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| <p style="text-align: right;">Page 1</p> <p style="text-align: center;">IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON<br/>IN AND FOR THE COUNTY OF KING</p> <p>-----</p> <p>JANET REINER, a single )<br/>woman, )<br/> )<br/>Plaintiff, )<br/> )<br/>-vs- ) No. 11-2-02029-8<br/> )<br/>NORTHWEST TRUSTEE SERVICES, )<br/>INC., a Washington )<br/>corporation; ONE WEST BANK, )<br/>FSB, a federal savings bank; )<br/>MORTGAGE ELECTRONIC )<br/>REGISTRATION SYSTEMS, )<br/>INC., a Delaware corporation, )<br/> )<br/>Defendants. )<br/> )</p> <p>-----</p> <p style="text-align: center;">Deposition Upon Oral Examination</p> <p style="text-align: center;">of</p> <p style="text-align: center;">JEFF STENMAN</p> <p>-----</p> <p style="text-align: center;">9:00 a.m.<br/>Wednesday, December 12, 2012<br/>787 Maynard Avenue South<br/>Seattle, Washington</p> <p>Cheryl Macdonald, RMR, CRR<br/>Court Reporter</p> <p style="text-align: right;">MOBURG SEATON &amp; WATKINS (206)622-3110</p> | <p style="text-align: right;">Page 3</p> <p style="text-align: center;">I N D E X</p> <table> <tr> <td>EXAMINATION</td> <td>PAGE</td> </tr> <tr> <td>BY MS. DAO: .....</td> <td>4, 106</td> </tr> <tr> <td>BY MS. MORRISON: .....</td> <td>105</td> </tr> </table><br><table> <tr> <td>EXHIBITS MARKED</td> <td>PAGE</td> </tr> <tr> <td>No. 1 Assignment of Deed of Trust</td> <td></td> </tr> <tr> <td>5/7/09.....</td> <td>33</td> </tr> <tr> <td>No. 2 Notice of Trustee's Sale</td> <td></td> </tr> <tr> <td>8/28/09.....</td> <td>40</td> </tr> <tr> <td>No. 3 Notice of Discontinuance</td> <td></td> </tr> <tr> <td>8/14/09.....</td> <td>42</td> </tr> <tr> <td>No. 4 Northwest Trustee's response</td> <td></td> </tr> <tr> <td>to plaintiff's first</td> <td></td> </tr> <tr> <td>discovery.....</td> <td>54</td> </tr> <tr> <td>No. 5 Recording instructions.....</td> <td>68</td> </tr> <tr> <td>No. 6 Publication instructions...</td> <td>70</td> </tr> <tr> <td>No. 7 Appointment of Successor</td> <td></td> </tr> <tr> <td>Trustee 12/26/07.....</td> <td>79</td> </tr> <tr> <td>No. 8 Appointment of Successor</td> <td></td> </tr> <tr> <td>Trustee 12/31/07.....</td> <td>85</td> </tr> <tr> <td>No. 9 Appointment of Successor</td> <td></td> </tr> <tr> <td>Trustee 4/8/08.....</td> <td>87</td> </tr> <tr> <td>No. 10 Assignment of Deed of Trust</td> <td></td> </tr> <tr> <td>6/1/09.....</td> <td>88</td> </tr> <tr> <td>No. 11 Notice of Discontinuance</td> <td></td> </tr> <tr> <td>4/29/10.....</td> <td>91</td> </tr> <tr> <td>No. 12 Stenman signature.....</td> <td>92</td> </tr> </table> <p style="text-align: right;">MOBURG SEATON &amp; WATKINS (206)622-3110</p> | EXAMINATION | PAGE | BY MS. DAO: ..... | 4, 106 | BY MS. MORRISON: ..... | 105 | EXHIBITS MARKED | PAGE | No. 1 Assignment of Deed of Trust |  | 5/7/09..... | 33 | No. 2 Notice of Trustee's Sale |  | 8/28/09..... | 40 | No. 3 Notice of Discontinuance |  | 8/14/09..... | 42 | No. 4 Northwest Trustee's response |  | to plaintiff's first |  | discovery..... | 54 | No. 5 Recording instructions..... | 68 | No. 6 Publication instructions... | 70 | No. 7 Appointment of Successor |  | Trustee 12/26/07..... | 79 | No. 8 Appointment of Successor |  | Trustee 12/31/07..... | 85 | No. 9 Appointment of Successor |  | Trustee 4/8/08..... | 87 | No. 10 Assignment of Deed of Trust |  | 6/1/09..... | 88 | No. 11 Notice of Discontinuance |  | 4/29/10..... | 91 | No. 12 Stenman signature..... | 92 |
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| BY MS. DAO: .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 4, 106                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| BY MS. MORRISON: .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 105                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| EXHIBITS MARKED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | PAGE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 1 Assignment of Deed of Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| 5/7/09.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 33                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 2 Notice of Trustee's Sale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| 8/28/09.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 40                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 3 Notice of Discontinuance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| 8/14/09.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 42                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 4 Northwest Trustee's response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| to plaintiff's first                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| discovery.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 54                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 5 Recording instructions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 68                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 6 Publication instructions...                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 70                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 7 Appointment of Successor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| Trustee 12/26/07.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 79                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 8 Appointment of Successor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| Trustee 12/31/07.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 85                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 9 Appointment of Successor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| Trustee 4/8/08.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 87                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 10 Assignment of Deed of Trust                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| 6/1/09.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 88                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 11 Notice of Discontinuance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| 4/29/10.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 91                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| No. 12 Stenman signature.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 92                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |
| <p style="text-align: right;">Page 2</p> <p style="text-align: center;">A P P E A R A N C E S</p> <p>FOR THE PLAINTIFF:</p> <p>HA THU DAO<br/>Attorney at Law<br/>GRAND CENTRAL LAW<br/>787 Maynard Avenue South<br/>Seattle, Washington 98104<br/>youremylawyer@gmail.com</p> <p>FOR NORTHWEST TRUSTEE SERVICES:</p> <p>HEIDI BUCK MORRISON<br/>Attorney at Law<br/>ROUTH CRABTREE OLSEN<br/>13555 SE 36th Street<br/>Suite 300<br/>Bellevue, Washington 98006<br/>hbuckmorrison@rcolegal.com</p> <p>FOR ONE WEST BANK:<br/>(via telephone)</p> <p>CHRISTOPHER J. KAYSER<br/>Attorney at Law<br/>LARKINS VACURA<br/>621 SW Morrison Street<br/>Suite 1450<br/>Portland, Oregon 97205<br/>ckjaysr@larkinsvacura.com</p> <p>ALSO PRESENT: JANET REINER</p> <p style="text-align: right;">MOBURG SEATON &amp; WATKINS (206)622-3110</p>                                                                                                                                                                        | <p style="text-align: right;">Page 4</p> <p>1 JEFF STENMAN, witness herein, having been first</p> <p>2 duly sworn by the Certified Court</p> <p>3 Reporter, deposed and said as</p> <p>4 follows:</p> <p>5 MS. DAO: For the record, Ha Dao. I'm the</p> <p>6 attorney for Ms. Janet Reiner, and present at the</p> <p>7 deposition of Mr. Stenman here is Heidi Buck Morrison</p> <p>8 and Mr. Stenman himself. And Chris, if you can</p> <p>9 announce your presence for the deposition.</p> <p>10 MR. KAYSER: This is Chris Kayser. I'm</p> <p>11 appearing on behalf of One West Bank in this matter.</p> <p>12</p> <p>13 EXAMINATION</p> <p>14 BY MS. DAO:</p> <p>15 Q. Mr. Stenman, could you please state your</p> <p>16 full name and your address for the record.</p> <p>17 A. Jeff Stenman, 17324 140th Court Southeast,</p> <p>18 Kent, Washington 98042.</p> <p>19 Q. Can I have a spelling of your last name?</p> <p>20 A. S, as in Sam, T-E-N-M-A-N.</p> <p>21 Q. Are you employed by Northwest Trustee, one</p> <p>22 of the defendants?</p> <p>23 A. Yes.</p> <p>24 Q. And can you tell me the capacity that</p> <p>25 you're employed by the company?</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |             |      |                   |        |                        |     |                 |      |                                   |  |             |    |                                |  |              |    |                                |  |              |    |                                    |  |                      |  |                |    |                                   |    |                                   |    |                                |  |                       |    |                                |  |                       |    |                                |  |                     |    |                                    |  |             |    |                                 |  |              |    |                               |    |

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| <p style="text-align: right;">Page 5</p> <p>1 A. I'm the secretary, the assistant<br/>2 vice-president, and the vice-president.<br/>3 Q. Can you describe the organizational<br/>4 structure of the company, the type of incorporation?<br/>5 A. It's an Inc., I-N-C.<br/>6 Q. And so it's a -- is it a privately held<br/>7 company?<br/>8 A. Yes.<br/>9 Q. And can you name the directors or officers?<br/>10 A. I believe Stephen Routh is the CEO.<br/>11 R-O-U-T-H.<br/>12 Q. Anyone else you can think of?<br/>13 A. No.<br/>14 Q. Mr. Routh is a licensed attorney?<br/>15 A. I don't know if he's a licensed attorney.<br/>16 I don't know the status of his bar license.<br/>17 Q. How many employees does the company have?<br/>18 A. Approximately 230.<br/>19 Q. And can you describe your own duties under<br/>20 the titles that you just mentioned?<br/>21 A. Well, my official title is the director of<br/>22 operations. I'm responsible for operations,<br/>23 supervising the operations of our Bellevue office, our<br/>24 Santa Ana office, and then some oversight over Alaska<br/>25 trustee in our Alaska office.</p> | <p style="text-align: right;">Page 7</p> <p>1 A. No.<br/>2 Q. What is your understanding of the<br/>3 affiliation between Northwest and Routh Crabtree Olsen<br/>4 as the law firm?<br/>5 A. We're separate but we're affiliated. We<br/>6 have common ownership.<br/>7 Q. Common ownership you said?<br/>8 A. Yes.<br/>9 Q. In your position with Northwest Trustee, do<br/>10 you own any shares or any part of the company,<br/>11 Northwest Trustee, that is?<br/>12 A. I do participate in 401(k) profit sharing<br/>13 like every other employee.<br/>14 Q. But no shares?<br/>15 A. No.<br/>16 Q. Other than the ownership share with RCO,<br/>17 does any other company or business own Northwest<br/>18 Trustee, that you know of?<br/>19 A. No.<br/>20 Q. How long has the company been in business?<br/>21 A. I don't know. I don't have the exact date.<br/>22 Q. How long have you been employed by the<br/>23 company?<br/>24 A. My initial employment was with a law firm,<br/>25 and then the trustee company was formed. So I was</p>                                                                                      |
| <p style="text-align: right;">Page 6</p> <p>1 Q. Okay.<br/>2 A. I have employees in our Portland office as<br/>3 well.<br/>4 Q. Is Northwest trustee a Washington<br/>5 corporation?<br/>6 A. Yes.<br/>7 Q. Who do you take orders from? Who is your<br/>8 direct superior?<br/>9 A. I report to Jeff Aiken.<br/>10 Q. Spell that for me.<br/>11 A. A-I-K-E-N. And he's the COO of RIM, Realty<br/>12 In Motion.<br/>13 Q. What's the name of that company?<br/>14 A. Realty In Motion.<br/>15 Q. What is he with relations to Northwest<br/>16 Trustee?<br/>17 A. Well, to the best of my knowledge, I just<br/>18 report to him, and he's responsible for all of the<br/>19 different entities that report up to RIM.<br/>20 Q. Where is he located, Mr. Aiken?<br/>21 A. He works out of Dallas, Texas.<br/>22 Q. Dallas, you say?<br/>23 A. Yeah.<br/>24 Q. To the best of your knowledge, does he have<br/>25 any ownership interest in Northwest?</p>                                                                                                                                                                                    | <p style="text-align: right;">Page 8</p> <p>1 originally hired in as an employee of a law firm.<br/>2 Q. Which law firm is that?<br/>3 A. Routh Crabtree and Fennell.<br/>4 Q. And how long were you with them?<br/>5 A. I've been with them since 1996.<br/>6 Q. And then they later became?<br/>7 A. Later became the trustee company Northwest<br/>8 Trustee.<br/>9 Q. Do you know what the volume of business<br/>10 that Northwest is doing this year for 2012?<br/>11 A. I'd be guessing. I don't have the exact<br/>12 numbers.<br/>13 Q. Sure. But what is your estimate? Let me<br/>14 help you. Do you know, roughly, the number of<br/>15 foreclosures that the company handled in 2012? And<br/>16 we're getting to the end of the year.<br/>17 A. Roughly probably somewhere in the<br/>18 neighborhood of 20,000 maybe.<br/>19 Q. I'm sorry, 20,000? Are we limited -- are<br/>20 we limiting that to Washington state?<br/>21 A. Yes. Well, Washington, Idaho and Montana.<br/>22 Q. Western states, 20,000?<br/>23 A. About, yes.<br/>24 Q. You don't happen to know what the breakdown<br/>25 for Washington state is?</p> |

2 (Pages 5 to 8)

| Page 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Page 11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
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| <p>1 A. Washington has the majority of that count.<br/>2 So, at least, I would say it's greater than 50<br/>3 percent.<br/>4 Q. Do you know in dollar amounts, based on<br/>5 invoice bill and collected, what that number is for<br/>6 gross?<br/>7 A. No, I don't.<br/>8 Q. Do you have any idea what the volume was<br/>9 for 2011?<br/>10 A. It fluctuates, so I don't have the exact<br/>11 number. Probably somewhere similar to that number.<br/>12 Depends. There was a law change. When there's a law<br/>13 change, when there's a change in the law, sometimes it<br/>14 takes the servicers time to get up to speed on their<br/>15 part of the change in the law, and it affects the<br/>16 referral volume.<br/>17 Q. So if we're talking about the changes in<br/>18 Washington law specifically in 2011 and 2012,<br/>19 specifically the Foreclosure Fairness Act --<br/>20 A. Yes.<br/>21 Q. -- do you believe that those changes have<br/>22 an effect, or have had an effect, on the servicer's<br/>23 volume to your company?<br/>24 A. To us, yes, because they had to come into<br/>25 compliance with that law.</p> | <p>1 Q. The appointment which is recorded in public<br/>2 records?<br/>3 A. Yes.<br/>4 Q. What about a written agreement, separate<br/>5 and apart from that, that details duties,<br/>6 expectations, compensation?<br/>7 A. Some of our clients have direct agreements<br/>8 with Northwest Trustee, yes.<br/>9 Q. Can you recall who they are?<br/>10 A. I'd be guessing. I don't know who exactly<br/>11 they are.<br/>12 Q. Are you familiar with the facts of this<br/>13 case, that Ms. Reiner is the borrower and the<br/>14 plaintiff in the case?<br/>15 A. Yes.<br/>16 Q. Do you know whether you have an express<br/>17 agreement with IndyMac Federal Bank, who was referring<br/>18 in 2009?<br/>19 A. I'm not aware if we have a specific written<br/>20 agreement.<br/>21 Q. You're not sure. It could exist but you<br/>22 just don't know?<br/>23 A. I'd have to -- like any client, I'd have to<br/>24 go into our client folder and look to see what we<br/>25 have. I didn't review the client folder to see if we</p>                                                                                                                           |
| Page 10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Page 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>1 Q. Do you have any forecasts for Northwest<br/>2 volume for 2013?<br/>3 A. No.<br/>4 Q. Do you know who Quality Loan Service<br/>5 Corporation of Washington is?<br/>6 A. Yes. I know who they are, yes.<br/>7 Q. Do you know -- are you aware that they're<br/>8 also performing similar trustee services that<br/>9 Northwest does?<br/>10 A. Yes.<br/>11 Q. Do you have any idea why certain<br/>12 foreclosure referrals go to them as opposed to going<br/>13 to your company?<br/>14 A. No.<br/>15 Q. Who pays Northwest Trustee fees for trustee<br/>16 services?<br/>17 A. Whoever is referring it to us. The<br/>18 servicer of the loan would be paying the invoice.<br/>19 Q. Is there an express written agreement for<br/>20 Northwest Trustee to act as trustee in each of the<br/>21 foreclosure referral?<br/>22 A. As trustee?<br/>23 Q. Yes.<br/>24 A. There would be an appointment that would be<br/>25 a written agreement.</p>                                                                                                                                                                                   | <p>1 had an express written agreement with IndyMac Federal<br/>2 Bank. IndyMac Federal Bank no longer exists.<br/>3 Q. I understand, but that was back -- the<br/>4 referral was made back in 2009. Would you agree?<br/>5 A. Yeah.<br/>6 MS. DAO: This has already been marked as<br/>7 Exhibit 1. This is a copy, and I don't know why it's<br/>8 not marked. Here. Have you look at that.<br/>9 Q. I'd like for you, Mr. Stenman, to look at<br/>10 Exhibit 1 which, I will represent to you, that has<br/>11 been produced to us yesterday in connection with<br/>12 Ms. McElligott's deposition, and if you'll take a<br/>13 moment to look it over.<br/>14 MS. MORRISON: Ha, just so you know, these<br/>15 are documents -- it's many of the same that were<br/>16 produced yesterday, but there are some differences.<br/>17 So...<br/>18 MS. DAO: And is Mr. Stenman going to be<br/>19 able to speak to the differences?<br/>20 MS. MORRISON: If you want to question him<br/>21 about differences.<br/>22 MS. DAO: Are you saying that there's more<br/>23 documents than yesterday?<br/>24 MS. MORRISON: Yeah. There are additional<br/>25 documents.</p> |

3 (Pages 9 to 12)

| Page 13                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Page 15                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| <p>1 MS. DAO: Thank you.</p> <p>2 A. Okay.</p> <p>3 Q. All right. Now, do you recognize Exhibit 1</p> <p>4 to be a foreclosure transmittal package?</p> <p>5 A. Yes.</p> <p>6 Q. And can you tell me where Exhibit 1 came</p> <p>7 from?</p> <p>8 A. At the time I think they called it New</p> <p>9 Track, but it's LPS desktop, or a third-party website</p> <p>10 that the lender uses to transmit foreclosure referrals</p> <p>11 and to communicate back and forth with the office.</p> <p>12 Q. Okay. What is the date of this referral</p> <p>13 package?</p> <p>14 A. It says 4-5-2009.</p> <p>15 Q. And who is designated as the referral</p> <p>16 source, if you can tell?</p> <p>17 A. Referral source? It says it's from FIS</p> <p>18 Foreclosure Solutions.</p> <p>19 Q. So that's the same as LPS?</p> <p>20 A. Yes. I think so, yes.</p> <p>21 Q. And I'd like for you to clarify as far as</p> <p>22 that system where you indicated that it's a third-</p> <p>23 party vendor. What exactly do they do and what is the</p> <p>24 reliance by Northwest?</p> <p>25 A. They help facilitate a referral and</p>                                                                                 | <p>1 desktop system -- and I'm just going to refer to it as</p> <p>2 the desktop system that you're speaking of. Is it</p> <p>3 being used for all servicers?</p> <p>4 A. No.</p> <p>5 Q. Do you know who or for whom the system is</p> <p>6 used for?</p> <p>7 A. I know of several servicers that use it. I</p> <p>8 don't know every servicer that uses it.</p> <p>9 Q. Can you name a few that you can recall?</p> <p>10 A. J. P. Morgan Chase, Wells Fargo, Bank of</p> <p>11 America, Ceterras.</p> <p>12 Q. In Ms. Reiner's case, it was being used</p> <p>13 obviously?</p> <p>14 A. Uh-huh.</p> <p>15 Q. I need you to say yes or no.</p> <p>16 A. Yes.</p> <p>17 Q. Now, also referring to Exhibit 1, there's a</p> <p>18 reference that the mortgage currently held by and</p> <p>19 foreclosure should be in the name of. Do you see</p> <p>20 that?</p> <p>21 A. Yes.</p> <p>22 Q. And who is that entity?</p> <p>23 A. IndyMac Federal Bank.</p> <p>24 Q. What is your understanding by that</p> <p>25 reference?</p>                                                                                                |
| Page 14                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Page 16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>1 information between the servicer and the attorney</p> <p>2 trustee.</p> <p>3 Q. The attorney trustee?</p> <p>4 A. Rather than allowing me to go directly into</p> <p>5 their service seed system to pull information, they</p> <p>6 download that information into a third-party system</p> <p>7 and then provide access to that system so that we can</p> <p>8 pull that information out of the system and put it</p> <p>9 into our database.</p> <p>10 Q. And that is the LPS system?</p> <p>11 A. Yes. That's one name of it, yes.</p> <p>12 Q. What are the other names?</p> <p>13 A. LPS desktop is the most current name of it.</p> <p>14 Q. On Exhibit 1 there's FIS desktop. Is that</p> <p>15 the same system?</p> <p>16 A. I think so, yes.</p> <p>17 Q. Do you know anything about that system</p> <p>18 specifically, the platform, how it came about, where</p> <p>19 the data came from?</p> <p>20 A. Its origins, I wouldn't have any knowledge</p> <p>21 of its origins. I just know that it's a tool that we</p> <p>22 use to communicate back and forth.</p> <p>23 Q. Is that tool being used for all lenders?</p> <p>24 A. No.</p> <p>25 Q. I'm sorry, let me ask you again. Is the</p> | <p>1 A. That that is the name we should reference</p> <p>2 as the name we are foreclosing in the name of.</p> <p>3 Q. Is it fair to say that when this particular</p> <p>4 referral package came in you rely on the information</p> <p>5 there at face value?</p> <p>6 A. In 2009, yes.</p> <p>7 Q. You don't go behind what is being</p> <p>8 represented in Exhibit 1 to determine the veracity or</p> <p>9 the truth of the representation?</p> <p>10 A. I'm not sure what you mean by that.</p> <p>11 Q. You testify that you receive information</p> <p>12 from the website?</p> <p>13 A. Correct.</p> <p>14 Q. And you accepted that information in order</p> <p>15 to process your work as trustee?</p> <p>16 A. Yes.</p> <p>17 Q. Are there any activities that you take to</p> <p>18 verify that the data you receive from the system is</p> <p>19 accurate?</p> <p>20 A. Accurate, no.</p> <p>21 Q. I'm alerting you to the reference of the</p> <p>22 identification of the investor in this case.</p> <p>23 A. Uh-huh.</p> <p>24 Q. Who is that, Mr. Stenman?</p> <p>25 A. Federal Home Loan Mortgage Corporation.</p> |

4 (Pages 13 to 16)

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| <p style="text-align: right;">Page 17</p> <p>1 Q. Do you have any understanding or knowledge<br/>2 of the difference between the reference of mortgage<br/>3 currently held by IndyMac Federal and investor by<br/>4 Freddie Mac?</p> <p>5 MS. MORRISON: Objection. I think you're<br/>6 asking him to make any sort of legal conclusion. He<br/>7 can answer if he knows.</p> <p>8 A. Can you repeat your question, please.</p> <p>9 Q. In looking at Exhibit 1, when you see the<br/>10 two references of two separate entities, what is your<br/>11 understanding of the difference between those two<br/>12 entities as to the capacity regarding the foreclosure?</p> <p>13 A. Well, I know that Federal Home Loan<br/>14 Mortgage Corporation is the investor, and I know that<br/>15 IndyMac Federal Bank is the servicer, and I know that<br/>16 Federal Home Loan Mortgage Corporation requires that<br/>17 IndyMac Federal Bank foreclose in their name, not in<br/>18 Federal Home Loan Mortgage Corporation's name.</p> <p>19 Q. Is there a guideline or written document<br/>20 that you're referring to when you talk about your own<br/>21 knowledge?</p> <p>22 A. Yes. It's the guidelines that are<br/>23 published by Federal Home Loan Mortgage Corporation.</p> <p>24 Q. And we can find that on their Internet<br/>25 website?</p> | <p style="text-align: right;">Page 19</p> <p>1 Q. No separate agreement between your company<br/>2 and Freddie Mac?</p> <p>3 A. Northwest Trustee Services, no.</p> <p>4 Q. Can you describe to me the process by which<br/>5 the referral came in, in this case? And I'm still<br/>6 referring to the Exhibit 1.</p> <p>7 A. How the referral came in?</p> <p>8 Q. Yeah.</p> <p>9 A. Through an electronic download from that<br/>10 third-party system.</p> <p>11 Q. And your employees or Northwest Trustee<br/>12 employees would sign on with an access code?</p> <p>13 A. Yes.</p> <p>14 Q. And the information that you receive would<br/>15 be via electronic images and data?</p> <p>16 A. Yes.</p> <p>17 Q. Is there any paper copies or a transmission<br/>18 of the package itself that you know of?</p> <p>19 A. It's electronic transmit, electronically<br/>20 transmitted. We're a paperless office, so we would<br/>21 not have a paper file where we would print any of the<br/>22 referral or documents out and put them into a physical<br/>23 file.</p> <p>24 Q. I'd like for you to go to the pages beyond<br/>25 the first two pages there.</p>                        |
| <p style="text-align: right;">Page 18</p> <p>1 A. I don't know if you have access or not.</p> <p>2 Q. Have you ever read the guidelines that<br/>3 you're referring to?</p> <p>4 A. I'm familiar with them, yes.</p> <p>5 Q. In this referral, who paid the invoices<br/>6 that your company billed?</p> <p>7 A. I don't have direct knowledge of who paid<br/>8 it.</p> <p>9 Q. But --</p> <p>10 A. In other words, I've never seen the check.</p> <p>11 Q. Are you familiar with the existence of any<br/>12 invoices --</p> <p>13 A. Yes.</p> <p>14 Q. -- relating to this particular referral in<br/>15 2009?</p> <p>16 A. Yes.</p> <p>17 Q. And you don't recall who the invoices were<br/>18 being billed to?</p> <p>19 A. IndyMac Federal Bank.</p> <p>20 Q. And do you recall if you got -- I'm sorry,<br/>21 let me rephrase. Are you aware of any agreement<br/>22 between Northwest Trustee and Federal Home Loan<br/>23 Mortgage Company, which I will refer to from now on as<br/>24 "Freddie Mac"?</p> <p>25 A. No.</p>                                                                                                                                                                                                                                                                                                                   | <p style="text-align: right;">Page 20</p> <p>1 A. Okay.</p> <p>2 Q. What are these figures and ledger here?<br/>3 They look like ledgers to me.</p> <p>4 A. Which page are you looking at?</p> <p>5 Q. You go to the third page, which is VMD 10.</p> <p>6 A. VMD 10?</p> <p>7 Q. Yeah, through 17.</p> <p>8 A. It would give us information regarding the<br/>9 current interest rate, the unpaid principal balance.<br/>10 It would give us the interest calculation, the escrow<br/>11 advance balance, the accumulated late charges. These<br/>12 are financials from the lender's system or the<br/>13 servicer's system.</p> <p>14 Q. And to the best of your knowledge, those<br/>15 information would have come from IndyMac Federal Bank?</p> <p>16 A. Yes.</p> <p>17 Q. What is your understanding of Freddie Mac<br/>18 as an investor?</p> <p>19 MS. MORRISON: Objection if you're asking<br/>20 him to make a legal conclusion. He can answer if he<br/>21 knows.</p> <p>22 A. My understanding of Federal Home Loan<br/>23 Mortgage Corporation is the principal in interest<br/>24 that's collected is passed through to them as they are<br/>25 an investor in that loan.</p> |

5 (Pages 17 to 20)

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| <p style="text-align: right;">Page 21</p> <p>1 Q. Do you have any knowledge of the nature of</p> <p>2 Ms. Reiner's loan as in whether it was sold to Freddie</p> <p>3 Mac, whether it was securitized? Do you have any</p> <p>4 idea?</p> <p>5 A. No, I don't.</p> <p>6 Q. Insofar as the third-party LPS system, are</p> <p>7 you aware of any maintenance activities or design</p> <p>8 activities of the program itself?</p> <p>9 A. I'm not involved in that part of the</p> <p>10 process. I know they update the system and it changes</p> <p>11 occasionally, and they issue updates to the changes</p> <p>12 they make that affect us.</p> <p>13 Q. Right. But that also -- electronic</p> <p>14 transmissions you're talking about?</p> <p>15 A. I think I'm referring more to the structure</p> <p>16 of the system and where to find the information and</p> <p>17 how to communicate back and forth through that system.</p> <p>18 Q. But you have no idea how it's maintained --</p> <p>19 A. No.</p> <p>20 Q. -- or worked on?</p> <p>21 A. I don't.</p> <p>22 Q. In looking at Exhibit 1 again, Mr. Stenman,</p> <p>23 do you recall whether there's an agreement with</p> <p>24 IndyMac Federal Bank for Northwest Trustee to act as</p> <p>25 trustee?</p>                                                         | <p style="text-align: right;">Page 23</p> <p>1 when, or the point of involvement?</p> <p>2 A. At the initial referral and issuance of the</p> <p>3 notice of default.</p> <p>4 Q. Okay. Now, when you talk about the</p> <p>5 schedule of fees, as we've just talked about -- and</p> <p>6 I'm narrowing it to the GSE type loan here. And you</p> <p>7 agree that this is a GSE type loan?</p> <p>8 A. Yeah. Federal Home Loan Mortgage</p> <p>9 Corporation I would consider a GSE, yes.</p> <p>10 Q. Does that schedule of fees apply at the</p> <p>11 initial referral and throughout, or is it broken down</p> <p>12 to prior to appointment and after appointment?</p> <p>13 A. I believe Freddie Mac's fee is just stated</p> <p>14 as an overall allowable amount. I don't believe that</p> <p>15 it breaks it down at each stage.</p> <p>16 Q. All right. So when you -- when your</p> <p>17 company got involved in this case in 2009, that</p> <p>18 particular fee schedule would apply as a set amount?</p> <p>19 A. We would be held to not to charge more than</p> <p>20 the allowable fee in 2009, whatever the published fee</p> <p>21 was in 2009.</p> <p>22 Q. Does that remain true for all the work that</p> <p>23 you do, it's a flat fee?</p> <p>24 A. It's a flat fee, yes.</p> <p>25 MS. DAO: Hey, Chris, you want to mute your</p> |
| <p style="text-align: right;">Page 22</p> <p>1 A. As trustee the agreement would be the</p> <p>2 appointment of successor trustee.</p> <p>3 Q. And I'm referring to a particular agreement</p> <p>4 about expectations, terms, compensation?</p> <p>5 A. I don't know if there's a specific</p> <p>6 agreement with -- between us and them. I'd have to</p> <p>7 research that.</p> <p>8 Q. Okay. What is your understanding of how</p> <p>9 Northwest Trustee is compensated? What's the basis</p> <p>10 for compensation?</p> <p>11 A. The fee is derived by loan type, and</p> <p>12 typically they will provide a -- they'll make a</p> <p>13 statement that we're to bill to whatever loan type or</p> <p>14 GSE or government entity. Most government entities,</p> <p>15 like Freddie Mac and Fannie Mae and HFA and VA,</p> <p>16 provide fee schedules, allowable fees. And then</p> <p>17 usually the servicer will indicate what amount of fee</p> <p>18 can be charged at each particular milestone during a</p> <p>19 foreclosure.</p> <p>20 Q. So along the line of that disclosure, is it</p> <p>21 fair to say that Northwest gets involved before the</p> <p>22 notice -- before it even is appointed as successor</p> <p>23 trustee?</p> <p>24 A. Yes.</p> <p>25 Q. So the stage of that involvement would be</p> | <p style="text-align: right;">Page 24</p> <p>1 end?</p> <p>2 MR. KAYSER: I'm sorry about that.</p> <p>3 MS. DAO: Thanks.</p> <p>4 Q. Mr. Stenman, if I could ask you to pay</p> <p>5 attention to what I've handed you, which is Exhibit 3</p> <p>6 from the previous day of deposition. If you could</p> <p>7 take a look and familiarize yourself with the</p> <p>8 document.</p> <p>9 A. Okay.</p> <p>10 Q. This is the notice of default that</p> <p>11 Northwest Trustee sent out on behalf of IndyMac</p> <p>12 Federal Bank; is that correct?</p> <p>13 A. Yes.</p> <p>14 Q. And the date of the document is what, Mr.</p> <p>15 Stenman?</p> <p>16 A. April 7, 2009.</p> <p>17 Q. So the information -- I'm sorry. Who</p> <p>18 prepared the notice of default, to the best of your</p> <p>19 knowledge?</p> <p>20 A. Northwest Trustee Services.</p> <p>21 Q. And you reviewed the information that is</p> <p>22 contained in Exhibit 3. Can you tell me where the</p> <p>23 information came from, and specifically the items</p> <p>24 account for the arrears?</p> <p>25 A. Just the arrears?</p>                                                                                                                                                                                                                                               |

6 (Pages 21 to 24)

| Page 25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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| <p>1 Q. Yes.</p> <p>2 A. The arrears information came from the</p> <p>3 screen prints that were provided at the referral, at</p> <p>4 the point of referral.</p> <p>5 Q. And could it be the information that we</p> <p>6 were just talking about on the previous exhibit, the</p> <p>7 pages that were attached to the referral package?</p> <p>8 A. It could be, yes.</p> <p>9 Q. Where else would you get the information</p> <p>10 about the arrears?</p> <p>11 A. A very small portion of the information</p> <p>12 comes in through the download, through our electronic</p> <p>13 download.</p> <p>14 Q. Through the same third-party system you</p> <p>15 were --</p> <p>16 A. Yes, but a very small part. We verify all</p> <p>17 the financial information through the screen prints</p> <p>18 that they provide.</p> <p>19 Q. I'm going to call your attention to on the</p> <p>20 item listed as trustee's fees. Do you see that?</p> <p>21 A. Yes.</p> <p>22 Q. And that is how much?</p> <p>23 A. \$508.</p> <p>24 Q. Would that represent the amount of fees</p> <p>25 allowed for in this GSE loan?</p>                                                                          | <p>1 A. Yes.</p> <p>2 Q. Is that a statement of fact?</p> <p>3 MS. MORRISON: Objection to the extent</p> <p>4 you're asking him to make any sort of legal</p> <p>5 determination. He can answer if he knows.</p> <p>6 A. It's our representation of ourselves in the</p> <p>7 document.</p> <p>8 Q. Is that true?</p> <p>9 A. Did we issue it as an agent, yes.</p> <p>10 Q. And the authority to act as an agent came</p> <p>11 from where?</p> <p>12 A. From the referral.</p> <p>13 Q. From the referral? Are we talking about</p> <p>14 the previous exhibit, or is it some other document</p> <p>15 that I'm not seeing?</p> <p>16 A. When it was delivered to us through the</p> <p>17 LPS desktop system, that's when we picked up the</p> <p>18 referral, and it was deposited into our database. And</p> <p>19 we issued it as an agent because we had not been</p> <p>20 appointed. So we couldn't issue it as a trustee.</p> <p>21 Q. And again the -- your -- the representation</p> <p>22 as appeared here is based on that referral?</p> <p>23 A. Correct.</p> <p>24 Q. Through the third-party system?</p> <p>25 A. That's correct.</p>                                                                                                                                                          |
| Page 26                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 28                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <p>1 A. It's the amount we charged at that stage,</p> <p>2 and it would be under the allowable amount for that</p> <p>3 stage -- well, for that GSE.</p> <p>4 Q. Okay. Let me clarify. When you said "that</p> <p>5 stage," you're not talking about just pre-appointment</p> <p>6 stage?</p> <p>7 A. At the point that we issue the notice of</p> <p>8 default it's the amount, the prorated amount, of the</p> <p>9 total fee that we charge.</p> <p>10 Q. I see. So there would be more fees earned</p> <p>11 as you continued on the trustee's work?</p> <p>12 A. Correct.</p> <p>13 Q. In Exhibit 3, if you look it's -- it has</p> <p>14 Ms. Vonnie McElligott's name on the last page. Is</p> <p>15 that an indication of anything? Did she prepare the</p> <p>16 exhibit?</p> <p>17 A. It's an indication of who the assigned</p> <p>18 processor is to the file.</p> <p>19 Q. And that would be Vonnie McElligott for</p> <p>20 this particular file?</p> <p>21 A. Yes.</p> <p>22 Q. So let me clarify. On the same last page,</p> <p>23 do you see the reference that Northwest Trustee</p> <p>24 Services, Inc., is the duly authorized agent for</p> <p>25 IndyMac Federal Bank?</p> | <p>1 Q. And then the fees of \$508 that we were</p> <p>2 talking about, in the previous page of the same</p> <p>3 Exhibit 3, would be paid or would have been paid by</p> <p>4 IndyMac Federal Bank?</p> <p>5 A. Yes. We would invoice them and they would</p> <p>6 pay us, yes.</p> <p>7 Q. In the event that the servicer changed --</p> <p>8 the servicers change in the middle of the foreclosure</p> <p>9 process, does your company record a new appointment of</p> <p>10 successor trustee?</p> <p>11 A. We don't have to. Once we're appointed</p> <p>12 trustee we're the trustee until another trustee is</p> <p>13 appointed, or the previous trustee resigns.</p> <p>14 Q. Okay. Are you aware that in this case</p> <p>15 there was a second appointment of successor trustee?</p> <p>16 A. Yes.</p> <p>17 Q. And what is your understanding of why that</p> <p>18 happened?</p> <p>19 A. I don't believe it was required. My belief</p> <p>20 is that we didn't take up the fact that there was a</p> <p>21 previous appointment and we recorded another one.</p> <p>22 Q. I asked you to describe the process, and I</p> <p>23 didn't pick up on it where we left off. After you got</p> <p>24 the referral electronically, what happened?</p> <p>25 A. We would have ordered a trustee sale</p> |

7 (Pages 25 to 28)

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| <p style="text-align: right;">Page 29</p> <p>1 guarantee, which is a title report.</p> <p>2 Q. From where?</p> <p>3 A. Depends on who we're using as a vendor.</p> <p>4 I'd have to look at the TSG, the trustee. We</p> <p>5 typically will default in our system who we record our</p> <p>6 title from, and I'd have to look to see who we ordered</p> <p>7 it from.</p> <p>8 Q. What was the purpose for the title report?</p> <p>9 A. It tells us who the current owner is, who</p> <p>10 the current vested owner of the property is. It tells</p> <p>11 us the current lien holders on the property. It</p> <p>12 should indicate who our -- which deed of trust we're</p> <p>13 foreclosing on. It would give us -- what would come</p> <p>14 along with it would be supporting documents that we</p> <p>15 could review, like the recording deed of trust. Any</p> <p>16 vesting deeds that may have been recorded prior to the</p> <p>17 deed of trust, and after the deed of trust in case the</p> <p>18 vested party transferred their interest to another</p> <p>19 vested party.</p> <p>20 Q. And then what do you do after the title</p> <p>21 order is -- the title report is ordered?</p> <p>22 A. Well, our -- the title company will send us</p> <p>23 a confirmation of the order, and with the confirmation</p> <p>24 they'll send us the recorded deed of trust on the</p> <p>25 vesting deeds that I alluded to, tax information so we</p> | <p style="text-align: right;">Page 31</p> <p>1 company creates?</p> <p>2 A. For just this part of the stage or the</p> <p>3 whole foreclosure?</p> <p>4 Q. For the foreclosure process. And I'm</p> <p>5 referring to this particular loan with Ms. Reiner.</p> <p>6 A. Are we talking about both foreclosures or</p> <p>7 just the first one?</p> <p>8 Q. Let's talk about the first one first</p> <p>9 because I realize that there were changes.</p> <p>10 A. I think, I believe, we only got through the</p> <p>11 notice of the default on the first one. I'd have to</p> <p>12 check, have to look at what we got through. And can</p> <p>13 I? Can I look?</p> <p>14 Q. Yes, go ahead.</p> <p>15 A. Because I'm not sure how far we got in</p> <p>16 here. I get them mixed up. There's two of them.</p> <p>17 Q. Sure. If we could confine to the 2009.</p> <p>18 A. 2009?</p> <p>19 Q. Yes, please.</p> <p>20 A. So we issued a notice of default. We</p> <p>21 procured an assignment of deed of trust.</p> <p>22 Q. Okay. Let's stop right there. You said</p> <p>23 you procure. What happened?</p> <p>24 A. We drafted it.</p> <p>25 Q. And this is the assignment, you said?</p> |
| <p style="text-align: right;">Page 30</p> <p>1 can see whether there's an additional mailing address</p> <p>2 for the homeowner, the borrower. And then we would</p> <p>3 take that information and the additional information</p> <p>4 that came from the referral and issue the notice of</p> <p>5 default.</p> <p>6 Q. And how do you go about issuing the notice</p> <p>7 of default?</p> <p>8 A. It gets mailed via first class and</p> <p>9 certified mail/return receipt requested, and it gets</p> <p>10 posted on the property.</p> <p>11 Q. And who does the mailing?</p> <p>12 A. We have a mailroom, full-service mailroom,</p> <p>13 that would handle the mailing.</p> <p>14 Q. Inside your company?</p> <p>15 A. Yes.</p> <p>16 Q. What about the posting?</p> <p>17 A. An outside agent. We would contact an</p> <p>18 outside agent and send a copy of the notice of default</p> <p>19 and ask that they post it, and we would tell them that</p> <p>20 it had to be posted as soon as possible, hopefully</p> <p>21 same day.</p> <p>22 Q. When I deposed Ms. McElligott yesterday, I</p> <p>23 asked her about the documents relating to the</p> <p>24 foreclosure process that your company creates, and she</p> <p>25 gave me a list. Can you tell me what documents your</p>                                                                                                                                                               | <p style="text-align: right;">Page 32</p> <p>1 A. Yes.</p> <p>2 Q. The assignment of deed of trust?</p> <p>3 A. Correct.</p> <p>4 Q. And are you looking at a particular</p> <p>5 document there?</p> <p>6 A. Yes.</p> <p>7 Q. Could you --</p> <p>8 A. Yes. JSD 88.</p> <p>9 Q. Could you pull it out for me?</p> <p>10 A. (Handing). Trying to find the appointment.</p> <p>11 Q. Take your time.</p> <p>12 MS. MORRISON: The appointment was marked</p> <p>13 as an exhibit yesterday.</p> <p>14 MS. DAO: Could be.</p> <p>15 MS. MORRISON: Exhibit 2 and Exhibit 20.</p> <p>16 Both of them.</p> <p>17 MS. DAO: 2 and 20?</p> <p>18 MS. MORRISON: Yes.</p> <p>19 A. Are you going to find it for me?</p> <p>20 Q. We have it here (indicating).</p> <p>21 A. The appointment of successor trustee,</p> <p>22 that's correct. The notice of trustee sale, which was</p> <p>23 dated effective 5-26-2009.</p> <p>24 Q. Will you hand me that?</p> <p>25 A. Sure. This is another separate notice.</p>                                                                                                                                                                                        |

8 (Pages 29 to 32)



| Page 33                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Page 35                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| <p>1 It's called a "Notice of Foreclosure." And a notice<br/> 2 of discontinuance. It looks like those were the only<br/> 3 documents for this foreclosure that we had issued.<br/> 4 (Marked for identification Exhibit 1.)<br/> 5 Q. Thank you. I'm going to hand you what has<br/> 6 been marked as Stenman Exhibit 1. Can you tell us<br/> 7 what that is?<br/> 8 A. It's the assignment of deed of trust.<br/> 9 Q. And you testified that your company<br/> 10 prepared that?<br/> 11 A. Yes.<br/> 12 Q. And where did you get the information to<br/> 13 prepare it from?<br/> 14 A. From the referral and from the recorded<br/> 15 deed of trust.<br/> 16 Q. How do you decide who the signatory would<br/> 17 be?<br/> 18 A. Well, we would use our standard template,<br/> 19 MERS template, and then it would be delivered to<br/> 20 IndyMac Bank, and then they would review it and make a<br/> 21 determination on whether or not they want any edits to<br/> 22 the document. So they may require revision, and then<br/> 23 we would have to upload a new one for revision. This<br/> 24 particular one, I wouldn't know whether or not there<br/> 25 was a revision done, but we would draft the first</p> | <p>1 is that a word processing template?<br/> 2 A. It's a template in our document system,<br/> 3 yes.<br/> 4 Q. Is it part of the third _arty vendor system<br/> 5 or is it separate?<br/> 6 A. It's part of ours. It's our proprietary<br/> 7 system.<br/> 8 Q. And how can you tell between -- you<br/> 9 mentioned that the fonts look different, font type.<br/> 10 A. Well, I also know that we don't populate<br/> 11 that information unless it's requested that we<br/> 12 populate some of the information, but typically we<br/> 13 wouldn't -- we would not populate the title of the<br/> 14 person signing the document because we wouldn't know<br/> 15 who is going to sign it.<br/> 16 Q. So in drafting the assignment of deed of<br/> 17 trust, you leave it blank as far as the person who is<br/> 18 going to sign?<br/> 19 A. We leave the signature section and the<br/> 20 notary section blank.<br/> 21 Q. And is it your belief that that was done in<br/> 22 this case?<br/> 23 A. Yes.<br/> 24 Q. And then how did you get it back signed?<br/> 25 A. They would have sent it to us in the mail.</p> |
| Page 34                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Page 36                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p>1 version and send it up to them. And then they would<br/> 2 determine if they would execute it and return it.<br/> 3 Q. On Exhibit 1, the signatory is<br/> 4 Erica A. Johnson-Seck. Do you see that?<br/> 5 A. Yes.<br/> 6 Q. And what's her title there?<br/> 7 A. It says vice-president of MERS.<br/> 8 Q. Have you ever met her?<br/> 9 A. No.<br/> 10 Q. Do you know who she is?<br/> 11 A. No.<br/> 12 Q. Do you know in fact -- do you know for a<br/> 13 fact that she was the assistant VP for MERS?<br/> 14 A. No.<br/> 15 Q. But so how did you -- I'm sorry, how did<br/> 16 Northwest decide to put her name there as signatory?<br/> 17 A. We didn't put her name on here.<br/> 18 Q. Who would have?<br/> 19 A. They would. Somebody at IndyMac Federal<br/> 20 Bank would complete the signature line and the title<br/> 21 and the notary section.<br/> 22 Q. And how can you tell?<br/> 23 A. Because it's not part of the draft<br/> 24 document. It's got a different font size.<br/> 25 Q. So the template that you were referring to,</p>                                                                                                                                                         | <p>1 Q. "They" who?<br/> 2 A. IndyMac Bank would have sent it to --<br/> 3 IndyMac Federal Bank would have sent it to us in the<br/> 4 mail.<br/> 5 Q. And are you talking about customs or do you<br/> 6 know for a fact that it happened in this case?<br/> 7 A. Well, they would either -- they would have<br/> 8 to deliver it to us in the mail because we have to<br/> 9 have an original signed document for us to send for<br/> 10 recording.<br/> 11 Q. So explain to me why this document was<br/> 12 supposed to be executed by MERS, but it would come<br/> 13 from IndyMac Federal.<br/> 14 A. The beneficiary on the deed of trust was<br/> 15 MERS.<br/> 16 Q. Correct.<br/> 17 A. So that's who would have to assign the<br/> 18 interest.<br/> 19 Q. Right. But my question is, why was it not<br/> 20 sent to MERS?<br/> 21 A. Well, if IndyMac Bank wanted to send it to<br/> 22 MERS for execution they could have, but we deliver the<br/> 23 assignments for the party we represent, which is<br/> 24 IndyMac Federal Bank. If they need to send it to MERS<br/> 25 for signature that's up to them.</p>   |

9 (Pages 33 to 36)

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| <p style="text-align: right;">Page 37</p> <p>1 Q. So even though you prepared the document<br/>2 for someone on behalf of MERS to sign, you never sent<br/>3 it directly to MERS?<br/>4 A. I'm not sure how you're characterizing<br/>5 that.<br/>6 Q. The assigner in this case is MERS; is that<br/>7 correct?<br/>8 A. Correct.<br/>9 Q. But you send the draft that you -- that<br/>10 your company drafted to IndyMac Federal?<br/>11 A. Correct.<br/>12 Q. Do you do that in all cases where it goes<br/>13 back to the servicer?<br/>14 A. Yes.<br/>15 Q. Is there any exception at all where you<br/>16 send it directly to MERS?<br/>17 A. No.<br/>18 Q. So you've never -- have you had any<br/>19 dealings with MERS in this particular case?<br/>20 A. No.<br/>21 Q. Do you recall if there was ever any<br/>22 correspondence from MERS to you?<br/>23 A. In this case, no.<br/>24 Q. Let me ask you to refer back to Exhibit 1<br/>25 of Stenman. And the date of the assignment, when you</p> | <p style="text-align: right;">Page 39</p> <p>1 Q. Yes.<br/>2 A. I don't see how the assignment would have<br/>3 any -- how that would affect the assignment, the deed<br/>4 of trust, since MERS is executing it, not IndyMac.<br/>5 Q. And so that's your understanding is that it<br/>6 doesn't matter?<br/>7 A. It's my understanding that MERS is<br/>8 executing the assignment, not IndyMac Bank.<br/>9 Q. Okay. And when you said MERS executed it,<br/>10 are we referring back to your testimony that it was<br/>11 sent to IndyMac Federal?<br/>12 A. Yes.<br/>13 Q. And so as far as your actual knowledge<br/>14 whether MERS actually executed the document, you don't<br/>15 know?<br/>16 A. I can only go by the document itself.<br/>17 Q. And is it fair to say that when you<br/>18 received Exhibit 1, you took no action -- Northwest<br/>19 Trustee took no action to verify the accuracy?<br/>20 A. Correct.<br/>21 Q. Or the identity of the signer?<br/>22 A. Correct.<br/>23 Q. Or the fact -- or whether or not she had<br/>24 authority to sign?<br/>25 A. Correct.</p> |
| <p style="text-align: right;">Page 38</p> <p>1 receive it, was when?<br/>2 A. I don't have that information in front of<br/>3 me.<br/>4 Q. How about the day of execution?<br/>5 A. It says it right on the assignment that it<br/>6 was executed on May 7.<br/>7 Q. Of 2000 --<br/>8 A. Nine.<br/>9 Q. You referred to the fact that IndyMac<br/>10 Federal Bank is no longer in existence?<br/>11 A. Correct.<br/>12 Q. Do you recall that?<br/>13 A. Yes.<br/>14 Q. Do you know the date that the bank ceased<br/>15 to exist as an entity?<br/>16 A. No.<br/>17 Q. Do you know the year that it ceased<br/>18 operating as an entity?<br/>19 A. No. I'd be guessing. I'd have to look<br/>20 back to see when that happened.<br/>21 Q. So if I were to tell you that Exhibit 1 was<br/>22 executed after the date that the bank had ceased<br/>23 operating, would you have any knowledge or information<br/>24 to dispute that?<br/>25 A. Are we talking about the assignment?</p>                      | <p style="text-align: right;">Page 40</p> <p>1 (Marked for identification Exhibit 2.)<br/>2 Q. I'm going to show you Exhibit 2 as your own<br/>3 deposition exhibit here, and it's appointment of<br/>4 successor trustee. Take a look at that document, Mr.<br/>5 Stenman.<br/>6 A. Okay.<br/>7 Q. Your testimony is that Exhibit 2 was also<br/>8 created by Northwest?<br/>9 A. Yes.<br/>10 Q. And for what purpose?<br/>11 A. To appoint Northwest Trustee as trustee in<br/>12 the foreclosure -- in the deed of trust.<br/>13 Q. And what facts let you -- led Northwest to<br/>14 do that?<br/>15 A. We would have looked at the title, and the<br/>16 title would have reflected that there wasn't a<br/>17 successor, an appointment of Northwest Trustee already<br/>18 of record.<br/>19 Q. And so that was a determination made by<br/>20 Northwest Trustee?<br/>21 A. Yes.<br/>22 Q. And so you created the appointment. And<br/>23 then what did you do after that?<br/>24 A. We would have delivered it to IndyMac<br/>25 Federal Bank for execution and return.</p>                |

10 (Pages 37 to 40)

| Page 41                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page 43                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| <p>1 Q. Again, on Exhibit 2, when you drafted the</p> <p>2 document, did you decide who was going to be the</p> <p>3 signatory?</p> <p>4 A. No.</p> <p>5 Q. And again --</p> <p>6 A. Well, let me restate that. We expected</p> <p>7 that IndyMac Federal Bank would be the signatory.</p> <p>8 Q. But did you pick a name?</p> <p>9 A. No.</p> <p>10 Q. So what -- so you used the template that</p> <p>11 you referred earlier to draft?</p> <p>12 A. Yes. It's a template in our system.</p> <p>13 Q. And then you sent it to IndyMac Federal?</p> <p>14 A. Yes.</p> <p>15 Q. And they executed it and returned it?</p> <p>16 A. Correct.</p> <p>17 Q. And again, the day of execution is May 7,</p> <p>18 2009. Do you agree?</p> <p>19 A. It doesn't have a date of execution. It</p> <p>20 only has a notary date.</p> <p>21 Q. What is that date?</p> <p>22 A. April -- or May 7, 2009.</p> <p>23 Q. And who is the signatory?</p> <p>24 A. Roger Stotts.</p> <p>25 Q. And what did he execute the document as?</p>                                        | <p>1 A. Okay.</p> <p>2 Q. What is that document?</p> <p>3 A. It's a "Notice of Discontinuance of</p> <p>4 Trustee's Sale."</p> <p>5 Q. And who signed it?</p> <p>6 A. I did.</p> <p>7 Q. What date?</p> <p>8 A. August 14.</p> <p>9 Q. Of?</p> <p>10 A. 2009.</p> <p>11 Q. Do you recall the circumstances that led</p> <p>12 you to sign that document?</p> <p>13 A. We were advised to cancel the foreclosure</p> <p>14 and to close our file.</p> <p>15 Q. Are you going by recollection from your</p> <p>16 memory?</p> <p>17 A. I saw a communication that was archived in</p> <p>18 our image archive system indicating that we were</p> <p>19 requested to cancel our foreclosure, to stop our</p> <p>20 foreclosure.</p> <p>21 Q. When did you look at this message?</p> <p>22 A. Within the last few days.</p> <p>23 Q. And what system are we talking about?</p> <p>24 A. LPS desktop.</p> <p>25 Q. And you indicated that it was archived?</p>                                          |
| Page 42                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page 44                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>1 A. Vice-president of IndyMac Federal Bank</p> <p>2 FSB.</p> <p>3 Q. Do you know Mr. Roger Stotts personally?</p> <p>4 A. No.</p> <p>5 Q. Never met him?</p> <p>6 A. No.</p> <p>7 Q. Would not have any idea whether he</p> <p>8 actually, in fact, executed this document?</p> <p>9 A. No.</p> <p>10 Q. I asked you earlier whether you have any</p> <p>11 knowledge of when IndyMac Federal ceased to exist.</p> <p>12 A. Correct.</p> <p>13 Q. And as to the date of this document, when</p> <p>14 Mr. Stotts's signature was notarized, May 7, 2009, you</p> <p>15 don't have any idea whether the bank was still in</p> <p>16 existence at that time?</p> <p>17 A. I don't know when that occurred, no.</p> <p>18 Q. And when you received this Exhibit 2, you</p> <p>19 relied on it for face value?</p> <p>20 A. Correct.</p> <p>21 Q. And you used it to process the foreclosure?</p> <p>22 A. Correct.</p> <p>23 (Marked for identification Exhibit 3.)</p> <p>24 Q. Showing you what has been marked as Exhibit</p> <p>25 3 to your deposition.</p> | <p>1 A. Yes.</p> <p>2 Q. So how did you do that, sign on to the</p> <p>3 system using --</p> <p>4 A. How did I do that?</p> <p>5 Q. Yes.</p> <p>6 A. I looked at our image archive to determine</p> <p>7 when the file was closed and why it was closed.</p> <p>8 Q. And now you're talking about Northwest's</p> <p>9 system?</p> <p>10 A. Correct.</p> <p>11 Q. And is that a computer system or hard copy</p> <p>12 system that we're talking about?</p> <p>13 A. Computer system.</p> <p>14 Q. And the -- and what did you see? A</p> <p>15 comment, a message?</p> <p>16 A. Yes. It was a message through LPS desktop</p> <p>17 that we imaged into our archive.</p> <p>18 Q. So the message came from LPS?</p> <p>19 A. Yes.</p> <p>20 Q. And do you recall what the message said?</p> <p>21 A. "Stop foreclosure" is the only part that I</p> <p>22 remember.</p> <p>23 Q. So it came from the desktop system. Did it</p> <p>24 have a reference to a person?</p> <p>25 A. Yes, it did.</p> |

11 (Pages 41 to 44)

| Page 45                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 47                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <p>1 Q. Do you recall who it was?</p> <p>2 A. I don't know the name, but it does have the</p> <p>3 person that issued the stop foreclosure direction.</p> <p>4 Q. In looking at that image or document that</p> <p>5 was archived, do you have any idea who that person is</p> <p>6 or where this person was working?</p> <p>7 A. No.</p> <p>8 Q. For whom this person was working?</p> <p>9 A. No. If I looked at it I might be able to</p> <p>10 tell if it was -- who it was, if it was IndyMac, if it</p> <p>11 was an IndyMac person.</p> <p>12 Q. But you don't know?</p> <p>13 A. I can't remember.</p> <p>14 Q. And so you surmised that when, at the time,</p> <p>15 when Northwest got that message, Northwest cancelled</p> <p>16 the sale?</p> <p>17 A. Yes.</p> <p>18 Q. Discontinued?</p> <p>19 A. Yes.</p> <p>20 Q. Can I see that exhibit for a second?</p> <p>21 A. (Handing.)</p> <p>22 Q. It is a bad copy.</p> <p>23 A. It is. You can't read the signature or the</p> <p>24 notary.</p> <p>25 Q. It looks blank.</p>                                                                                                                                                                                                                        | <p>1 A. There's a public proclamation and it's</p> <p>2 followed up with a written notice.</p> <p>3 Q. To the best of your knowledge, were there</p> <p>4 notices of postponement sent to Ms. Reiner due to --</p> <p>5 strike that.</p> <p>6 Going back to the notice of postponement,</p> <p>7 what's the time frame that it gets transmitted or</p> <p>8 mailed to the borrower?</p> <p>9 A. Within three days of the actual -- the</p> <p>10 original sale date, or the date that it's being</p> <p>11 postponed from.</p> <p>12 Q. So if it's -- if the sale is scheduled for</p> <p>13 Friday it would go out when?</p> <p>14 A. No later than Monday.</p> <p>15 Q. And how does it go by?</p> <p>16 A. First class and certified mail/return</p> <p>17 receipt requested.</p> <p>18 Q. And what else does Northwest do with</p> <p>19 regards to the postponement? Do you change it on your</p> <p>20 website? I'm sorry. Do you have a website that</p> <p>21 informs borrowers of the status of the sale?</p> <p>22 A. Northwest Trustee does not have a website.</p> <p>23 Do we publish it in a website, yes. The website is</p> <p>24 USAforeclosure.com.</p> <p>25 Q. And is that a third-party website?</p> |
| Page 46                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 48                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p>1 A. I know the image from accounting would</p> <p>2 probably show all that information because they would</p> <p>3 reject it for recording if you couldn't see it.</p> <p>4 Q. I would imagine so. Let me ask you about</p> <p>5 continuances versus discontinuances. Do you</p> <p>6 understand what I'm saying?</p> <p>7 A. Postponements versus discontinuances?</p> <p>8 Q. Sure, let's go with that, because I've seen</p> <p>9 notices referring to everything. When does a</p> <p>10 continuance of the sales take place?</p> <p>11 A. If a sale was scheduled for a specific date</p> <p>12 it would take place on that date. So if the sale was</p> <p>13 scheduled for Friday, the continuance would be on</p> <p>14 Friday. That's when we would announce it publicly at</p> <p>15 the place where the sale is scheduled to be read.</p> <p>16 Q. And that's customary for Northwest?</p> <p>17 A. Yes.</p> <p>18 Q. How does the borrower know that a sale is</p> <p>19 continued?</p> <p>20 A. They're sent a written notice of the</p> <p>21 postponement.</p> <p>22 Q. So now, there are notices of postponements?</p> <p>23 A. Yes.</p> <p>24 Q. But the announcement of the continuance or</p> <p>25 postponement happens at the sales?</p> | <p>1 A. Yes.</p> <p>2 Q. And what does that company do for your</p> <p>3 company?</p> <p>4 A. They just publish the notice within the --</p> <p>5 they publish the status of the sale to the public.</p> <p>6 Q. They don't work for Northwest Trustee?</p> <p>7 A. They're a vendor, I believe.</p> <p>8 Q. They are, okay. So they get the</p> <p>9 information directly from Northwest Trustee?</p> <p>10 A. Correct.</p> <p>11 MS. MORRISON: Can we take a break? I need</p> <p>12 to use the restroom.</p> <p>13 MS. DAO: Let's just do 10 minutes.</p> <p>14 (Off the record from 10:00 a.m. to 10:20</p> <p>15 a.m.)</p> <p>16 (Record read.)</p> <p>17 Q. Mr. Stenman, I asked you whether</p> <p>18 USforeclosure.com got the information from Northwest</p> <p>19 Trustee. You said yes?</p> <p>20 A. Yes.</p> <p>21 Q. And you also testified to another third</p> <p>22 party that goes out and posts notice of default?</p> <p>23 A. Yes.</p> <p>24 Q. And does Northwest Trustee have any</p> <p>25 ownership interest in either one of these companies</p>                                                                                                                                                 |

12 (Pages 45 to 48)

| Page 49                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Page 51                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <p>1 that you mentioned?</p> <p>2 A. Northwest Trustee does not have an</p> <p>3 ownership interest in either.</p> <p>4 Q. We were talking about documents created and</p> <p>5 maintained -- or created by Northwest Trustee in this</p> <p>6 case. And you testified to three of them so far for</p> <p>7 the first foreclosure in 2009; correct?</p> <p>8 A. Correct.</p> <p>9 Q. And you also testified to the fact that you</p> <p>10 had looked at a message that had been archived that</p> <p>11 directed Northwest Trustee to discontinue the sales?</p> <p>12 A. I believe it said "stop foreclosure."</p> <p>13 Q. Do you recall the reasons?</p> <p>14 A. No.</p> <p>15 Q. Was there a time when the foreclosure</p> <p>16 resumed, that you can recall in this case?</p> <p>17 A. From the 2009 referral, no.</p> <p>18 Q. Do you recall what happened next?</p> <p>19 A. There was another referral. Is that what</p> <p>20 you're referring to?</p> <p>21 Q. Yes.</p> <p>22 A. Yes. There was another referral.</p> <p>23 MS. MORRISON: Chris, do you want to mute?</p> <p>24 MR. KAYSER: Sorry.</p> <p>25 Q. Okay. I'm handing you what has been marked</p>    | <p>1 A. Yes. I can't remember when we went from</p> <p>2 the third party to direct.</p> <p>3 Q. Okay. So based on Exhibit 4, it's a new</p> <p>4 referral, from a new source?</p> <p>5 A. Yes. It's from One West Bank FSB.</p> <p>6 Q. And what is -- the method that you got this</p> <p>7 referral was similar to the one that you got from</p> <p>8 2009?</p> <p>9 A. Correct.</p> <p>10 Q. Who in your office receives the referral,</p> <p>11 this particular referral?</p> <p>12 A. You mean in Northwest Trustee Services'</p> <p>13 office?</p> <p>14 Q. Yes.</p> <p>15 A. It gets assigned to a team and assigned to</p> <p>16 Vonnie McElligott's team.</p> <p>17 Q. And you can tell that from the referral?</p> <p>18 A. Yes, because it's a Freddie Mac loan type,</p> <p>19 and it's Washington referral. And I know all Freddie</p> <p>20 Mac Washington referrals go to Vonnie McElligott.</p> <p>21 Q. Okay. So with regards to Northwest -- to</p> <p>22 One West being the referral source now, what is your</p> <p>23 understanding? Was there a transfer of some sort from</p> <p>24 IndyMac Federal Bank to One West?</p> <p>25 A. My understanding is that the FDIC took over</p> |
| Page 50                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Page 52                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p>1 as Exhibit 4 in the former deposition. Can you take a</p> <p>2 look at that and tell me what it is.</p> <p>3 A. It's the referral from July 17 of 2010.</p> <p>4 Q. And where did you get that referral from?</p> <p>5 A. From LPS desktop.</p> <p>6 Q. The referral shows that it was sent to the</p> <p>7 law firm of Routh Crabtree and Olsen. Do you see</p> <p>8 that?</p> <p>9 A. Yes.</p> <p>10 Q. Why is that the case?</p> <p>11 A. That's how they have the vendor set up in</p> <p>12 desktop.</p> <p>13 Q. But the referral actually went to</p> <p>14 Northwest, did it?</p> <p>15 A. Yes. We have a data integration, it</p> <p>16 downloads. If it's a nonjudicial foreclosure it</p> <p>17 downloads to Northwest Trustee automatically.</p> <p>18 Q. Okay. The integration system or the</p> <p>19 integration feature is also the LPS system?</p> <p>20 A. I'm not sure if this was our direct data</p> <p>21 integration with LPS or if it was through a</p> <p>22 third-party vendor that provides a portal. I believe</p> <p>23 2010, I'm guessing that we were doing direct data</p> <p>24 integration in 2010.</p> <p>25 Q. You were guessing?</p> | <p>1 IndyMac Federal, and that the assets from that</p> <p>2 takeover were sold to or transferred to One West Bank.</p> <p>3 Q. Okay. And is that a general understanding</p> <p>4 or --</p> <p>5 A. That's a general understanding. I don't</p> <p>6 know how specifically that type of a transfer works.</p> <p>7 Q. Sure. And do you know for a fact that the</p> <p>8 Reiners' loan or servicing rights were transferred</p> <p>9 with this particular event?</p> <p>10 A. I wouldn't have direct knowledge of that.</p> <p>11 Q. So, again, in getting the referral package,</p> <p>12 you were relying at face value of the information that</p> <p>13 was provided to you?</p> <p>14 A. Correct.</p> <p>15 Q. And also, when I said "you," I just meant</p> <p>16 Northwest Trustee. You were not personally</p> <p>17 downloading this information about the Reiners' loan?</p> <p>18 A. Correct.</p> <p>19 Q. Beside the desktop/UPS system, does</p> <p>20 Northwest Trustee use any other system to work with</p> <p>21 other servicers?</p> <p>22 A. Yes.</p> <p>23 Q. What are they?</p> <p>24 A. There's many, but VendorScape.</p> <p>25 Q. What else?</p>                                 |

13 (Pages 49 to 52)

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| <p style="text-align: right;">Page 53</p> <p>1 A. Lincs, L-I-N-C-S. Clarifier,<br/>2 C-L-A-R-I-F-I-E-R. Lenstar, L-E-N-S-T-A-R. Those are<br/>3 the ones I can think of off the top of my head.<br/>4 Q. But they may not be all that there are?<br/>5 A. Those are the only ones I can think of.<br/>6 I'm not sure if there's another one out there. There<br/>7 may be another one out there, but I'm not remembering<br/>8 it right now.<br/>9 Q. How do your employees get trained to use<br/>10 these programs?<br/>11 A. By experienced staff. If it's a brand-new<br/>12 program then they'll have Webinars that we can attend<br/>13 that are conducted usually by the actual vendor,<br/>14 VendorScape, Lenstar, Clarifier.<br/>15 Q. Is it fair to say that you do not<br/>16 understand the intricacies of these programs? You're<br/>17 just a user?<br/>18 A. Correct.<br/>19 Q. Northwest Trustee is just a user?<br/>20 A. Correct.<br/>21 Q. I asked you about the referral for 2010.<br/>22 And again, on Exhibit 4, the information you were<br/>23 given there also includes loan amounts, amounts of<br/>24 arrearages, would you say?<br/>25 A. It doesn't have arrearages on this specific</p> | <p style="text-align: right;">Page 55</p> <p>1 A. Do you want me to look at the --<br/>2 Q. Yes, please, the attachments, to make sure<br/>3 that you're familiar with those attachments because<br/>4 they were given to us as your production.<br/>5 A. Okay.<br/>6 Q. You're familiar with all the attachments?<br/>7 A. Yes.<br/>8 Q. And are you certifying that those are the<br/>9 documents that you provided to counsel to give to us?<br/>10 THE WITNESS: Can I do that? Did I provide<br/>11 them?<br/>12 Q. That's what it says on the document.<br/>13 A. On this you mean (indicating)?<br/>14 Q. Yes.<br/>15 A. Yes.<br/>16 MS. MORRISON: You don't have to reveal<br/>17 anything that happens between you and your counsel,<br/>18 any communication between your counsel.<br/>19 So, object to the extent that you're<br/>20 requesting him to reveal attorney-client material<br/>21 protected by attorney-client privilege.<br/>22 Q. The question is, after reviewing the<br/>23 attachments, are you certifying that these -- those<br/>24 were documents you provided to counsel to provide to<br/>25 us as part of discovery?</p> |
| <p style="text-align: right;">Page 54</p> <p>1 statement. It shows principal balance, interest rate,<br/>2 and the due date.<br/>3 Q. And as far as Freddie Mac being the<br/>4 investor, has that changed at all?<br/>5 A. No.<br/>6 Q. So Freddie Mac remains the investor for the<br/>7 loan in 2010?<br/>8 A. Yes.<br/>9 (Marked for identification Exhibit 4.)<br/>10 Q. I'm showing you what has been marked as<br/>11 your own Exhibit 4. And I will represent to you that<br/>12 this is defense attorney Routh Crabtree's responses to<br/>13 our first discovery. I want you to take a moment to<br/>14 look at the document and verify the signature on the<br/>15 last page of the responses, page 11.<br/>16 A. Okay.<br/>17 Q. Is that your signature, Mr. Stenman?<br/>18 A. Yes.<br/>19 Q. So I want you to look through the answers,<br/>20 as well as the contents, to make sure that you're<br/>21 familiar with the documents so I can start asking you<br/>22 questions.<br/>23 MS. MORRISON: Can we go off the record for<br/>24 a second here?<br/>25 (Discussion off the record.)</p>                                                                                                          | <p style="text-align: right;">Page 56</p> <p>1 A. Yes.<br/>2 Q. Nothing looks out of place? It's not<br/>3 foreign to you?<br/>4 A. No.<br/>5 Q. Okay. That's all I need for you to do on<br/>6 that exhibit. Thank you. We're still on the referral<br/>7 for 2010, and now I'm handing you Exhibit 5 of the<br/>8 previous deposition. Could you take a look at that<br/>9 and familiarize yourself?<br/>10 A. Okay.<br/>11 Q. And I'm going to ask you to look at Exhibit<br/>12 5 and 4 together because I believe that they are<br/>13 together.<br/>14 A. Okay.<br/>15 Q. We're talking about back in 2010, when you<br/>16 get the -- when Northwest Trustee got the second<br/>17 referral from One West, is Exhibit 5 the information<br/>18 that you received from LPS in terms of loan<br/>19 information, arrearages, numbers that you needed to<br/>20 plug into your foreclosure?<br/>21 A. Yes.<br/>22 Q. And where did Exhibit 5 come from?<br/>23 A. From the servicer's servicing system.<br/>24 Q. LPS?<br/>25 A. It came from -- it was delivered through</p>                                                                         |

14 (Pages 53 to 56)

| Page 57                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 59                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <p>1 LPS, yes.</p> <p>2 Q. And did Northwest, in fact, rely on Exhibit</p> <p>3 5 to prepare documents relating to the second</p> <p>4 foreclosure?</p> <p>5 A. Yes.</p> <p>6 Q. Do you recall off memory what documents</p> <p>7 were created by Northwest Trustee for the second</p> <p>8 foreclosure?</p> <p>9 A. I'd like to look at them. I know we did --</p> <p>10 I know there was an appointment. I know there was a</p> <p>11 notice of default. I know there was a notice of sale</p> <p>12 and a notice of foreclosure.</p> <p>13 Q. And these are documents that were created</p> <p>14 by Northwest Trustee?</p> <p>15 A. Yes.</p> <p>16 Q. Showing you Exhibit 21 from the previous</p> <p>17 deposition of Ms. McElligott, does that help you in</p> <p>18 terms of identifying whether Exhibit 21 is a document</p> <p>19 created by Northwest Trustee?</p> <p>20 A. Yes.</p> <p>21 Q. And how can you tell?</p> <p>22 A. It's our document format.</p> <p>23 Q. Okay.</p> <p>24 A. It has our file number and the borrower</p> <p>25 name listed in it. That means it was produced off of</p>                                                        | <p>1 Q. -- I have not received a copy of that. Is</p> <p>2 there a way to retrieve that particular --</p> <p>3 A. Yes.</p> <p>4 Q. Okay. And similarly, with regard to your</p> <p>5 testimony now relating to Exhibit 21, when you said</p> <p>6 that Northwest was advised to designate FDIC as the</p> <p>7 signatory, if it came from LPS, is there any way we</p> <p>8 can retrieve that from the system that you're</p> <p>9 mentioning?</p> <p>10 A. I don't know because if -- sometimes, when</p> <p>11 they close the system, sometimes when they put a close</p> <p>12 date in their system you can't retrieve images from</p> <p>13 their system. You're blocked from retrieving.</p> <p>14 Q. But you were referring to one that you were</p> <p>15 able to retrieve a few days ago with regard to the</p> <p>16 2009's directive?</p> <p>17 A. We had imaged that when it was communicated</p> <p>18 to us into our archive.</p> <p>19 Q. I see, okay.</p> <p>20 A. So if it's not in our archive then I may or</p> <p>21 may not be able to retrieve it from LPS desktop.</p> <p>22 Q. I see what you're saying. So unless</p> <p>23 Northwest Trustee saved the image and maintains it in</p> <p>24 its system, there are possibilities that you cannot</p> <p>25 retrieve it from --</p> |
| Page 58                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 60                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p>1 our system.</p> <p>2 Q. And what is Exhibit 21?</p> <p>3 A. An assignment of deed of trust.</p> <p>4 Q. From whom to whom?</p> <p>5 A. Federal Deposit Insurance Corporation, as</p> <p>6 receiver for IndyMac Federal Bank, to One West Bank,</p> <p>7 FSB.</p> <p>8 Q. Do you know if that designation was made by</p> <p>9 Northwest Trustee as to the signatory?</p> <p>10 A. We would have -- I think we provided -- I</p> <p>11 think we were advised to put Federal Deposit Insurance</p> <p>12 Corporation as receiver for IndyMac Federal Bank FSB.</p> <p>13 Q. Do you recall who advised you?</p> <p>14 A. No, not specifically.</p> <p>15 Q. But where would be the likely source that</p> <p>16 that came from?</p> <p>17 A. Either from LPS desktop through a</p> <p>18 communication, or a field within that program, or</p> <p>19 through a revision request from One West Bank. I</p> <p>20 can't imagine that it would come from any other place.</p> <p>21 Q. The prior -- when you testified that you</p> <p>22 looked at an archive message from LPS to stop the</p> <p>23 foreclosure in 2009 --</p> <p>24 Yes or no?</p> <p>25 A. Yes.</p> | <p>1 A. Correct.</p> <p>2 Q. -- the LPS system?</p> <p>3 A. Yes.</p> <p>4 Q. With regard to Exhibit 21, you cannot say</p> <p>5 whether the designation came from LPS or another</p> <p>6 method?</p> <p>7 A. Correct.</p> <p>8 Q. From One West?</p> <p>9 A. Yes. I can't.</p> <p>10 Q. Would you agree that Exhibit 21 was also</p> <p>11 signed by Erica Johnson-Seck?</p> <p>12 A. Yes.</p> <p>13 Q. And again, you don't know who she is?</p> <p>14 A. No.</p> <p>15 Q. You don't know whether she signed it or</p> <p>16 not?</p> <p>17 A. No.</p> <p>18 Q. You don't know whether she signed it in</p> <p>19 front of a notary as it represents there?</p> <p>20 A. No.</p> <p>21 Q. Do you recall how you got Exhibit 21 back</p> <p>22 after she signed it or after it was signed?</p> <p>23 A. It would have to have been delivered to us</p> <p>24 through the mail.</p> <p>25 Q. If that was the case, does Northwest have</p>                                                                                                                                                                                                                                                                                                                                                                |

15 (Pages 57 to 60)

| Page 61                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 63                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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| <p>1 the original?</p> <p>2 A. Well, we're paperless. We don't have paper</p> <p>3 files, so I don't think we have the original.</p> <p>4 Q. So what would you do with the original</p> <p>5 after you imaged it?</p> <p>6 A. Well, the original most likely would have</p> <p>7 been returned to One West Bank since it says return to</p> <p>8 One West Bank after recording.</p> <p>9 Q. Okay.</p> <p>10 A. So it's unlikely we would have received the</p> <p>11 original since the return address isn't to us.</p> <p>12 Q. So you can't say whether or not you have --</p> <p>13 strike that. I'm going to show you Exhibit 17.</p> <p>14 Exhibit 17, Mr. Stenman, was referred to by Ms.</p> <p>15 McElligott as the "loss mit declaration." Would you</p> <p>16 agree?</p> <p>17 A. Yes.</p> <p>18 Q. And do you know whether Exhibit 17 was</p> <p>19 created by Northwest Trustee?</p> <p>20 A. I don't believe it was.</p> <p>21 Q. And how could you tell?</p> <p>22 A. The second page has a section that isn't</p> <p>23 included in our template, in our in-house template.</p> <p>24 Q. Where could this exhibit have come from?</p> <p>25 A. One West Bank.</p> | <p>1 A. One West Bank.</p> <p>2 Q. How did Northwest Trustee come to the</p> <p>3 conclusion that she should be the one who signs the</p> <p>4 beneficiary declaration?</p> <p>5 A. We don't come to a conclusion that she</p> <p>6 should be the one that signs it.</p> <p>7 Q. So what did you do after creating the</p> <p>8 document?</p> <p>9 A. We -- most likely we uploaded it to them</p> <p>10 for signature and return.</p> <p>11 Q. Without designating who would be the</p> <p>12 signatory?</p> <p>13 A. Correct.</p> <p>14 Q. That's not your decision at all?</p> <p>15 A. Correct.</p> <p>16 Q. And again, did you in fact rely on Exhibit</p> <p>17 16 in order to conduct the foreclosure sales in this</p> <p>18 case?</p> <p>19 A. We relied on this particular exhibit to</p> <p>20 issue the notice of trustee sale.</p> <p>21 Q. You don't know who Chamagne Williams is?</p> <p>22 A. No.</p> <p>23 Q. Showing you Exhibit 18 from the previous</p> <p>24 day, can you tell me what that is?</p> <p>25 A. A notice of discontinuance of trustee sale.</p>                                                                                         |
| Page 62                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Page 64                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <p>1 Q. And again, how did Northwest Trustee</p> <p>2 receive the exhibit?</p> <p>3 A. I don't know how we received this exhibit.</p> <p>4 Q. And do you know who signed the document?</p> <p>5 A. It says Champagne Williams or Chamagne</p> <p>6 Williams.</p> <p>7 Q. You don't know who that is?</p> <p>8 A. No.</p> <p>9 Q. You don't know who she worked for?</p> <p>10 A. I can only rely on the document.</p> <p>11 Q. And that's all you rely on is the document?</p> <p>12 A. Correct.</p> <p>13 Q. I'll show you Exhibit 16. And this is also</p> <p>14 from the deposition of the previous day. Would you</p> <p>15 agree that that is the declaration of the beneficiary?</p> <p>16 A. Yes.</p> <p>17 Q. And is that a document that Northwest</p> <p>18 Trustee prepared?</p> <p>19 A. This does look like our in-house template,</p> <p>20 yes.</p> <p>21 Q. And the exhibit has, again, a signatory.</p> <p>22 Who is that?</p> <p>23 A. Chamagne Williams, assistant</p> <p>24 vice-president.</p> <p>25 Q. Of?</p>                                                                                                                                             | <p>1 Q. And do you -- do you know the circumstance</p> <p>2 of that discontinuance?</p> <p>3 A. We were advised to cancel the foreclosure</p> <p>4 and close our file.</p> <p>5 Q. Advised by whom?</p> <p>6 A. One West Bank.</p> <p>7 Q. And are you going by memory?</p> <p>8 A. Yeah. I'm going -- I believe there was a</p> <p>9 communication imaged into our archive indicating to</p> <p>10 close the file.</p> <p>11 Q. And so this is a second imaged message that</p> <p>12 we're talking about?</p> <p>13 A. In the new foreclosure, yes.</p> <p>14 Q. And is it your testimony that Northwest</p> <p>15 Trustee has possession of that imaged document?</p> <p>16 A. Yes.</p> <p>17 Q. Which I don't have, but you can retrieve?</p> <p>18 A. Yes.</p> <p>19 Q. Other than getting the message, do you</p> <p>20 recall the specific circumstances of why the sales</p> <p>21 were discontinued in 2011?</p> <p>22 A. I recognized that it was being closed and</p> <p>23 transferred to another firm for foreclosure. I don't</p> <p>24 remember the specific wording, but that's why it was</p> <p>25 closed. It was being transferred to another firm.</p> |

16 (Pages 61 to 64)



| Page 65                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Page 67                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| <p>1 Q. Are you familiar with Ms. McElligott's<br/>2 signature?<br/>3 A. Yes.<br/>4 Q. How is she located in the office in<br/>5 relation to your office?<br/>6 A. She's about 30 feet away from my office.<br/>7 Q. So you see her on a daily basis?<br/>8 A. Yes.<br/>9 Q. You're familiar with her duties as the<br/>10 foreclosure team manager?<br/>11 A. Yes.<br/>12 Q. And you have seen her sign documents?<br/>13 A. Yes.<br/>14 Q. With the team that she has, how many<br/>15 documents would you say that she signs a day?<br/>16 A. Maybe on average 25.<br/>17 Q. And what are these documents?<br/>18 A. I'm guessing.<br/>19 Q. You're guessing?<br/>20 A. Usually a notice of trustee sale would be<br/>21 what she would sign.<br/>22 Q. Okay. And that would be 25 of them a day?<br/>23 A. Depends on how many that she's reviewing<br/>24 for signature.<br/>25 Q. Do you know the review process that she</p>                                                                                                                                                                                                                   | <p>1 A. Yeah.<br/>2 Q. And the notary public there, are you<br/>3 familiar with who she is?<br/>4 A. Yes.<br/>5 Q. Is that a she?<br/>6 A. Yes.<br/>7 Q. Ms. Ree?<br/>8 A. Rhea.<br/>9 Q. What is her position with Northwest<br/>10 Trustee?<br/>11 A. She's a foreclosure lead now. That's her<br/>12 official title.<br/>13 Q. And so what does she do as foreclosure<br/>14 lead?<br/>15 A. She'll draft notices of trustee sale.<br/>16 She'll review other people's work. She's -- she does<br/>17 some training. She notarizes documents. Vonnie's a<br/>18 manager, Rhea is a lead, and then there's another<br/>19 level of foreclosure processors. So she's like a<br/>20 senior processor.<br/>21 Q. You said that now she's doing that. What<br/>22 was she doing before?<br/>23 A. Rhea?<br/>24 Q. Yes.<br/>25 A. She's been a lead for quite some time.</p>                                                                                           |
| Page 66                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Page 68                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p>1 engages in in issuing or signing the notice of trustee<br/>2 sales?<br/>3 A. I'm familiar with it, yes.<br/>4 Q. Could you tell me?<br/>5 A. When the notice of sale is drafted by one<br/>6 of her processors they have to deliver it to her to<br/>7 review it against the system to make sure that it's<br/>8 accurate before she executes it.<br/>9 Q. You don't have any -- you don't have any<br/>10 knowledge that someone else in the office would be<br/>11 signing her name?<br/>12 A. That would be against our policy.<br/>13 Q. What is the policy?<br/>14 A. Well, anybody who signs a document has to<br/>15 -- has to be the person that's signing it.<br/>16 Q. With regards to a document that needs to be<br/>17 notarized, is it the policy of Northwest Trustee that<br/>18 the notary be in the presence of the person signing?<br/>19 A. Yes.<br/>20 Q. Showing you again Exhibit 18, which is what<br/>21 we were just looking at, that is a document that is<br/>22 signed by Ms. McElligott, you would say?<br/>23 A. Yes.<br/>24 Q. And does that signature look like hers, to<br/>25 the best of your knowledge?</p> | <p>1 Many years.<br/>2 Q. Does she sign any foreclosure documents<br/>3 that you know of?<br/>4 A. No. I don't think she does. She does not.<br/>5 Q. So her act as notary public is a regular<br/>6 occurrence?<br/>7 A. Yes.<br/>8 Q. In the company?<br/>9 A. Yes.<br/>10 Q. And she notarizes not just Ms. McElligott's<br/>11 signature but other signatures as well?<br/>12 A. She could, yes.<br/>13 Q. And in looking at Exhibit 18, do you<br/>14 recognize Ms. Rhea's signature to be one that you see<br/>15 as hers?<br/>16 A. I don't see a lot of her stuff, but it does<br/>17 look like Rhea's signature.<br/>18 (Marked for identification Exhibit 5.)<br/>19 Q. I'm going to ask you to keep that exhibit,<br/>20 and ask you to put it side by side with this new<br/>21 exhibit which has been marked Exhibit 5 to your<br/>22 deposition.<br/>23 A. Okay.<br/>24 Q. What is Exhibit 5?<br/>25 A. It's instructions to the title company to</p> |

17 (Pages 65 to 68)

| Page 69                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Page 71                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| <p>1 record the notice of trustee sale.<br/> 2 Q. And it pertains to this case; correct?<br/> 3 A. Correct.<br/> 4 Q. And the document has Ms. McElligott's<br/> 5 signature on it; is that correct?<br/> 6 A. No.<br/> 7 Q. What is that?<br/> 8 A. It looks like her initials.<br/> 9 Q. Do you know for a fact that she was<br/> 10 actually initialing there?<br/> 11 A. No.<br/> 12 Q. So you don't know in fact who did that?<br/> 13 A. No.<br/> 14 Q. But you're guessing that that's her<br/> 15 initials?<br/> 16 A. I doubt that they're her initials. It's<br/> 17 not a recordable document. They would put her<br/> 18 initials on there because they are sending it over to<br/> 19 the title company. Could be somebody who prepared the<br/> 20 package.<br/> 21 Q. Okay. So according --<br/> 22 A. Doesn't matter whose initials they are.<br/> 23 It's not a document that requires signature.<br/> 24 Q. I see.<br/> 25 A. It's just a transmittal letter.</p> | <p>1 compared to Exhibit 5?<br/> 2 A. They look like initials, not a signature.<br/> 3 Q. But you don't know who did that?<br/> 4 A. No.<br/> 5 Q. You don't know whether it was her initials<br/> 6 --<br/> 7 A. No.<br/> 8 Q. -- that she placed there herself?<br/> 9 A. No.<br/> 10 Q. Or that someone else did that?<br/> 11 A. No.<br/> 12 Q. And again, the import of that is because<br/> 13 this is a nonrecordable document?<br/> 14 A. Doesn't require attestation. It doesn't<br/> 15 require an original signature.<br/> 16 Q. So is it your testimony that if it's not a<br/> 17 recordable document that anyone can either place<br/> 18 initials of other people or sign for other people in<br/> 19 your company?<br/> 20 A. For the documents that we produce, yes.<br/> 21 Q. And that's not against the company's policy<br/> 22 at all?<br/> 23 A. No. These are just transmittal letters.<br/> 24 If it was a document that required a signature and a<br/> 25 notary, it would have to be an original signature.</p>              |
| Page 70                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Page 72                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>1 Q. So the import is when there is a document<br/> 2 that is recordable?<br/> 3 A. Yes.<br/> 4 Q. And if it's not then someone else can<br/> 5 initial or sign for her?<br/> 6 A. Correct.<br/> 7 Q. And so in looking at Exhibit 5, you don't<br/> 8 know who did that for her?<br/> 9 A. No.<br/> 10 Q. You don't know if she did that herself?<br/> 11 A. She could have. I don't know if it was her<br/> 12 or not.<br/> 13 (Marked for identification Exhibit 6.)<br/> 14 Q. This is your 6, and I'd ask you to put it<br/> 15 side by side with 5 where Ms. Rhea signed her name?<br/> 16 A. Uh-huh, yes.<br/> 17 Q. And what is your Exhibit 6?<br/> 18 A. It's the publication instructions for the<br/> 19 notice of trustee sale.<br/> 20 Q. Now, are you looking at the signature there<br/> 21 for Ms. Pre, Rhea Pre?<br/> 22 A. Yes.<br/> 23 Q. Her last name is Pre?<br/> 24 A. Yes.<br/> 25 Q. Does that look like her signature when</p>                        | <p>1 Q. Are you familiar with occasions where Ms.<br/> 2 McElligott signed on behalf of MERS?<br/> 3 A. Yes.<br/> 4 Q. And how many times would you say that she<br/> 5 has done that?<br/> 6 A. Many times.<br/> 7 Q. And what was the reason for that?<br/> 8 A. It depends on the MERS authority that was<br/> 9 granted. It would have been a tri-party agreement<br/> 10 that would have allowed her to execute certain<br/> 11 documents. So it would be whatever documents are<br/> 12 identified within that agreement.<br/> 13 Q. And you're talking about a written<br/> 14 agreement?<br/> 15 A. Correct.<br/> 16 Q. What would the agreement be entitled?<br/> 17 A. Pardon?<br/> 18 Q. What is the document called?<br/> 19 A. I think -- I'm not positive. I think it's<br/> 20 called a tri-party agreement.<br/> 21 Q. And whenever she signs on behalf of MERS,<br/> 22 is it your testimony that she has to sign pursuant to<br/> 23 that tri-party agreement?<br/> 24 A. Yes.<br/> 25 Q. Would it be against company's policy for</p> |

18 (Pages 69 to 72)

| Page 73                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Page 75                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 her to sign without one?</p> <p>2 A. Yes.</p> <p>3 Q. I'm going to show you what has been marked</p> <p>4 --</p> <p>5 A. Are we done with these?</p> <p>6 Q. Yes.</p> <p>7 -- 6 from the previous day. You can take a</p> <p>8 look at Exhibit 6 so I can ask you some questions.</p> <p>9 A. Okay.</p> <p>10 Q. What is Exhibit 6?</p> <p>11 A. It's a written consent of the board of</p> <p>12 directors for Northwest Trustee Services. It elects</p> <p>13 vice-presidents, assistant vice-presidents.</p> <p>14 Q. A number of them?</p> <p>15 A. Correct.</p> <p>16 Q. Can I refer you to paragraph D?</p> <p>17 A. Yes.</p> <p>18 Q. And paragraph D, what does it say, Mr.</p> <p>19 Stenman?</p> <p>20 A. "The AVP of the company may also be</p> <p>21 authorized by Mortgage Electronic Registration</p> <p>22 Systems, Inc., to execute certain documents on behalf</p> <p>23 of MERS. The company hereby authorizes the AVP to</p> <p>24 execute documents on behalf of MERS when and to the</p> <p>25 extent specifically authorized to do so by MERS."</p> | <p>1 A. No, they don't.</p> <p>2 Q. What was the purpose of appointing AVPs?</p> <p>3 A. To allow them to execute the notice of</p> <p>4 foreclosure as an officer of Northwest Trustee</p> <p>5 Services, and other documents.</p> <p>6 Q. And they are, in fact, not corporate</p> <p>7 officers of Northwest Trustee?</p> <p>8 A. Yes, they are. They're assistant</p> <p>9 vice-presidents.</p> <p>10 Q. I see. No salary pertaining to that title</p> <p>11 that you know of?</p> <p>12 A. They're salaried employees.</p> <p>13 Q. They're salaried employees, but they're not</p> <p>14 getting paid extra for being appointed AVP?</p> <p>15 A. It's within their job description.</p> <p>16 Q. I'm sorry. It is within their job</p> <p>17 description to do what?</p> <p>18 A. To execute those documents as part of the</p> <p>19 job.</p> <p>20 Q. Are we talking about a written job</p> <p>21 description that specifies that?</p> <p>22 A. I don't know if it's within -- I don't know</p> <p>23 if it's in the written job description, but it's</p> <p>24 inferred as a condition of the position that they</p> <p>25 execute their notice of trustee sales.</p> |
| Page 74                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Page 76                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p>1 Q. Okay. So by this document, Exhibit 6,</p> <p>2 certain people in your company are allowed to sign for</p> <p>3 MERS?</p> <p>4 A. According to paragraph D, yes.</p> <p>5 Q. But it would still be pursuant to a</p> <p>6 separate agreement, the tri-party agreement you</p> <p>7 referred to?</p> <p>8 A. Yes.</p> <p>9 Q. Now, I'm referring you to Exhibit -- to</p> <p>10 page 2 of the exhibit.</p> <p>11 A. Okay.</p> <p>12 Q. And do you see Ms. Vonnice McElligott's</p> <p>13 signature there?</p> <p>14 A. Yes.</p> <p>15 Q. VP, or assistant VP, I should say. How did</p> <p>16 she sign there?</p> <p>17 A. It looks like -- I can't tell exactly, but</p> <p>18 it looks like "Yvonne McElligott."</p> <p>19 Q. Do these people, as assistant VP's, get</p> <p>20 paid extra for the title?</p> <p>21 A. No.</p> <p>22 Q. Do they get paid extra for the act of</p> <p>23 signing --</p> <p>24 A. No.</p> <p>25 Q. -- as AVP?</p>                                                                                                                         | <p>1 Q. Okay. But this appoints them to be</p> <p>2 AVPs in order to do that?</p> <p>3 A. Correct.</p> <p>4 Q. And you testified that Exhibit 6 is the</p> <p>5 action by the board of directors of Northwest Trustee?</p> <p>6 A. Yes.</p> <p>7 Q. Do you know how many people on the board of</p> <p>8 directors for the company?</p> <p>9 A. No. Actually, I don't. I believe it's --</p> <p>10 there's only one on the board of directors. That's my</p> <p>11 understanding.</p> <p>12 Q. Have you ever been to a board meeting --</p> <p>13 A. No.</p> <p>14 Q. -- of the company? No?</p> <p>15 A. No, I have not been to a board meeting.</p> <p>16 Q. With regards to you as a signer, I don't</p> <p>17 see your name on the AVP list.</p> <p>18 A. It isn't on this one, no.</p> <p>19 Q. Is it your testimony that you might be on</p> <p>20 some other one?</p> <p>21 A. Yes.</p> <p>22 Q. Let's see if I can find that.</p> <p>23 A. Do you want this one back?</p> <p>24 Q. Yes, please. Let me show you what has been</p> <p>25 marked as Exhibit 7 from the day before. Can you tell</p>                                                                         |

19 (Pages 73 to 76)

| Page 77                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page 79                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1 me what 7 is?</p> <p>2 A. It's action by written consent of the</p> <p>3 shareholders and directors of Northwest Trustee, and</p> <p>4 it's --</p> <p>5 Q. What's the effective date?</p> <p>6 A. March 1st, 2005.</p> <p>7 Q. And on Exhibit 7, on the third page --</p> <p>8 A. Okay.</p> <p>9 Q. -- you signed as being appointed AVP?</p> <p>10 A. Correct.</p> <p>11 Q. Is that your signature there?</p> <p>12 A. Yes.</p> <p>13 Q. And do you also see Ms. McElligott's</p> <p>14 signature above you?</p> <p>15 A. Yes.</p> <p>16 Q. And this time what did she sign as?</p> <p>17 A. Vonnie McElligott.</p> <p>18 Q. Are you contending that there are other</p> <p>19 documents allowing you to sign as AVP or is this the</p> <p>20 one?</p> <p>21 A. There may be. I'm not sure if they're -- I</p> <p>22 don't know.</p> <p>23 Q. Okay. Does this Exhibit 7 allow you to</p> <p>24 sign on behalf of MERS?</p> <p>25 A. This in as itself? As of itself, no.</p>                                                                                                                                                                                                | <p>1 A. There would be somebody who represents the</p> <p>2 -- I'd have to look at the agreements.</p> <p>3 Q. You don't know?</p> <p>4 A. I don't know. I would be -- I think I</p> <p>5 would be a signature. I don't know. I have to look</p> <p>6 at the agreements.</p> <p>7 Q. I don't want you to guess.</p> <p>8 (Marked for identification Exhibit 7.)</p> <p>9 Q. I'm going to show you what has been marked</p> <p>10 as your Exhibit 7. And I will represent to you that</p> <p>11 it is a copy of the certified copy we have obtained</p> <p>12 from the court.</p> <p>13 A. Okay.</p> <p>14 Q. What is Exhibit 7?</p> <p>15 A. It's an appointment of successor trustee.</p> <p>16 Q. In a separate matter; correct?</p> <p>17 A. Correct.</p> <p>18 Q. Where you signed as a vice-president for</p> <p>19 MERS?</p> <p>20 A. Correct.</p> <p>21 Q. Have you ever worked for MERS?</p> <p>22 A. Worked for them, no.</p> <p>23 Q. Have you ever got any money from them for</p> <p>24 compensation of any kind?</p> <p>25 A. No.</p> |
| Page 78                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Page 80                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>1 Q. Do you recall a particular document that</p> <p>2 allows you to sign on behalf of MERS?</p> <p>3 A. I know that there's a tri-party agreement</p> <p>4 that allows that.</p> <p>5 Q. Is it a same global agreement or is it --</p> <p>6 are there separate agreements for you to sign as MERS?</p> <p>7 A. Separate agreements.</p> <p>8 Q. And how many of them are there?</p> <p>9 A. Five or six.</p> <p>10 Q. And are they pertaining to certain periods</p> <p>11 of time?</p> <p>12 A. I'd have to look at the document itself to</p> <p>13 see if there was a time limit to the document. I</p> <p>14 don't think there's a time limit to the document.</p> <p>15 They'd be for individual servicers.</p> <p>16 Q. And to the best of your knowledge, the</p> <p>17 tri-party agreement allowing you to sign on behalf of</p> <p>18 MERS, these are separate documents that have not been</p> <p>19 produced to me; correct?</p> <p>20 THE WITNESS: I don't know if we have --</p> <p>21 A. No.</p> <p>22 Q. But you can retrieve them?</p> <p>23 A. Yes.</p> <p>24 Q. And do you recall who signed those</p> <p>25 tri-party agreements? Who are the parties?</p> | <p>1 Q. Have you ever been to their office?</p> <p>2 A. No.</p> <p>3 Q. Do you know who owns MERS?</p> <p>4 A. No.</p> <p>5 Q. Do you have any idea how many employees</p> <p>6 they have?</p> <p>7 A. No.</p> <p>8 Q. Do you know anything about their corporate</p> <p>9 governance, meaning their officers, directors?</p> <p>10 A. No.</p> <p>11 Q. So how did you come to sign as</p> <p>12 vice-president for MERS?</p> <p>13 A. Through an agreement, a tri-party</p> <p>14 agreement.</p> <p>15 Q. And you're not a party to that agreement,</p> <p>16 are you?</p> <p>17 A. I think I'd have to be.</p> <p>18 Q. So I asked you who the parties are and you</p> <p>19 said you --</p> <p>20 A. I'd have to look at the agreement to see</p> <p>21 who the parties are.</p> <p>22 Q. And your belief is that you're one of the</p> <p>23 three parties?</p> <p>24 A. I believe that I'm one of the people</p> <p>25 identified in the third-party agreement that can</p>                                                                   |

20 (Pages 77 to 80)

| Page 81                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Page 83                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| <p>1 execute for MERS.</p> <p>2 Q. And do you, in fact, know that the</p> <p>3 tri-party agreements allowing you authority to sign</p> <p>4 were executed by someone who has authority for MERS?</p> <p>5 A. I'm relying on the document.</p> <p>6 Q. And where did these documents come from?</p> <p>7 A. They would be from the servicer, from MERS,</p> <p>8 and from our company.</p> <p>9 Q. So in referring to the Exhibit 7 of your</p> <p>10 own there, this one, can you tell who the servicer is</p> <p>11 on this particular foreclosure?</p> <p>12 A. America Servicing Company.</p> <p>13 Q. You don't work for them, do you?</p> <p>14 A. No.</p> <p>15 Q. I want you to go through the contents of</p> <p>16 Exhibit 7.</p> <p>17 A. Okay.</p> <p>18 Q. The second paragraph said that "The present</p> <p>19 beneficiary under said deed of trust appoints</p> <p>20 Northwest Trustees Services, Inc." Do you see that?</p> <p>21 A. Yes.</p> <p>22 Q. The present beneficiary would be MERS?</p> <p>23 A. Under this, yes.</p> <p>24 Q. And this language, was it drafted for you</p> <p>25 or did you design this language?</p>                 | <p>1 actually had beneficiary interest?</p> <p>2 A. I'm relying on this document. I would have</p> <p>3 been relying on title to tell me who had the current</p> <p>4 beneficial interest.</p> <p>5 Q. And the language was not drafted by you but</p> <p>6 by an attorney?</p> <p>7 A. Correct.</p> <p>8 Q. And do you recognize Heather Casey, the</p> <p>9 notary public there?</p> <p>10 A. Yes.</p> <p>11 Q. She's an employee of Northwest Trustee; is</p> <p>12 that correct?</p> <p>13 A. Yes.</p> <p>14 Q. Is it your belief that you signed this</p> <p>15 document in front of her on the date that is specified</p> <p>16 there?</p> <p>17 A. Yes.</p> <p>18 Q. Is there ever a time where you would sign</p> <p>19 not in front of a notary public for these recordable</p> <p>20 documents?</p> <p>21 A. I mean, I'd have signed in front of a</p> <p>22 notary, but I would have sworn in front of the notary</p> <p>23 that I signed it.</p> <p>24 Q. How does that work? Explain to me.</p> <p>25 A. Well, currently we do it in front of a</p>                                                                                                                        |
| Page 82                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Page 84                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <p>1 A. It was drafted for me.</p> <p>2 Q. Do you know who drafted it?</p> <p>3 A. An attorney would have approved the</p> <p>4 drafting of this, in-house attorney.</p> <p>5 Q. I'm sorry?</p> <p>6 A. An attorney from our company --</p> <p>7 Q. And that would be?</p> <p>8 A. -- or from our affiliate, Routh Crabtree</p> <p>9 Olsen.</p> <p>10 Q. The next paragraph down said that "The</p> <p>11 undersigned present beneficiary warrants and</p> <p>12 represents that, as of the date this appointment of</p> <p>13 successor trustee has been executed and acknowledged,</p> <p>14 it is the owner and holder of the obligation secured</p> <p>15 by the subject deed of trust and is not holding the</p> <p>16 same as security for different obligation." Do you</p> <p>17 see that?</p> <p>18 A. Yes.</p> <p>19 Q. As signatory of this document, is that your</p> <p>20 statement, that paragraph right there?</p> <p>21 A. I would -- if I signed that, then that</p> <p>22 would be a statement that I'm relying upon, yes.</p> <p>23 Q. But it's not your language?</p> <p>24 A. No.</p> <p>25 Q. You don't have any knowledge whether MERS</p> | <p>1 notary. In 2008 we weren't doing the signature itself</p> <p>2 in front of a notary. I would sign them and then walk</p> <p>3 them to a notary and then swear under an oath that I</p> <p>4 had executed the documents.</p> <p>5 Q. And so in 2008 it was done outside of the</p> <p>6 presence of a notary public?</p> <p>7 A. The signature itself was.</p> <p>8 Q. And what changed? I mean, after 2008 why</p> <p>9 did it change to the process now where you sign in</p> <p>10 front of a notary public?</p> <p>11 A. Under the advice of our attorneys they</p> <p>12 wanted us to execute them in front of the notary.</p> <p>13 Q. And that occurred after 2008?</p> <p>14 A. Yes.</p> <p>15 Q. Was there an incident that precipitated</p> <p>16 that advice that you recall?</p> <p>17 A. Was there an incident?</p> <p>18 Q. Yes.</p> <p>19 A. No. Best practice.</p> <p>20 Q. So Northwest Trustee has been in business</p> <p>21 for a long time, but in 2008 this practice was</p> <p>22 revisited and changed?</p> <p>23 A. Yes. I don't know whether it was in 2008,</p> <p>24 but it was revised and changed, yes.</p> <p>25 MS. DAO: You can put that away.</p> |

21 (Pages 81 to 84)

| Page 85                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 87                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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| <p>1 (Marked for identification Exhibit 8.)</p> <p>2 Q. You've been handed Exhibit 8. Mr. Stenman,</p> <p>3 can you tell me what 8 is?</p> <p>4 A. It's an appointment of successor trustee.</p> <p>5 Q. And I would represent to you that's a true</p> <p>6 and correct copy of the certified copy that we got</p> <p>7 from the court.</p> <p>8 A. Okay.</p> <p>9 Q. And you are the signatory of Exhibit 8;</p> <p>10 correct?</p> <p>11 A. Correct.</p> <p>12 Q. And here what did you sign as?</p> <p>13 A. Power of attorney. Attorney in fact.</p> <p>14 Q. For who?</p> <p>15 A. Wells Fargo Bank NA.</p> <p>16 Q. You never -- have you ever worked for Wells</p> <p>17 Fargo?</p> <p>18 A. No.</p> <p>19 Q. And you did not get paid for your signing</p> <p>20 on behalf of Wells Fargo?</p> <p>21 A. No.</p> <p>22 Q. And according to Exhibit 8, there is a</p> <p>23 power of attorney that goes along with your signature?</p> <p>24 A. Correct.</p> <p>25 Q. Allowing you to sign?</p> | <p>1 Q. Do you recall on this occasion whether you</p> <p>2 were signing in front of her or not?</p> <p>3 A. I don't recall. Sometimes I could have.</p> <p>4 Sometimes I couldn't. Sometimes they're bringing them</p> <p>5 to me and sometimes I'm signing it in their presence.</p> <p>6 I would say most of the time that that's how it</p> <p>7 occurs.</p> <p>8 Q. Is Heather Casey still employed?</p> <p>9 A. Yes.</p> <p>10 Q. And what is her job duties or title?</p> <p>11 A. She's a foreclosure lead on Vonnie</p> <p>12 McElligott's team.</p> <p>13 (Marked for identification Exhibit 9.)</p> <p>14 Q. I'm handing you Exhibit 9, and I will</p> <p>15 represent to you that's another appointment of</p> <p>16 successor trustee signed by you, and it's a true and</p> <p>17 correct copy of the certified copy we obtained from</p> <p>18 court.</p> <p>19 A. Yes.</p> <p>20 Q. You signed Exhibit 9; correct?</p> <p>21 A. Yes.</p> <p>22 Q. As what?</p> <p>23 A. Attorney in fact.</p> <p>24 Q. For who?</p> <p>25 A. Bank of America NA.</p> |
| Page 86                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Page 88                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>1 A. Yes.</p> <p>2 Q. As the attorney in fact?</p> <p>3 A. Yes.</p> <p>4 Q. I want you to look at the contents of the</p> <p>5 appointment of the successor trustee, which is a</p> <p>6 document. And do you see the language there, Mr.</p> <p>7 Stenman?</p> <p>8 A. Yes.</p> <p>9 Q. And then again, did you author these</p> <p>10 paragraphs?</p> <p>11 A. No.</p> <p>12 Q. So it was drafted by someone else?</p> <p>13 A. Correct.</p> <p>14 Q. And possibly an attorney?</p> <p>15 A. Correct.</p> <p>16 Q. Possibly from Routh Crabtree?</p> <p>17 A. Yes.</p> <p>18 Q. And I want you to look at 7 and 8 together.</p> <p>19 And 8 is also notarized by Heather E. Casey, another</p> <p>20 -- she's the same employee that we've talked about</p> <p>21 earlier?</p> <p>22 A. Yes.</p> <p>23 Q. Do you see the differences in your</p> <p>24 signature at all or do they look the same to you?</p> <p>25 A. They look the same to me.</p>                                               | <p>1 Q. You're not an employee of Bank of America?</p> <p>2 A. No.</p> <p>3 Q. And you signed this according to a limited</p> <p>4 power of attorney?</p> <p>5 A. Yes.</p> <p>6 Q. And again, the language that is displayed</p> <p>7 here on the document, that's not your language?</p> <p>8 A. No. It's a template.</p> <p>9 Q. And someone else might have drafted that</p> <p>10 language for you?</p> <p>11 A. Correct.</p> <p>12 Q. Do you have any idea how many different</p> <p>13 companies you've signed for?</p> <p>14 A. Currently?</p> <p>15 Q. Yeah.</p> <p>16 A. Probably two or three.</p> <p>17 Q. Do you know who they are?</p> <p>18 A. Bank of America and Wells Fargo.</p> <p>19 (Marked for identification Exhibit 10.)</p> <p>20 Q. This is 10. It's an assignment of deed of</p> <p>21 trust in an unrelated case. I will represent to you</p> <p>22 that that is a copy of the certified copy we obtained</p> <p>23 from the court.</p> <p>24 A. Okay.</p> <p>25 Q. What is 10?</p>                                                       |

22 (Pages 85 to 88)

| Page 89                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Page 91                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| <p>1 A. 10 is an assignment of deed of trust.<br/> 2 Q. That you signed?<br/> 3 A. Correct.<br/> 4 Q. On behalf of MERS?<br/> 5 A. Yes.<br/> 6 Q. Are you looking at your signature now?<br/> 7 A. Yes.<br/> 8 Q. Does it look like your signature?<br/> 9 A. It does.<br/> 10 Q. It does?<br/> 11 A. Yeah. You should see some of my<br/> 12 signatures. Yes.<br/> 13 Q. So I know it's not the original, but your<br/> 14 testimony is that looks like your signature?<br/> 15 A. I know it's my signature.<br/> 16 Q. And how do you know?<br/> 17 A. Because I sign like that. I'm pretty<br/> 18 erratic when it comes to my signature.<br/> 19 Q. So is there a wide variation of your<br/> 20 signatures on the documents that you've signed over --<br/> 21 A. Over the years, probably, yes.<br/> 22 Q. This is a 2009 execution date. Do you<br/> 23 agree?<br/> 24 A. Yes.<br/> 25 Q. And the document, it looks like it's been</p>                                                                                                                                                                                                                                           | <p>1 notes or how the money is due someone?<br/> 2 A. No.<br/> 3 MS. DAO: You can put that away.<br/> 4 (Marked for identification Exhibit 11.)<br/> 5 Q. Exhibit 11, Mr. Stenman, I will represent<br/> 6 to you that is a notice of discontinuance of trustee<br/> 7 sales in an unrelated case. It's a true and correct<br/> 8 copy of --<br/> 9 MS. MORRISON: We're going to need to take<br/> 10 a break here because I'm going to need to make a --<br/> 11 MS. DAO: Let me finish this.<br/> 12 Q. -- a certified copy from the court.<br/> 13 A. Uh-huh, yes.<br/> 14 Q. And does 11 have a signature of yours?<br/> 15 A. Yes.<br/> 16 Q. And the date of execution is April 29,<br/> 17 2010?<br/> 18 A. Yes.<br/> 19 Q. And Natalya Galuzo is the notary public?<br/> 20 A. Yes.<br/> 21 Q. Does she work for your company still?<br/> 22 A. Yes.<br/> 23 Q. And on this occasion, do you recall whether<br/> 24 you were signing in front of her or not?<br/> 25 A. Yes, because she's outside my office. She</p>                                  |
| Page 90                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Page 92                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>1 notarized, and we don't know by whom.<br/> 2 A. Looks like you're missing a page.<br/> 3 Q. Well --<br/> 4 A. Or it's just stamped over it. I can't read<br/> 5 it either.<br/> 6 Q. Okay. The verbiage, the language in the<br/> 7 assignment of deed of trust there, I want you to look<br/> 8 at it and familiarize yourself. Is that the language<br/> 9 that you came up with, or is it a template that<br/> 10 somebody prepared for you?<br/> 11 A. Are you talking about the "transfers to"<br/> 12 language where it goes into Bank of New York Mellon?<br/> 13 Q. Yes. It begins with the first paragraph<br/> 14 all the way through.<br/> 15 A. Other than that part of the language, most<br/> 16 of that is our standard templated language.<br/> 17 Q. Okay. So let me bring your attention to<br/> 18 the paragraph right above the date of your signature.<br/> 19 Said "Together with note or notes therein described or<br/> 20 referred to, the money due" and --<br/> 21 A. Yes.<br/> 22 Q. That's not your language, is it?<br/> 23 A. No.<br/> 24 Q. You don't know note or notes or the money<br/> 25 due in this particular case, the specifics of the</p> | <p>1 would bring them in to me to have me sign them.<br/> 2 Q. But you're guessing that that's what<br/> 3 happened?<br/> 4 A. I'm guessing.<br/> 5 MS. DAO: Okay. All right. We can take a<br/> 6 break now.<br/> 7 (Off the record from 11:22 a.m. to 11:47<br/> 8 a.m.)<br/> 9 Q. Mr. Stenman, we were talking about the<br/> 10 variations of your signature over time, and I would<br/> 11 like for you to sign your name several times, if you<br/> 12 don't mind. And with this particular exhibit, if you<br/> 13 could refer to Exhibit 10 where your signature is very<br/> 14 different there.<br/> 15 A. Yes.<br/> 16 Q. Can you make an attempt and sign something<br/> 17 close to that?<br/> 18 A. I guess so. Must have been in a hurry.<br/> 19 Q. Can you date the bottom for me?<br/> 20 A. (Complying.)<br/> 21 (Marked for identification Exhibit 12.)<br/> 22 Q. How many notary publics in the office right<br/> 23 now?<br/> 24 A. I don't have the exact number. We keep<br/> 25 track of it. We have a -- I don't have the exact</p> |

23 (Pages 89 to 92)

| Page 93                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Page 95                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| <p>1 number. Probably 20, 25.</p> <p>2 Q. Okay. And these notary publics, they're</p> <p>3 bonded, I take it?</p> <p>4 A. I think it's required by the state.</p> <p>5 Q. Does the company pay for the bonding?</p> <p>6 A. We pay for the application, which includes</p> <p>7 the bonding.</p> <p>8 Q. And to the best of your knowledge, do these</p> <p>9 notary publics, who work for Northwest Trustee, keep a</p> <p>10 log of what they notarized?</p> <p>11 A. Yes.</p> <p>12 Q. And where are these logs kept?</p> <p>13 A. At their desks.</p> <p>14 Q. And to the best of your knowledge, do they</p> <p>15 notarize signatures of anyone other than employees of</p> <p>16 Northwest Trustee?</p> <p>17 A. No.</p> <p>18 Q. To the best of your knowledge, are they</p> <p>19 allowed to -- are they allowed to notarize signatures</p> <p>20 of those other than employees of Northwest Trustee?</p> <p>21 A. I don't believe that they're prevented from</p> <p>22 doing notary outside of work.</p> <p>23 Q. I asked you about whether Northwest Trustee</p> <p>24 has ownership in any of the third-party vendors that</p> <p>25 we've spoken today. Do you happen to know whether Mr.</p> | <p>1 A. I don't know.</p> <p>2 Q. I know I asked you whether you're a</p> <p>3 salaried employee, whether you got profit sharings,</p> <p>4 and you testified you got 401(k)?</p> <p>5 A. Yes.</p> <p>6 Q. And that is the only form of profit</p> <p>7 sharing?</p> <p>8 A. Correct.</p> <p>9 Q. Do you receive bonuses?</p> <p>10 A. Yes.</p> <p>11 Q. And what is the basis of bonuses at work?</p> <p>12 A. Performance.</p> <p>13 Q. I'm sorry?</p> <p>14 A. Performance.</p> <p>15 Q. Such as? What are the criteria for</p> <p>16 measuring your performance?</p> <p>17 A. Whether I meet or exceed expectations.</p> <p>18 Q. Is it linked to volume, production?</p> <p>19 A. No.</p> <p>20 Q. Anybody in the company that gets paid by</p> <p>21 production that you know of?</p> <p>22 A. No.</p> <p>23 Q. I want to shift focus a bit and ask you</p> <p>24 about the occasion that a borrower contacts Northwest</p> <p>25 Trustee directly. Okay?</p>                                                                                                                                                                                                                                                                                                                                                                                    |
| Page 94                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Page 96                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <p>1 Routh himself has any ownership interest in any other</p> <p>2 companies?</p> <p>3 A. Yes.</p> <p>4 Q. Do you know who -- which companies?</p> <p>5 A. I believe he's got an ownership interest in</p> <p>6 Routh Crabtree Olsen, in FEI.</p> <p>7 Q. What's FEI?</p> <p>8 A. The posting and publishing company.</p> <p>9 Q. And any other company?</p> <p>10 A. Next Title.</p> <p>11 Q. What is that?</p> <p>12 A. It's a title company.</p> <p>13 Q. Located here in Seattle?</p> <p>14 A. (Nodding head.)</p> <p>15 Q. What about Mr. Lance Olsen, do you know if</p> <p>16 he has ownership interest in any other companies that</p> <p>17 do business with Northwest Trustee?</p> <p>18 A. No.</p> <p>19 Q. And I don't know anything about Mr.</p> <p>20 Crabtree. Is he present?</p> <p>21 A. Mr. Crabtree works out of Anchorage. He</p> <p>22 works in our Anchorage office, Routh Crabtree, APC.</p> <p>23 Q. And do you know if he has any ownership</p> <p>24 interest in any third-party vendors that do business</p> <p>25 with Northwest Trustee?</p>                                                                                                                                 | <p>1 A. Okay.</p> <p>2 Q. If they call -- if a borrower calls your</p> <p>3 company and claims that the amounts as stated in the</p> <p>4 notice of trustee sale are incorrect, is that a basis</p> <p>5 for Northwest Trustee to stop and investigate?</p> <p>6 A. It depends on when they make that</p> <p>7 statement. If it's during the period that the NOD was</p> <p>8 issued, within the 30-day period that it was issued --</p> <p>9 well, let me back up. Any time -- then the</p> <p>10 foreclosure would go on. If it was after the NOD</p> <p>11 expired and after the notice of trustee sale was</p> <p>12 issued, we would investigate. We wouldn't necessarily</p> <p>13 place it on hold.</p> <p>14 Q. So what do you do --</p> <p>15 A. And it depends on the allegation.</p> <p>16 Q. Okay. So what do you do by way of</p> <p>17 investigation?</p> <p>18 A. We would refer it to Routh Crabtree Olsen.</p> <p>19 There's a debt dispute group within that company that</p> <p>20 is led by an attorney, and they would contact the</p> <p>21 servicer and investigate the allegation, and we would</p> <p>22 provide a written response to the borrower.</p> <p>23 Q. And this would occur -- I'm sorry, I'll ask</p> <p>24 you to clarify for me. So the notice of default</p> <p>25 period is when they get served with it?</p> |

24 (Pages 93 to 96)



| Page 97                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Page 99                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
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| <p>1 A. It's mailed and it's posted.</p> <p>2 Q. Okay. And then they -- the borrower makes</p> <p>3 a call into Northwest Trustee?</p> <p>4 A. Yes.</p> <p>5 Q. Within how many days of the notice of</p> <p>6 default?</p> <p>7 A. If it's -- if the notice -- the notice of</p> <p>8 default is a 30-day notice. If they dispute the debt</p> <p>9 within that 30 days, then we would place the file on</p> <p>10 hold and investigate the dispute.</p> <p>11 Q. Beyond the notice of default, there's a</p> <p>12 sales date pending. You already recorded the notice</p> <p>13 of trustee sale?</p> <p>14 A. Yes.</p> <p>15 Q. If the borrower calls in and tells you that</p> <p>16 that he or she disputes the amounts as stated in the</p> <p>17 notice of trustee sales, do you investigate?</p> <p>18 A. Yes.</p> <p>19 Q. And do you postpone the sales to</p> <p>20 investigate?</p> <p>21 A. On the advice of the attorney that's</p> <p>22 reviewing the debt dispute, we would make a</p> <p>23 determination on whether the sales should be</p> <p>24 postponed.</p> <p>25 Q. Okay. And you don't happen to know what</p>                                                                                                                | <p>1 A. It would go to the same group.</p> <p>2 Q. The debt dispute group?</p> <p>3 A. Exactly.</p> <p>4 Q. Which consists of lawyers?</p> <p>5 A. At least one attorney and some support</p> <p>6 staff.</p> <p>7 Q. Is that procedure the product of something</p> <p>8 recent, or has it always been handled in that fashion?</p> <p>9 A. It's been a number of years that we've had</p> <p>10 that in place.</p> <p>11 Q. If the borrower claims that there are</p> <p>12 irregularities in the assignment of deed of trust, for</p> <p>13 example, does Northwest Trustee stop the sale to</p> <p>14 investigate?</p> <p>15 A. We would review it before we went to sale,</p> <p>16 and we would provide a response before we went to</p> <p>17 sale.</p> <p>18 Q. If the borrower calls Northwest Trustee and</p> <p>19 advises that his or her loan modification is being</p> <p>20 approved, and there's a sales date pending, does that</p> <p>21 suffice for Northwest Trustee to stop the sales to</p> <p>22 investigate?</p> <p>23 A. We would go back to the servicer and ask if</p> <p>24 there was a pending loan modification review.</p> <p>25 Q. And do you know for a fact that these</p>                                                                                                              |
| Page 98                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Page 100                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p>1 the attorney and the debt dispute group do in these</p> <p>2 circumstances when the amounts are disputed? You</p> <p>3 don't know what they actually do, or do you?</p> <p>4 A. I have a general sense of what they do.</p> <p>5 Q. Okay. Go ahead.</p> <p>6 A. They would obtain payment information in</p> <p>7 the form of paystub, payment histories, and review</p> <p>8 them, and then if there were additional allegations</p> <p>9 they would ask the servicer to respond to them, and</p> <p>10 then they would provide a response back in writing to</p> <p>11 the borrower.</p> <p>12 Q. Do you know what the turn around is? Let's</p> <p>13 say I have a sales date in a couple of weeks. Would</p> <p>14 the turn around be sufficient to postpone the sales</p> <p>15 date?</p> <p>16 A. It depends on the situation.</p> <p>17 Q. So it would be evaluated on a case by case</p> <p>18 basis?</p> <p>19 A. Correct.</p> <p>20 Q. Suppose that the borrower disputes the</p> <p>21 identification of the beneficiary as stated in the</p> <p>22 notice of default. Does Northwest Trustee stop the</p> <p>23 sales to investigate?</p> <p>24 A. We would investigate it.</p> <p>25 Q. And how do you go about investigating it?</p> | <p>1 procedures were actually carried out in that fashion,</p> <p>2 that someone challenges certain aspect of the sales?</p> <p>3 MR. KAYSER: Are you talking specifically</p> <p>4 with respect to Ms. Reiner because, if you are, I</p> <p>5 don't think we've ever seen any evidence that there</p> <p>6 was a loan modification request or ratification.</p> <p>7 MS. DAO: You don't know as counsel or</p> <p>8 you're saying that this witness doesn't know?</p> <p>9 MR. KAYSER: What I'm saying is you've</p> <p>10 never produced anything to indicate that Ms. Reiner</p> <p>11 applied for a loan modification, and if she did, we</p> <p>12 would like to get a copy of those documents.</p> <p>13 MS. DAO: I don't know that. I'm just</p> <p>14 asking the witness for his knowledge. I'm not</p> <p>15 proposing to submit anything to you.</p> <p>16 MS. MORRISON: Why are we talking about</p> <p>17 loan modification with no loan modification</p> <p>18 application even happened in this case?</p> <p>19 MS. DAO: That's not what I'm saying at</p> <p>20 all.</p> <p>21 MR. KAYSER: How is it possibly relevant if</p> <p>22 there's no loan modification in this case? How is any</p> <p>23 of this --</p> <p>24 MS. DAO: We contend that there was a</p> <p>25 request for loan modification.</p> |

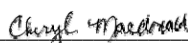

25 (Pages 97 to 100)

| Page 101                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Page 103                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <p>1 MR. KAYSER: Do you have the application?</p> <p>2 I mean, why haven't we gotten those documents then?</p> <p>3 MS. DAO: The problem is that the servicer</p> <p>4 has all the documents. And we produced everything we</p> <p>5 have, but Ms. Reiner already testified in her</p> <p>6 deposition that she doesn't have everything.</p> <p>7 MR. KAYSER: Ms. Reiner doesn't have a</p> <p>8 single document reflecting the loan modification that</p> <p>9 you're now alleging occurred? No correspondence, no</p> <p>10 nothing? No application?</p> <p>11 MS. DAO: Nothing that she has in her</p> <p>12 possession. It doesn't mean that it didn't happen.</p> <p>13 I'm just asking for the witness's knowledge, if he has</p> <p>14 any. If he doesn't, he doesn't.</p> <p>15 MR. KAYSER: Okay. But anyway he doesn't.</p> <p>16 MS. DAO: I'm sorry?</p> <p>17 Q. So I'm sorry. Let me rephrase the question</p> <p>18 to you. To the best of your knowledge, is there any</p> <p>19 information about a loan modification in this case</p> <p>20 with Ms. Reiner's property?</p> <p>21 A. No.</p> <p>22 Q. If there were how would you get it?</p> <p>23 A. Well, if it was delivered by her to us,</p> <p>24 then we would investigate it with the servicer.</p> <p>25 Q. If it was by her to the servicer, how would</p> | <p>1 Q. And what's the reason for that practice not</p> <p>2 going on?</p> <p>3 A. At the request of the servicers.</p> <p>4 Q. Are we talking about specific servicers?</p> <p>5 A. All of them.</p> <p>6 Q. All of them. When did this request come</p> <p>7 about?</p> <p>8 A. I don't have the dates, but it's been more</p> <p>9 than a year.</p> <p>10 Q. So it's not -- it wasn't made in 2012?</p> <p>11 A. It was before May of 2012.</p> <p>12 Q. It was before May of 2012 you said?</p> <p>13 MS. MORRISON: I think he misheard you.</p> <p>14 A. The Bain decision had no impact on whether</p> <p>15 we were executing as MERS. We stopped executing as</p> <p>16 MERS years ago.</p> <p>17 Q. And when is that?</p> <p>18 A. I don't have a date. I don't have the</p> <p>19 date. I don't know.</p> <p>20 Q. How many years would you say?</p> <p>21 A. I don't know.</p> <p>22 Q. And then I asked you the reason for that</p> <p>23 practice to be stopped.</p> <p>24 A. At the request of the servicers.</p> <p>25 Q. And are these written requests?</p> |
| Page 102                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Page 104                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <p>1 you know or how would you go about it?</p> <p>2 A. I don't know that I would know unless she</p> <p>3 said it was and we would investigate.</p> <p>4 Q. Got you. Okay. Are you aware of the Bain</p> <p>5 vs. Metropolitan decision issued by the supreme court</p> <p>6 earlier this year?</p> <p>7 MS. MORRISON: Objection. He's not a</p> <p>8 lawyer. To the extent you are asking him for any</p> <p>9 legal --</p> <p>10 MS. DAO: I'm not. I'm just asking him if</p> <p>11 he's aware.</p> <p>12 MS. MORRISON: He can answer if he knows.</p> <p>13 A. Yes.</p> <p>14 Q. What is your understanding of the impact of</p> <p>15 that decision on your work with Northwest Trustee?</p> <p>16 MS. MORRISON: Objection to the extent</p> <p>17 you're asking him to make any legal conclusion. He</p> <p>18 can answer if he knows.</p> <p>19 A. None.</p> <p>20 Q. No impact whatsoever?</p> <p>21 A. No.</p> <p>22 Q. So the practice of allowing employees of</p> <p>23 Northwest Trustee to sign on behalf of MERS is still</p> <p>24 going on?</p> <p>25 A. No.</p>                                                                                                                                                                                                                                                     | <p>1 A. I don't know what form of communication it</p> <p>2 may have been in.</p> <p>3 Q. And you don't know approximately when the</p> <p>4 requests were made?</p> <p>5 A. No.</p> <p>6 Q. Now, have you yourself stopped signing on</p> <p>7 behalf of MERS?</p> <p>8 A. Yes.</p> <p>9 Q. Does the law firm of Routh Crabtree Olsen</p> <p>10 act as counsel for the company in all aspects of the</p> <p>11 company's work as trustee?</p> <p>12 A. No.</p> <p>13 Q. Does Routh Crabtree Olsen act as counsel</p> <p>14 for Northwest Trustee on active litigation?</p> <p>15 A. Yes.</p> <p>16 Q. If any of the employees is being sued</p> <p>17 individually, does Routh Crabtree Olsen represent</p> <p>18 them?</p> <p>19 A. Yes.</p> <p>20 Q. Are you being represented by the law firm</p> <p>21 today?</p> <p>22 MS. MORRISON: He's not an individual named</p> <p>23 in this lawsuit.</p> <p>24 MS. DAO: I'm just asking for purposes of</p> <p>25 the deposition.</p>                                                                                          |

26 (Pages 101 to 104)

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| <p style="text-align: right;">Page 105</p> <p>1 Q. Are you being represented by Ms. Buck<br/>2 Morrison?</p> <p>3 MR. KAYSER: I'm going to object to that,<br/>4 too, because I think it's a little confusing and vague<br/>5 in that you're not actually asking in what capacity<br/>6 he's being represented. I mean, he's here today as a<br/>7 representative.</p> <p>8 MS. MORRISON: He's a corporate<br/>9 representative. RCO represents Northwest Trustee. In<br/>10 his capacity as a corporate representative --</p> <p>11 MS. DAO: That's all I want to know.</p> <p>12 MS. MORRISON: -- I represent him.</p> <p>13 MS. DAO: All right. Maybe you didn't know<br/>14 that before but now you do. I don't think I have<br/>15 anything further and thank you very much.</p> <p>16 THE WITNESS: Thanks.</p> <p>17 MS. MORRISON: I just have one quick<br/>18 question.</p> <p>19</p> <p>20 EXAMINATION</p> <p>21 BY MS. MORRISON:</p> <p>22 Q. You just previously testified that you no<br/>23 longer sign on behalf of MERS. Is there any employee,<br/>24 that you're aware of, at Northwest Trustee Services<br/>25 that currently signs documents on behalf of MERS?</p> | <p style="text-align: right;">Page 107</p> <p style="text-align: center;">DECLARATION</p> <p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5 I declare under penalty of perjury that I<br/>6 have read my within deposition, and the same is true<br/>7 and accurate, save and except for changes and/or<br/>8 corrections, if any, as indicated by me on the<br/>9 correction sheet hereof.</p> <p>10</p> <p>11</p> <p>12</p> <p>13 _____<br/>JEFF STENMAN</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19 Dated this _____ day of _____,<br/>20 2012.</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25 CHERYL MACDONALD, Court Reporter</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <p style="text-align: right;">Page 106</p> <p>1 A. No.</p> <p>2</p> <p>3 EXAMINATION</p> <p>4 BY MS. DAO:</p> <p>5 Q. That reminds me, are you aware of any<br/>6 investigation by any governmental agency of your<br/>7 company?</p> <p>8 A. No.</p> <p>9 Q. Has there ever been one initiated against<br/>10 your company for the practices, any of the practices?</p> <p>11 A. No.</p> <p>12 Q. That you know of?</p> <p>13 A. No.</p> <p>14 MS. DAO: That's it.<br/>15 (Deposition concluded at 12:04 p.m.)<br/>16<br/>17<br/>18<br/>19<br/>20<br/>21<br/>22<br/>23<br/>24<br/>25</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <p style="text-align: right;">Page 108</p> <p style="text-align: center;">CERTIFICATE</p> <p>1</p> <p>2</p> <p>3 STATE OF WASHINGTON )<br/>4 ) ss.<br/>5 COUNTY OF KING )</p> <p>6</p> <p>7 I, the undersigned Washington Certified Court<br/>8 Reporter, pursuant to RCW 5.28.010, authorized to<br/>9 administer oaths and affirmations in and for the State<br/>10 of Washington, do hereby certify:</p> <p>11 That the annexed and foregoing deposition<br/>12 consisting of Page 1 through 106 was taken<br/>13 stenographically before me and reduced to a typed<br/>14 format under my direction;</p> <p>15 I further certify that according to CR 30(e) the<br/>16 witness was given the opportunity to examine, read and<br/>17 sign after the same was transcribed, unless indicated<br/>18 in the record that the review was waived;</p> <p>19 I further certify that all objections made at the<br/>20 time of said examination to my qualifications or the<br/>21 manner of taking the deposition, or to the conduct of<br/>22 any party, have been noted by me upon said deposition;</p> <p>23 I further certify that I am not a relative or<br/>24 employee of any such attorney or counsel, and that I<br/>25 am not financially interested in said action or the</p> |

27 (Pages 105 to 108)

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| <p style="text-align: right;">Page 109</p> <p>1 outcome thereof;</p> <p>2 I further certify that the witness before</p> <p>3 examination was by me duly sworn to testify to the</p> <p>4 truth, the whole truth and nothing but the truth;</p> <p>5 I further certify that the deposition, as</p> <p>6 transcribed, is a full, true and correct transcript of</p> <p>7 the testimony, including questions and answers, and</p> <p>8 all objections, motions, and exceptions of counsel</p> <p>9 made and taken at the time of foregoing examination</p> <p>10 and was prepared pursuant to Washington Administrative</p> <p>11 Code 308-14-135, the transcript preparation format</p> <p>12 guideline;</p> <p>13 I further certify that I am sealing the</p> <p>14 deposition in an envelope with the title of the above</p> <p>15 cause and the name of the witness visible, and I am</p> <p>16 delivering the same to the appropriate authority;</p> <p>17</p> <p>18 IN WITNESS WHEREOF, I have hereunto set my hand,</p> <p>19 and affixed my official seal this 31st day of</p> <p>20 December 2012.</p> <p>21  </p> <p>22 Certified Court Reporter No. 2498</p> <p>23 in and for the State of</p> <p>24 Washington, residing at Shoreline,</p> <p>25 Washington.</p> | <p style="text-align: right;">Page 111</p> <p>JANET REINER,</p> <p>)</p> <p>Plaintiff, ) NO. 11-2-02029-8</p> <p>)</p> <p>vs. ) NOTICE OF READINESS</p> <p>) OF DEPOSITION FOR</p> <p>NORTHWEST TRUSTEE SERVICE) READING AND SIGNING</p> <p>)</p> <p>Defendant. )</p> <p>)</p> <p>TO: Jeff Stenman )</p> <p>c/o Heidi Buck Morrison</p> <p>13555 SE 36th St. #300</p> <p>Bellevue, WA 98006</p> <p>NOTICE IS HEREBY GIVEN that the transcript of your</p> <p>deposition given in the above entitled cause is ready</p> <p>for your reading and signing at MOBURG SEATON &amp;</p> <p>WATKINS, 2033 Sixth Avenue, Suite 826, Seattle,</p> <p>Washington 98121. You must, within thirty (30) days</p> <p>from the date of this notice, read and sign the</p> <p>deposition or state in writing your reason for refusal</p> <p>to sign, or state in writing the fact that you waive</p> <p>your right to sign; failing to do so, signature shall</p> <p>be deemed for all purposes waived, and your deposition</p> <p>will be sent to the ordering party for retention until</p> <p>time of trial.</p> <p>DATED at Seattle, Washington this December 31, 2012.</p> <p>CC: Ha Dao</p> <p>By: CHERYL MACDONALD, CCR</p> <p>Moburg Seaton &amp; Watkins</p> <p>2033 Sixth Avenue, Suite 826</p> <p>Seattle, Washington 98101</p> <p>206-622-3110 FAX 206-343-2272</p> <p>MOBURG SEATON &amp; WATKINS (206)622-3110</p> |
| <p style="text-align: right;">Page 110</p> <p>MOBURG SEATON &amp; WATKINS</p> <p>COURT REPORTERS</p> <p>2033 SIXTH AVENUE, SUITE 826</p> <p>SEATTLE, WA 98121</p> <p>206-622-3110</p> <p>PLEASE MAKE ALL CHANGES OR CORRECTIONS ON THIS SHEET,</p> <p>SHOWING PAGE, LINE, AND REASON, IF ANY. SIGN THIS</p> <p>SHEET, SIGN THE ACCOMPANYING SIGNATURE SHEET AND</p> <p>RETURN AS PER INSTRUCTIONS IN COVER LETTER.</p> <p>PAGE LINE CORRECTION AND REASON</p> <p>(SIGNATURE)</p> <p>REPORTER: CHERYL MACDONALD</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <p style="text-align: right;">Page 112</p> <p>1</p> <p>2</p> <p>3</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8</p> <p>9</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

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Moburg, Seaton & Watkins 206-622-3110

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