortgage Corporation
2780 Lake Vista Drive
Lewisville, TX 75067

RE: JAMES D. NICO
4931 BLACK BEAR ROAD #104
LAS VEGAS, NV 89149-7719

Delinquent Date: 08/01/2009
Quote good Through: 02/26/2010

File #: 09-34943-FF-NV
Mortgage Co#: 0016074627

Trustee Fee	$540.00
Late Charge Balance	$815.88
Escrow Advance	$330.89
Required Escrow Balances	$420.30
Title Fee	$741.72
Recording Fee	$180.00
Mailing Fee	$150.00
Pub Fee	$800.00
Post Fee	$120.00
Corporate Advances	$1,566.20
Inspection Fee	$98.00
Assigment Prep Fee	$35.00
P&I + Escrow for 08/01/09 to 02/01/10	$7,530.90

Quote good Through: 02/26/2010

Total Due: $13,328.89

EXHIBIT "14"

National Default Servicing Corporation
7720 N. 16th Street, Suite 300
Phoenix, Arizona 85020
Phone (602) 264-6101
Fax (602) 264-6209

November 19, 2009

JAMES D. NICO
4931 BLACK BEAR ROAD #104
LAS VEGAS, NV 89149-7719

RE: Loan No. : 0016074627
NDSC No. : 09-34943-FF-NV
Prop. Address : 4931 BLACK BEAR ROAD #104
LAS VEGAS, NV 89149-7719

This firm has been retained to enforce the terms of the above referenced loan by legal action, including but not limited to judicial or non-judicial foreclosure. This letter is notice to you, pursuant to the Fair Debt Collection Practices Act, of the following:

4. The amount of the debt owed is $170,349.36. (the unpaid principal balance), plus those charges that continue to accrue until the loan is paid, such as interest, late charges, advances, expenses of collection, and attorney's/trustee's fees. If you require a statement of all these amounts computed through a specified date, you may request such statement through this office.

The arrearage amount is the sum of payments that have come due on and after the date of default 08/01/09, plus late charges, periodic adjustments to the payment amount, expenses of collection, and attorney's/trustee's fees as further described in the Notice of Default enclosed.

5. The creditor to whom the debt is owed is : EMC Mortgage Corporation
The loan servicer is : EMC Mortgage Corporation

6. This firm will assume the debt to be valid unless you, within thirty days after receipt of this notice, dispute the validity of the debt or a portion thereof. If you notify this firm in writing within the thirty day period that the debt, or any portion thereof, is disputed, we will obtain verification of the debt and a copy of such verification will be mailed to you. Also, upon your written request within the thirty day period, this firm will provide you with the name and address of the original creditor, if it is different from the current creditor.

This firm is attempting to collect a debt on behalf of its client, and any information obtained will be used for that purpose. The notifications provided herein do not limit or detract from the effect of foreclosure upon the subject property, which will result in loss of title for the owner(s) and junior lienholder(s).

Sincerely,

Trustee Processing

EXHIBIT "15"

National Default Servicing Corporation
7720 N. 16th Street, Suite 300
Phoenix, Arizona 85020
Phone: (602) 264-6101
Fax (602) 264-6289

November 19, 2009

TERRY MONSON-NICO
4931 BLACK BEAR ROAD #104
LAS VEGAS, NV 89149-7719

RE: Loan No. : 0016074627
NDSC No. : 09-34943-FF-NV
Prop. Address : 4931 BLACK BEAR ROAD #104
LAS VEGAS, NV 89149-7719

This firm has been retained to enforce the terms of the above referenced loan by legal action, including but not limited to judicial or non-judicial foreclosure. This letter is notice to you, pursuant to the Fair Debt Collection Practices Act, of the following:

4. The amount of the debt owed is $170,549.36. (the unpaid principal balance), plus those charges that continue to accrue until the loan is paid, such as interest, late charges, advances, expenses of collection, and attorney's/trustee's fees. If you require a statement of all these amounts computed through a specified date, you may request such statement through this office.

The arrearage amount is the sum of payments that have come due on and after the date of default 08/01/09, plus late charges, periodic adjustments to the payment amount, expenses of collection, and attorney's/trustee's fees as further described in the Notice of Default enclosed.

5. The creditor to whom the debt is owed is : EMC Mortgage Corporation
The loan servicer is : EMC Mortgage Corporation

6. This firm will assume the debt to be valid unless you, within thirty days after receipt of this notice, dispute the validity of the debt or a portion thereof. If you notify this firm in writing within the thirty day period that the debt, or any portion thereof, is disputed, we will obtain verification of the debt and a copy of such verification will be mailed to you. Also, upon your written request within the thirty day period, this firm will provide you with the name and address of the original creditor, if it is different from the current creditor.

This firm is attempting to collect a debt on behalf of its client, and any information obtained will be used for that purpose. The notifications provided herein do not limit or detract from the effect of foreclosure upon the subject property, which will result in loss of title for the owner(s) and junior lienholder(s).

Sincerely,

Trustee Processing

EXHIBIT "16"

National Default Servicing Corporation
7720 N. 16th Street, Suite 300
Phoenix, Arizona 85020
Phone (602) 264-6101
Fax (602) 264-6209

June 17, 2011

TERRY MONOSON
4931 BLACK BEAR ROAD #104
LAS VEGAS, NV 89149-7719

RE: Loan No. : [redacted]
NDSC No. : 09-34943-FF-NV
Prop. Address : 4931 BLACK BEAR ROAD #104
LAS VEGAS, NV 89149-7719

This firm has been retained to enforce the terms of the above referenced loan by non-judicial foreclosure.

1 The good faith estimate of the debt owed is $200,417.11 plus those charges that continue to accrue until the loan is paid, such as interest, late charges, advances, expenses of collection, and attorney's/trustee's fees. If you require a statement of all these amounts computed through a specified date, you may request such statement through this office.

The arrearage amount is the sum of payments that have come due on and after the date of default August 1, 2009, plus late charges, periodic adjustments to the payment amount, expenses of collection, and attorney's/trustee's fees as further described in the Notice of Default enclosed.

2. The creditor (current beneficiary) to whom the debt is owed is : U.S. Bank National Association, as Trustee for Certificateholders of Bear Stearns Asset Backed Securities I LLC, Asset Backed Certificates, Series 2006-ACS, by EMC Mortgage Corporation as attorney in fact
The loan servicer is : EMC Mortgage Corporation

3. This firm will assume the debt to be valid unless you, within thirty days after receipt of this notice, dispute the validity of the debt or a portion thereof. If you notify this firm in writing within the thirty day period that the debt, or any portion thereof, is disputed, we will obtain verification of the debt and a copy of such verification will be mailed to you. Also, upon your written request within the thirty day period, this firm will provide you with the name and address of the original creditor, if it is different from the current creditor.

This firm is not a Debt Collector as that term is defined pursuant to the Fair Debt Collection Practices Act within this jurisdiction (see Mansour vs. Cal-Western Reconveyance Corp. 618 F.Supp.2d 1178 (D. Ariz. 2009). Should a subsequent determination be made that this firm is a Debt Collector as that term is defined within the Act, then you are notified that any information obtained will be used for the purpose of collecting a debt. The notifications provided herein do not limit or detract from the effect of foreclosure upon the subject property.

National Default Servicing Corporation
Trustee Sales Division
(602) 264-6101

EXHIBIT "17"

National Default Servicing Corporation
7720 N. 16th Street, Suite 300
Phoenix, Arizona 85020
Phone (602) 264-6101
Fax (602) 264-6209

January 4, 2011

JESSE HENNIGAN
7424 DESERTSCAPE AVE
LAS VEGAS, NV 89178

RE: Loan No. : 0084709724
NDSC No. : 10-44347-WF-NV
Prop. Address : 7424 DESERTSCAPE AVE
LAS VEGAS, NV 89178

This firm has been retained to enforce the terms of the above referenced loan by non-judicial foreclosure.

1. The good faith estimate of the debt owed is **$455,568.10** plus those charges that continue to accrue until the loan is paid, such as interest, late charges, advances, expenses of collection, and attorney's/trustee's fees. If you require a statement of all these amounts computed through a specified date, you may request such statement through this office.

   The arrearage amount is the sum of payments that have come due on and after the date of default August 1, 2010, plus late charges, periodic adjustments to the payment amount, expenses of collection, and attorney's/trustee's fees as further described in the Notice of Default enclosed.

2. The creditor (current beneficiary) to whom the debt is owed is: Wells Fargo Bank N.A. successor by merger to Wells Fargo Home Mortgage, Inc.
   The loan servicer is : Wells Fargo Home Mortgage, Inc.

3. This firm will assume the debt to be valid unless you, within thirty days after receipt of this notice, dispute the validity of the debt or a portion thereof. If you notify this firm in writing within the thirty day period that the debt, or any portion thereof, is disputed, we will obtain verification of the debt and a copy of such verification will be mailed to you. Also, upon your written request within the thirty day period, this firm will provide you with the name and address of the original creditor, if it is different from the current creditor.

This firm is not a Debt Collector as that term is defined pursuant to the Fair Debt Collection Practices Act within this jurisdiction (see Mansour vs. Cal-Western Reconveyance Corp. 618 F.Supp.2d 1178 (D. Ariz. 2009). Should a subsequent determination be made that this firm is a Debt Collector as that term is defined within the Act, then you are notified that any information obtained will be used for the purpose of collecting a debt. The notifications provided herein do not limit or detract from the effect of foreclosure upon the subject property.

National Default Servicing Corporation
Trustee Sales Division
(602) 264-6101

EXHIBIT "18"

National Default Servicing Corporation
7720 N. 16th Street, Suite 300
Phoenix, Arizona 85020
Phone (602) 264-6101
Fax (602) 264-6209

September 16, 2011

ROBERT MANDARICH
1628 ROYAL CANYON DR
LAS VEGAS, NV 89128

RE: Loan No. : [redacted]
NDSC No. : [redacted]
Prop. Address : 1628 ROYAL CANYON DRIVE
LAS VEGAS, NV 89128

This firm has been retained to enforce the terms of the above referenced loan by non-judicial foreclosure.

1 The good faith estimate of the debt owed is $144,334.34 plus those charges that continue to accrue until the loan is paid, such as interest, late charges, advances, expenses of collection, and attorney's/trustee's fees. If you require a statement of all these amounts computed through a specified date, you may request such statement through this office.

The arrearage amount is the sum of payments that have come due on and after the date of default February 1, 2011, plus late charges, periodic adjustments to the payment amount, expenses of collection, and attorney's/trustee's fees as further described in the Notice of Default enclosed.

2. The creditor (current beneficiary) to whom the debt is owed is : U.S. Bank National Association
The loan servicer is : U.S. Bank Home Mortgage - Outsourcing

3. This firm will assume the debt to be valid unless you, within thirty days after receipt of this notice, dispute the validity of the debt or a portion thereof. If you notify this firm in writing within the thirty day period that the debt, or any portion thereof, is disputed, we will obtain verification of the debt and a copy of such verification will be mailed to you. Also, upon your written request within the thirty day period, this firm will provide you with the name and address of the original creditor, if it is different from the current creditor.

Please be advised that if your personal liability for this debt has been modified or extinguished by a discharge in bankruptcy, this Notice is provided solely to foreclose the Deed of Trust remaining on your property and is not an attempt to collect the discharged personal obligation.

This firm is not a Debt Collector as that term is defined pursuant to the Fair Debt Collection Practices Act within this jurisdiction (*see Mansour vs. Cal-Western Reconveyance Corp.*, 618 F.Supp.2d 1178 (D. Ariz. 2009). Should a subsequent determination be made that this firm is a Debt Collector as that term is defined within the Act, then you are notified that any information obtained will be used for the purpose of collecting a debt. Please be advised that if your personal liability for this debt has been modified or extinguished by a discharge in bankruptcy, this communication is provided solely in reference to the foreclose on the deed of trust remaining on your property and is not an attempt to collect the discharged personal obligation. The notifications provided herein do not limit or detract from the effect of foreclosure upon the subject property.

National Default Servicing Corporation
Trustee Sales Division
(602) 264-6101

EXHIBIT "19"

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:
U.S. Bank National Association
4801 Frederica Street
Owensboro, KY 42301
FORWARD TAX STATEMENTS TO:
U.S. Bank National Association
4801 Frederica Street
Owensboro, KY 42301

APN: 138-21-415-003

NDSC File No.: 11-01990-US-NV
Loan No.: [redacted]
Title Order No.: 110462569-NV-GTI

TRUSTEE'S DEED UPON SALE

Transfer Tax : $ 765.00
The Grantee herein WAS the Beneficiary
The amount of the unpaid debt was $149,709.64
The amount paid by the Grantee was $149,709.64
The property is in the city of LAS VEGAS, County of CLARK, State of NV.

National Default Servicing Corporation, an Arizona Corporation, as the duly appointed Trustee (or successor Trustee or Substituted Trustee), under a Deed of Trust referred to below, and herein called "Trustee", does hereby grant without any covenant or warranty to :

U.S. Bank National Association

herein called Grantee, the following described real property situated in CLARK County :

LOT 3 IN BLOCK 1 OF BONITA CANYON UNIT NO. 1, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 58 OF PLATS, PAGE 39 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

This conveyance is made pursuant to the powers conferred upon Trustee by said Deed of Trust executed by ROBERT MANDARICH, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY , as Trustor, recorded on 02/05/2001 as Instrument No. 20010205-01582 (or Book, Page) and Re-Recorded on 12/20/2001 as Instrument No. 20011220-01578 (or Book, Page) for the reason of 'BORR NAME MISSING UNDER NOTARY' of the Official Records of CLARK County, NV.

All requirements of law regarding the recording and mailing of copies of the Notice of Default and Election to Sell, the recording, mailing, posting, and publication of the Notice of Trustee's Sale have been complied with.

Trustee, in compliance with said Notice of Trustee's Sale and in exercise of its powers under said Deed of Trust sold said real property at public auction on 01/31/12 Grantee, being the highest bidder at said sale became the purchaser of said property for the amount bid, which amount was $149,709.64.

Dated : 2/1/12

National Default Servicing Corporation, an Arizona Corporation

By: _____
Carmen Navejas, Trustee Sales Officer

State of: Arizona
County of: Maricopa

On Feb 1, 2012, before me, the undersigned, a Notary Public for said State, personally appeared Carmen Navejas personally known to me be (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal,

Signature _____

PATRICIA A. WILSON
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires
September 18, 2015

STATE OF NEVADA
DECLARATION OF VALUE FORM

1 Assessor Parcel Number(s)
a) [redacted]
b) _____
c) _____
d) _____

2 Type of Property:

a)		Vacant Land	b)	x	Single Fam. Res.
c)		Condo/Twnhse	d)		2-4 Plex
e)		Apt. Bldg	f)		Comm'l/Ind'l
g)		Agricultural	h)		Mobile Home
		Other _____			

FOR RECORDER'S OPTIONAL USE ONLY
Book: _____ Page: _____
Date of Recording: _____
Notes: _____

3. a Total Value/Sales Price of Property $149,709.64
b Deed in Lieu of Foreclosure Only (value of property) (_____)
c Transfer Tax Value: $149,709.64
d Real Property Transfer Tax Due $ 765.00

4. If Exemption Claimed:
a Transfer Tax Exemption per NRS 375.090, _____.
b Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____%

The undersigned declare and acknowledges, under penalty of perjury, pursuant to NRS, 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature _____ Capacity Grantor
Carmen Navejas, 11-01990-US-NV

Signature _____ Capacity Grantee

SELLER (GRANTOR) INFORMATION
National Default Servicing Corp.
7720 N. 16th Street, Suite 300
Phoenix, AZ 85020

BUYER (GRANTEE) INFORMATION
U.S. Bank National Association
4801 Frederica Street
Owensboro KY 42301

COMPANY/PERSON REQUESTING RECORDING (required if not seller or buyer)

Print Name: _____ Escrow #: _____

Address: _____

City: _____ State: _____ Zip: _____

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

NDSC001:080

Mandarich 11.01990
10am

Individual Message

Fha

1/31/12
Case # - 5765952
Case Type - Foreclosure (Non-Judicial)
Loan # - [redacted]

Borrower - ROBERT MANDARICH
Property State - NEVADA

Lisa Rogers

From: ellanor zuccaro (US Bank)
To: Lisa Rogers (National Default Servicing Corporation)
Sent: 01/20/2012 5:49 PM **Required Reply:** No
Subject: BID INSTRUCTIONS GDT 1-31-12

PRINCIPAL BALANCE 134,431.04
INTEREST 01/31/12 8,728.87
ESCROW ADVANCE 2,062.98
ACCUM LATE CHARGES 1,337.64
OTHER FEES DUE 659.48
RECOVERABLE BALANCE 165.00
TD BID $147,385.01 - 3,324.63 = 144,060.38 TD
PLEASE ADD ATTY FEES COSTS
Please advise your fees and costs portion of the FINAL SALES amount per US BANKs instructions.

Inst #: 201202090000521
Fees: $18.00 N/C Fee: $0.00
RPTT: $765.00 Ex: #
02/09/2012 09:20:46 AM
Receipt #: 1061427
Requestor:
LSI TITLE AGENCY INC.
Recorded By: OILKS Pgs: 3
DEBBIE CONWAY
CLARK COUNTY RECORDER

RECORDING REQUESTED BY:

WHEN RECORDED MAIL TO:
U.S. Bank National Association
4801 Frederica Street
Owensboro, KY 42301
FORWARD TAX STATEMENTS TO:
U.S. Bank National Association
4801 Frederica Street
Owensboro, KY 42301
APN: 138-21-415-003

NDSC File No.: 11-01990-US-NV
Loan No.: [redacted]
Title Order No.: 110462569-NV-GTI

TRUSTEE'S DEED UPON SALE

Transfer Tax : $ 765.00
The Grantee herein WAS the Beneficiary
The amount of the unpaid debt was $149,709.64
The amount paid by the Grantee was $149,709.64
The property is in the city of LAS VEGAS, County of CLARK, State of NV.

National Default Servicing Corporation, an Arizona Corporation, as the duly appointed Trustee (or successor Trustee or Substituted Trustee), under a Deed of Trust referred to below, and herein called "Trustee", does hereby grant without any covenant or warranty to :

U.S. Bank National Association

herein called Grantee, the following described real property situated in CLARK County :

LOT 3 IN BLOCK 1 OF BONITA CANYON UNIT NO. 1, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 58 OF PLATS, PAGE 39 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

This conveyance is made pursuant to the powers conferred upon Trustee by said Deed of Trust executed by ROBERT MANDARICH, A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY , as Trustor, recorded on 02/05/2001 as Instrument No. 20010205-01582 (or Book, Page) and Re-Recorded on 12/20/2001 as Instrument No. 20011220-01578 (or Book, Page) for the reason of 'BORR NAME MISSING UNDER NOTARY' of the Official Records of CLARK County, NV.

All requirements of law regarding the recording and mailing of copies of the Notice of Default and Election to Sell, the recording, mailing, posting, and publication of the Notice of Trustee's Sale have been complied with.

Trustee, in compliance with said Notice of Trustee's Sale and in exercise of its powers under said Deed of Trust sold said real property at public auction on 01/31/12 Grantee, being the highest bidder at said sale became the purchaser of said property for the amount bid, which amount was $149,709.64.

Dated : 2/1/12

National Default Servicing Corporation, an Arizona Corporation

By: _____
Carmen Navejas, Trustee Sales Officer

State of: Arizona
County of: Maricopa

On Feb 1, 2012, before me, the undersigned, a Notary Public for said State, personally appeared Carmen Navejas personally known to me be (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal,

Signature _____

PATRICIA A. WILSON
Notary Public - State of Arizona
MARICOPA COUNTY
My Commission Expires
September 18, 2015

STATE OF NEVADA
DECLARATION OF VALUE FORM

1 Assessor Parcel Number(s)
a) [redacted]
b) _____
c) _____
d) _____

2 Type of Property:

a)		Vacant Land	b)	x	Single Fam. Res.
c)		Condo/Twnhse	d)		2-4 Plex
e)		Apt. Bldg	f)		Comm'l/Ind'l
g)		Agricultural	h)		Mobile Home
		Other _____			

FOR RECORDER'S OPTIONAL USE ONLY
Book: _____ Page: _____
Date of Recording: _____
Notes: _____

3. a Total Value/Sales Price of Property $149,709.64
b Deed in Lieu of Foreclosure Only (value of property) (_____)
c Transfer Tax Value: $149,709.64
d Real Property Transfer Tax Due $ 765.00

4. If Exemption Claimed:
a Transfer Tax Exemption per NRS 375.090, _____.
b Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____%

The undersigned declare and acknowledge, under penalty of perjury, pursuant to NRS, 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature _____ Capacity Grantor
Carmen Navejas, 11-01990-US-NV

Signature _____ Capacity Grantee

SELLER (GRANTOR) INFORMATION
National Default Servicing Corp.
7720 N. 16th Street, Suite 300
Phoenix, AZ 85020

BUYER (GRANTEE) INFORMATION
U.S. Bank National Association
4801 Frederica Street
Owensboro KY 42301

COMPANY/PERSON REQUESTING RECORDING (required if not seller or buyer)

Print Name: LSI Title Agency, Inc Escrow #: 11-01990-US-NV

Address: 3220 El Camino Real
Irvine Ca 92602

City: _____ State: _____ Zip: _____

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

NDSC001085

EXHIBIT "20"

Foreclosure Sale Bidding Instructions

Id: 2917	Loan Number: [redacted]	Investor Id: CB4

Scheduled Sale Date: 09/23/2011 **Investor Name:** WELLS FARGO BANK - M/S

Mortgagor Name: NICO JAMES D **Market Value:** $75000

Street Address: 4931 BLACK BEAR RD

State: NV **Zip Code:** 89149

Total Debt: 204697.17

Client: 589

Please Bid: THIS IS A TOTAL DEBT OF $204,697.17 . PLEASE ADD FEES AND COST. SALE DATE 09 23 11 BID VALID THROUGH 09 23 11 . FOR TOTAL DEBT BREAKDOWN PLEASE REFER TO MOST RECENT PAYOFF UPLOADED IN LPS

: $

: $

: $

IF TRANSFER OF TAXES OR SHERIFFS COST APPLY, PLEASE BEGIN BIDDING AT THE MINIMUM ALLOWABLE AMOUNT INCREASING INCREMENTALLY AS ALLOWED BY YOUR STATE, NOT TO EXCEED THE MAXIMUM BID AMOUNT PROVIDED BELOW.

Vesting Info: U.S. Bank National Association, as Trustee for Certificateholders of Bear Stearns Asset Backed Securities I LLC, Asset Backed Certificates, Series 2006-AC5

SHOULD THE STATE ALLOWABLE BID AMOUNT BE LESS THAN THE MAX BID AMOUNT PROVIDED ABOVE, PLEASE CONTACT OUR OFFICE IMMEDIATELY FOR INSTRUCTIONS ON HOW TO PROCEED.

PLEASE NOTE: SALES RESULTS MUST BE PROVIDED VIA LPS Desktop WITHIN 24 HOURS OF THE SALE SO AS TO AVOID ANY POTENTIAL LATE NOTIFICATION PENALTIES.

EXHIBIT "21"

FILE HISTORY

Folder ID: 142298NV

Created On: 11/8/2011 By: RODRIGO YUTUC

Redacted

Created On: 11/1/2011 By: DEBORAH BRIGNAC

RESPONDED TO DISPUTE OF DEBT AND NOTICE OF DEFAULT FROM BORROWER AT THE REQUEST OF CHASE. COPY IN IMAGES.-DB

Created On: 11/1/2011 By: SMIRNA TIENG

REINST & PAYOFF QUOTES HANDED TO DEBRA BRIGNAC.
REINST G/T 11/15/11 $90761.51
PAYOFF QUOTE G/T 11/30/11 $325950.33

Created On: 10/31/2011 By: BRANDON REED

REQUESTED PAYOFF AND REIN QUOTE GOOD THROUGH 11/30/2011. WILL PROVIDE BOTH AMOUNTS TO DEBORAH BRIGNAC UPON RECEIPT.

Created On: 10/18/2011 By: JENNIFER MEANO

FED EX ELECTION AND CHECK TO NEVADA OFFICE TRACKING # 7976 3686 0246

Created On: 10/18/2011 By: JENNIFER MEANO

Redacted

Created On: 10/17/2011 By: MANUSHAK KBJIAN

REC'D LETTER DISPUTING DEBT AND NOTICE OF DEFAULT. FWD TO CHASE RECORDS.

Created On: 10/14/2011 By: JENNIFER MEANO

RECVD ELECTION TO MEDIATE. REQUESTING CHECK

Created On: 10/13/2011 By: PATRICIA RAMOS

REC'D ELECTION/WAIVER OF MEDIATION FORM, HOUSING AFFORDABILITY WORKSHEET AND FINANCIAL STATEMENT. GAVE TO JENNIFER FOR REVIEW.

Created On: 9/30/2011 By: BRANDON REED

RECEIVED REIN QUOTE GOOD THROUGH 10/14/2011 IN THE AMOUNT OF $87,831.58. MAILED.

CONFIDENTIAL

Created On: 9/19/2011 By: TIFFANY SAGARANG

MILITARY STATUS VERIFIED FOR ALL PERSON'S NO FURTHER ACTION NEEDED AT THIS TIME

Created On: 9/14/2011

NOD RECORDED EVENT COMPLETED BY VENDORSCAPE. EVENT DATE: 09/14/2011

Created On: 9/13/2011 By: KAREN YAMORSKY

DANGER NOTICE, COPY OF NOTE AND NOD EMAILED TO PUB/POSTING COMPANY.

Created On: 9/13/2011 By: KAREN YAMORSKY

PROCESSING STARTOVER.

Created On: 9/13/2011 By: LOURDES OLGUIN

BANK OWNED, NO INVESTOR.

Created On: 9/10/2011 By: JENNIFER MEANO

REQUESTED RESTART INSTRUCTIONS ON LPS DESKTOP

Created On: 9/7/2011 By: COLLEEN IRBY

REQUESTED RESTART ON LPS.

Created On: 8/15/2011 By: ELINA UKMAN

THIS IS NOT A START OVER DUE TO US TREASURY BILL 10.02. THIS IS A START OVER DUE TO FAILED NV MEDIATION. RESTART IS REQUESTED ON LPS.

Created On: 5/17/2011 By: TABITHA BURK

PER PERVIOUS NOTES FROM LPS WE ARE TO PROCEED WITH FORECLOSURE NO CERTIFICATE WILL BE PROVIDED. THE STATUS HAS BEEN CHANGED.

Created On: 5/5/2011 By: JENNIFER MEANO

REQUESTING CERTIFICATE

Created On: 5/5/2011 By: ELINA UKMAN

EMAIL TO JENNIFER;
PLEASE REQUEST A AC

Created On: 3/29/2011 By: CASIMIR NUNEZ

Per LPS, proceed with foreclosure.

CONFIDENTIAL

Created On: 1/28/2011 By: CARLA DODD

Per LPS, Document Certification completed.

Created On: 1/19/2011 By: VERONICA RUANO

REC'VD MEDIATORS STATEMENT MEDIATION RESULTS AS FOLLOWS: LENDER FAILED TO BRING TO THE MEDIATION EACH DOCMENT REQUIRED (BPO) DID NOT COMPLY WITH NRS 645.2515

Created On: 1/13/2011 By: CARLA DODD

Per LPS, place file on Loss Mit Hold.

Created On: 1/4/2011 By: VERONICA RUANO

Redacted

Created On: 12/21/2010 By: VERONICA RUANO

Redacted

Created On: 12/14/2010 By: IRMA RAMIREZ

Redacted

Created On: 12/13/2010 By: IRMA RAMIREZ

Redacted

Created On: 12/13/2010 By: IRMA RAMIREZ

MEDIATION SCHEDULED 01/12/2011 @ 2PM PST; MEDIATOR - TARA D. NEWBERRY 702-608-4232

Created On: 12/2/2010 By: TRAVIS WILLIAMS

****** CRC Foreclosure Certification completed - no documents required. Certification document uploaded into LPS Desktop. Waiting for response. ******

Created On: 11/9/2010 By: ANTOINE RIZK

PD 200.00 FEES AS NON-RECO FOR MEDIATION PROGRAM.

Created On: 10/27/2010 By: IRMA RAMIREZ

FEDEX MEDIATION CHECK # 003170 IAO $200 TO NV STATE; FEDEX# 794056620552

Created On: 10/26/2010 By: IRMA RAMIREZ

RCV'D ELECTION FORM; REQUESTED $200 CHECK FOR MEDIATION.

Created On: 10/8/2010 By: MARGRETA DORSEY

Redacted

Created On: 9/23/2010

NOD RECORDED EVENT COMPLETED BY VENDORSCAPE. EVENT DATE: 09/23/2010

Created On: 9/22/2010 By: BERNADETTE OJEDA

REVIEWED DEPARTMENT OF DEFENSE WEBSITE TO DETERMINE BORROWER MILITARY STATUS.

Created On: 9/22/2010 By: BERNADETTE OJEDA

THE BENE CHECK HAS BEEN REVIEWED AND NO FILE ALERT WAS RECEIVED FROM TITLE.

Created On: 9/20/2010

BENE CHECK RECEIVED EVENT COMPLETED BY VENDORSCAPE. EVENT DATE: 08/10/2007

Created On: 9/20/2010

BENERBENE CHECK RECEIVED08/10/2007

Created On: 9/18/2010 By: LOURDES OLGUIN

BENE CHECK ORDERED EVENT' COMPLETED BY VENDORSCAPE. EVENT DATE: 09/18/2010

CONFIDENTIAL CRC000471

AA001317

California Reconveyance Company

P.O. Box 5007
Northridge, California 91328-5007

November 1, 2011

Thomas & Kimberly Moore
1625 Indian Wells Drive
Boulder City, NV 89005

Property Address: 1625 Indian Wells Drive, Boulder City, NV 89005
Parcel Number: 186-17-810-004

Dear Mr. & Mrs. Moore:

In response to your correspondence dated October 7, 2011, attached is the Notice of Default and Election to Sell under Deed of Trust, recorded September 14, 2011, which meets the Nevada statutory requirements. A payoff statement and reinstatement quote are also attached for your reference concerning the amount due.

A copy of the recorded Deed of Trust subject of the foreclosure referenced by Trustee Sale Number 142298NV and the Assignment of Deed of from Mortgage Electronic Registration Systems, Inc., nominee for lender First Magnus Financial Corporation to JPMorgan Chase, Bank National Association are attached for your review and response.

If you have any additional questions please contact the undersigned.

Sincerely,

CALIFORNIA RECONVEYANCE COMPANY

Deborah Brignac
Vice President
(818) 775-2360

Enclosures

Thomas & Kimberly Moore
1625 Indian Wells Dr
Boulder City, NV 89005
October 5, 2011

TO: California Reconveyance Company
Attn: Debt Validation
9200 Oakdale Ave
Mail Stop: CA2-4370
Chatsworth, CA 91311

X53044118 11

Re: Property Address: 1625 Indian Wells Dr. Boulder City, NV 89005
Parcel number: 186-17-810-004

Dispute of Debt and Notice of Default

Dear California Reconveyance Company,

We are hereby disputing the following facts stated in a Notice of Default filed in the Clark County Nevada Recorders office dated September 14th, 2011.

Paragraph 3 states that the present beneficiary under the deed of trust has executed and delivered to the trustee a written declaration of default and demand for sale. Under Federal law (FDCPA), you must provide the amount of the debt owed, and to whom the debt is owed. However, in your notice of default the beneficiary to whom the debt is owed is not named, and there is no amount due stated. We hereby deny this debt in its entirety.

There is no evidence that Washington Mutual /JP Morgan Chase is entitled to be named the Beneficiary under this debt. The original lender under the Deed of Trust/Mortgage is First Magnus Financial Corporation and there has never been an endorsement or assignment of said Deed of trust from First Magnus Financial Corporation to any other entity. There is no valid chain of title naming Washington Mutual /JP Morgan Chase as the real party of interest or holder of the negotiable instrument.

As Trustee to this Deed of Trust, you now have a fiduciary responsibility to verify the facts. I am demanding that you verify and know for a fact who the real party of interest is for this debt or we will be naming you personally in a civil action for conspiracy to commit fraud and racketeering against us.

Furthermore we require a response (Within the next 30 days) from California Reconveyance Company that you have recused yourself from this foreclosure action. If no response from California Reconveyance Company has been received within 30 days then this letter will serve as an admission that the Notice of Default was done in error and you agree to rescind the notice.

Signed: _____ 10-7-11
Thomas Moore Date

_____ 10-7-11
Kimberly Moore Date

California Reconveyance Company

9200 Oakdale Avenue, Mail Stop CA2-4379, Chatsworth, CA 91311, Telephone (800) 892-6902, Fax (818) 775-2700

November 01, 2011

THOMAS MOORE
KIMBERLY MOORE
1625 INDIAN WELLS DR
BOULDER CITY NV 89005

WE ARE A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT.

HOWEVER, IF YOU ARE IN BANKRUPTCY OR HAVE BEEN DISCHARGED IN BANKRUPTCY, THIS LETTER IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED AS AN ATTEMPT TO COLLECT A DEBT OR AS AN ACT TO COLLECT, ASSESS, OR RECOVER ALL OR ANY PORTION OF THE DEBT FROM YOU PERSONALLY.

Re: Payoff Statement

Chase Loan Number: 5304411811
Mortgagor(s): THOMAS MOORE
Property Address: 1625 INDIAN WELLS DRIVE, BOULDER CITY, NV 89005
Trustee Sale No.: 142298NV
Due Date: 05-01-2009

Dear THOMAS MOORE:

This letter responds to your request for a payoff of the above referenced loan.

As of the date of this letter, the amount required to payoff your loan is $525,950.33. However, if you are not prepared to tender the full payoff amount today, then the amount you owe may increase between the date of this letter and the date you pay off the loan. The payoff amount may increase because of additional interest and late charges as well as legal fees and costs that are incurred as additional steps in the foreclosure proceed.

This payoff is good through 11/30/11, the "Good Through Date." If you pay this loan in full by the Good Through Date, we estimate the payoff amount to be itemized as follows:

Description	Amount
Principal Balance	$452,811.77
Accrued Interest to 11/30/11	$58,928.57
$76.51 *per diem* interest thereafter	
Late Charges	$454.36
Escrow Advance Balance	$9,240.63
Hazard Insurance	$_____
Taxes	$_____
Fees for bad checks	$_____
Property Inspections	$_____
Property Preservation	$_____
Prepayment Fee or Charge	$_____
HUD Arrearages	$_____
Interest Deferments	$_____
Broker's Price Opinion / Appraisal Fee	$_____
Corporate Advance Balance	$4,271.40
Anticipated Trustee Foreclosure Fees	$_____
Anticipated Foreclosure Costs	$225.60
Recording and Reconveyance Fees	$18.00
_____	
_____	
Less positive balance on your account	($_____)

TOTAL ESTIMATED PAYOFF* THROUGH 11/30/11 Is $525,950.33.

This loan payoff statement shows the total amount you owe. However, some amounts may not have to be paid for the lien to be released. Please call us at 800-836-5656 for details.

The payoff figures listed above include items that have been paid by the lender or servicer or incurred by California Reconveyance Company that are currently due or will become due by the Good Through Date. In constructing this payoff, we have included anticipated additional fees and costs in order to provide you with an estimated payoff after the date of this letter. These anticipated fees and costs represent an estimate as to what our actual fees and costs will be if you pay off your loan no later than the Good Through Date. Please understand that the above figures are subject to final verification upon receipt by the lender or servicer. All fees and costs incurred after the issuance of this payoff letter will continue to be assessed until the loan is paid in full.

* IMPORTANT: Some of the fees and costs listed above may not actually be incurred, if you payoff on the date of this letter or if events we anticipate will happen do not occur. We only require that you pay the fees and costs actually incurred as of the date of your payment. If for whatever reason your payment includes any anticipated fee or cost or other item but the actual amount due on the date of payment is less, any excess amount will be promptly returned to you. If your payoff amount tendered is less than the total

amount due on the date of your payment, the lender or servicer reserves the right to reject your payment and continue with the legal process.

WE SUGGEST THAT YOU CONTACT CALIFORNIA RECONVEYANCE COMPANY AT THE ADDRESS OR TELEPHONE NUMBER ON THIS LETTER TO VERIFY THE EXACT AMOUNT NECESSARY TO PAYOFF YOUR LOAN NO MORE THAN 24 HOURS BEFORE YOU MAKE ANY PAYMENT.

PAYMENT INSTRUCTIONS: Payment must be submitted in the form of a certified cashier's check(s) and/or money order(s) and must be made payable to "JPMorgan Chase Bank, N.A.". Funds must be sent to the attorney/trustee office listed on this letter. The payoff funds will be returned if any portion of the funds is in the form of a personal check. Please be advised that the action will continue until the total payoff received, in compliance with the terms in this letter. After payoff, you may be required to sign appropriate documents and take other requested action to assist in obtaining a withdrawal of the foreclosure.

PLEASE CAREFULLY READ THE FOLLOWING INFORMATION CONCERNING THE FORECLOSURE.

PLEASE NOTE: If there is a foreclosure sale date scheduled for your property, this letter DOES NOT extend or change that foreclosure sale date. Therefore, if the Good Through Date for the payment stated in this letter continues past the scheduled foreclosure sale date, the foreclosure sale will nonetheless occur unless the loan is reinstated or paid off PRIOR TO the foreclosure sale as required by applicable law.

You should verify the loan number, the name(s) of the Mortgagor(s), the property address and the amounts due and owing to ensure that these items are correct. Should you have any questions regarding the above, please do not hesitate to contact the attorney or foreclosure trustee at the telephone in this letter.

SMIRNA TIENG
OPERATIONS SENIOR SPECIALIST
818-775-2322

California Reconveyance Company

9200 Oakdale Avenue, Mail Stop CA2-4379, Chatsworth, CA 91311, Telephone (800) 892-6902, Fax (818) 775-2700

November 01, 2011

THOMAS MOORE
KIMBERLY MOORE
1625 INDIAN WELLS DR
BOULDER CITY NV 89005

WE ARE A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT.

HOWEVER, IF YOU ARE IN BANKRUPTCY OR HAVE BEEN DISCHARGED IN BANKRUPTCY, THIS LETTER IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED AS AN ATTEMPT TO COLLECT A DEBT OR AS AN ACT TO COLLECT, ASSESS, OR RECOVER ALL OR ANY PORTION OF THE DEBT FROM YOU PERSONALLY.

Re: Full Reinstatement

Chase Loan Number: 530441181 1
Mortgagor(s): THOMAS MOORE
Property Address: 1625 INDIAN WELLS DRIVE, BOULDER CITY, NV 89005
Trustee Sale No.: 142298NV
Due Date: 05-01-2009

Dear THOMAS MOORE:

This letter responds to your request for a reinstatement amount of the above delinquent loan.

As of the date of this letter, the amount required to cure your loan delinquency is $90,761.51. However, if you are not prepared to tender the full reinstatement amount today, then the amount that you owe may increase between the date of this letter and the date you reinstate the loan. The reinstatement amount may increase because of additional interest and late charges as well as legal fees and costs that are incurred as additional steps in the foreclosure proceed.

This reinstatement quote is good through 11/15/11, the "Good Through Date." If you reinstate this loan in full by the Good Through Date, we estimate the reinstatement amount to be itemized as follows:

Description	Amount
7 Months At $2,275.19	$15,926.33
10 Months At $2,670.51	$26,705.10
2 Months At $2,728.73	$5,457.46
10 Months At $3,148.94	$31,489.40
2 Months At $3,115.93	$6,231.86
Late Charges	$454.36
Escrow Balance	$_____
Hazard Insurance	$_____
Taxes	$_____
Fees for bad checks	$_____
Property Inspections	$_____
Property Preservation	$_____
HUD Arrearages	$_____
Interest Deferments	$_____
Broker's Price Opinion/Appraisal Fee	$_____
Corporate Advance Balance	$4,271.40
Anticipated Trustee Foreclosure Fee	$_____
Anticipated Foreclosure Costs	$225.60
Court fees necessary to terminate foreclosure	$_____
_____	
_____	
Less positive balance on your account	($_____)

TOTAL ESTIMATED REINSTATEMENT* THROUGH 11/15/11 IS $90,761.51

The reinstatement figures listed above include items that have been paid by the lender or servicer or incurred by California Reconveyance Company that are currently due or will become due by the Good Through Date. In constructing this reinstatement, we have included anticipated additional fees and costs in order to provide you with an estimated reinstatement after the date of this letter. These anticipated fees and costs represent an estimate as to what our actual fees and costs will be if you reinstate your loan no later than the Good Through Date. Please understand that the above figures are subject to final verification upon receipt by the lender or servicer. All fees and costs incurred after the issuance of this reinstatement letter will continue to be assessed until the loan delinquency is cured.

* IMPORTANT: Some of the fees and costs listed above may not actually be incurred, if you reinstate on the date of this letter or if events we anticipate will happen do not occur. We only require that you pay the fees and costs actually incurred as of the date of your payment. If for whatever reason your payment includes any anticipated fee or cost or other item but the actual amount due on the date of payment is less, any excess amount will be promptly returned to you. If your payment is less than the total reinstatement amount due on the date of your payment, the lender or servicer reserves the right to reject your payment and continue with the legal process.

WE SUGGEST THAT YOU CONTACT CALIFORNIA RECONVEYANCE COMPANY AT THE ADDRESS OR TELEPHONE NUMBER ON THIS LETTER TO VERIFY THE EXACT AMOUNT NECESSARY TO CURE YOUR DELINQUENCY AND REINSTATE YOUR LOAN NO MORE THAN 24 HOURS BEFORE YOU MAKE ANY PAYMENT.

PAYMENT INSTRUCTIONS. Payment must be submitted in the form of a certified cashier's check(s) and/or money order(s) and must be made payable to "JPMorgan Chase Bank, N.A.". Funds must be sent to the attorney/trustee office listed on this letter. The reinstatement funds will be returned if any portion of the funds is in the form of a personal check. Please be advised that the foreclosure action will continue until the total reinstatement funds are received in compliance with the terms in this letter. After reinstatement, you may be required to sign appropriate documents and take other requested action to assist in obtaining a withdrawal of the foreclosure.

PLEASE CAREFULLY READ THE FOLLOWING INFORMATION CONCERNING THE FORECLOSURE.

PLEASE NOTE: If there is a foreclosure sale date scheduled for your property, this letter DOES NOT extend or change that foreclosure sale date. Therefore, if the Good Through Date for the reinstatement stated in this letter continues past the scheduled foreclosure sale date, the foreclosure sale will nonetheless occur unless the loan is reinstated or paid off PRIOR TO the foreclosure sale as required by applicable law.

You should verify the loan number, the name(s) of the Mortgagor(s), the property address and the amounts due and owing to ensure that these items are correct. Should you have any questions regarding the above, please do not hesitate to contact the attorney or foreclosure trustee at the telephone number listed in this letter.

SMIRNA TIENO
OPERATIONS SENIOR SPECIALIST
818-775-2322

IN THE SUPREME COURT OF THE STATE OF NEVADA

JEFFREY BENKO, A NEVADA RESIDENT; ET Al., Appellants, v. QUALITY LOAN SERVICE CORPORATION, A CALIFORNIA CORPORATION; ET AL., Respondents	Supreme Court No. 73484 District Court Case No. A-11-649857

Electronically Filed
Mar 01 2018 10:08 a.m.
Elizabeth A. Brown
Clerk of Supreme Court

APPELLANTS' APPENDIX

VOLUME 6

Appeal from Eighth Judicial District Court
Clark County, Nevada

The Honorable William Kephart

Law Office of Nicholas A. Boylan, APC
Nicholas A. Boylan, Esq.,
Nevada Bar No. 5878
233 A Street, Suite 1205
San Diego, CA 92101
Telephone: (619) 696-6344
Facsimile: (619) 696-0478
Attorney for Appellants

ALPHABETICAL INDEX

DATE	TITLE	VOLUME	PAGES
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10/12/11	COMPLAINT FOR DAMAGES	1	AA000001-AA00013
01/03/17	DECLARATION OF KEIKO J. KOJIMA IN SUPPORT OF DEFENDANT MTC FINANCIAL INC. dba TRUSTEE CORPS' OPPOSITION TO PLAINTIFFS' MOTION FOR LEAVE TO FILE THIRD AMENDED COMPLAINT	10	AA002307-AA002322
09/28/16	DEFENDANT CALIFORNIA RECONVEYANCE COMPANY'S ANSWER TO SECOND AMENDED COMPLAINT OF PLAINTIFFS JEFFREY BENKO, CAMILO MARTINEZ, ANA MARTINEZ, FRANK SCINTA, JACQUELINE SCINTA, SUSAN HJORTH, RAYMOND SANSOTA, FRANCINE SANSOTA, SANDRA KUHN, JESUS GOMEZ, SIL VIA GOMEZ, DONNA HERRERA, JESSE HENNIGAN, KIM MOORE, THOMAS MOORE, SUSAN KALLEN, ROBERT MANDARICH AND JAMES NICO	5	AA001032-AA001045
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04/04/17	DEFENDANT CALIFORNIA RECONVEYANCE COMPANY'S RESPONSE TO PLAINTIFFS' "MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION TO DEFENDANTS' MOTION TO DISMISS	18, 19	AA004561-AA004583

	THE THIRD AMENDED COMPLAINT"		
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What was the question?
MR. BOYLAN: You ask to have it read back. You might want to put down your phone during the questioning.
MR. REYNOLDS: I don't need your sarcasm.
MR. BOYLAN: Well, you're asking me to repeat a question because you were distracted by your phone.
MR. REYNOLDS: I appreciate that. Okay. And it's the first time I've asked it to be done, so...
MR. BOYLAN: I respect that.
MR. REYNOLDS: Okay. Can you repeat --
MR. BOYLAN: Like you should ask her to repeat it.
MR. REYNOLDS: Okay. Then let's do that.
MR. BOYLAN: Let me ask it again. I'm sorry. Obvious. You don't need to.
BY MR. BOYLAN:
Q Let's go back to the date of Exhibit 1, 2011. Roughly in that time period, on an annual basis, what's your best estimate of how much money your company MTC collected and deposited into its trust account?
MS. MAZIARZ: Vague.
THE WITNESS: What has that got to do with this?
MR. REYNOLDS: Terry, you can answer the question.
THE WITNESS: I don't know.
MR. REYNOLDS: You may not have anything to do with it.

THE WITNESS: I --
MR. REYNOLDS: But you can answer if you know.
THE WITNESS: -- don't have -- any idea.
BY MR. BOYLAN:
Q Is it more than a dollar?
A Yes.
Q Is it less than a hundred million dollars?
A I wouldn't know.
Q Is it approximately -- is it more or less than $20 million?
A I wouldn't know.
Q Is it more than a million dollars?
A I don't want to answer the question.
Q Only you and your husband have signature authority over the bank accounts, correct?
A Yes.
Q That includes the trust account?
A Sure.
Q Okay. So I'm going to ask you again: As an owner of the company and as one of only two signatories on the trust account, on an annual basis, in or around 2011, 2010, what's your best estimate in the amount of money your company collected on behalf of the clients and deposited into its trust account?
MS. MAZIARZ: Form.

THE WITNESS: That's to me. That is private information, and I'm not answering it; just not.
BY MR. BOYLAN:
Q Is it more?
MR. REYNOLDS: Objection. It's also irrelevant to this case and beyond the scope of admissible evidence.
BY MR. BOYLAN:
Q Is it more or less than $50 million?
A Not answering.
MR. REYNOLDS: Same objection.
THE WITNESS: Sorry.
BY MR. BOYLAN:
Q Where -- the trust account that was involved in 2011, what bank was that that held your company's trust account, ma'am?
A Pacific Western Bank.
Q Which branch?
A Doesn't say.
Q And where is the trust account today, what bank?
A Pacific Western Bank.
Q Does your company have more than one trust account into which it deposits monies collected on behalf of its lender client?
A It's irrelevant. Why do I need to answer it?
Q Because I'm going to subpoena the banks, ma'am,

and you're sworn under oath and compelled to answer. So how many other trust accounts are there?
A Don't know.
Q Can you name any other bank, ma'am?
A No.
Q Do you have signature authority at any other bank?
A No.
Q Does your husband?
A I don't know.
Q Where are your -- your banking records located?
A I believe at the office.
Q In a file cabinet of some sort?
A Oh, no.
Q Where?
A It's irrelevant to why I'm here.
Q Well, it's not irrelevant because I'm going to go after those records, ma'am, and I'm entitled to know. So I'm going to ask you again.
MR. REYNOLDS: Actually you're probably not, but you -- you can still do whatever you need to do it; she's not going to answer the question.
BY MR. BOYLAN:
Q Where are those records held, please, ma'am, the banking records?

A In a safe.
Q **And those are paper records for the trust account?**
A Maybe.
Q **And what else?**
A Whatever else.
Q **Well, are there also electronic copies or just paperer records of the trust account?**
A This is irrelevant to why I'm here.
MR. REYNOLDS: Terry, you can answer the question.
THE WITNESS: I guess.
BY MR. BOYLAN:
Q **There's both paper and electronic?**
A I believe.
Q **In what form are the electronic versions?**
A Thumb drive, I don't know.
Q **Who put them there?**
A The bank.
Q **So the bank provides you a thumb drive on, what, an annual basis of all your statements?**
A I guess. Don't know.
Q **How do you know the bank put them on a thumb drive?**
A 'Cause it comes to -- I get one, I guess once a year or so. I don't know.

Q **How often do you get one?**
A I don't know.
Q **And you plugged the thumb drive into your personal PC at the office?**
A No.
Q **What do you do with the thumb drive?**
A I hand it over to our accounting manager.
Q **And who is that?**
A Same person that's on the piece of paper you're writing on.
Q **Okay. And who is that, ma'am?**
A Gloria Juarez.
Is it okay if I take a break?
MR. BOYLAN: Sure. Absolutely. Let's take a break.
(Recess taken from 12:05 p.m. to 12:12 p.m.)
BY MR. BOYLAN:
Q **Ma'am, I understand there's some questions you have refused to answer, and -- but I want to follow up with more specific questions, so I've done a reasonable job for the Court; and if you refuse to answer, I understand, but I'm going to -- for the moment, ask some questions.**
What's your best estimate of the amount of money that your company collected on the behalf of its lender clients related to debtors in the state of Nevada for each

or any of the years, 2007 to 2013?
MR. REYNOLDS: Objection. Calls for legal conclusion.
MR. BOYLAN: We're actually leaving all that open.
MR. JOHNSEN: Oh, I'm sorry. I'll open it up.
MR. REYNOLDS: Okay. Objection. Calls for legal conclusion. Assumes facts not in evidence. Vague.
MS. MAZIARZ: Form.
BY MR. BOYLAN:
Q **Your answer, ma'am?**
A I don't remember.
Q **What is your best estimate? Are you able to estimate?**
A No.
Q **What is your best ballpark number? Can you tell us that?**
A I don't know.
Q **Can you tell us, for example -- I'll try to give you more clarity -- whether each -- whether during each or any one of those years, 2007 to 2012, your company collected on behalf of its lender clients and related to defaulted debtors amounts of money over $10 million?**
MR. REYNOLDS: I'll have the same objection that I had before.
MS. MAZIARZ: Form. Vague.
BY MR. BOYLAN:

Q **Your answer, ma'am?**
A I don't know.
Q **What is your best estimate whether it's over or under $10 million during those years?**
A I don't know.
Q **Are you able to estimate whether it's more or less than $10?**
A Yes.
Q **And it was more than $10, each of those years?**
A Yes.
Q **Can you tell us whether it was more than $10,000 during each of those years?**
A Yes.
Q **Can you tell us whether it was more than a hundred thousand dollars each of those years?**
A Yes.
Q **All right. Can you tell us whether during each of those years it was more than $200,000?**
A Yes.
Q **Can you tell us whether during each of those years it was more than $300,000?**
A Yes.
Q **Can you tell us whether during each of these years it was more than $500,000?**
A Yes.

Q Can you tell us whether during each of those years it was more than $700,000?
A Yes.
Q Can you tell us whether during each of those years it was more than $900,000?
A Yes.
Q Can you tell us whether during each of those years it was more than a million dollars?
A Yes.
Q Can you tell us whether during each of those years it was more than $2 million?
A Yes.
Q Can you tell us whether during each of those years it was more than $5 million?
A Yes.
Q Can you tell us whether during each of those years it was more than $7 million?
A Yes.
MR. BOYLAN: Don't -- please don't coach the witness.
MR. REYNOLDS: No, I'm not.
MR. BOYLAN: She's looking at you.
MR. REYNOLDS: She's looking and then --
MR. BOYLAN: There's no question pending.
MR. REYNOLDS: -- look on her face.
MR. BOYLAN: Well, she's under oath, so that's up to

her, not you.
MR. REYNOLDS: And if we were videotaping it, her "yes" doesn't seem very unequivocal so I'm -- that's all I'm saying.
MR. BOYLAN: Okay. Well, in the future, we're going to have videotape, I guarantee you.
BY MR. BOYLAN:
Q Can you tell us whether in each of those years it was more than $10 million?
A I don't remember.
Q And those monies, which you just described, followed a typical pattern, meaning, they would collect -- they were collected by MTC, go into your trust account, and then your company would disperse the money collected to the lenders, correct?
MS. MAZIARZ: Form. Vague.
MR. REYNOLDS: Same objection as to form. And it is vague.
THE WITNESS: I guess.
BY MR. BOYLAN:
Q And you know this -- in terms of the amounts, you know the amounts because you, personally, reviewed the bank statements, correct?
A No.
Q How is it then that you were able to give those

answers up to about $10 million per year?
MS. MAZIARZ: Foundation.
MR. BOYLAN: That's exactly what the question is asking.
MR. REYNOLDS: Right. I thought it was $5 million, not ten.
MR. BOYLAN: All right.
BY MR. BOYLAN:
Q Ma'am, how is it that you were able it give those dollar figures?
THE WITNESS: Just took a guess.
BY MR. BOYLAN:
Q It's not based on your knowledge from being at the company?
A Well, it's very limited.
Q But the bank statements, you get them all on a thumb drive every year, right?
A Yes.
Q Do you also get monthly bank statements?
A I believe.
Q And you review those sometimes, over the last 20 years?
A No.
Q Never look at them, bank statements of your company?

A No.
Q Your husband does, though, right?
A I wouldn't know.
Q Do you and your husband live together?
A Yes.
Q Okay. Is your office in close proximity to his at the company?
A No.
Q Does he have an office at the company's location?
A Yes.
Q What address is that, his office?
A 17100 Gillette Avenue in Irvine.
Q Who is your primary contact at Pacific Western Bank?
A I don't really know.
Q Who is the last person you spoke to at the bank?
A Some clerk; I don't remember the name.
Q Who is the -- who is the last person you spoke to that was like a vice president or management or branch manager, some type of managerial person?
A I really don't talk to them.
Q In 20 years that your company has had accounts there, you've never spoken to them, that's your testimony under oath, correct?
MR. REYNOLDS: Objection. Misstate what's she said.

BY MR. BOYLAN:
Q That's your sworn testimony? I'm asking.
MR. REYNOLDS: Same objection.
BY MR. BOYLAN:
Q I'm asking. So over 20 years, with respect to this company that you own, that has millions and millions of dollars that flow through these bank accounts, you've never spoken to any of the management people at the bank; is that your sworn testimony?
A I may have.
Q Oh, can you give me some names?
A Maybe like LaTanya Wilson.
Q How do you spell that?
A L-a-t-a-n-y-a and the last name is Wilson.
Q And what's the address of where she -- her branch?
A I don't know.
Q Where do you think she's located? Let's start with what country: She in the United States?
A Yes.
Q All right. What state is she in?
A California.
Q What county is she in?
A I don't know. Orange, L.A., I don't know.
Q All right. What city is she in?

A I don't recall.
Q What's her title?
A I guess the manager, I don't know.
Q As far as you know, do you know how long she has been with the bank?
A I don't know.
Q How long have you known her at the bank?
A Several years.
Q How many, ma'am?
A I don't know.
Q What's your best estimate?
A Several years.
Q Can you estimate whether it's more or less than five?
A Maybe more than five.
Q Can you estimate if it's more or less than ten?
A I don't know.
Q With respect to Exhibit 1, and the money that was transferred to Wells Fargo, I know it's obvious, but just for the record if I may confirm with you, please.
Your company MTC was hired by Wells Fargo bank to collect this money and send it to the bank, correct?
MR. REYNOLDS: Objection. Misstates the relationship of the foreclosure company.
MR. BOYLAN: That's leading. That's -- that's

clearly --
MR. REYNOLDS: That's your -- you're saying --
MR. BOYLAN: -- coaching the witness. She can say no.
MR. REYNOLDS: You're saying --
MR. BOYLAN: You're coaching the witness --
MR. REYNOLDS: You're saying that --
(Reporter interruption.)
MR. REYNOLDS: You are saying that somebody hired --
MR. BOYLAN: It's a question.
MR. REYNOLDS: -- to collect money --
MR. BOYLAN: It's a leading question to an adverse --
(Reporter interruption.)
MR. BOYLAN: We know that.
BY MR. BOYLAN:
Q Can you answer, ma'am?
MR. REYNOLDS: Well, then why don't you let me make the objection.
MR. BOYLAN: It's an improper speaking objection.
MR. REYNOLDS: Well, then if you don't let me, we'll terminate now. It's your --
MR. BOYLAN: Then I'm going to ask for ten grand in sanctions. I mean --
MR. REYNOLDS: Go ahead.
MR. BOYLAN: You know --
MR. REYNOLDS: What would you like to do?

MR. BOYLAN: -- she'll see this transcript.
MR. REYNOLDS: What would you like to do?
MR. BOYLAN: I want her to answer the question.
MR. REYNOLDS: Then I'm going to state an objection.
MR. BOYLAN: Well keep it to the rules.
MR. REYNOLDS: I don't need you to tell me what the rules are. Now could you please reread the question back.
(Whereupon the record was read back.)
MR. REYNOLDS: Objection. Assumes facts not in evidence. Calls for a legal collusion.
You may answer.
MS. MAZIARZ: Vague.
MR. REYNOLDS: And vague.
THE WITNESS: No, I don't know what -- can you -- I don't -- I don't understand the question.
BY MR. BOYLAN:
Q Wells Fargo bank was your client, correct?
A Yes.
Q And they paid you for your services, correct?
A I guess.
Q But you didn't work for free, did you, ma'am?
A No.
Q Okay. So with respect to Exhibit 1, Wells Fargo was your client to whom you're sending the money, correct?
A Yes. It's on paper.

Q Thank you.

Now, can you please tell me why you would have done that for them? Did you have a contract with them? Did -- maybe they were going to pay you or -- you didn't do the work that's reflected on Exhibit 1, for free, did you, you being MTC?

A No.

Q So you had some type of agreement with Wells Fargo that they would pay you for this work reflected in Exhibit 1, correct?

A I guess.

Q Okay. And how much did they pay you?

A I don't know.

Q What's your best estimate of the typical fee that would have been involved?

A I honestly don't know.

Q Can you estimate?

A I have no idea.

Q And why did you look at the document to try to receive -- to --

A Because it was several years ago.

Q You expected the fee to be stated on the document or you were looking for some percentage of the amount collected?

A Neither.

Q Okay. Then why were you looking at the documents to try to answer my question?

A I'm looking at the date.

Q I see. The date would help you assess what your fees were at the time?

A No. Because I wouldn't remember that.

Q Okay. Well, let's try to do little by little:

What were your fees last year for doing the work reflected in Exhibit 1?

A I don't know.

Q What about this year?

A I don't know.

Q Is it different this year than it was in 2011?

A I wouldn't know.

Q You see where it says that the money being collected and transferred to the bank is being applied to the Sansota loan and has the actual loan number.

Do you see that?

A Yes. Let me make sure.

Q That's -- that's the loan that was in default that you were working on at MTC, correct?

A That's what it says on the paper.

Q And you believe that to be true, right?

A Yes.

Q All right. Is it your understanding, with your

20 plus years of experience, ma'am, that your fees that you charged for doing this type of work reflected in Exhibit 1, would be added to the loan balance of the debtor such as the Sansotas?

MS. MAZIARZ: Vague.

MR. REYNOLDS: Objection. Vague.

THE WITNESS: I don't know. I don't know.

BY MR. BOYLAN:

Q Is that generally true, though, the way it works in your industry?

A I guess.

Q And that's been the case for 20 years, right?

A I guess.

Q I want to go back talking about the phone bank. You have a phone bank at your company, correct?

A I don't know what that is.

Q You don't know what a phone bank is. Let me see if I can get you a definition. We'll try to get on the same page.

Okay. So it's -- what I'm looking at, it says, among other things, it's a battery of telephones. Do you understand what that means?

A Okay.

Q All right. So --

MR. REYNOLDS: Wait. You need to answer yes or no. I

don't know what "okay," means.

THE WITNESS: Yes.

MR. BOYLAN: Okay. Well, she'll give you a yes or no. That's progress.

BY MR. BOYLAN:

Q So a bank of phones where a bunch of people operate the phones. Where is that located at for MTC?

A In each of our offices.

Q And how many offices do you have?

A Four.

Q Is one of those offices dedicated to the state of Nevada, or do they all do work in relation to all five or six of the states your company operates?

A There's specific -- the -- often we have an office in Nevada.

Q And does it do all the Nevada-related work?

A I don't know.

Q How long have you had the office in Nevada?

A 2000, I don't recall.

Q What's the address of the office that you had in Nevada since 2000?

A I don't know. I know it's on Red Rock.

Q Okay. How many people are there in the phone bank in that office?

MR. REYNOLDS: Objection. I -- I -- I'm really not

trying to make us change the testimony. I'm just going to object under grounds that it assumes facts not in evidence, i.e., that she said that there is a phone bank.
BY MR. BOYLAN:
Q How many, ma'am, would you estimate?
A I don't know.
Q Is it more than a hundred?
A No.
Q Is it less than a hundred?
A Yes.
Q Is it less than 20?
A I'm not sure.
Q Is it more than ten?
A Yes.
Q And how long has that been true that you've had approximately ten people or more during that phone bank work in Nevada?
MR. REYNOLDS: Objection. Same objection. Assumes facts not in evidence.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Since 2000, though, right? Since you've had that office?
A Yes.
Q Do you supervise those people?

A No.
Q Who does?
A I don't know, our management team.
Q Is there one that has more particular authority or jurisdiction over Nevada matters?
A I don't know.
Q Are there any policies that your company has in writing regarding to -- phone communications with debtors?
A I don't know.
Q Have you ever seen such a written document reflecting policies?
A No.
Q What's your best estimate of the average amount of the phone bill on a monthly basis within the Nevada phone bank?
MR. REYNOLDS: Objection. Assumes facts not in evidence.
You can answer.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Is it more or less than $10,000 a month?
A I'm not -- I don't know.
Q Can you tell us whether -- your best estimate, whether it's more or less than $5,000 a month?
A Probably less.

Q Who is the service provider for the telephones that are used at the Nevada phone bank office?
MR. REYNOLDS: Objection. Assumes facts not in evidence.
You can answer.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Do the bills come to your office in Irvine?
A I don't know.
Q Or are the bills paid from your office in Irvine?
A I don't know.
Q Does the Nevada office pay its own bills?
A I don't know.
Q Do you ever sign checks for bills of the Nevada office?
A I could.
Q How often?
A I don't know.
Q Where are those checks kept?
A I don't know.
Q Do you have a bank account, does your company have a bank account in Nevada?
A I don't know.
Q When's the last time you had any interaction with a Nevada-based bank?

A I don't remember.
Q Does Pacific Western Bank have offices in Nevada?
A I don't know.
Q On average, how many phone calls are made on a monthly basis from the folks who do the phone work in the Nevada office?
MR. REYNOLDS: Same objection; lack of foundation.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Would you estimate it's more or less than a hundred?
A I don't -- I don't know.
Q I'm asking for your best estimate based on the any source of knowledge you have; would you estimate that it's more or less than a hundred calls a month?
A I guess.
Q You guess more?
A I don't know.
Q I'm asking you for your best estimate based on all your sources of information and knowledge.
MR. REYNOLDS: Can we clarify that you don't want to guess and you want an estimate because she's answering the question you're not asking and that's been going like that.
MR. BOYLAN: I disagree. I think that's -- I don't

want to argue on the record, but I disagree.
MR. REYNOLDS: Okay.
BY MR. BOYLAN:
Q I would like an answer. Are you able to estimate, ma'am, whether it's more or less than a hundred phone calls a month from Nevada?
A I guess.
Q You guess more?
A I don't honestly know.
Q Can you --
A I don't know.
Q Can you estimate? Do you understand what an estimate is? Let me get you -- I think maybe we need an estimate definition on this record.
Do you know what an estimate is, ma'am?
A It's a number.
Q Well, it's a little more than that, perhaps. Let's see. By the way, I apologize I should have started at the beginning.
What is your education history? Can you tell me briefly?
A I graduated from high school. I went to Long Beach State.
Q Did you graduate?
A Yes.

Q What year?
A '70 something. I don't remember.
Q Any additional schooling after that?
A No.
Q What was your degree?
A History.
Q Have you had any type of training or accounting seminars or any type of continuing education?
A No.
Q What about going to seminars related to your industry, foreclosure, whether it be collections, whatever you want to -- label you want to put it on it?
A No.
Q You've never gone to any learning events?
A No.
Q You don't go to any associations or meetings? No industry affiliations?
A No.
Q So estimate, I'm looking at a dictionary.com. An estimate is an approximate -- to form an approximate judgment or opinion regarding the worth, amount, size, or weight; or to calculate something approximately.
That's what an estimate is. That's the definition of that word I would like you to use.
Do you understand that?

A Yes.
Q All right. That's it. What is your best estimate of whether the number of calls made from the group of employees handling the phone work in Nevada, on a monthly basis, is more or less than a hundred calls a month?
A More.
Q Okay. And what are they doing in these phone calls, do you know?
A That, I do not know.
Q What's the purpose of the calls?
A I don't know.
Q But you do know that they're -- they're making calls that include communications with debtors who are in default on their loans, correct?
A I guess.
Q That's what they do?
A Yes.
Q Right?
MR. REYNOLDS: Objection. Now you're telling the witness what they do and she answered again with "guess" which has been a problem in this deposition.
MR. BOYLAN: Well, we don't have a videotape. But it's very clear to me that that's her way of answering "yes," because she's just scared to say the word yes. But

it's clear that she's confirming and that's an affirmative response.
MR. REYNOLDS: Well, actually, I think it's clear that she doesn't know, but we'll clear that up later.
MR. BOYLAN: Well, from now on, don't worry. There will be a videotape so the judge and jury can see.
MR. REYNOLDS: Believe me, we're not worried.
BY MR. BOYLAN:
Q Okay. Who trains the people that do the phone work?
A Managers.
Q Who? Name?
A I'm not sure.
Q Is the training conducted in Orange County or is it conducted in each of the local offices?
A Each of the local offices, I guess.
Q Okay. When's the last time you visited the Nevada office?
A Maybe a couple weeks ago.
Q What did you do there?
A I just visited.
Q How long were you there?
A Maybe 35 minutes or so.
Q Did you have any meetings?
A No.

Q All of the phone calls made in connection with the business in Nevada, are those all somehow logged on a computer system?
A I -- I don't know.
Q But you do know that the company keeps track of all of its contacts with debtors, correct?
A I suppose.
Q Isn't that a "yes," ma'am?
A I don't -- I don't know.
Q Why do you suppose it's true, then?
A I didn't say that.
Q You said, "I suppose," what did you mean?
A I don't -- not quite sure.
Q What is the policy of your company over the last 20 plus years with respect to keeping track of contacts with debtors?
A I wouldn't know.
Q You have no idea what that policy is?
A No.
Q Who would -- who would be the person in charge of making such policies?
A I -- the management team:
Q "Who," by name?
A I don't know. Gloria Juarez, Cathy -- I don't really recall who it was.

Q Has -- has your company, MTC, ever been a debt collector?
MS. MAZIARZ: Objection form.
MR. REYNOLDS: Objection. Form. Assumes facts not in evidence. Calls for a legal conclusion.
THE WITNESS: Not sure; don't know.
BY MR. BOYLAN:
Q Why are you unsure?
A I have just a very small part.
Q A minimal of four hours a day, five days a week, for 20 years, is that what you're describing as a minimal part?
MR. REYNOLDS: Objection. You're badgering the witness.
BY MR. BOYLAN:
Q No. I understand if that's your characterization. Is that your view of a minor part?
MR. REYNOLDS: Same objection.
BY MR. BOYLAN:
Q Can you answer, please?
A I guess.
Q What is debt collection, according to your understanding? Just to help us --
A I don't know what it is.
Q Is foreclosure a part of -- according to your

understanding -- trying to collect on underlying loan such as the loan that's referenced on the document you signed, Exhibit 1?
MR. REYNOLDS: Objection. Calls for a legal conclusion.
BY MR. BOYLAN:
Q Just your understanding.
A Don't know.
Q But you understood when you signed Exhibit 1, that you were passing along money that had been collected on this debt, this loan number, that's right on the document, correct?
MR. REYNOLDS: Same objection. Assumes facts not in evidence.
THE WITNESS: Don't know.
BY MR. BOYLAN:
Q I'm asking you. Look at Exhibit 1, when you put your signature on it, you understood that this was money your company collected within its trust account, that you were passing onto your client, Wells Fargo bank, for the defaulted debt that's referenced in that Sansota loan number right there above your signature, correct?
MR. REYNOLDS: Same objection.
MS. MAZIARZ: Vague.
THE WITNESS: That's what it says on the paperwork.

BY MR. BOYLAN:
Q Do you have any reason to believe that's false or untrue?
A No.
Q Are you familiar with statements that your company has made either in correspondence or notices that your company is, in fact, a debt collector?
A No.
Q You've never seen such a thing in your life?
A No. Not that -- I don't really pay much attention.
Q Does that sound familiar, at all?
A Maybe.
Q How is it familiar, what do you mean?
A It's whatever's on the piece of paper.
Q No. But I mean, how is it familiar to you? From seeing those papers from your company that say you're a debt collector or from meetings? How would it be familiar to you, ma'am?
A I guess just looking at paperwork.
Q At your office?
A Yes.
Q Why does your company put on the paperwork that it's a debt collector?
MR. REYNOLDS: Objection. Vague. Calls -- calls for

legal conclusion. Assumes facts not in evidence. Lack of personal knowledge as well.
BY MR. BOYLAN:
Q Your answer, ma'am?
A I don't know.
Q No idea at all?
A No.
Q Ever been in a meeting where it was discussed whether you should actually put on correspondence and letters that your company's a debt collector?
A Not that I recall. I don't know.
Q Do you think your company's a debt collector?
MR. REYNOLDS: Same objection.
MS. MAZIARZ: Vague. Form.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Do you think that's part of the business that your company does?
MR. REYNOLDS: Same objection. Also irrelevant.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Does your company do essentially all the same types of business in all the states in which you -- your company works?
MS. MAZIARZ: Form.

MR. REYNOLDS: Join.
THE WITNESS: Not sure.
MR. BOYLAN: Just wasn't expecting others, so I don't have enough copies, but I'm going to -- if -- if -- if counsel and the witness don't mind sharing, I have one for you, but -- it's nothing you haven't seen before. But this is going to be Exhibit 2. I don't know why there's numbers on here.
(Exhibit 2 was so marked.)
BY MR. BOYLAN:
Q Ma'am, take a look at this, if you would. I've marked it as Exhibit 2. This is a declaration of Bijan Laghaei with some exhibits attached to it. It's been submitted to the Court in this case.
MR. BOYLAN: Again, we're going to mark it as Exhibit 2. Actually I hope I didn't give you my working copy. No, no. Go ahead. Go ahead, please. If anyone has something on it with highlighting or notes, please pass it to me. If I -- if I gave you my working copy, I apologize.
MR. REYNOLDS: It's not on this.
BY MR. BOYLAN:
Q Tell me when you've read it, ma'am. I have some questions about it.
A What is this?

Q Okay. You ready, ma'am?
A I'm still looking.
Q Okay. Let me know when you're ready, please.
A Okay.
Q Okay. Thank you.
There's a notice of default here that's apparently issued and has to be recorded and then submitted to trustee corp. Do you see the notice of default? Yeah. You're looking at it right now.
Do you see that, ma'am, that's attached to Exhibit 1?
A Okay.
Q All right. You see in the upper corner it says "trustee corp," and has the address in Irvine?
A Okay.
Q You see it?
A Yes.
Q That was your company address at the time of this document?
A Yes.
Q That was in about 2012, correct?
MR. REYNOLDS: It says --
BY MR. BOYLAN:
Q Correct me if I'm wrong.
MR. REYNOLDS: -- 2009.

MR. BOYLAN: Okay. I apologize. Yes. Thank you. I looked in the lower right-hand corner, the print date. I apologize.
BY MR. BOYLAN:
Q Okay. So 2009, that was the address of your company, ma'am?
A Yes.
Q Your company created this notice of default on behalf of its client, the bank, correct?
A That's what it says.
Q And you agree with that, right?
A Yes.
Q All right. Well, let's look at page 3 of it, of this document. Now, do you see there there's a block on there that says, "trustee corp is a debt collector."
Do you see that?
A Yes.
Q Now, is it true that your company was issuing -- that's a false statement and your company was issuing a false statement when it placed that on this document in 2009?
MR. REYNOLDS: Objection. Calls for a legal conclusion.
MS. MAZIARZ: Form.
THE WITNESS: It's on here.

BY MR. BOYLAN:
Q Was that a false or fraudulent statement at the time it was stamped there, ma'am?
MR. REYNOLDS: Same objection.
MS. MAZIARZ: Form.
THE WITNESS: It's stamped on here. I see it's stamped on here. I don't know what else to say.
BY MR. BOYLAN:
Q I'm asking you, as the owner of the business and the majority shareholder, was that statement, that in 2009 your company was a debt collector, was that a false statement as of the date of this document?
MR. REYNOLDS: Objection. Calls for a legal conclusion.
MS. MAZIARZ: Form. Lack of foundation.
(Reporter clarification.)
MR. REYNOLDS: Lack of foundation.
THE REPORTER: Ma'am, I need you to speak up. You're at the far end of the room.
MS. MAZIARZ: Foundation and form.
THE WITNESS: I've not seen this before.
BY MR. BOYLAN:
Q That's not what I'm asking you. I'm asking you, at that time, was that a false statement?
MS. MAZIARZ: Same objections.

MR. REYNOLDS: Same objection.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Do you believe it was a true statement?
MR. REYNOLDS: Same objection.
MS. MAZIARZ: Same.
THE WITNESS: I don't know, just it's on here. I don't know.
BY MR. BOYLAN:
Q Why are you unable to state, under oath, whether that was a false or true statement at the time it was made?
MR. REYNOLDS: Same objection. And now you're badgering the witness.
MS. MAZIARZ: Same.
THE WITNESS: I'm not seeing this before. I don't know.
BY MR. BOYLAN:
Q I'm not asking about the document. So you can -- let's -- if you want, you can close it. Let's just ask it a different way. Okay?
Irrespective of what the document says, in 2009, was it true or false that your company was a debt collector?
MR. REYNOLDS: Objection. Calls for a legal

conclusion.
MS. MAZIARZ: Form. Foundation.
MR. REYNOLDS: Assumes facts not in evidence. Lacks foundation.
THE WITNESS: I don't --
BY MR. BOYLAN:
Q Your answer, ma'am? Can you answer yes or no?
A I don't know what to say.
Q I'm asking you, yes or no, was it true or false, in 2009, as indicated in that document, that your company was a debt collector?
MR. REYNOLDS: Same objection.
MS. MAZIARZ: Form and foundation.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Okay. Is there any reason why you don't know? I mean, are there any ambiguity, questions in your mind, is there some specific reason why you don't feel you can answer yes or no?
MR. REYNOLDS: Same objection.
THE WITNESS: Don't know what -- what it is. I don't know.
BY MR. BOYLAN:
Q In 2009, did you -- was your company in the business of using foreclosure procedures to collect on

defaulted debts?
MR. REYNOLDS: Objection. Calls for legal conclusion. Assumes facts not in evidence.
MS. MAZIARZ: Form. Foundation.
THE WITNESS: I really don't know.
BY MR. BOYLAN:
Q Let me ask again: In the state of Nevada, in 2009, was your company involved in performing foreclosure services with respect to defaulted loans from debtors?
MR. REYNOLDS: Same objection.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Well what was -- what was the business of your company, then, in 2009, in Nevada?
A I don't know.
Q Well, this exhibit tells us that you were involved in a foreclosure process with respect to Mr. Laghaei, correct, Exhibit 2?
A Okay.
Q Is that true or not?
A That's what it says on the paper.
Q All right. And the purpose of what -- that was to collect on the loan he defaulted on, correct?
MR. REYNOLDS: Objection. Calls for legal conclusion. Lacks foundation.

MS. MAZIARZ: Vague.
THE WITNESS: I honestly don't have an answer.
BY MR. BOYLAN:
Q Did you see the cashier's checks made out to your company that are attached, ma'am, to Exhibit 2?
A Yes. In the back.
Q Good. Do you have any reason to believe that your company did not receive and collect that money?
MR. REYNOLDS: Objection. Compound.
BY MR. BOYLAN:
Q Yeah; or any of it?
MS. MAZIARZ: Vague.
THE WITNESS: It's attached to the paper, I guess. Don't know.
BY MR. BOYLAN:
Q Do you have any reason to believe that your company did not collect the monies reflected by those cashier's checks made out to your company that are attached to his declaration Exhibit 2?
MR. REYNOLDS: Same objection.
MS. MAZIARZ: Vague.
THE WITNESS: Made out -- trustee corp. That's all it -- that's all I read.
BY MR. BOYLAN:
Q Can you answer yes or no?

MR. REYNOLDS: Same objection.
BY MR. BOYLAN:
Q Can you answer yes or no?
MR. REYNOLDS: Same objection.
THE WITNESS: I don't -- I don't know.
BY MR. BOYLAN:
Q I'll state it for you again: Do you have any reason to believe, as you sit here today, that your company did not collect the monies reflected in those cashier checks that are attached to Exhibit 2?
MR. REYNOLDS: Same objection.
MS. MAZIARZ: Form. Foundation.
THE WITNESS: It's attached to the paperwork. I don't know.
BY MR. BOYLAN:
Q Do you have any reason to believe your company did not collect it? For example, you might say, no, those are false or, no, they appear suspect or, no, we didn't collect money. No, our company never collected money. There could be a lot of reasons, ma'am, why you would suspect or believe that your company didn't collect that money. So I'm asking you, under your oath, as you sit here today, do you have any reason to believe that your company did not collect the funds reflected on these cashier's checks made payable to your company and attached to Exhibit 2?
MR. REYNOLDS: Same objection. Also, lack of foundation that she has any knowledge.
MS. MAZIARZ: Form. Foundation.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q In about 2009, who was the manager in your company that would have had responsibility for the making of any forbearance agreements with debtors?
MR. REYNOLDS: Objection. Assumes facts not in evidence. Calls for a legal conclusion.
THE WITNESS: I -- can you repeat the question? I don't understand it.
BY MR. BOYLAN:
Q Which words in the question do you not understand, ma'am?
A Forbearance.
Q You don't know what a forbearance agreement is?
A No, I don't.
Q Well, why don't you look at what's attached here, that's at -- to Exhibit 2, regarding loan No. 8945399 and has a title on it, "forbearance agreement," and then has a foreclosure number, as well, a Nevada number.
Do you see it?
A Right here (indicating).

Q Okay. You see the Nevada number there and the foreclosure number in the upper right-hand corner, ma'am?
A Yes.
Q That's your company's assigned number, correct, MTC's?
A Yes.
Q In the lower left-hand corner, you see the reference there to the loan number and the foreclosure number again?
A Yes.
Q Okay. Do you recognize that as -- this is a document that your company created, correct?
MR. REYNOLDS: Objection. Assumes facts not in evidence. Lacks foundation. Also not a party to the document.
THE WITNESS: I guess.
BY MR. BOYLAN:
Q And now that you've looked at it and you realize it's not your company's document, do you know what a forbearance agreement is?
A Not really.
Q But you know it relates to working out a loan that's in default, correct?
A I don't -- really don't know.
Q Isn't that -- well, look at the document. This

is your company's document. Let's go through it. It refers --
MR. REYNOLDS: Objection.
BY MR. BOYLAN:
Q It refers to the loan.
MR. REYNOLDS: Assumes facts not in evidence. There's no evidence that it is the doc- -- the company document. The signatory, if there was one, it's Bank of America. The trustee person is not even -- you're saying that this is their document.
MR. BOYLAN: She said it was.
MR. REYNOLDS: No. She never said it was.
MR. BOYLAN: Okay. Well we have a transcript.
MR. REYNOLDS: That's right.
BY MR. BOYLAN:
Q Have you read the document? Take a quick look at it and I'll see if maybe you can get some understanding of what we can talk about here today.
THE REPORTER: Can we take a quick break?
MR. BOYLAN: Sure.
(Brief recess taken.)
MR. BOYLAN: Yeah. We're on.
BY MR. BOYLAN:
Q Okay. The forbearance agreement, you've had a chance to look at it, correct?

A I'm still looking at it.
Q Okay. Page 1 shows that the loan was in default by the borrower, Mr. Bijan Laghaei, correct? Is that your understanding of page 1?
A Yes. His name is on here.
Q All right. And MTC corporation was handling the foreclosure, correct?
A I don't see the name on here.
Q Okay. Well, look at -- look at the notice of default for the same property, the same transactions. It's also there. It's the first -- it's the first exhibit. You've already looked at it, but we can look at it together again. It has Trustee Corps name on it, in Irvine, remember, on Business Centre Drive?
A Yes.
Q All right. So you understand now that your company was handling this -- this file, correct?
MR. REYNOLDS: Objection. Lack of foundation.
You can answer.
THE WITNESS: Yes.
BY MR. BOYLAN:
Q Okay. And looking back at the forbearance agreement, it indicates that a foreclosure had been scheduled, but then they made an agreement that the debtor would pay some money and the foreclosure would not occur

as scheduled, correct? Is that your understanding?
MR. REYNOLDS: Objection. Irrelevant and lack of foundation. Calls for legal conclusion.
THE WITNESS: I don't read these, so I don't --
BY MR. BOYLAN:
Q Okay. I'm just -- I'm not trying to badger you. But you understand English, right? I mean, you can read it and understand what it says?
A Yes.
Q Okay. So you understand, from reading it, that money was exchanged in order to change the loan obligations, the payment obligations and avoid foreclosure, money was collected. You understand that, correct?
MR. REYNOLDS: Objection. Lack of foundation. Calls for a legal conclusion.
THE WITNESS: Collective. Okay. I mean collective B of A.
BY MR. BOYLAN:
Q For your client, Bank of America, correct?
A Yes.
Q Okay. And your company was doing that work with respect to Nevada debtors as indicated here in 2009, correct?
MR. REYNOLDS: Objection. The form of the question is

vague, because I don't know what that word means.
MR. BOYLAN: The work reflected in the forbearance agreement what we've just talked about for the last ten minutes.
MR. REYNOLDS: Same objection.
BY MR. BOYLAN:
Q Correct, ma'am?
A I don't read these notices.
Q That's not what I'm asking you. Can you answer the question, yes or no?
A I don't -- no.
Q You don't understand the document?
A I -- oh -- I don't -- I don't actually know what the document is.
Q You've never seen a forbearance agreement before in your life, that's your sworn testimony?
MR. REYNOLDS: That's not what she said.
MR. BOYLAN: I'm asking, it's called a leading question.
MR. REYNOLDS: I know what it is, counsel.
BY MR. BOYLAN:
Q What's your answer, ma'am?
A I don't know.
Q No; my question is: Have you ever seen a forbearance agreement before in your life while you've

been in this business 20 plus years?
A No.
Q Okay. In 2009, approximately, let's just stay with the -- the date of Exhibit 2. Was part of your company's business in Nevada to accomplish reinstatement of loans?
A I don't know.
Q Was part of your business at that time in Nevada to accomplish on behalf of your lender clients forbearance agreements?
A I don't know.
Q Excuse me. Was it part of your business in Nevada at that time to collect money from defaulted debtors on behalf of your company's clients?
A I don't know.
MR. REYNOLDS: Objection as to form.
BY MR. BOYLAN:
Q Do you know Mr. Bijan Laghaei, the individual who gave sworn testimony in Exhibit 2?
A No.
Q Have you read his declaration?
A No.
Q It's very short. Can you read it please? It's only five short paragraphs, about a page and a quarter.
MR. JOHNSEN: Do you know what page? She doesn't have

one.
MR. REYNOLDS: No, no, no. I'm sorry. You're --
THE WITNESS: I don't know what it is.
MR. REYNOLDS: It starts on the cover page.
THE WITNESS: Okay.
MR. REYNOLDS: And then there's one page and two pages. The last page is a little faint, but you can see it. It starts right here (indicating).
BY MR. BOYLAN:
Q Okay. Look at with me in paragraph 4, please, of this declaration. I see that you've read it. I'm observing that you read it, correct?
A Yes.
Q Is there anything stated in Exhibit 4, which you believe to be false -- excuse me, paragraph 4 of exhibit -- of Exhibit 2, this declaration?
MR. REYNOLDS: Objection. Lack of foundation.
THE WITNESS: What was the question again?
MR. BOYLAN: Please.
THE WITNESS: I'm sorry. May I have the question again?
(Whereupon the record was read back.)
MR. REYNOLDS: Same objection.
THE WITNESS: No.
BY MR. BOYLAN:

Q Is there anything in paragraph 5 of this declaration, Exhibit 2, that you believe to be false?
MR. REYNOLDS: Objection. Lack of foundation. Relevance.
THE WITNESS: No.
BY MR. BOYLAN:
Q When is the last time you accessed your company's computer system?
A This morning.
Q What purpose did you access it?
A To gather my e-mail.
Q Any other reason?
A No.
Q Quickly, ma'am, let's try to go through Exhibit 3, if we may.
(Exhibit 3 was so marked.)
BY MR. BOYLAN:
Q Took a look at it and I'm going to ask you to confirm what's on the letterhead and it is a document created by your company known as Trustee Corp, dated March 31st, 2016, related to borrower Marianne I-o-n, Beech, with two Es and a CH, Fries, F-r-i-e-s. Property address, on 17th Street in Las Vegas, Nevada. The creditor being C-i-t Bank, NA. Shows the written correspondence contact information to be Trustee Corporation on Gillette Avenue

in Irvine. On page 1, of course, it has the loan number as well.
You've seen it?
A Yes.
Q It is what I described it to be?
A On Trustee Corp letterhead?
Q I'm not asking you to repeat my questions. I'm asking you to confirm with a yes or no. Are you able to do so, ma'am?
A Yes.
Q Okay. So this is, in fact, a letter created by Trustee Corp on its letterhead addressed to the borrower, as I described previously, correct?
A Yes.
Q Page 2, your company, Trustee Corp, says, specifically, "We are attempting to collect a debt and any information we obtain will be used for that purpose."
Do you see that?
A Yes.
Q That was a false statement, wasn't it?
MR. REYNOLDS: Objection. Badgering. Calls for a legal conclusion.
MS. MAZIARZ: Lack of foundation.
MR. REYNOLDS: Lack of foundation.
You don't need to answer the question.

THE WITNESS: Okay.
BY MR. BOYLAN:
Q No; she does have to answer whether that's true or false.
MR. REYNOLDS: No, she doesn't. She doesn't have any knowledge about it. You're --
MR. BOYLAN: According to you she doesn't.
MR. REYNOLDS: -- asking something she doesn't.
MR. BOYLAN: She owns the company for 20 years and she has no knowledge. That's really out of line, counsel. Instructing her not to answer that question, that should be independently sanctionable.
MR. REYNOLDS: Do you have any knowledge of this?
THE WITNESS: No, I do not.
MR. REYNOLDS: Instruct her not to answer the question.
MR. BOYLAN: That's inappropriate even still because if she has no knowledge, she can say so. You just led her into saying that. That is obstruction. That's pure unadulterated obstruction.
MR. REYNOLDS: Are you through?
MR. BOYLAN: No, I'm not.
MR. REYNOLDS: Okay.
BY MR. BOYLAN:
Q Is it a true statement, at the time it was made,

ma'am --
MR. REYNOLDS: Same objection.
BY MR. BOYLAN:
Q -- that your company was attempting to collect a debt?
MS. MAZIARZ: Form. Foundation.
MR. REYNOLDS: Same objection.
THE WITNESS: I don't know.
BY MR. BOYLAN:
Q Why is it you don't know?
A Because I -- I don't read these. I don't know what this is.
Q You don't know what Exhibit 3 is, that's your sworn testimony?
A I don't -- this is the first time I've seen this.
Q Okay. But you've seen documents like this in your 20 plus years, haven't you?
A I don't read these documents.
Q I didn't ask you if you read them. We'll get to that. You've seen documents like this from your company for over 20 years, haven't you?
A No.
Q You've seen a few of these before, in your 20 plus years, documents like this?
A No.

Q What's the purpose of this document? Do you know from your experience in the industry for 20 plus years?
MR. REYNOLDS: Same objection.
BY MR. BOYLAN:
Q Do you use your computer at your office virtually every day that you're there?
A Sometimes.
Q Can you access any accounting information from your computer?
A Yes.
Q Can you access any banking information?
A Yes.
Q And do you do so periodically in the course of your work?
A No.
Q How often would you estimate you access banking information on a weekly routine?
A Maybe twice a month.
Q What purpose? For what purpose do you do that?
A Make sure that there's money.
Q Any specific reason, like to make payroll, to pay debts, to transfer funds?
A I don't -- I don't look at them -- twice a month.
(Reporter clarification.)
THE WITNESS: Except twice a month.

BY MR. BOYLAN:
Q Okay. That wasn't my question: Would you like to have my question back?
A Yes.
Q What's the purpose of your looking at them? You said, "to make sure there's money." But for what purpose do you need to make sure there's money; payroll, bills, compensating yourself, your husband? What are the reasons you want to make sure there's money?
MR. REYNOLDS: Objection. Irrelevant.
THE WITNESS: Just to make sure there's money, so --
BY MR. BOYLAN:
Q For what purpose?
A To pay our payroll.
Q And do you also review whether your fees, your company's fees, have been paid by your lender clients?
A No.
Q Who does that?
A Our accounting manager.
Q Is that Gloria Juarez?
A Yes.
Q And she's in charge of accounts receivable?
A She's the accounting manager.
Q Do you understand what accounts receivable means?
A Yes.

Q Is she in charge of accounts receivable?
A Yes.
Q I want you to take a look, please, at what's been marked as Exhibit 4.
(Exhibit 4 was so marked.)
BY MR. BOYLAN:
Q These were produced by your company in this case, ma'am, through your counsel. It's called the initial disclosures. It also has a number of documents in which have been redacted, that are attached.
We are very fortunate, ma'am, in doing our work here together today that the pages are numbered by your counsel in the lower right-hand corner.
Do you see if you -- open it up to any page. You'll see in the lower-hand corner -- no, no. Go back further to the documents that are being produced.
You see in the lower right-hand corner where it says TC, Trustee Corporation, and then it has numbers?
A Yes.
Q Okay. So that's doing it easy. In many cases I'm going to refer you to the number in the lower right-hand corner so you can flip -- quickly flip to the number. Do you follow me?
A Yes.
Q First, I want to ask you some quick questions:

Is Clarisa Castellum still employed by the company?
A I don't know.
Q What about Norman Gonzalez?
A I don't know.
Q Gloria Juarez?
A Yes.
Q Yantze Flores?
A I don't know. No.
Q Freddy Alvarez?
A No.
Q No?
A I don't know.
Q Heather Edner?
A Who?
Q Natalie Rascendes?
A I don't know.
Q All right.
MR. REYNOLDS: I wasn't sure what your answer was. I don't know if it was, "I don't know," or "I don't," and then you stopped and said "no."
THE WITNESS: No. I don't know these -- I don't recall these people.
BY MR. BOYLAN:
Q Okay. I need to know, my question is -- try to focus: Are they currently employees? Okay. Let's go to

Natalie Rescendez?
A No.
Q Figel Lopez Arieola?
A No.
Q Carlos Cezeda?
A Yes.
Q What is his current position?
A I don't know.
Q What does he do?
A I don't know.
Q What do you think he does on a day-to-day basis?
A I don't know.
Q Why do you pay him?
MR. REYNOLDS: Okay. That's badgering, counsel.
BY MR. BOYLAN:
Q Why do you pay him? Do you have any idea why your company pays him?
A I don't know.
Q Maria Diaz, she employed at your company?
A No.
Q Was her departure -- did it have any conflict involved in it?
A I don't know.
Q Rosa Velasquez, is she still employed by your company?

A I don't know.
Q Sukeka Anderson?
A I don't know.
Q Rebecca Denise Paubie? Oh, no. Never mind. Excuse me. Allison Yamami?
MR. REYNOLDS: That's there --
THE WITNESS: Oh, I don't know. No.
BY MR. BOYLAN:
Q Esteban Romero?
A No.
Q Jorge Gonzaelz?
A No.
Q Liz Dorio?
A No.
Q Enrique Tapeia?
A I don't know.
Q Orlen Arragon?
A I don't know.
Q Gina Arragon?
A I don't know. No.
Q Okay. We're going to look at some of the documents. I'm going to give you a page number in the lower-hand corner, ma'am, so you can flip quickly through them. You ready?
A Okay.

Q Let's go to No. 21. Page 21, of the documents attached to what I've marked as Exhibit 4, your company's initial disclosures in this case.

Do you have it in front of you?

A Yes.

Q Was your company involved in conducting foreclosure mediation conferences at around the date of this document?

A I don't know.

Q Your company ever do that?

A I don't know.

Q Do you know whether your company ever obtained a license from the mortgage division of -- of the Nevada Financial Institutions Division?

A I don't know.

Q Do you know what a foreclosure mediation conference is?

A No.

Q Look at page 37, please -- actually, first look at 35. You'll see that that is one document includes 35, 36, 37, for example. Do you see at the top of 35, it says, "Information for trustee"?

MR. REYNOLDS: Actually, it begins on page 28, or earlier.

BY MR. BOYLAN:

Q All right. Well, we'll start where it says, "Information for trustee." Do you see that, page 35?

A Yes.

Q Do you know what that is?

A No.

Q Your company was the trustee with respect to the Sansota property that's involved in this lawsuit, correct?

A I don't know.

Q Looking at page 7, it says, "Attention was called to the Federal Debt Collection Procedures Act."

Do you see that?

MR. REYNOLDS: Um.

MR. BOYLAN: Page 37.

MR. REYNOLDS: Oh, 37. Okay.

BY MR. BOYLAN:

Q Paragraph No. 8 on page 37. Do you see that, ma'am?

A Yes.

Q What does that mean, do you know?

A I don't know.

Q What is the Federal Debt Collection Procedures Act?

A I don't know.

Q Look at page 38, what is this document?

A I don't know.

Q You don't know what a substitution of trustee is, ma'am, is that your testimony?

A Yes.

Q Look at page 44 please. It says, "Trustee is deed upon sale," and it refers to MCT Financial on paragraph 8. Do you see that on page 44?

A Oh, okay. Oh, right there.

BY MR. BOYLAN:

Q Do you see it?

A Yes.

Q What is this document?

A I don't know.

Q You've seen it before?

A No.

Q Is it your sworn testimony you've never seen a trustee's deed upon sale in your 20 plus years of your career?

A No.

BY MR. BOYLAN:

Q You have seen it before, then? We have a double negative, ma'am. I'm trying to get clarity. Have you seen these documents before in your 20-plus-year career?

A No.

Q Okay. Let's look at page 51. You see where it says Trustee Corps at the bottom and it refers to your

address? You had an address on Corporate Park in Irvine, correct, your company?

A Yes.

Q This document was created by your company, correct?

A I don't know.

Q You have any reason to believe it was not, from looking at it?

A I've never seen it before.

Q That's not my question. My question is: From looking at the document, do you have any reason to believe it was not created by your company?

A I don't know what it is.

Q Can you -- but you can read English?

A Yes.

Q Okay. So forgive me, I'm not trying to argue with you, but why can't you not tell what it is from reading it?

A Because I -- I've never seen it before.

Q Okay. Looking at page 36, it says note at the top, are you there?

A Yes.

Q All right. Read this document. Just skim it at least real quick or read it more if you feel the need when I ask questions. Okay?

A Okay.
Q Do you know what a promissory note is?
A No.
Q Do you know what this document is?
A No.
Q Have you ever borrowed money before, for yourself or your company?
A I don't know.
Q Okay. How old are you if I may ask, please?
A 62.
Q Okay. And so did you borrow money for any of your home purchases in your life?
A Yes.
Q Did you sign an obligation where you agreed to pay people back money?
A Yes.
Q Was it called a note or a promissory note?
A Yes.
Q So you've seen it before in your 60 some-odd years, correct?
A Yes.
Q How many homes have you bought with debt, with a mortgage loan?
A I don't know.
Q Estimate.

A I don't know.
Q Less than five?
A Yes.
Q And what about cars, how many cars have you signed notes for when you bought cars, can you estimate?
A Two.
Q Okay. Again, you signed a -- what's called a note or a promissory note promising to pay -- pay back the lender, correct?
A Yes.
Q All right. So now with that said, do you recognize that -- what this document is, Exhibits 63 through 65 or pages, rather?
MR. REYNOLDS: Objection. Relevancy. Lack of foundation.
THE WITNESS: This is a note, yes.
BY MR. BOYLAN:
Q Okay. Why did your company have this note for my client, the Sansotas?
A I don't know.
Q Why would it be in your files, ma'am? Could you please tell me, your company's files?
A I don't know.
Q Look at page 69, please. What is VendorScape?
A I don't know.

Q You never heard that term before?
A No.
Q 69, do you recognize that 69 has any relationship to Exhibit 1, which bears your signature?
A It has the same name and the same loan number.
Q It's called a funds remittance cover sheet. What does that mean?
A I don't know.
Q What does remittance mean, do you know?
A Not really, no.
Q What does funds mean?
A It usually means money.
Q Okay. All right. But can you look at the content of the document and maybe give us your best estimate of what you believe remittance might mean from the content of the document?
A It has to do with money.
Q Yeah. It's a way of passing money to your lender -- your clients, right, your company's clients?
A Yes.
Q And this is money that you've collected. In this case, it involves my client, the Sansotas and the loan number shown there, correct?
A Yes.
Q And there are various options here for money

that's been conveyed to your company; sometimes it's for reinstatement; sometimes it's just a payoff. And there are different itemizations there; and sometimes the money's collected and passed on when the property is sold and that's the box that's checked here at the bottom, correct?
A Yes.
Q But all these options are things that your company would sometimes do and remit the funds, right, all the boxes?
MR. REYNOLDS: Objection. Lack of foundation. Assumes facts not in evidence.
MS. MAZIARZ: Join.
THE WITNESS: Yes.
BY MR. BOYLAN:
Q And you would, personally, be involved in that, right, if you received funds; for example, for reinstatement or payoff or refund, you would frequently -- not always -- but you would frequently be involved, as shown on Exhibit 1, where you would wire that money to the client lender who was collecting it, correct?
A No.
Q Well, isn't that exactly what you did here, ma'am? You see the box and then here on Exhibit 1, you -- you sent the money that was collected.

A Yes.
MR. REYNOLDS: I'm -- objection. Assumes facts not in evidence. Her name isn't on --
THE WITNESS: I --
MR. REYNOLDS: -- page 69.
MR. BOYLAN: Okay.
MR. REYNOLDS: So...
MR. BOYLAN: Thank you for testifying.
MR. REYNOLDS: It's on No. 1.
MR. BOYLAN: Thank you for testifying.
MR. REYNOLDS: Well, you said "you," and you know that wasn't true.
MR. BOYLAN: I object. Absolutely it's true, but...
MR. REYNOLDS: You keep badgering the witness. Just keep on the record. It's fine with me.
MR. BOYLAN: Okay. Well, we'll let the judge decide.
BY MR. BOYLAN:
Q Now, page 70, if you turn the page, it's the same document as Exhibit 1, except the word redacted has been omitted from the fee listing as your counsel described to me earlier. I just need you to confirm that, ma'am, I'm not trying to argue with you.
A Yes.
Q I just want a clear record.
MR. BOYLAN: Or do you want to do that, counsel, if

you can just stipulate to that.
MR. REYNOLDS: We stipulate to that.
MR. BOYLAN: Okay. Very good. Thank you.
BY MR. BOYLAN:
Q Okay. Look at page 71. You see those total -- those two cashier checks which total the $51,000?
A Yes.
Q And you see Exhibit 1, with your signature, the $51,000?
A Yes.
Q Okay. So this is the money -- the cashier's check reflected on Exhibit 71, is the money you collected, put into your trust account in March of 2011, and then you transferred that money to your lender client Wells Fargo a few days later -- you did that personally -- excuse me -- by your signature, you authorized it -- those monies to be transferred to your client lender on -- on March 14th, 2011, as shown in Exhibit 1, correct?
A Yes.
Q Let's look at page 72. This is an MTC company -- your company's invoice, correct?
A I've never seen it, but yes.
Q But you recognize it as an MTC invoice, correct?
A Yes.
Q And you see it relates to the Sansotas and the

same loan number as Exhibit 1, correct?
A Yes.
Q Okay. And there are various dollar figures on here for various costs. Do you see that?
A Yes.
Q There's a heading called costs. There's a heading called fees and, of course, there are some totals.
Do you see that?
A Yes.
Q All right. What is this, can you explain it to us?
A It looks like an invoice.
Q And it's for costs and fees that your client charged with respect to the Sansota debt, correct?
MR. REYNOLDS: Objection. Assumes facts not in evidence.
MS. MAZIARZ: Form. Foundation.
MR. REYNOLDS: Calls for a legal conclusion.
THE WITNESS: Yes. It's on an invoice.
BY MR. BOYLAN:
Q And these are the costs and fees that your client was billing -- excuse me, your company was billing to your client Wells Fargo bank, correct?
A I don't know.
Q Well, why not? Is there something on here that

-- that confuses you?
A I don't look at these.
Q Okay. But you can read English. So I'm just saying, from looking at it, is there something that -- that makes you question whether it is what it appears to be?
A No.
Q All right. Costs that are shown on here, does your company -- and we can use this invoice as an example -- do you bill those at your own cost or do you have a markup in there as well?
A I don't know.
Q Do you know what that means?
A Yes.
Q Do you understand the question?
A Yes. But I don't know.
Q All right. Let's go back over your 20 plus years. As a general rule, during any time over those 20 plus years, including 2007 to 2013, did your company markup costs when it billed them to your client lenders?
A I don't know.
MR. REYNOLDS: Objection. Relevant.
BY MR. BOYLAN:
Q Fees?
MR. REYNOLDS: Calls for a legal conclusion.

BY MR. BOYLAN:
Q Do you see --
MR. REYNOLDS: Facts not in evidence.
BY MR. BOYLAN:
Q Do you see the category called "fees"? Trustee fee 1, trustee fee 2, trustee fee 3, starting in 2010. Do you see those?
A Yes.
Q What are those?
A I don't know.
Q How does your company make money?
A I don't know.
Q Have you ever known?
A No.
MR. BOYLAN: Let's take a look at the next page, page 73. Can you tell me, counsel, what's been redacted here? Looks like two-thirds of the page had been redacted. Just generally give me a subject. Just -- I mean, we haven't ever gotten a privileged law, no explanation, no nothing. Just redaction.
MR. REYNOLDS: I'm not testifying here.
MR. BOYLAN: I just want you to tell me if you know, as a courtesy.
MR. REYNOLDS: I'm not testifying.
MR. BOYLAN: Thank you.

BY MR. BOYLAN:
Q Ma'am, what's been redacted from this document?
A I don't know.
Q What is this document?
A I don't know.
Q What is CaseAware?
A I don't know.
Q You ever heard that name before?
A No.
Q Have you ever accessed it? Because we're going to check. I want you to tell me, under oath, have you --
A No.
Q -- ever accessed a system called CaseAware?
A No.
Q Do you know whether it's on the computer systems of your company?
A I don't know.
Q Let's look at the top of this document, do you see all these different words that are up there?
A Yes.
Q What are those?
A I -- just words on -- I don't know. They're words.
Q Do you know if this page was printed from a computer screen?

A I don't know.
Q Who's Janette Gomez? Janelle Gomez?
A I don't know.
Q Does she still work for your company?
A I'm not -- I don't know. I'm not quite sure.
MR. REYNOLDS: Did you read it? No, here.
THE WITNESS: Oh, there. I'm sorry.
BY MR. BOYLAN:
Q What did your counsel just point you to, ma'am?
A The name.
MR. REYNOLDS: You pronounced in a different way, so I didn't know if that was an issue for her.
BY MR. BOYLAN:
Q Is it an issue for you?
A It is.
Q Okay. What's the issue?
A The -- the correct pronunciation is Janelle.
Q Gomez is wrong too?
A No.
Q Okay. Do you recognize that person?
A Yes.
Q Who is that person?
A She works for the company.
Q What does she do?
A Not sure.

Q What do you think? What would you guess? No, what --
A Just employee of the company.
Q Okay. Where does she sit?
A In the building.
Q In what department?
A I don't know.
Q Do you ever talk to her?
A No.
Q But she does still work at the company?
A The best of my knowledge.
Q Now, do you sign paychecks, you or your husband, for your employees?
A No.
Q Do you have a stamp? How --
A I don't know.
Q How do you authorize payments to your employees?
A We have an auto-pay system.
Q Okay. But how -- how is it -- how is each time, how is it authorized? In case you have people leave or fired or overtime or -- each time there has to be some type of authorization for the amount paid to each employee, correct?
A We use a payroll system.
Q Who, who does the authorization for payroll?

A Human resources.
Q And who specifically has the authority to authorize payroll?
A Gloria Juarez.
Q Have you talked to Gloria Juarez about this lawsuit?
A No.
Q Do you know if your husband has?
A I don't know.
Q Let's look at page 74. You see the reference at the bottom, ma'am, the CaseAware?
A Yes.
Q What is that?
A Just says, CaseAware.
Q What does that mean, do you know?
A No.
Q What is this document?
A I don't know.
Q What was redacted from this document?
A I don't know.
Q This document shows you wired funds to your client Wells Fargo that had been collected to the Sansota debt, correct?
MR. REYNOLDS: Objection. Calls for legal conclusion. Assumes facts not in evidence.

MS. MAZIARZ: Form.
THE WITNESS: I've never seen it.
BY MR. BOYLAN:
Q Have you ever seen a computer-generated document like this in your entire life working and owning MTC?
A No.
Q Look at page 76. Actually we're going to be -- that's -- that's it for Exhibit 4, ma'am. Thank you.
Okay. Let's make sure we have our things in order. These yours or mine? You have four. Let's see what you have here. You have two, three.
MR. REYNOLDS: This is two.
MR. BOYLAN:
Q Yes. Here's your one. So you have one, two, three, four, right? So these must be mine, I believe. Let's me see, where's your two? Okay. So this must be mine.
MR. BOYLAN: I guess I did have another one for you. Just in case you want one.
MS. MAZIARZ: Thanks.
MR. BOYLAN: All right. What does that say? Is that initial disclosures?
MS. MAZIARZ: Yeah. It says initial there.
MR. BOYLAN: Okay. So we are now on 6, correct?
MR. REYNOLDS: I thought we would be on 5.

MR. BOYLAN: 5, madam reporter?
THE REPORTER: (Nodded head.)
MR. BOYLAN: Okay.
BY MR. BOYLAN:
Q Ma'am, would you please take a look at what I've marked as Exhibit 5?
(Exhibit 5 was so marked.)
MS. MAZIARZ: Thank you.
MR. BOYLAN: Yes.
MR. REYNOLDS: Can I take a two-minute break to use the restroom?
MR. BOYLAN: Sure, of course.
MR. REYNOLDS: Since we're going on --
(Recess taken from 1:48 p.m. to 1:52 p.m.)
BY MR. BOYLAN:
Q Okay. When you --
MR. BOYLAN: You ready?
THE REPORTER: (Nodded head.)
BY MR. BOYLAN:
Q When you are involved in collecting money and putting it into the trust account or forwarding it on to the lender clients, as you did with respect to the Sansotas, in Exhibit 1 or your company did, you have a file number assigned to it; is that correct?
MS. MAZIARZ: Form.

THE WITNESS: Yes.
BY MR. BOYLAN:
Q And when you want to look up a file, can you punch it into the computer, the file number and bring it up the file for that particular debtor?
A I don't know.
Q You've never done it in your 20 plus years?
A No.
Q Does the file number indicate what state the debtor is located in? Is there some type of code in the file number that does that?
A I don't know.
Q When you -- when you collect and/or forward money, how do you know what state the debtor is that's involved?
A I don't know.
Q Do you segregate the money by state in any way or does it all go into one trust account?
A I don't know.
Q Okay. When you -- when you take it out of the trust account, like you did in Exhibit 1, and send it to a lender, are there trust accounts in different states?
A I don't know.
Q The trust account that you wired money from here, with your signature of authority, where was that bank?

A Bank of California.
Q But this was a Nevada debtor, correct? You knew that, the Sansotas as shown on here?
A The Sansotas. Okay.
Q Yes?
A Yes. I think there's --
MR. REYNOLDS: There's no question pending. You're fine.
THE WITNESS: I think there's nothing to indicate that states it's -- I just don't know numbers offhand.
BY MR. BOYLAN:
Q All right. Let's look together, please, at Exhibit 5. Take a look at it, please, ma'am.
As you're looking, I'll describe it for the record. This came from your lawyer, created by your lawyer sitting to your right. It's called MTC's responses to the Sansota's, the plaintiffs in this case, as MTC, request for production of documents. So as you may understand or perhaps not, pursuant to the law, we send out requests for documents from your company. And what typically occurs -- and what should occur -- is the company distributes that to all the people who might have documents, either paper or electronic. And they have searches and they search all around; in file cabinets, under chairs, remote storage, archives. They search for

electronic information, backup tapes. They call their lawyers and accountants and others who might have documents that are responsive and they send everybody letters and e-mails and say, "Hey, the law says we've got to collect these documents."
So my first question to you is: Have you ever seen this -- this request for the -- our request for production of documents before to which this response?
A No.
Q Have you ever heard about it other than from your lawyer?
A No.
Q Okay. And you, personally, didn't search for any records, correct?
A No.
Q Correct?
A Yes.
Q Okay. Do you know if anyone did -- that did?
A I don't know.
Q Did you ever observe your husband searching for records?
A No.
Q Did he ever talk to you about any search he conducted?
A No.

Q Same question with respect to your management people, did they, to your knowledge, conduct any searches for documents in response to our request?
A I don't know.
Q Did you have any discussions with them about that?
A No.
Q Did anyone ask you if you had any documents that were requested?
A No.
Q And I -- I think we established earlier, you didn't search your e-mail for documents that were requested, correct?
A No.
Q Say "correct," please.
A Correct.
Q Thank you.
Okay. Let's look at inspection demand No. 1. It -- I'll try to explain it to you a little bit and then ask some questions and if you don't know the answers, then, so be it. It's really targeted to identify those debtors whose files your firm handled, debtors that were in Nevada and electronic information that may show who those people were. Do you understand that?
A Yes.

Q If you try to search that out, how would you search for that information?
A I don't know.
Q Well, what do you think you would do?
A Get on a computer.
Q Which one?
A I don't know. Not -- I don't know.
Q Why would you get on a computer for that information?
A I guess to look.
Q Okay. So if the records exist, it's on the computer database?
A Yes.
MR. REYNOLDS: Objection. Calls for legal conclusion. Assumes facts not in evidence and assumes personal knowledge.
BY MR. BOYLAN:
Q And with respect to that database, are the closed files in a different category from the open files?
A I don't know.
Q Who would know that?
A I don't know.
Q Who is your company's most knowledgeable person regarding your electronically stored information?
A I don't know.

Q Who do you think it would be?
A I don't know.
Q Who's in charge of your computers?
A I don't know.
Q Look at inspection demand No. 2, please. This one relates to any documents or electronically stored information concerning telephone scripts, telephone contacts, any policies or protocol related to the phone bank people. Do you understand what I'm saying?
A Yes.
Q Okay. Read it carefully, and tell me, where would those documents be if those exist today or electronic information, the documents or electronic information described there? Look at inspection demand No. 2. You don't have to read the objections.
A Oh.
MR. REYNOLDS: He wants you to read the bottom of page, the last nine of page 3 and the first three lines of page 4.
THE WITNESS: Okay. I don't know.
BY MR. BOYLAN:
Q What would be -- what would be your best estimate of where that information would be?
A I don't know.
Q Who would know?

A I don't know.
Q Who's in charge of telephone communications with debtors at your company?
A I don't know.
Q Who's in charge at the Nevada office for such communications?
A I don't know.
Q Look at No. 7, please, on page 12. Read that one. Just the request and then I have a question, please. You see it?
A It's right here.
Q Okay. So what I'm trying to figure out here, where are the documents and stuff that reflect your price lists for the clients like Wells Fargo. If -- if -- I've also got in front of me Exhibit 4, Bates number page 72. It shows the fees and costs that you charge for Sansota work. But if you see No. 7, it's trying to get to where are the documents and information that show what your price lists are that you send to banks like Wells Fargo so they know what you're going to charge them?
A I don't know.
Q Who would be in charge of that information?
A I don't know.
MR. BOYLAN: Jessica, I'll pass to you if you have any questions and then reserve any follow-up but, otherwise, I

think I'm done for today.
I do -- counsel, without trying to incite an argument -- reserve because a lot of questions were not answered, in our opinion, were evaded, so -- and those that were instructed not to answer. So we do intend to have more time with the witness as a result. I'm sure that you disagree. I just don't want any ambiguity on that.
Do you have anything, Jessica?
MS. MAZIARZ: I have no further questions.
MR. BOYLAN: All right. Stipulation, counsel. I will typically -- do you want to hear my suggestion or would you rather lead that?
MR. REYNOLDS: Why don't you give your suggestion.
MR. BOYLAN: My suggestion is that we relieve the court reporter of what would otherwise be her duties to retain the original. I'll do that. I'll make it available to you on reasonable notice and request for any trial or pretrial purposes. The witness will, within ten days of receipt -- if you need more time, correct me in a moment -- review it, sign it under penalty of perjury. You'll give me notice of any corrections that she makes. We will --
MR. REYNOLDS: Make it either two weeks or ten business days, which is your pleasure.

MR. BOYLAN: Ten business days sounds good. The -- however, we must also agree that if you want to, those delays to be accommodated that we can use if for whatever reason she doesn't sign it or hadn't signed it yet, we can use an unsigned certified copy for any and all purposes as if it were signed under penalty of perjury subject to any corrections she may make thereafter, of course, and commentary about that.
MR. REYNOLDS: After the time periods run --
MR. BOYLAN: Well --
MR. REYNOLDS: Why don't we start over. You can -- you can use -- once the court reporter has done the original transcript and has a certified copy, you can use it for your purposes. But until the time period is run for her to review and correct it, it's simply not reviewed and corrected. Does that make sense?
MR. BOYLAN: Yeah. As long as we can use it; and the reason why is because we've got a hearing coming up on the 20th and then I don't know what other hearing we're going to have so I just don't want to be hampered by the delay. You know, I'm happy for her to take ten business days.
MR. REYNOLDS: Right. But you normally get more than that.
MR. BOYLAN: Yes.
MR. REYNOLDS: So...okay.

MR. BOYLAN: All right.
MR. REYNOLDS: Let's make sure the court reporter can -- knows that we're -- that we're -- where this is at --
MR. BOYLAN: Well, I think she's relieved of her duties. So I think her --
MS. MAZIARZ: So what's going on with the exhibits?
MR. BOYLAN: She's going to take the exhibits and attach them, as always.
MS. MAZIARZ: Oh, okay. All right. I thought you said you were going to hold onto the exhibits.
MR. BOYLAN: No, the original transcript.
MS. MAZIARZ: Oh, okay.
MR. REYNOLDS: You're going to hold onto the original transcript?
MR. BOYLAN: Yes, ma'am -- yes, sir.
MR. REYNOLDS: And you're sending -- how are we getting the document, then? We're getting a copy of the transcript.
MR. BOYLAN: Well, I apologize. You're right.
What I would suggest -- I admitted that. I apologize. The original -- we'll first go to you. Now you're probably going to get a copy, anyway, so you may not need it. It's up to you. If you want it to just go to me, and she can work up a copy and correct a copy, I'm

satisfied with that. If you prefer the original, then let her send the original to you and you'll return it to me promptly within, you know, two -- two -- ten business days or whatever else. Is that okay? Which do you prefer? Do you want the original?
MR. REYNOLDS: I'll take the original.
MR. BOYLAN: All right. So just make sure you get it to me on a timely basis. I'm, obviously, getting an original and one so I'll something -- I'll have a certified copy that I can work with if -- if there is delay in its return to me, the original.
MR. REYNOLDS: Right.
MR. BOYLAN: Everybody agree?
MR. REYNOLDS: Agreed.
MS. MAZIARZ: I agree.
MR. BOYLAN: Okay. Great. Thank you very much.
(Proceedings concluded at 2:06 p.m.)

STATE OF CALIFORNIA)
) SS.
COUNTY OF _____)

I, the undersigned, declare under penalty of perjury that I have read the foregoing transcript, and I have made any corrections, additions or deletions that I was desirous of making; that the foregoing is a true and correct transcript of my testimony contained therein.

EXECUTED this _____ day of _____, 2016, _____ at _____.
(City) (State)

_____
TERRY JOHNSEN

REPORTER'S CERTIFICATE

I, ROSHEEN A. SHEEHY, CSR No. 13710, a Certified Shorthand Reporter, certify;
That the foregoing proceedings were taken before me at the time and place therein set forth, at which time the witness was put under oath by me;
That the testimony of the witness, the questions propounded, and all objections and statements made at the time of the examination were recorded stenographically by me and were thereafter transcribed;
That the foregoing is a true and correct transcript of my shorthand notes so taken.
I further certify that I am not a relative or employee of any attorney of the parties, nor financially interested in the action.
I declare under penalty of perjury under the laws of California that the foregoing is true and correct.
Dated this 7th day of July, 2016.

_____
ROSHEEN A. SHEEHY, CSR No. 13710

EXHIBIT “7”

AA0747F JULY 27, 2016

LETTER TO DEPOSITION OFFICER/ERRATA SHEET

DEPOSITION OF:

DATE OF DEPOSITION:

CASE:

The following are the corrections which I have made to my transcript:

PAGE#	LINE#	CORRECTION	REASON FOR CORRECTION
		See attached	

Please sign your name and date it on the below line. As needed, use additional paper to note corrections, dating and signing each page. If you have no corrections, please write the word "None" above and sign, date, and return this page.

EXECUTED this 11th day of August, 2016,

at Reno (City), California (State),

(Signature)

CORRECTIONS TO TERRY JOHNSEN DEPOSITION TRANSCRIPT

Page No.	Line No.	Correction	Reason for Correction
6	21	"Probably 1993" changed to "1992"	Correction/recollection/completeness (for all changes)
7	2	"Majority" changed to "Equal 50/50"	See above
9	8	"To just oversee and make sure that we are keeping up with the integrity of what we're required to do as far as human resources concerns" changed to "I oversee payroll"	See above
9	17	"is in charge of HR legal compliance" added to end of sentence	See above
10	3	"team" deleted "and management teams" added	See above
10	7	"Yes" deleted "At various times, we have had an in-house counsel. We have always had outside counsel." added	See above
16	10	"and management team" added at end of sentence	See above
16	14	"Both of us" deleted "Yes" added	See above
16	19	"Yes" changed to "No, my husband and the management team does" added	See above
16	21	"Yes" changed to "Yes, as to my husband"	See above
17	1	"Just to have" changed to "I don't know"	See above
17	3	"No" changed to "I don't know"	See above
17	6	"No" changed to "I don't know"	See above
17	22	"I don't know about applying for a license, but we did" added to beginning of sentence	See above
18	17	"No" changed to "No, I did not have any understanding as to this issue"	See above
18	24	Sentence now reads "It was not discussed with me."	See above
19	2	"recall" changed to "know"	See above

Page No.	Line No.	Correction	Reason for Correction
19	10	"No" changed to "I had nothing to do with any license"	See above
19	13	Sentence now reads "I had no involvement in the decision"	See above
19	15	"2000" changed to "2000, I believe"	See above
19	17	"Just doing business in Nevada" changed to "Just doing foreclosure trustee business in Nevada"	See above
21	11	"We do eviction work" changed to "Nonjudicial foreclosure work"	See above
24	20	"Cathy Cole Sherborn" changed to "Cathe Cole-Sherburn"	See above
25	14	"Just came up in a conversation, management" changed to "No one"	See above
25	16	"All of our management team" changed to "No one"	See above
25	18	"Cathy Cole Sherborn" deleted (N/A)	See above
25	20	"Gloria Juarez" deleted (N/A)	See above
25	22	"I can't remember offhand" deleted (N/A)	See above
25	24	"I believe he was in the meeting" deleted (N/A)	See above
26	1	"In an office" replaced with "I never had a meeting"	See above
26	5	"Yes" deleted (N/A)	See above
26	7	"Whatever was on the agenda, and I don't remember" deleted (N/A)	See above
26	9	It is more like a verbal, just kind of like" replaced with "I was not at a meeting"	See above
26	14	"There could have been, but I don't remember. This was several years ago, sir" replaced with "I was not at a meeting"	See above
26	18	"I don't remember" replaced with "I was not at a meeting"	See above

Page No.	Line No.	Correction	Reason for Correction
26	21	"I don't remember" replaced with "I was not at a meeting"	See above
26	25	"There was just whoever was there participate -- just talking about it" replaced with "I was not at a meeting"	See above
27	3	Sentence now reads "I was not at any meeting"	See above
27	8	"I don't recall" replaced with "I am not aware of such a meeting"	See above
27	12	"I don't remember" replaced with "I was not at any meeting, if there was one"	See above
29	10	"Cathy Cole-Sherborn" replaced with "Cathe Cole-Sherburn"	See above
30	13	"And some of our accounting" replace with "And our accounting"	See above
33	17	"I don't remember" replaced with "I am not aware of any meeting"	See above
34	21	"I would have no reason to know" added as last sentence	See above
36	3	"Trusteecorps.com" replaced with "tjohnsen@trusteecorps.com"	See above
36	11	"That has nothing to do with why I'm here, at all" replaced with "Yes"	See above
36	13	"No" replaced with "Yes"	See above
37	5	"I don't know" replaced with "No"	See above
37	20	"I don't remember" replaced with "No"	See above
37	22	"That, I don't remember" replaced with "No"	See above
37	25	"No" replaced with "I did not conduct a search"	See above
38	11	"No" replaced with "Right"	See above
38	21	"No" replaced with "Yes, that is correct"	See above

Page No.	Line No.	Correction	Reason for Correction
40	11	"As to phone communications, I don't know anything about a phone bank" added	See above
43	11	"I and my husband have the check signing authority. I do sign wire transfers for our bank to wire money" added	See above
47	21	"If I know, maybe twice" deleted, "I don't know" added	See above
47	25	"Depends on the day of the week" deleted, "We don't sign checks or wires together" added	See above
48	16	"Uh huh" deleted, "Yes" added	See above
54	23	"Okay" deleted, "Yes" added	See above
55	8	"Was in trust account" deleted, "The money was in the company's bank account" added	See above
55	18	"I don't remember, maybe" deleted, "No. I don't make deposits" added	See above
61	5	"Pacific Western Bank is the only bank with trust accounts" added	See above
62	1	"In a safe" deleted, "Records are kept electronically" added	See above
62	14	"I believe" deleted, "Electronic" added	See above
62	16	"Thumb drive" deleted, "I don't know" retained	See above
62	18	"The bank" deleted, "I don't know" added	See above
62	24	Sentence changed to "I don't know. I don't receive a thumb drive."	See above
63	2	"I don't know" changed to "I don't"	See above
63	7	"I hand it over to our accounting manager" deleted, "I don't get a thumb drive" added	See above
63	9	Sentence now reads "I don't get a thumb drive"	See above

Page No.	Line No.	Correction	Reason for Correction
63	12	"Gloria Juarez" deleted, "I don't get a thumb drive" added	See above
66	15	"Yes" deleted, "No. I don't know specific numbers as to Nevada" added	See above
66	18	"Yes" deleted, "No. I don't know specific numbers as to Nevada" added	See above
68	18	"Yes" deleted, "No" added	See above
68	20	"believe" deleted, "don't receive those" added	See above
69	15	"I don't really know" deleted, "La Tanya Wilson" added	See above
70	24	"L.A., I don't know" deleted	See above
71	1	"I don't recall" deleted, "Brea" added	See above
81	1	"remember" deleted, "know" added	See above
81	8	"I don't know" deleted, "Phone work is not done in Nevada"	See above
81	12	"I don't -- I don't know" deleted, "Phone work not done in Nevada" added	See above
81	16	"I guess" deleted, "No" added	See above
81	18	"I don't know" deleted, "Phone work is not done in Nevada" added	See above
82	7	"I guess" deleted, "Phone work is not done in Nevada" added	See above
82	9	"I don't honestly know" deleted, "Not applicable" added	See above
82	11	"I don't know" deleted, "Not applicable" added	See above
85	11	"Managers" deleted, "I don't know" added	See above
85	16	"Back of the local offices, I guess" deleted, "I don't know" added	See above
86	7	"I suppose" deleted, "I don't know" added	See above

Page No.	Line No.	Correction	Reason for Correction
116	5	""Cozoda?" deleted, "Quezada?" added	See above
116	8	"I don't know" deleted, "Facilities Manager" added	See above
116	10	"I don't know" deleted, "He is responsible for building repairs and maintenance at the Irvine office" added	See above
116	18	"I don't know" deleted, "Because he is an employee" added	See above
132	3	"I don't know" deleted, "Johnnelle Gomez" added	See above
132	5	"I'm not – I don't know. I'm not quite sure" deleted, "Yes" added	See above
132	17	"Janelle" deleted, "Johnnelle" added	See above
133	9	"No" deleted, "Yes, to say hello" added	See above
138	1	"Bank of" deleted	See above