

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In Re:

SYLVIA NUER,

Debtor.

April 20, 2010

1:42 p.m.

DEPOSITION of SCOTT WALTER, held
at the offices of UNITED STATES TRUSTEE,
33 Whitehall Street, New York, New York
before Wayne Hock, a Notary Public of the
State of New York.

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A P P E A R A N C E S :

UNITED STATES TRUSTEE OFFICE
33 Whitehall Street
New York, New York 10006

BY: GREG ZIPES, ESQ.

LAW OFFICES OF LINDA M. TIRELLI, P.C.
Attorneys for Debtor
202 Mamaroneck Avenue
White Plains, New York 10601

BY: LINDA M. TIRELLI, ESQ.
MARK MALONE, ESQ.

LAW OFFICES OF O. MAX GARDNER III, P.C.
Attorneys for Debtor
403 South Washington Street
Shelby, North Carolina 28151
BY: O. MAX GARDNER III, ESQ.

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A P P E A R A N C E S: (Continued)

JACKSONVILLE AREA LEGAL AID, INC.
Attorneys for Debtor
126 West Adams Street
Jacksonville, Florida 33202

BY: APRIL CARRIE CHARNEY, ESQ.

TEITELBAUM & BASKIN, LLP
Attorneys for JP Morgan Chase
3 Barker Avenue
White Plains, New York 10601

BY: JAY TEITELBAUM, ESQ.

GARDERE WYNN SEWELL, LLP
Attorneys for Witness
1000 Louisiana Street
Houston, Texas 77002

BY: MICHAEL CASH, ESQ.

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S C O T T W A L T E R, having
been first duly sworn by a Notary Public
of the State of New York, upon being
examined, testified as follows:

EXAMINATION BY

MR. ZIPES:

Q. Good afternoon, Mr. Walter.

A. Good afternoon.

Q. My name is Greg Zipes, as you
know. I'm with the U.S. Trustee's office.
And we've already had one round of
depositions. I'm going to try not to
repeat my questions.

The housekeeping matters, as
before, please verbalize your answers.
And if your attorney objects, you can
still answer the questions.

If you don't understand a
question, ask me to repeat it and I'll be
happy to try to rephrase it.

Have you reviewed any documents
in preparation for today's deposition?

A. No.

Q. During this deposition, when I

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S. Walter

use the word "LPS," I'm referring to Lender Processing Service unless you tell me otherwise.

A. Okay.

Q. Let me just find out where other entities fit in the LPS corporate family.

Fidelity National Foreclosure and Bankruptcy Solutions, is that connected to LPS?

A. My understanding is it no longer exists.

Q. We're going to look at notes in just a minute, but there's references to Fidelity.

Is that LPS?

A. Okay. That's fine.

Q. No, I'm asking if you know.

A. Yes.

Q. We'll get to it. We can wait for that.

And when did Fidelity National Foreclosure and Bankruptcy Services become LPS? Do you have any idea of that?

A. Over the past two years.

1 S. Walter

2 Q. Docs, LLC, where does that fit
3 into the corporate structure, if you know?

4 A. I don't know what that is.

5 Q. Have you ever heard of Docs,
6 LLC?

7 A. No.

8 MR. TEITELBAUM: How is that
9 spelled?

10 MR. ZIPES: D O C S, LLC.

11 Q. You don't know?

12 A. I don't know.

13 Q. I'm going to refer you quickly
14 to the assignment which you executed in
15 this case. We had previously marked it at
16 the last deposition as UST/LPS 1. And if
17 you look at the front page there, I have
18 an index where that's indicated. I'll
19 just continue with my numbering. We'll
20 continue to call that UST/LPS 1.

21 A. Go to the one?

22 Q. Yes.

23 Actually, you indicated in your
24 last deposition that there was a
25 monitoring platform that monitors

1 S. Walter

2 activities of attorneys that would have
3 been memorialized when this assignment was
4 signed by you.

5 Do you recall that testimony?

6 A. I recall discussing that there's
7 a monitoring system that would track the
8 attorney's request to have the documents
9 signed.

10 Q. Is that the MSP system, just so
11 we're --

12 A. I wasn't referring to the MSP
13 system.

14 Q. The MSP is something else?

15 A. Yes.

16 Q. So let me go to what is in the
17 index in the book as index number nine.
18 If you could just turn to that in the
19 book.

20 MR. ZIPES: I'm going to ask that
21 the court reporter mark that -- I'm
22 going to call it UST/LPS 3.

23 (Whereupon, a multi-page
24 document was marked UST/LPS Exhibit 3
25 for identification.)

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S. Walter

MR. ZIPES: For the record, that's Bates stamps at the bottom, these are Chase-generated Bates stamps 1530 through 1596. And the record should further reflect that these are documents sent to me today by Mr. Teitelbaum by e-mail because there's another set.

MR. TEITELBAUM: To be clear, this is a second production of the same documents. This exact set was produced previously but with additional redactions and, after the court hearing yesterday, we reviewed and produced the same set again with fewer redactions and we provided the U.S. Trustee and all parties here with a privilege log.

MR. ZIPES: So the record is clear, we want to make sure that's the set of documents we're talking about right now and that's before the witness.

Q. Do you recognize these notes?

1 S. Walter

2 Am I referring to the right word when I
3 call them notes?

4 A. I would call them notes.

5 Q. Do you know what these notes
6 represent?

7 A. I would have to read them, so if
8 you want to hold on a second.

9 (Reviewing).

10 These appear to be notes from
11 the LPS Desktop memorializing certain
12 activities that took place.

13 Q. Can you tell from anything on
14 this document what case or loan this
15 refers to?

16 A. Outside of a borrower name, I
17 wouldn't be able to tell.

18 Q. I'll represent that these
19 documents were sent to me by Mr.
20 Teitelbaum and that he identifies these as
21 notes for the Nuer loan.

22 MR. TEITELBAUM: If you don't
23 mind, direct your attention to the top
24 of page 1530. There's a loan number.

25 THE WITNESS: Thank you.

1 S. Walter

2 Q. Do you recognize what these
3 notes are in light of that loan number?

4 A. Not specifically.

5 Q. How would you determine what
6 loan -- who the person is that holds this
7 loan?

8 A. If I was made to find out this
9 loan, I would have to look up the loan
10 number in the LPS Desktop.

11 MR. ZIPES: To move this along,
12 Jay, can you represent that these
13 relationship the notes from the LPS --
14 the LPS notes dealing with the Nuer
15 loan?

16 MR. TEITELBAUM: I can represent
17 to you that these were notes produced
18 to my firm which were obtained from
19 the LPS Desktop, not by me personally
20 but they were obtained from the LPS
21 Desktop by people with access to the
22 desktop and it was represented to me
23 that these are the entirety of the
24 notes with respect to this loan, the
25 Nuer loan.

1 S. Walter

2 Q. Mr. Walter --

3 MR. TEITELBAUM: Just for the
4 record, I do not have access to the
5 LPS Desktop.

6 MR. ZIPES: Who gave you these
7 notes?

8 MR. TEITELBAUM: These were
9 produced by the Baum firm.

10 Q. So if I asked you if these were
11 the platform notes for this case, you
12 wouldn't be able to tell me without
13 further information?

14 A. Correct.

15 Q. Did you enter any notes for the
16 Nuer loan yourself? I'm just asking a
17 general question right now.

18 A. Not to my recollection.

19 Q. When reviewing these notes
20 generally, are these done in reverse
21 chronological order, sort of like an
22 e-mail chain might be read?

23 A. It depends on the individual
24 reviewing the notes.

25 Q. Just flip through these notes.

1 S. Walter

2 And if you turn your attention to Bates
3 stamp 1596, which is the last page of that
4 set of documents, you have the date there
5 which is 3/14/08.

6 Are you prepared to just tell me
7 generally how to read these notes? Do you
8 have knowledge about how to read these
9 notes?

10 A. Yes.

11 Q. So that date listed on --
12 well, 378, do you see the 378 number above
13 that?

14 A. One more time?

15 Q. Do you see the line and the --

16 A. Yes.

17 Q. The date, which is 3/14/08, what
18 does that date represent?

19 A. Looking at the note, it says
20 process opened and the date and a user.
21 So the date below the 378, I would read
22 that to be the memorialization of the
23 note.

24 Q. Are these notes typically, in
25 the ordinary business, kept

1 S. Walter
2 contemporaneously, entered
3 contemporaneously with the event they
4 might reflect?

5 A. Typically, yes.

6 Q. Does LPS have any procedures in
7 place that require notes to be kept
8 contemporaneously?

9 A. I think I need you to ask me
10 that a different way.

11 Q. I'll ask you that in a minute.
12 378, looking below 378, what is
13 that called? Is that an entry?

14 A. That appears to be an entry.
15 And in my standard business practice of
16 looking at notes, I would take that as an
17 automatic time stamp of an activity that
18 happened within the desktop.

19 Q. When you say, "time stamp," are
20 you referring to the date 3/14/08 at 3:29?

21 A. Yes.

22 Q. I don't know all the explanation
23 of every single definition, but new
24 process under type, what is type
25 generally? What would be in that

1 S. Walter

2 category?

3 A. Typically the type would simply
4 be a type of note entered, whether it was
5 a new process note or you may see other
6 notes that may say foreclosure,
7 bankruptcy, other activities.

8 Q. And the process line, FC New
9 York, other, other in this case?

10 A. That would represent the process
11 within the LPS Desktop, the monitoring
12 template that this note was put on.

13 Q. And then the note itself is what
14 follows; correct?

15 A. Correct.

16 Q. In this case written by Fidelity
17 Auto Pros Fidelity.

18 Fidelity is referring to LPS or
19 the predecessor firm?

20 A. Yes.

21 Q. Let me just ask you because some
22 terms came up here that I was -- if I see
23 LC in the notes, does that have -- does
24 that mean anything to you?

25 A. If I was reviewing notes and I

1 S. Walter

2 saw LC, I would read that as local
3 counsel.

4 Q. Sludge cleanup? I see sludge
5 cleanup.

6 A. Okay.

7 Q. What does that mean?

8 A. Sludge cleanup is a notation of
9 reports, exception reports.

10 Q. What do you mean by that?

11 A. Reports that identify actions
12 that need to take place within the
13 desktop.

14 Q. Intercom?

15 A. Intercom is, in layman's terms,
16 it would be like a security e-mail within
17 the desktop from one person or entity to
18 another.

19 Q. New image?

20 A. New image would be the document
21 management, digital document housing
22 technology solution.

23 Q. I want to focus on the time
24 period for the bankruptcy filing. You'll
25 tell me if you can't answer questions,

1 S. Walter

2 obviously, due to lack of personal
3 knowledge or otherwise.

4 Let's focus on the time period
5 of the bankruptcy filing to the date of
6 the motion for relief from the automatic
7 stay.

8 I'll represent to you that the
9 debtor filed for bankruptcy relief on
10 October 10, 2008.

11 Would you be able to identify in
12 here where it's reflected that the debtor
13 filed for bankruptcy?

14 A. Perhaps.

15 Q. Let me give you a clue. Because
16 my layman's reading of this, entry two
17 hundred ninety-three, if you can turn up
18 to that one.

19 A. Okay.

20 Q. Does that look like it's the
21 entry that would be made?

22 A. Yes.

23 Q. And entry three hundred, is that
24 also an entry indicating bankruptcy was
25 filed?

1 S. Walter

2 A. It is a note that would show
3 that notification of a bankruptcy filing
4 is received.

5 Q. Turning to two hundred
6 ninety-three, Theresa Nkeze, I might be
7 pronouncing that wrong, but do you know
8 who she is?

9 A. I know who she is.

10 Q. And she works at Fidelity?

11 A. To the best of my knowledge, she
12 does.

13 Q. Is this note intended to be --
14 directed at someone? Can you tell from
15 this?

16 A. I can't really tell from this.
17 But typically this isn't necessarily a
18 note telling anybody anything. It's
19 memorializing the filing that a bankruptcy
20 was filed.

21 Q. Are you familiar with the
22 Fidelity agreement between Fidelity and
23 Washington Mutual?

24 A. Yes.

25 Q. Have you reviewed -- have you

1 S. Walter

2 seen that document?

3 A. Once or twice.

4 Q. I'm going to get to that a
5 little bit later, but just generally would
6 it be your understanding, when these notes
7 are prepared for a loan, that these would
8 encompass all communications among the
9 parties involved?

10 A. You're talking generally?

11 Q. Yes.

12 A. Yes, typically they represented
13 everything that happened in the LPS
14 Desktop.

15 Q. Is there something on this --

16 MR. ZIPES: Strike that.

17 Q. Can you turn to entry two
18 hundred eighty-six, please. I'm calling
19 it two hundred eighty-six above the line
20 or below the line.

21 Should I be reading two hundred
22 eighty-six above the line?

23 A. I don't really use those numbers
24 so I couldn't say.

25 Q. When I refer to a number, I'm

1 S. Walter

2 referring to the item above that number.

3 A. Okay.

4 Q. That to me seems the way it's
5 done.

6 A. I'll go with you.

7 Q. Looking at two hundred
8 eighty-six, it's dated 10/24/08, you'll
9 see bankruptcy dash MFR NIE ID 9066197
10 sent to Steven J. Baum, PC at 10/28/08,
11 and it goes on a little bit.

12 Do you know what this note
13 represents?

14 A. Yes.

15 Q. What does it represent?

16 A. This note memorializes that
17 Washington Mutual, for sake of the
18 conversation, that Washington Mutual has
19 referred, through their automated business
20 rules, an MFR to Steven J. Baum on
21 10/24/2008.

22 Q. When you say referred the MFR,
23 are you talking about the actual document
24 or just to do it, an MFR?

25 A. In this particular case, both.

1 S. Walter

2 Q. So a document was sent to Steven
3 J. Baum under this?

4 A. Yes.

5 Q. What document was sent to Steven
6 J. Baum?

7 A. I wouldn't be able to tell from
8 the notes.

9 Q. Would it be the actual MFR? Are
10 we using the same term, MFR, motion for --

11 A. I think I understand what you
12 mean.

13 No, the actual motion itself and
14 all the 362 documents, those are prepared
15 by the attorney later. This is simply
16 notice to the attorney that Washington
17 Mutual has requested, per their business
18 rules, a motion for relief be reviewed and
19 filed.

20 Q. And you mentioned for this note
21 certain documents were sent to Steven J.
22 Baum as well?

23 A. I'm assuming based on NIE ID
24 number and a number.

25 Q. What does that represent?

1 S. Walter

2 A. NIE is new image.

3 Q. So you could find out what that
4 document is; correct?

5 A. I could.

6 Q. But that's not listed here.
7 You would enter in that
8 information presumably into the LPS
9 Desktop?

10 A. Yes.

11 Q. And then if you turn to two
12 hundred eighty-five now, which is the next
13 page because we go reverse chronological
14 here, this says MFR and those numbers
15 again which is the image; correct?

16 A. Correct.

17 Q. Were picked up by the firm
18 Steven J. Baum.

19 What does this entry mean?

20 A. Typically this entry
21 memorializes that the attorney has
22 confirmed to Washington Mutual that they
23 have received whatever Washington Mutual
24 has sent them. And, in this case in this
25 note, an MFR.

1 S. Walter

2 Q. So this doesn't necessarily mean
3 that someone physically picked up the file
4 from LPS; correct?

5 A. My understanding is that this is
6 a note that automates when the attorney
7 has confirmed receipt through new image.
8 Whether that's manual or not, I couldn't
9 say based on the notes. And then new
10 image stamps into the LPS Desktop
11 confirming that NIE ID number 0966 and on
12 was pulled in, those documents were
13 received by the attorney.

14 Q. Does LPS have any employees at
15 the Steven J. Baum law firm?

16 A. Not that I'm aware of.

17 Q. And this appears to be an
18 automatically generated entry? I'm
19 looking at auto pros, does that mean that
20 it's automatically generated?

21 A. Typically, yes.

22 Q. If you can turn to entry two
23 hundred sixty-seven now, please. And in
24 the notes here, reading above, it's dated
25 10/27/08, 3:16 p.m. User has completed

1 S. Walter

2 the doc forward underscore client data
3 form.

4 Do you see that?

5 A. Yes.

6 Q. Can you tell me what this note
7 means.

8 A. You know, if I was reading this
9 and I would take this to mean that this is
10 a note memorializing that Danielle
11 Montgomery completed a data form within
12 the LPS Desktop sending an assignment of
13 mortgage, in this case, to Washington
14 Mutual to review.

15 Q. Now turn to -- who is the user?
16 I'm sorry, staying on two hundred
17 sixty-seven, who is the user?

18 A. In this particular instance I
19 would expect the user would be Danielle
20 Montgomery.

21 Q. Is there an entry that comes
22 prior in date to this where the assignment
23 comes in from somewhere else?

24 A. It may.

25 Q. Can you check quickly to see.

1 S. Walter

2 A. (Reviewing).

3 Okay.

4 Q. Do you see an entry where it
5 came in?

6 A. I do.

7 Q. Where is that?

8 A. I see it on 001578 above the
9 number two hundred seventy-seven.

10 Q. How would you be able to tell
11 from this entry that that was the
12 assignment?

13 A. If you also look at two hundred
14 seventy-eight, the one directly below,
15 these notes appear to me to memorialize
16 Robin Schultz had submitted an assignment
17 of mortgage through the LPS Desktop.

18 Q. How often do you review notes,
19 generally, of these kinds?

20 A. A couple of times a week
21 perhaps.

22 Q. Please turn to entry two hundred
23 sixty-five.

24 Now, here it's dated 10/27/08,
25 bankruptcy dash MFR with that number

1 S. Walter

2 picked up by firm Steven J. Baum.

3 What does this entry represent,
4 to the best of your knowledge?

5 A. Generally, these are new image
6 comments so, to the best of my knowledge,
7 new image is memorializing documents
8 associated with an MFR process were picked
9 up by Steven J. Baum's office.

10 Q. Can you tell from this note what
11 these documents are?

12 A. I can't.

13 Q. Can we assume that that document
14 is what's listed on two hundred
15 sixty-seven or you wouldn't want to make
16 that assumption?

17 A. I wouldn't make that assumption.

18 Q. Turn to two hundred fifty-two.
19 This is dated 11/4/08. The note says user
20 has completed the POA underscore requisite
21 data form with the following entries, JP
22 Morgan to Scott Walters.

23 Do you see that?

24 A. I do.

25 Q. This is from the Steven J. Baum

1 S. Walter

2 law firm; correct?

3 A. It appears to be.

4 Q. Would you have any reason to
5 doubt that?

6 A. No.

7 Q. And could you tell me what this
8 entry represents.

9 A. To the best of my understanding,
10 they have user has completed a POA
11 requisite data form, exactly what it says.
12 I guess I couldn't give you a full answer.
13 I don't manage this process, but it
14 appears they are requesting something.

15 Q. So just start me off, POA
16 underscore requisite, what does that stand
17 for?

18 A. I could guess.

19 Q. Is that a category or a type of
20 document?

21 A. Again, I could guess.

22 Q. I don't want you to guess, but
23 can you make an educated guess?

24 A. Power of attorney.

25 Q. Who at LPS would have a better

1 S. Walter

2 understanding of this process? You said
3 it's not really you.

4 A. I don't know.

5 Q. Let's go to entry two hundred
6 fifty-one dated 11/4/08. User has updated
7 the system for the following. Power of
8 attorney requested, completed on 11/4/08.

9 Do you see that?

10 A. Yes.

11 Q. Can you tell me what that entry
12 is.

13 A. I could give you an educated
14 guess.

15 Q. Go ahead.

16 A. My educated guess would be the
17 attorney has requested a power of
18 attorney.

19 Q. From whom?

20 A. From that note, I couldn't say
21 for certain. But below the secondary
22 note, it seems to indicate JP Morgan to
23 Scott Walter.

24 Q. Who is asking for that? It's
25 kind of written in the passive.

1 S. Walter

2 Who's actually asking for the
3 power of attorney?

4 A. Appears to me from the notes
5 that Steven J. Baum's office is making
6 this request.

7 Q. So turn to two hundred forty,
8 please. That's dated 11/6/08. And it's
9 got some verbiage in the note, but on
10 10/27/08 do you see that line under
11 comments, prepared assignment. Uploaded
12 in NT through signature required process.
13 Today checked LPS and assignment was
14 received not signed. Will continue to
15 monitor LPS and follow up in one week to
16 allow time for execution.

17 Do you know what that note
18 means?

19 A. I mean, in my day-to-day
20 business practice of reading notes, I
21 could tell you what I think it means.
22 Just reviewing the note I couldn't tell
23 you.

24 Q. Tell me what you think it means
25 in your business practice.

1 S. Walter

2 A. It appears to be Steven J. Baum
3 noting the file, memorializing that they
4 have prepared an assignment, they have
5 uploaded it into the LPS Desktop to be
6 reviewed and executed, and that it isn't
7 back yet.

8 Q. What does it mean assignment was
9 received not signed, who's receiving that?

10 A. I wouldn't know.

11 Q. Well, do you read this as the
12 assignment is not signed?

13 A. I read it as an assignment is
14 not signed or, let me better state what I
15 meant to say, is that a signed assignment
16 hasn't been received by Steven J. Baum.
17 Which assignment though I couldn't tell
18 from this note.

19 Q. Would this assignment be signed
20 by LPS; is that what this is saying?

21 A. It appears that the attorney is
22 stating that. However, I can't tell you
23 whether LPS would have signed this
24 document or not without seeing the
25 document that the note's referencing.

1 S. Walter

2 Q. Two hundred forty-one, which is
3 I guess the one right before that, under
4 comments on 11/4, processor requested
5 additional screen prints, can you tell me
6 what that specific reference is to?

7 A. It appears to me that Steven J.
8 Baum has asked for additional financial
9 information from the servicing system for
10 some sort of review they were doing.

11 Q. Do you know what the screen
12 prints are in reference to? Are they in
13 reference to a specific program?

14 A. I couldn't say.

15 Q. You can't tell from this?

16 A. Not from the notes, no.

17 Q. Is there somewhere else that you
18 would be able to tell? The LPS Desktop,
19 for example?

20 A. Well, I could -- yes.

21 Q. Turn to entry two hundred
22 twenty-five.

23 Before we get there, can you --
24 we went over an entry that seemed to say
25 that Steven J. Baum was waiting for an

1 S. Walter

2 assignment to be signed.

3 Can you tell, looking -- I don't
4 want you to flip through everything but
5 just the next couple of pages, if that
6 assignment comes in in any of the notes.

7 A. I don't see it here on 1570.

8 Q. Why don't you flip ahead a
9 little bit and see --

10 A. Ahead meaning smaller?

11 Q. In time, yes.

12 A. (Reviewing).

13 I've looked at three pages and I
14 don't see any direct reference to an
15 assignment in the notes.

16 Q. Can you give me a reference of
17 the last date on the note that you looked
18 at?

19 A. 11/18/2008. I'm on 1567.

20 Q. Turn to entry two hundred
21 twenty-five, please. And this is dated
22 11/7/08. User has updated the system for
23 the following event. Document sent to
24 client for execution. Completed on
25 11/7/08.

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S. Walter

I think I know what you're going to say, but can you tell what document was referenced in this note?

A. Looking at the note below, I would suggest that that was some sort of affidavit in support of something.

Q. And you can't tell looking at the note below what that document is; correct?

A. I can tell that it was memorialized that it was an affidavit. But without seeing the affidavit, I couldn't characterize the document for you.

Q. In LPS' ordinary business practice, would the people entering these notes know the difference between an affidavit and an assignment of mortgage typically?

A. I couldn't say for sure.

Q. Turn to entry two hundred eighteen. And you'll see on comments -- this is dated 11/13/08. On 11/7, worksheet uploaded to LPS for execution.

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S. Walter

Can you tell me what this document means, what this entry means?

A. It appears that Steven J. Baum's firm uploaded a worksheet into the LPS Desktop.

Q. And just cross-referencing back, is it possible --

MR. ZIPES: I'm not going to ask you.

Q. Turn to entry number two hundred twelve, please.

If you see the note bankruptcy MFR and there's a number, pickup by firm Steven J. Baum, PC at 11/13/08, do you see that entry?

A. Yes.

Q. Can you tell what that entry means, please.

A. Similar to what we spoke about before. This is the document management system memorializing that a document was picked up by Steven J. Baum.

Q. Can you tell where that's coming from, that document that they're picking

1 S. Walter

2 up?

3 A. I can tell it's coming from
4 document management.

5 Q. But it wouldn't be -- this MFR
6 may or may not be a reference to the
7 motion itself?

8 A. My understanding is MFR here
9 simply refers to the type of process
10 that's currently open within the desktop.

11 Q. I see.

12 Is there a way of tracking
13 through these notes what documents are
14 being picked up here? In other words, is
15 there an entry prior to this where a
16 document was placed into document
17 management?

18 A. There may be. Let me take a
19 look.

20 (Reviewing).

21 You could track it back through
22 line items, if that's an okay naming
23 convention, it appears that two hundred
24 thirteen and two hundred twelve and two
25 hundred fourteen may refer to what was

1 S. Walter

2 uploaded to be sent to the attorney on
3 line two hundred sixteen, and again, I'm
4 on page 1568.

5 Q. That specific number shows up
6 many times, 9066197, for example, under
7 two hundred twelve and two hundred
8 forty-three, two hundred forty-seven.

9 Is that always going to be the
10 same document or is that referring to --
11 is that always going to be the same
12 document?

13 A. My understanding is that number
14 refers to -- think of it in terms of a
15 folder of documents, digital folder.

16 Q. LPS doesn't destroy -- does LPS
17 dispose of documents in that file, the
18 digital file, while a case is open?

19 A. Not that I'm aware of.

20 Q. Can Chase communicate with the
21 Baum firm directly under the agreement
22 with LPS?

23 We had two agreements. One is
24 the agreement between LPS and Chase;
25 correct?

1 **S. Walter**

2 MR. TEITELBAUM: And WaMu.

3 **Q. As successor in interest?**

4 MR. CASH: I don't want you to
5 guess about what the documents say.
6 If there's an agreement.

7 **Q. Do you know if there's an**
8 **agreement between LPS and Chase?**

9 **A. My understanding is there's one**
10 **for Washington Mutual.**

11 **Q. And that would apply to this**
12 **loan?**

13 **A. I would think so.**

14 **Q. So does that agreement permit**
15 **Chase to speak directly to the Baum law**
16 **firm?**

17 **A. I can't say for certain, but**
18 **what the document says.**

19 **Q. In LPS' general practices, when**
20 **LPS is retained for default services, is**
21 **the bank or servicer allowed to speak**
22 **directly with the law firm?**

23 **A. I'm only allowed to speak about**
24 **my department and absolutely they can,**
25 **they do.**

1 S. Walter

2 Q. Are they required to, as part of
3 the ordinary business practices, required
4 to memorialize any communications?

5 MR. CASH: Whose business
6 practices?

7 MR. ZIPES: LPS' business
8 practices.

9 MR. CASH: If the law firm is
10 talking directly to the bank, how
11 could LPS' business practices affect
12 either the law firm or the bank?

13 Q. I'm asking do they have to
14 memorialize it in the notes here if they
15 speak directly to each other?

16 A. Well, have to is tough. My
17 departments, I have procedure that I
18 expect noted to be memorialized. What the
19 banks and their attorneys do outside of
20 talking to me I can't say.

21 Q. Are you in a different
22 department than the department that
23 oversees the notes here in this case?

24 A. I mean, my understanding is all
25 departments fall into the notes. If

1 S. Walter

2 you're referring to what we've discussed
3 so far, that's a different department.

4 Q. What department is that?

5 A. My understanding is it's a
6 department called signature required.

7 MR. ZIPES: Let's turn your
8 attention to Exhibit 5 -- why don't we
9 mark it after if that's okay with
10 everybody, we'll mark it as UST --
11 this is a letter from Greg Zipes to
12 Michael Cash dated April 1, 2010.
13 We'll mark it as UST/LPS 4.

14 Q. Have you ever seen this letter?

15 A. Not before today.

16 Q. Were you aware that LPS agreed
17 to turn over certain documents to my
18 office?

19 A. I remember a discussion in a
20 previous deposition.

21 Q. Well, let me just turn your
22 attention to what's in the binder as
23 Exhibit 7 and --

24 MR. ZIPES: We'll mark it as
25 UST/LPS 5.

1 S. Walter

2 Q. The cover page of this is a
3 default services agreement between
4 Washington Mutual Bank, FA and Fidelity
5 National Foreclosure and Bankruptcy
6 Solutions dated May 17, 2004.

7 Have you seen this document
8 before?

9 A. I've seen it.

10 Q. When was the last time you
11 reviewed it or saw it?

12 A. I've never reviewed it but I've
13 seen it. I can't recall the last time
14 I've looked at it.

15 Q. And you testified the last time
16 around that you had nothing to do with the
17 preparation of this document?

18 A. No. Yes, that is --

19 Q. I asked that in a bad way.
20 Right.

21 Well, let me just go over some
22 terms.

23 Transition services, if the
24 agreement makes reference to transition
25 services, do you know what that would

1 S. Walter

2 mean?

3 A. I don't know.

4 Q. Default services?

5 A. I don't know.

6 Q. In the ordinary course of your
7 business, would you keep this agreement
8 somewhere close by?

9 A. I would not.

10 Q. How would you know what LPS'
11 duties and responsibilities are to Chase?
12 How do you generally know what LPS' duties
13 are to Chase?

14 A. I typically have certain
15 procedures and obviously weekly, daily
16 phone calls with representatives with
17 Chase discussing the LPS Desktop.

18 Q. Are your obligations written
19 down somewhere?

20 A. I have procedures, sure.

21 Q. What is that, a procedures book?
22 Just tell me what that is.

23 A. We have a procedure book.

24 Q. Is that for Chase specifically?

25 A. There is specific digital books

1 S. Walter

2 and one would be specific to -- to my
3 understanding, it would be specifically
4 called Washington Mutual.

5 Q. Why don't you turn, within that
6 document, turn to the back -- if you
7 reference it, this was produced by your
8 counsel, LPS 64.

9 Obviously, this is partly
10 redacted, but it's listed schedule three
11 on the top and it says default services
12 scope.

13 Have you seen this, this
14 document before?

15 A. I think I have.

16 Q. Is this a document that would be
17 in your procedures book?

18 A. No.

19 Q. Is it your understanding that
20 these are the services provided by LPS as
21 it relates to bankruptcy services?

22 A. This appears to reference some
23 services I'm aware of.

24 Q. Well, why don't you flip through
25 it quickly. There's about -- it's to 67.

1 S. Walter

2 A. (Reviewing).

3 Yeah, I don't manage a lot of
4 this. I mean, the concepts of course --

5 Q. Would it be your understanding
6 that these are the services provided when
7 a lender is in -- not a lender, a mortgage
8 holder is in bankruptcy?

9 A. I mean, it may. Again, I've
10 only looked at this maybe once or twice
11 and some of the concepts seem to be
12 procedures I have. I couldn't speak
13 directly to these concepts as they're
14 presented here.

15 Q. So your procedures are
16 consistent with this list?

17 A. I couldn't say for certain that
18 everything on this list, but there are
19 certain lines that I'm reading that
20 correspond to procedures I have.

21 Q. Is there someone at LPS who
22 would be more familiar with this than you?

23 A. Perhaps.

24 Q. Do you know who that would be?

25 A. I wouldn't know who the best

1 S. Walter

2 person to talk to would be.

3 Q. Does anyone check your
4 procedures manual that lists apparently
5 services provided by LPS within LPS to
6 make sure that it's consistent with the
7 actual underlying agreement?

8 A. I guess I can answer your
9 question that my procedures are reviewed
10 by somebody other than me and my
11 management team, yes.

12 Q. Within your management team, you
13 said?

14 A. Uh-huh.

15 Q. Who would that be?

16 A. The people reporting to me.

17 Q. But to your knowledge, no one
18 else reviews that procedure manual?

19 A. Oh, no, certainly other people
20 do.

21 Q. Does someone outside of your --
22 people you manage also review that
23 procedures manual?

24 A. Certainly.

25 Q. Do they review it, do you know,

1 S. Walter

2 to see if it's consistent with what the
3 underlying agreement is between LPS and
4 Chase?

5 A. That I couldn't answer.

6 Q. So what do you do, you submit
7 the form every once in a while to the
8 procedures manual and it comes back to you
9 and you don't know who's reviewing it or
10 why?

11 MR. TEITELBAUM: Objection to
12 form.

13 A. Oh, no, I know who's reviewing
14 it.

15 Q. Who's reviewing it then?

16 A. Chase.

17 Q. Now, you signed an assignment in
18 this case.

19 Is there anything in your
20 procedures manual or in this schedule that
21 gives you authority or permission to sign
22 the assignment?

23 A. I mean, authority, I would
24 expect to see some form of power of
25 attorney. I don't know if it's in this

1 S. Walter

2 document or not.

3 Q. But you'll represent to me today
4 that there is a -- that signing an
5 assignment at the time of the bankruptcy
6 filing was within the scope of your
7 employment?

8 A. Yes.

9 Q. It might be here somewhere in
10 schedule three? I don't know if you can
11 find it or not.

12 MR. CASH: I don't know if it's
13 on the schedule but there's a power of
14 attorney authorizing certain people to
15 sign.

16 MR. TEITELBAUM: Why don't you
17 look at LPS 065, line item
18 ninety-seven. It's on the schedule
19 three. LPS 65. It's not same
20 document that was being referred to.

21 A. I'm sorry, I missed the
22 question. But I'm with you now.

23 Q. Well, I don't think you have
24 personal knowledge of this so I'm not
25 going to ask.

1 S. Walter

2 You don't have personal
3 knowledge of what's in here; right?

4 MR. TEITELBAUM: Wait, you just
5 asked him if a question if there was
6 anything in this document that he
7 could identify that gave him authority
8 to execute an assignment. You
9 couldn't find it. I helped you. Let
10 him answer the question.

11 Q. Go ahead.

12 A. I see line ninety-seven on page
13 LPS 65 appears to be in line with my
14 procedures that give me certain
15 authorities to sign certain documents.

16 Q. And again, I'm not trying to
17 trick you, but I think you testified that
18 you don't do that anymore, is that
19 correct, that you don't sign assignments?

20 A. I don't, no.

21 Q. But does LPS still sign
22 assignments?

23 A. I don't know. I don't think so.

24 Q. I'm talking generally, not just
25 in this case.

1 S. Walter

2 A. Oh, no. Then we don't.

3 Q. That's a rule that has been --
4 I'll call it a rule but LPS employees have
5 been directed not to sign assignments
6 recently?

7 MR. TEITELBAUM: Objection.
8 Relevance.

9 MR. CASH: Are you asking have
10 they made a decision not to execute
11 documents?

12 MR. ZIPES: Yes.

13 MR. CASH: That's what he's
14 asking.

15 A. Yes, we've made a decision not
16 to execute documents anymore.

17 Q. And that's across the board or
18 just to assignments of mortgage?

19 MR. TEITELBAUM: Objection again.
20 Go ahead.

21 A. My company, we don't sign any
22 documents.

23 Q. I don't need the exact date, but
24 was that implemented within the last year?

25 A. Yes.

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S. Walter

MR. TEITELBAUM: Objection.

Go ahead.

MR. CASH: Can we go back to one thing because I just want to make sure we don't have a semantics problem.

MR. ZIPES: Go ahead.

MR. CASH: The contract has the -- basically where it says they'll execute documents but you used the word "authority" which I think comes from the power of attorney. So I just I don't want to have a legal misnomer. I don't think without the power of attorney that contract gives them authority to execute documents, so if we're talking legal authority as opposed to contractual agreement.

Does that make sense?

MR. ZIPES: It does.

Q. But I guess contractually this provision has been superseded by your policy; correct? In other words, if a contract says you have the authority to execute assignments, affidavits,

1 S. Walter

2 declarations, support of motions, the
3 policies of LPS have now superseded that
4 and you wouldn't -- LPS couldn't honor
5 that provision?

6 MR. TEITELBAUM: Objection.

7 Go ahead.

8 A. Having read that in detail for
9 the first time today, I find it difficult
10 to answer. But yes, while I see it there
11 in the document, that's no longer a
12 service we provide.

13 Q. There's a reference in here, and
14 you can accept my representation to that,
15 to a procedures manual. That's actually
16 in article 17.1.

17 Is that the procedures manual
18 that you're referring to that guides your
19 activities?

20 A. Let me just take a quick peek
21 just to make sure.

22 What was it again?

23 Q. Article 17.1, if I've got that
24 right.

25 A. (Reviewing).

1 S. Walter

2 This appears to be making
3 reference to a procedure manual that we
4 certainly do keep. Whether this provision
5 back in 2004 was met at the time I
6 couldn't tell you. I don't know.

7 MR. ZIPES: Mr. Cash, just to cut
8 through some of this, can you just
9 represent that these redactions relate
10 to pricing generally?

11 MR. CASH: My recollection is
12 generally pricing or very
13 client-specific requirements that
14 would be certainly confidential
15 information. But nothing that would
16 have anything to do with this case or
17 anything having to do with the
18 execution of this document.

19 MR. ZIPES: And schedule three,
20 and I know you're not the witness
21 here, but the materials redacted, does
22 that deal with the pricing?

23 MR. CASH: Some deals with
24 pricing and some deals with other
25 areas. Like this is a bankruptcy

1 S. Walter

2 case. So if it was some other kind of
3 case, those are redacted because they
4 have nothing to do with this kind of
5 case, it's not a bankruptcy service.

6 MR. ZIPES: That would be a
7 different schedule though; right?
8 I've got you.

9 Q. Let's go to what I marked as --
10 what's in the exhibit book as Exhibit 6.

11 MR. ZIPES: We'll mark that as
12 UST/LPS 6.

13 Q. Have you seen this document
14 before?

15 A. I have seen this document
16 before.

17 Q. And what is this document?

18 A. It appears to be a network
19 agreement.

20 Q. This is between again Fidelity
21 and Marvin R. Baum? Do you see that on
22 the top?

23 A. I've seen documents like this
24 before, but I can't tell you if I've
25 specifically seen this one. But I do see

1 S. Walter

2 what you're referencing in the first
3 paragraph.

4 Q. Tell me generally about network
5 agreements.

6 Are they typically between LPS
7 -- I'll use LPS even though this says
8 Fidelity National -- and a law firm?

9 A. I have to tell you that I'm not
10 involved with these either but I do, in my
11 normal business, understand that they
12 exist and they are typically between an
13 attorney and, in this case because of the
14 date, Fidelity or LPS.

15 Q. And what does this network
16 agreement do, generally, to your
17 knowledge?

18 A. To the best of my understanding,
19 it's just generally a network agreement
20 that permits LPS and their attorney to put
21 or to utilize the LPS Desktop so the
22 servicers, attorneys can use our
23 technology.

24 Q. Let me direct your attention now
25 to what's in the UST book as Exhibit 10.

1 **S. Walter**

2 MR. ZIPES: We'll call this
3 UST/LPS 7.

4 **Q. Ignore the letter on top. Just**
5 **flip the page in that, please.**

6 MR. TEITELBAUM: Is the letter
7 part of the exhibit or not?

8 MR. ZIPES: It is part of the
9 exhibit but I'll direct the witness'
10 attention to Bates number 1219
11 and 1220.

12 **Q. Have you ever seen --**

13 **A. Am I in the right place?**

14 **Q. Yes.**

15 Do you know what this document
16 is?

17 **A. Not specifically.**

18 **Q. Have you seen a document like**
19 **this before?**

20 **A. I have.**

21 **Q. What is your understanding of**
22 **what this document is?**

23 **A. It appears to be a picture of a**
24 **screen on a servicing system.**

25 **Q. Can you tell what servicing**

1 S. Walter

2 system that is?

3 A. It appears to be -- I don't know
4 what the best way is to call it these
5 days, but I think you mentioned MSP
6 earlier.

7 Q. Is this the LPS MSP system?

8 A. To the best of my understanding,
9 yes.

10 Q. Is there something on this where
11 they identify this as LPS?

12 A. I don't know where to look to
13 tell you. I don't know. It doesn't
14 appear to.

15 Q. But it does -- as you said, it
16 looks like an LPS document.

17 A. I don't think I said that.

18 MR. TEITELBAUM: Objection.

19 Q. Go ahead, I'm sorry.

20 A. It appears to be a picture of a
21 servicing system and I think, you know,
22 while LPS has a servicing system product,
23 I don't have anything to do with it. I
24 know what it looks like. I see it.

25 Q. I won't ask you about this

1 S. Walter

2 document then, but would you have access
3 to the LPS networking -- you don't know if
4 this is the MSP system, but is this
5 similar to what an MSP system would look
6 like for LPS?

7 A. It appears to be pictures of an
8 MSP system. But not seeing it before, I
9 wouldn't have a way to --

10 Q. If you just look at 1219, I
11 don't want to be unfair, but if you look
12 at the screen, would you know what this
13 information represents on the screen?

14 A. I mean, typically -- the screen
15 is called loan transfer history. It
16 appears to show a history of information.
17 But outside of that, this specific screen,
18 I haven't seen this particular document
19 before.

20 MR. ZIPES: Let me just take a
21 moment with Mr. Gardner.

22 (Whereupon a break was taken)

23 Q. Mr. Walter, let's go back to
24 what I had marked as UST/LPS 3 but it's
25 easier to find it in the index book as

1 S. Walter

2 index number nine. And we'll focus on the
3 period between the bankruptcy filing and
4 the motion to vacate the automatic stay,
5 when that was filed.

6 Are you aware that there were
7 two assignments of mortgages prepared in
8 this case?

9 A. No.

10 Q. On these notes, what is the
11 reason that you time stamp the notes?

12 A. Every note receives a time stamp
13 to memorialize the history of whatever
14 activity or action is taking place in the
15 desktop.

16 Q. And why do you do that?

17 A. Well, I don't know why we do
18 that.

19 Q. Turn to entry -- and I might
20 have this a little bit off but three
21 hundred forty-two. The way I've been
22 doing this, this is three hundred
23 forty-three, Bates stamped 90.

24 Do you see that?

25 A. Yes.

1 S. Walter

2 Q. There's some scribble there, but
3 it says written by Sharon Hayak, Steven J.
4 Baum.

5 Do you know who Sharon Hayak is?

6 A. I don't think so.

7 Q. Is it safe to assume that she's
8 from the Steven J. Baum law firm?

9 A. She has a Steven J. Baum
10 sign-in, so yes.

11 Q. Per attorney Szeliga, S Z E L I
12 G A, do you know attorney Megan -- it says
13 very truly yours, Megan Szeliga?

14 A. I don't think I know who that is
15 either.

16 Q. Would that be with the Steven J.
17 Baum law firm as well?

18 A. That's hard to say. It could
19 have been pasted. There's redacted
20 material here. I can't say.

21 Q. If you go right below that,
22 three hundred forty-four, Jeanine Roskow,
23 do you know if she's with the Steven J.
24 Baum law firm?

25 A. I can't say for sure.

1 S. Walter

2 Q. But her name is right before the
3 Steven J. Baum law firm?

4 A. Correct.

5 Q. So it's safe to assume that
6 she's with the Steven J. Baum law firm?

7 A. Yes.

8 Q. Turn to three hundred
9 sixty-eight, please. Actually, it's the
10 one below that, three hundred sixty-nine.

11 Kelly Burke, do you know who
12 that is?

13 A. I don't.

14 Q. Do you have any dealings
15 yourself with the Steven J. Baum law firm?

16 A. I do.

17 Q. How often do you speak with
18 someone at the Steven J. Baum law firm?

19 A. Not regularly, but I don't
20 recall speaking with these people. I do
21 see that the process on all of these is
22 foreclosures and perhaps these are
23 foreclosure people, I don't know.

24 Q. When is the last time that
25 you've spoken with somebody at the Steven

1 S. Walter

2 J. Baum law firm?

3 A. More than thirty days ago.

4 Q. Who is the last person you spoke
5 to?

6 A. Typically it would be Amy.

7 Q. Amy Polowy?

8 A. Thank you, yes.

9 Q. And Natalie Greg, is she another
10 person you speak to?

11 A. Not regularly. That name rings
12 a bell but I can't say for certain.

13 Q. Do you know what Pillar is, P I
14 L L A R?

15 A. I need some context.

16 Q. It's connected to the Steven J.
17 Baum firm.

18 A. No, I don't know.

19 Q. Do you know if there's another
20 entity -- do you know where the Steven J.
21 Baum firm is located?

22 A. My understanding is they're
23 upstate, near Buffalo.

24 Q. Do you know if there's another
25 entity associated with Steven J. Baum?

1 **S. Walter**

2 **A. Not that I'm aware of.**

3 MR. ZIPES: Counsel, I'm going to
4 ask that we get the image file of this
5 loan. You can take it back and
6 consider it but we're making that
7 request of getting that entire
8 electronic file. Maybe that's
9 something --

10 MR. TEITELBAUM: I'll take it
11 under consideration as well.

12 MR. CASH: Wouldn't it be easier
13 to get it from one of the parties in
14 the case?

15 MR. ZIPES: That's fine, I'll
16 take it from whomever wants to give it
17 to me. Please consider that. That's
18 a request that we're making.

19 The other thing is that I want
20 to reserve our rights with respect to
21 LPS. The letter agreement dated
22 April 1, 2010 was somewhat heavily
23 negotiated. Mr. Walter was produced.
24 One of the topics of discussion was
25 the LPS Default Solution, Inc. and the

1 S. Walter

2 relationship between them, JP Morgan
3 Chase and the Steven J. Baum law firm
4 as concerns this case only. This
5 witness has testified that he doesn't
6 have knowledge about a large part of
7 this file. So we're going to reserve
8 our rights. We're going to have a
9 series of depositions taking place
10 with other parties in this case and we
11 may or may not be approaching LPS
12 under this letter in good faith asking
13 them to produce another witness here,
14 but we're going to try another person
15 and try to get that information some
16 other way.

17 So I'm going to turn this over
18 to the debtor's counsel for questions.

19 EXAMINATION BY

20 MR. GARDNER:

21 Q. Hi, Mr. Walter. I'm Max Gardner
22 from Shelby, North Carolina. If you have
23 trouble understanding my accent, please be
24 sure to ask me to repeat the question.
25 And we'll go under the same rules that Mr.

1 S. Walter

2 Zipes indicated to you.

3 Let me just make sure I
4 understand the current structure because
5 I'm a little bit confused between the
6 entities.

7 Fidelity National Foreclosure
8 Solutions is no longer in existence; is
9 that correct?

10 A. That's my understanding, yes.

11 Q. And that's sometimes referred to
12 as FNIS?

13 A. I've heard it referred to as
14 that.

15 Q. As FNS, you've heard that term
16 before?

17 A. I've heard many different
18 divisions of those companies called all
19 those things.

20 Q. As far as you know, the
21 functions performed by those companies
22 using that name or any variation of it are
23 no longer performed under those names now?

24 A. I couldn't speak for certain
25 about all the various names. I can tell

1 S. Walter

2 you my company doesn't perform under those
3 names anymore.

4 Q. And in the documents we've
5 looked at today, any time we see a
6 reference to Fidelity or FNIS or any
7 similar terms, that would really refer to
8 your company now?

9 A. Correct.

10 MR. CASH: I'm going to object to
11 that question unless you know all the
12 corporate structures like Fidelity
13 National Information Services, FNIS,
14 is your company now? Don't guess.

15 A. I would be guessing when I say
16 yes, but I can say that typically within
17 those notes typically it's my company
18 involved.

19 Q. And your company that you work
20 for, the exact name of your company is
21 what, sir?

22 A. LPS DS.

23 Q. And what does the DS stand for?

24 A. Default Solutions.

25 Q. And is there a separate entity

1 S. Walter

2 referred to just as LPS, Inc.?

3 A. Yes.

4 Q. And is that a related company to
5 LPS Default Solutions?

6 A. To the best of my understanding,
7 they are the parent company. I don't know
8 how that works.

9 Q. Now, have you worked for LPS
10 Default Solutions since that company was
11 first organized?

12 A. I currently work there, yes, and
13 throughout the reorganization.

14 Q. You work for that company?

15 A. Yes.

16 Q. And your specific job title is
17 what, sir?

18 A. Vice president of operations.

19 Q. And what operations are included
20 within your obligations as vice president?

21 A. I direct groups that support the
22 servicers and their attorneys in using the
23 LPS Desktop to monitor certain default
24 activities.

25 Q. And how would you define default

1 S. Walter

2 activities?

3 A. The servicers define them as
4 tracking motions within the court,
5 tracking certain ancillary processes,
6 certain servicing activities that happen
7 when a bankruptcy is filed just to move
8 the file from a collection state to a
9 bankruptcy state.

10 Q. And I believe you testified at
11 your first deposition that about eighty
12 employees work for you; is that right?

13 A. Correct.

14 Q. Is there a name for that
15 department?

16 A. Bankruptcy actions.

17 Q. Do you have separate teams for
18 each servicer?

19 A. I don't.

20 Q. Does LPS Default Solutions have
21 separate teams organized for each
22 servicer?

23 A. Some do, some don't.

24 Q. Why would some have teams and
25 others not?

1 S. Walter

2 A. I don't know.

3 Q. Does Chase have a team?

4 A. Can you ask that a different
5 way?

6 Q. Do you have a separate team of
7 employees that are assigned strictly to do
8 default servicing work for Chase?

9 A. No.

10 Q. Can you give me the names of any
11 servicers you would have teams designed to
12 do specific default services work for
13 them?

14 MR. TEITELBAUM: Objection.

15 MR. CASH: No, that's beyond the
16 scope of the letter agreement and
17 that's discovery into Fidelity.

18 Don't answer that.

19 Q. Would you be able to tell me why
20 you would have a team for one servicer and
21 not a team for another?

22 MR. TEITELBAUM: Objection.

23 MR. CASH: No, again,
24 confidential information. We're not
25 going into it.

1 S. Walter

2 The letter agreement is very
3 specific. This is not a deposition
4 about Fidelity. We will be more than
5 happy to talk about things that took
6 place in this case but we're not going
7 into Fidelity or LPS. That's not why
8 we're here, Mr. Gardner. We were very
9 specific in our letter agreement.

10 MR. GARDNER: I understand that
11 but I think that's related to this
12 case.

13 Q. You mentioned signature
14 required.

15 Now, that's a function of LPS
16 Desktop; is that correct?

17 A. It's a concept.

18 Q. What do you mean by that?

19 A. It's a concept. There are many
20 procedures within it.

21 Q. Give me an example of five
22 procedures within signature required.

23 A. The LPS Desktop allows the
24 attorney through a portal, when they have
25 drafted their document for the bank or

1 S. Walter

2 their case or whatever it might be, they
3 can systematically submit the document in
4 a secured digital way into the desktop
5 through a signature required portal. Then
6 some additional services that I can tell
7 you about today would be we will provide
8 services of printing those documents out;
9 creating cover letters for ease of
10 reference for the bank, the servicer who
11 has to review the document; we provide
12 services of mailing the documents in next
13 day air secured fashion; also we provide
14 the documents digitally when ink isn't
15 required at the time of the transaction.

16 Q. So the LPS mailing function
17 would be another service you provide that
18 you mentioned; is that correct?

19 A. It could be characterized as a
20 service.

21 Q. Now, in this particular case,
22 the request for the assignment you've
23 identified in these notes came from the
24 Baum law firm; is that correct?

25 A. To the best of my ability to

1 S. Walter

2 read the notes, yes.

3 Q. That's the way you read those
4 notes?

5 A. Correct.

6 Q. And do you know the reason or
7 purpose why they would have asked for that
8 assignment?

9 A. You would have to ask them.

10 MR. TEITELBAUM: Objection.

11 Q. What would be in your protocols
12 the reason why an LPS network firm would
13 ask for such a document?

14 MR. TEITELBAUM: Objection.

15 MR. CASH: It assumes it's in the
16 protocols why someone would do
17 something.

18 MR. TEITELBAUM: Also to the
19 extent that it's asking for
20 attorney-client communications.

21 Q. Mr. Walter, is there a protocol
22 for a signature required document in your
23 agreement, the document you mentioned
24 involved in Washington Mutual?

25 A. I'd have to look at it.

1 S. Walter

2 Would you like me to look at it?

3 Q. Well, no. You mentioned you had
4 a digital protocol.

5 A. Yeah, but I also mention that I
6 don't manage those services. I mean, I
7 don't know how specific I will be for you
8 but I will try. I see where you're going
9 now.

10 Q. Is there such a protocol in your
11 digital notebook for Washington Mutual?

12 A. I don't have personal knowledge
13 of what it looks like, but my company's
14 protocols that I have procedures, other
15 divisions within the company also do, so I
16 feel safe telling you they exist but I
17 can't tell you much more than that.

18 Q. Now, in this situation in this
19 case the request you got from the Baum
20 firm, are these called intercoms or
21 communiques or what terms do you use to
22 refer to a request like that?

23 A. We use the term "request."

24 Q. What is the term "communique"
25 used for? I've seen that in these notes.

1 S. Walter

2 A. I don't know.

3 Q. What does the term "intercom"
4 stand for?

5 A. An intercom is just an internal
6 secured, like layman terms, it's an e-mail
7 within the system.

8 Q. What if someone raises an issue?
9 I've seen issues raised in these notes
10 with respect to this case. What does it
11 mean when someone raises an issue?

12 A. An issue is a request for
13 something.

14 Q. Could it be a request for an
15 assignment of a mortgage?

16 A. I don't believe there's an issue
17 for that.

18 Q. What would be an example of say
19 four or five issues that could have been
20 raised in this case that we have today?

21 MR. TEITELBAUM: Objection.

22 MR. CASH: Objection. You don't
23 have to guess what could have been
24 raised. If you want to talk about
25 what was raised, that's fine.

1 S. Walter

2 A. Without knowing the case, which
3 I haven't really read the case, I haven't
4 looked at the loan, so the issues are very
5 dependant on particular requests. I
6 wouldn't be really able to tell you.

7 Q. What is meant by issue resolved?

8 A. Just that the request was
9 closed.

10 Q. And is that time dated when the
11 issue is closed?

12 A. Yes.

13 Q. Is that -- when an issue is
14 raised, is that issue time dated and
15 stamped when it's raised?

16 A. Yes.

17 Q. And what is the reason to
18 measure the time between the point an
19 issue is opened and an issue is closed?

20 A. I need context.

21 Q. Is there some reason you, your
22 company, wants to know the time period
23 between when an issue is opened and when
24 an issue is closed?

25 MR. CASH: No. Objection.

1 S. Walter

2 You're not going to answer that. That
3 gets into our internal procedures and
4 what's important to us and not
5 important to us.

6 If you have any questions about
7 this case, Max, you can ask him, but
8 we're not going to do this. We have a
9 very heavily negotiated signed
10 agreement as to what this is and this
11 is not discovery into LPS.

12 MR. GARDNER: We're asking about
13 the documents you produced trying to
14 understand what is in these documents.

15 MR. CASH: We produced the
16 documents so that everybody could
17 understand the relationship. That's
18 as far as we're going. We were not
19 going to explain our business
20 practices and I made that very clear
21 before we came here.

22 MR. GARDNER: So you're saying
23 you're not going to explain what terms
24 mean in these documents?

25 MR. CASH: No, he's defined

1 S. Walter

2 terms. You said why is it important
3 between when an issue is opened and
4 when an issue is closed to measure
5 that time. That gets into our
6 internal business and we're not going
7 there.

8 MR. GARDNER: Well, we've already
9 been to the issue of when these
10 assignments were actually ordered,
11 when they were produced, and when they
12 were posted with an unsigned document.

13 MR. CASH: Well, no.

14 MR. GARDNER: Yes, we have.

15 MR. CASH: Okay.

16 Do you have any other questions
17 about this loan? Because we'll be
18 happy to answer.

19 **Q. Let me ask you -- in these**
20 **documents you produced, we see a lot of**
21 **hold requests.**

22 **What is that, is that something**
23 **LPS puts on a loan for some reason or is**
24 **that something the attorney puts on the**
25 **loan for some reason?**

1 S. Walter

2 A. Again, I'd have to look at the
3 loan, but generally, typically a hold is
4 again a request for information but the
5 action, whatever it may be, needs to
6 pause.

7 Q. We also have in this particular
8 document that the trustee has identified
9 as U.S. Trustee LPS 3, which is all the
10 notes on this case, we have a series of
11 requests that have been posted to reset
12 timelines or reset dates or reconsider.

13 A. I don't remember seeing that, so
14 if you can shoot me with a page number.

15 Q. If you'll look at page 1576 and
16 I'm looking at entry two hundred
17 sixty-three. I'm looking from the bottom
18 up. This is the note dated 10/29/2008,
19 4:13 p.m. from Dawn Coppola of the Baum
20 firm.

21 Do you see where the reference
22 is to type?

23 A. Uh-huh, yes.

24 Q. And the word "reprojection?"

25 A. Yes.

1 S. Walter

2 Q. What does that mean, sir?

3 A. Like any system that's going to
4 track certain activities, it's going to
5 have a template. This reproject is
6 simply a request to extend the template.

7 Q. And who has made that request?

8 A. It appears to be Dawn Coppola of
9 Steven J. Baum's office.

10 Q. Is that request something that
11 has to be approved by LPS Default
12 Solutions?

13 A. Not necessarily. We'll
14 definitely review them.

15 Q. And if you denied that, would
16 there be a note that the request to
17 reproject was denied?

18 A. There would be, yes.

19 Q. If the reproject was
20 approved, would there be a request that
21 that reproject had been approved?

22 A. Yes.

23 Q. Now, if you look at two hundred
24 sixty-two right above that, we've got
25 reproject. Again, this is 10/29/2008

1 S. Walter

2 at 4:29.

3 Is this an automatic response by
4 the system?

5 A. It appears to be.

6 Q. And what does this response
7 indicate, sir?

8 A. It indicates that the
9 reprojection was approved.

10 Q. Is there some logic built in the
11 system that is designed to automatically
12 approve or disapprove these requests?

13 A. Yes.

14 Q. There is?

15 So no actual employee of LPS
16 Default Solutions would have made this
17 decision, the system made it?

18 A. Yes.

19 Q. If we look at entries two
20 hundred seventy-two and two hundred
21 seventy-five, all those are normally
22 printed in reverse chronological order
23 like this.

24 Would this be a normal way you
25 would print out one of these documents?

1 S. Walter

2 A. I wouldn't normally print them
3 out.

4 Q. You'd just look at them on the
5 system?

6 A. Correct.

7 Q. What if you did a screen print,
8 would they print out this way?

9 A. I've never done one so I don't
10 know what they would do.

11 Q. Have you ever seen a document
12 like this printed out?

13 A. Once or twice, but it's not
14 common to see this in this format. Notes
15 can be exported, of course.

16 Q. Looking at this document on
17 page 1579, would this be the way the
18 information is actually entered in the
19 system if you are looking at the system on
20 your monitor?

21 A. If you were in the note section,
22 yes, it would look similar to this.

23 Q. So you have a note section;
24 right?

25 A. Correct.

1 S. Walter

2 Q. You have an image section, I
3 assume?

4 A. Correct.

5 Q. And what would be in the image
6 section for a loan like this loan?

7 A. Whatever documents Washington
8 Mutual wanted their attorney to have.

9 Q. And where would LPS Default
10 Solutions acquire those documents?

11 MR. CASH: I object to the form
12 of the question. It assumes we
13 acquired them.

14 A. Can you ask me in a different
15 way?

16 Q. How would those documents be
17 transmitted from say Washington Mutual to
18 LPS?

19 A. Washington Mutual would submit
20 them through the technology solutions into
21 the system.

22 Q. So they would have LPS Desktop
23 on site?

24 A. No, the LPS Desktop is a system.
25 So if Washington Mutual has a digital

1 S. Walter

2 collateral file and they want their
3 attorney to have it, they can use LPS
4 technology to move the digital copies
5 along.

6 Q. And that would be through new
7 image to do that?

8 A. Correct.

9 Q. So would that document come
10 through your system so that you would make
11 an image of it, also, before it went to
12 the attorney or would it go directly from
13 Washington Mutual to the attorney?

14 A. It would be within the system
15 and both entities are in the system. They
16 would directly send it to the attorney
17 through the system.

18 Q. And would LPS Default Solutions
19 make a copy of that image and save it in
20 the client's file in the LPS new image
21 system or the collateral file for that
22 particular debtor?

23 A. Well, we don't characterize it
24 as a collateral file. It's whatever
25 documents Washington Mutual wanted their

1 S. Walter

2 attorney to have. If you were in the LPS
3 Desktop and you had a secured sign-on and
4 you were in it, you would see the
5 documents and the processes that are the
6 notes here. It's one concept, it's just
7 different folders. Here's a document
8 folder, here's a process folder, here are
9 the notes in the middle.

10 Q. Is there any document review fee
11 that LPS Default Solution imposes for a
12 network attorney to review a document?

13 MR. CASH: Objection. We're not
14 talking about that. That is
15 specifically in the letter agreement.

16 Did you read the letter
17 agreement at all?

18 MR. GARDNER: Yes, I did.

19 MR. CASH: Fees are specifically
20 enumerated as something we're not
21 going to talk about.

22 Q. Mr. Walter, the U.S. Trustee had
23 asked you about a number of these entries
24 that were posted in the LPS default notes
25 after the date you signed the assignment

1 S. Walter

2 of mortgage in this case.

3 And you have testified before
4 that you have signed this document on
5 November 1, 2008; is that correct?

6 A. Correct.

7 Q. And this is a copy of a document
8 you previously identified as the
9 assignment; is that correct?

10 A. Can you give me a number of
11 where it's here?

12 MR. ZIPES: It's in the binder as
13 two.

14 A. I did testify that that's my
15 signature.

16 Q. Is that your handwriting on the
17 date?

18 A. No, it is not.

19 Q. Do you know whose handwriting
20 that is?

21 A. I do not.

22 Q. So you signed this document with
23 no date on it?

24 A. No, I specifically wouldn't have
25 signed it if the date is missing.

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S. Walter

Q. And is that your handwriting where it has in block letters Scott Walter, attorney-in-fact?

A. It is not.

Q. Do you know whose handwriting that is?

A. I do not.

Q. Now, the power of attorney form that has been produced and that's on tab three, the limited power of attorney, says that you have authority to sign documents in what capacity for JP Morgan Chase Bank?

A. Can you rephrase that for me?

Q. Yes.

You made reference to the power of attorney form and that's behind tab three.

Do you see that document?

A. Yes.

Q. Is that the document you would access to make sure you could sign a document?

A. Yes.

Q. And would that be something that

1 S. Walter

2 would be in LPS Desktop?

3 A. It may. But I don't know.

4 Q. How would you normally determine
5 that you had authority and what authority
6 you had to sign a document?

7 A. I would have a book like this
8 with my signing authority in it and my
9 protocols for signing, my procedures.

10 Q. And in the book you would have
11 tabs for every entity you had signing
12 authority for?

13 A. Yes.

14 Q. And your normal practice would
15 be to look in the book for that particular
16 entity and make sure you have signing
17 authority?

18 A. That would be my normal
19 practice.

20 Q. Now, this document on tab three,
21 the limited power of attorney, says you
22 have signing authority in what capacity
23 for JP Morgan Chase?

24 A. I think you're asking me
25 attorney-in-fact is the capacity they gave

1 S. Walter

2 me.

3 Q. Well, in the document I'm
4 looking at, it says you can sign as a vice
5 president.

6 Is that correct?

7 A. I don't read it that way. I'm
8 not an attorney.

9 Q. Have you ever signed a document
10 as a vice president for JP Morgan Chase?

11 A. I may have but I don't know. I
12 can't say.

13 Q. So the only thing that you were
14 reviewing when you signed these documents
15 is whether or not that particular customer
16 -- is that the way you refer to a
17 servicer, a customer?

18 A. I call them a servicer.

19 Q. You would look to see if you had
20 authority to sign a document?

21 A. Correct.

22 Q. And if you did, then you would
23 sign the document?

24 A. Correct.

25 Q. And would you review anything

1 S. Walter

2 else on the document itself?

3 A. Yes.

4 Q. What else would you review?

5 A. I would make sure that I had a
6 signatory block and that there were no
7 blanks. If there were blanks, I wouldn't
8 sign it, I'd reject it.

9 Q. Give me an example of a blank.
10 You mentioned the date, that would be one
11 if it wasn't dated.

12 A. That would be one or underneath
13 my signature line there, perhaps there was
14 that additional prep work of printing out
15 my name so I wouldn't have to. If that
16 wasn't there, I wouldn't sign it. Or if
17 perhaps the entire signature block itself,
18 if the actual entity name was missing, I
19 wouldn't sign it.

20 Q. Do you check anything else
21 that's printed on the document before you
22 sign it?

23 A. I -- no.

24 Q. Now, I believe that you
25 testified at your earlier deposition that

1 S. Walter

2 the person who notarized your signature is
3 also an LPS Default Solutions employee; is
4 that correct?

5 A. Yes.

6 Q. Is it Adrian Mitchell?

7 A. Yes.

8 Q. Is she someone assigned to work
9 under your supervision in your group?

10 A. No.

11 Q. What group does she work for?

12 A. Signature required.

13 Q. How many people work in that
14 group?

15 A. I don't know.

16 Q. How would you get a document to
17 that group?

18 A. They would bring it to me.

19 Q. And do you have a time frame or
20 a certain period of the day when you bring
21 documents to you?

22 A. I typically didn't. I was
23 pretty open with that. Every other day
24 they would come up and say do you have
25 time, I've got three for you. I would

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S. Walter

take a look at it, they'd watch me sign
it, and then they'd take them back.

Q. Would there be any reason why
the document in this case, the assignment
that we're discussing this afternoon,
would have been brought to you as opposed
to someone else?

A. Not that I'm aware of other than
my name was on the list and perhaps I was
in the building that day.

Q. So we're looking at this limited
power of attorney on tab three.

And the individuals listed
there, are these all employees of LPS
Default Solutions?

A. To the best of my knowledge, it
appears they all are.

Q. Are they all current employees?

A. To the best of my knowledge,
they all are, but I can't say for certain.

Q. Would there be some protocol or
procedure about which one of these
individuals would be requested to sign a
document like in this case?

1 S. Walter

2 A. I don't know. Maybe.

3 Q. Mr. Walter, when we were looking
4 at the notes in this case, the ones where
5 the redactions had been removed, I'll ask
6 you to look again at page 1572. The
7 number I'm going to look at is two hundred
8 thirty-nine. I'm looking at that to apply
9 below the line as opposed to above the
10 line.

11 Is that how you interpret the
12 numbers?

13 A. It's irrelevant to me. However
14 you want me to look at it.

15 Q. Would you call this document
16 from Jennifer Fest of Steven J. Baum on
17 11/16/2008 at 2:05 p.m. a communique or
18 would this be an intercom? What would you
19 call this?

20 A. This is a reprojection request.

21 Q. And what is the basis for that
22 reprojection request?

23 A. I don't know, it's redacted.

24 MR. TEITELBAUM: I don't know if
25 you're looking at the same.

1 S. Walter

2 MR. ZIPES: You have to go to the
3 next one, tab nine.

4 THE WITNESS: Thank you.

5 Sorry, can you start over?

6 Q. If you look at the entry on
7 11/6/2008 at 2:05 p.m., that's from
8 Jennifer Fest of Steven J. Baum.

9 Is this -- would you consider
10 this a communique or an intercom or what
11 would you call this?

12 A. This is a reprojection request.

13 Q. And what is the basis for that
14 reprojection request?

15 A. Just reading from the notes and
16 not necessarily having the context, it
17 looks like, hey, I drafted an assignment
18 and I submitted it through signature
19 required. I don't have it back yet.

20 Q. Now, if you look at the rest of
21 that particular note, it says, "today
22 checked LPS and assignment was received
23 not signed. Will continue to monitor LPS
24 and follow up in one week to allow time
25 for execution."

1 S. Walter

2 Does that mean that Jennifer
3 Fest looked through the LPS Desktop system
4 at that document on 11/6/2008 and saw that
5 the assignment of the mortgage in this
6 case had not been signed by you on that
7 date?

8 MR. TEITELBAUM: Objection.

9 Q. You may answer.

10 A. I mean, I can't say for certain
11 what Jennifer was looking at. General
12 practice, if I was reviewing this note, I
13 would pick up the phone and call for her
14 to get a clarification. But the way I
15 read this is, hey, I submitted the
16 document within the desktop, I saw that
17 you got it, but I don't see that you're
18 sending it back to me yet and they're
19 following up.

20 Q. Would this indicate to you that
21 she uploaded that document in the new
22 image system through LPS Desktop on
23 10/27/08?

24 A. She's saying she did. But the
25 note itself, you would have to go back to

1 S. Walter

2 that day to confirm.

3 Q. If you look on page 1576 --

4 A. I'm sorry, I'm with you.

5 Q. That's the date she uploaded the
6 assignment of mortgage?

7 A. I believe so, yes.

8 Q. And she is then checking the
9 system.

10 And would this be an automated
11 thing she would do at the Baum law firm to
12 check? Is there some preprogrammed
13 timeline in the system to see if I sent a
14 document to LPS Default Solutions it
15 should be back by a certain time?

16 MR. TEITELBAUM: Objection.

17 A. There's no timeline. But the
18 templates obviously by definition have to
19 have some sort of starting gauge for a
20 template to be a template and this is
21 simply her saying my template says and I
22 need to request, the template gets moved
23 because of A, B, or C in this case, I
24 submitted a document but I'm not seeing
25 that I have it back yet.

1 S. Walter

2 Q. Now, could you define for me
3 what you mean by template.

4 A. Okay.

5 A process, a template -- let me
6 put it in the perspective of a case
7 monitoring system for you.

8 You've got some kind of system
9 where you're going to put your file in, I
10 took a case, and you're going to have some
11 way to track I made a phone call today, I
12 made an e-mail tomorrow, and you may have
13 a standardized way you manage your staff
14 on how they work through something.
15 That's what I mean by template.

16 In an example, a template would
17 be the various milestones Washington
18 Mutual defined as being in their template
19 when their attorneys work on a
20 possible 362 motion.

21 Q. Which would be a motion for
22 relief from stay?

23 A. Correct.

24 Q. When you mentioned the word
25 "milestone," could you define how you're

1 S. Walter

2 using that term with respect to this case.

3 A. In this particular situation in
4 this case, when I say milestone, I would
5 mean the Washington Mutual sending the
6 loan to their attorney would be a
7 milestone, the attorney confirming they
8 received the file from their client, then
9 the standard template in this particular
10 case flows through in a very simple way a
11 couple of steps that the MFR is filed,
12 when's the hearing and/or objection
13 deadline date, and a place then after that
14 for the attorneys to go in and confirm and
15 memorialize the results of the hearing or
16 the objection deadline.

17 Q. For example, the final milestone
18 would be the order's entered by the court
19 granting relief from stay or conditional
20 granting relief from stay?

21 A. Typically, yes.

22 Q. And part of the LPS Desktop
23 process management system -- PM; is that
24 what you call it?

25 A. I call it the desktop. I know

1 S. Walter

2 what you mean.

3 Q. Part of the process management
4 as applied to this particular case would
5 be to monitor those milestones as set by
6 Washington Mutual?

7 MR. CASH: No, now we're getting
8 into our business practices again.

9 Don't answer that.

10 MR. GARDNER: He's used the term.

11 MR. CASH: I understand he used
12 the term. I let him go that far but
13 I'm not going to get into what our job
14 is and what we monitor and don't
15 monitor. That's our business
16 practices again.

17 MR. GARDNER: Mr. Cash, we've got
18 a record right here. I don't think we
19 went beyond anything --

20 MR. CASH: He's testified about
21 milestones.

22 MR. GARDNER: I asked him what
23 those are.

24 MR. CASH: He's told you what
25 they are. Now you're asking about is

1 S. Walter

2 it part of our services to monitor the
3 milestones. Now, that's getting into
4 what we do and what we provide in this
5 discovery is not designed for that.

6 And if you would go back and read the
7 letter agreement, I was very specific
8 about that. This is not discovery
9 about LPS.

10 **Q. Mr. Walter, does a reprojection**
11 **request, and that's what we're looking at**
12 **on two hundred forty, relate to one of**
13 **these milestones you referred to?**

14 MR. CASH: Objection.

15 Don't answer that.

16 We're not talking about what we
17 do. As to this case or any other
18 case, we're not talking about what our
19 reprojections are. That has nothing
20 to do with anything relevant to this
21 lawsuit and we're not testifying about
22 our business practices.

23 MR. GARDNER: Well, it is
24 relevant to this lawsuit --

25 MR. CASH: I'm not going to argue

1 S. Walter

2 with you. He's not going to answer.

3 MR. GARDNER: Let me just put on
4 the record that what we have here is
5 an assignment that is dated
6 November 1, 2008.

7 MR. CASH: Correct.

8 MR. GARDNER: We have a note in
9 your client's records dated 11/6/2008
10 that says they have reviewed the
11 document and it has not been signed.

12 MR. CASH: Well, then you're
13 going to have to ask the person who
14 put that note in what she meant
15 because the document was signed by
16 that point in time. What that has to
17 do with a reprojection request -- if
18 you want to ask him if he signed the
19 document on November 1, he'll tell
20 you. But we're not going to get into
21 what reprojection requests are
22 generally, what they do, why they're
23 there. We're not doing that.

24 MR. GARDNER: Well, he just did
25 it.

1 S. Walter

2 MR. CASH: Then I've already let
3 him testify a lot more than I probably
4 should have. There you go. Consider
5 it a gift. We're not going to talk
6 about our reprojection requests and
7 what our policies are and what we
8 monitor. That's not what we're here
9 for. We're here to help you on this
10 case where you represent the debtor.

11 Q. Mr. Walter, are you going to
12 follow your attorney's instructions not to
13 answer that question?

14 MR. CASH: Yes.

15 A. Yes. But I would like to say
16 that I have no idea what Jennifer Fest was
17 thinking on 11/6/2008 or why she put that
18 note in that way.

19 Q. Can you testify, sir, with one
20 hundred percent certainty that you
21 actually signed this assignment of
22 mortgage in the New York case on
23 November 1, 2008?

24 A. Absolutely.

25 Q. And how you can do that, sir?

1 S. Walter

2 A. Because my signature is on it.

3 Q. And your testimony is you would
4 not have signed it on that day if the date
5 had not been inserted?

6 A. Absolutely not.

7 Q. Now, if we look at, for example,
8 number I'm going to call it two hundred
9 thirty-seven on this same page. This is
10 another Courtney Angelo intercom or
11 communique.

12 What would you call it, sir, the
13 one on 11/7/2008?

14 A. There's a couple there.

15 Q. The one under two hundred
16 thirty-seven, below the line.

17 A. That's a request to have a
18 document through signature required.

19 Q. And the typed DDF, you said that
20 refers to what?

21 A. DDF is an abbreviation for the
22 words "dynamic data form."

23 Q. What does that mean, dynamic
24 data form?

25 A. It's a digital form.

1 S. Walter

2 Q. Would the assignment of mortgage
3 in this case be in the format of a digital
4 form?

5 A. I believe it was. We talked
6 about that earlier. I don't remember the
7 number though.

8 Q. What does this entry say? How
9 do you interpret this entry on 11/7/2008
10 from Courtney Angelo?

11 A. I would interpret this as
12 Courtney Angelo submitted through
13 signature required an affidavit of amount
14 due and owing through the LPS Desktop on
15 11/7/2008.

16 Q. So that would be another
17 document in the New York case?

18 A. Yes.

19 Q. And the document would have been
20 some type of affidavit?

21 A. Yes.

22 Q. And that's something different
23 than an assignment of mortgage?

24 A. Obviously.

25 Q. How would that come to your team

1 S. Walter

2 or not come to your team, that document
3 request?

4 A. Which one?

5 Q. The affidavit.

6 A. It wouldn't come to me at all.

7 Q. Why not?

8 A. It would have been forwarded to
9 the servicer.

10 Q. Directly to the servicer?

11 A. Correct.

12 Q. And the servicer then prepared
13 the document?

14 A. My understanding is the attorney
15 prepared the document.

16 Q. And are they sending the
17 document to LPS Default Solutions to sign
18 the document?

19 A. No.

20 Q. Who are they sending it to to
21 sign?

22 A. They are submitting it through
23 the LPS Desktop technology to have, for
24 naming convention, Washington Mutual to
25 sign it.

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S. Walter

Q. Now, if you look down at the bottom of this same page, Mr. Walter, there is an entry at the very bottom of the page from Dawn Coppola again.

Do you know if she's an attorney or not?

A. No idea.

Q. This one is dated 11/6/2008. This is another reprojection request in the New York case.

She makes reference in this communique to a worksheet.

What type of document is that and does that relate to this assignment of the mortgage?

A. I have no idea what she's referring to.

Q. Do you know what a worksheet with respect to this case would refer to?

A. Not particularly.

Q. Do you know what a pencil history with respect to this case would refer to?

A. Not with respect to this case.

1 S. Walter

2 I have no idea what Dawn is doing or
3 saying other than notifying memorializing
4 the file for Chase of what's happening in
5 her shop.

6 Q. Now, in these notes, I have seen
7 reference to a system called AACER, A A C
8 E R.

9 Are you familiar with that
10 system?

11 A. Yes.

12 Q. What is AACER?

13 A. AACER is a data provider of
14 bankruptcy docket information.

15 Q. Does LPS Default Solutions have
16 direct access to AACER?

17 A. Yes.

18 Q. And are you able to identify
19 bankruptcy filings like for the New York
20 case immediately through AACER?

21 A. No.

22 Q. How would that information get
23 in your system?

24 A. The servicer has to put their
25 file in our system first, then the desktop

1 S. Walter

2 has access to AACER.

3 Q. So once the servicer in this
4 case, Washington Mutual, got notice of the
5 bankruptcy, they would initiate some type
6 of communique in the system that we got
7 notice of the bankruptcy?

8 A. Well, in this particular case,
9 there was already a foreclosure in the
10 desktop.

11 Q. So you had been monitoring AACER
12 anyway?

13 A. Correct.

14 Q. And since you were monitoring
15 AACER, it would have automatically picked
16 up the bankruptcy and that's where you got
17 the initial bankruptcy information in this
18 case?

19 MR. CASH: If you know. Don't
20 guess at what they were doing if you
21 weren't the one doing it.

22 MR. TEITELBAUM: I'm not
23 directing the witness not to answer.
24 I'm just putting an objection on the
25 record that this is well beyond the

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S. Walter

scope of the March 18 order as to how any of this affects the debtor, Ms. Nuer, in connection with this case.

You can continue to ask your questions but I'm just reserving my right to have this entire testimony stricken as well outside the scope.

Go ahead.

A. I don't manage or direct AACER. I'm aware of it. I'm aware generally how it works. Details that you want, I don't know how I'll be able to answer them.

Q. Let me ask you to look on page 1577 at the entry at the very top of that page. This is from Danielle Montgomery.

Is she an LPS employee?

A. She is.

Q. And this is dated 10/27/2008 at 3:16 p.m.

What does the term after process refer to?

A. BK doc forward client.

Q. What does that mean, sir?

1 S. Walter

2 A. That means this particular note
3 is that Danielle Montgomery opened on that
4 day a template to track for Washington
5 Mutual that they were going to receive an
6 assignment of mortgage to review.

7 Q. And below that of course we see
8 the word "assignment of mortgage,"
9 Washington Mutual.

10 What does SHLS mean?

11 A. I don't know.

12 Q. The document ID reference, what
13 would that refer to?

14 A. Its unique new image number.

15 Q. And new image is part of the LPS
16 Default Solutions system; right?

17 A. The LPS Desktop, yes.

18 Q. So that would be a unique number
19 assigned to any document requested by
20 anybody in this case, every document would
21 have a separate number?

22 A. Correct.

23 Q. And do you maintain images of
24 those documents on a continuous basis?

25 A. I don't know.

1 S. Walter

2 Q. Do you know who does that?

3 A. I don't know.

4 Q. How could you find out?

5 A. I could ask my boss. I don't
6 know.

7 Q. Is there some way you could go
8 in LPS Desktop and write in this document
9 ID number for the one we're looking at on
10 page 1577 and see if that document is
11 there?

12 A. Yes.

13 Q. How would you do that?

14 A. You would use the LPS Desktop
15 search.

16 Q. And you would just type in this
17 unique document number?

18 A. Yes.

19 Q. And if the document was there,
20 what would come up on the screen?

21 A. It would pull up the loan and
22 then you would have to go to the document
23 folder.

24 Q. And how would the documents be
25 organized in that folder?

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S. Walter

A. By date.

Q. So the assignment of mortgage in this case, would you have a copy of that document before it was signed by you and a copy after it was signed by you?

A. I don't know if they image the documents after I sign them. I don't know if they do that or not. I can certainly tell you that from the notes I would expect to see an assignment drafted by Baum in the system on 10/27/2008.

Q. Now, you testified when the U.S. Trustee was asking you that you no longer sign any documents for Washington Mutual or JP Morgan Chase.

Does that mean the signature required function is no longer a service offered by LPS?

MR. TEITELBAUM: Objection.

MR. CASH: Objection.

Don't answer that.

It gets into what our business practices are and has nothing to do with this case.

1 S. Walter

2 Q. Have you eliminated that option
3 solely for JP Morgan Chase?

4 MR. TEITELBAUM: Objection.

5 MR. CASH: Don't answer that.

6 That gets into our business practices.

7 It has nothing to do with this case.

8 MR. GARDNER: I think that will
9 be for the judge to decide, Mr. Cash.

10 MR. CASH: No, we're here
11 voluntarily pursuant to a letter
12 agreement.

13 MR. TEITELBAUM: And I join in
14 that. That's for me as well.

15 MR. CASH: We're not here under
16 any subpoena. We're here pursuant to
17 a letter agreement, period.

18 MR. GARDNER: Anything else you
19 have? I'm finished.

20 MR. ZIPES: Give me one second,
21 please.

22 I just have a few final
23 questions based upon what Mr. Gardner
24 asked.

25 (CONTINUED ON NEXT PAGE)

1 S. Walter

2 EXAMINATION BY

3 ZIPES:

4 Q. Mr. Walter, if we turn to, in
5 the notes, two hundred sixty-seven again,
6 you identified a specific document ID
7 presumably for the assignment is what you
8 testified.

9 Does this document -- turn to
10 two hundred forty, note two hundred forty,
11 which is 1572.

12 This is the Jennifer Fest e-mail
13 or note?

14 A. Okay.

15 Q. Is there anything embedded in
16 this note which would refer to the
17 specific document, such as the document ID
18 that was referred to in note two hundred
19 sixty-seven?

20 A. I don't see the specific doc
21 number reference, no.

22 Q. Would there be some way to tell
23 from this note? Would it be embedded
24 somewhere?

25 A. I don't believe there's anything

1 S. Walter

2 systemic to the doc ID in this note.

3 Q. And would someone with knowledge
4 be able to run a search of any note that
5 makes reference to this specific document?

6 A. I mean, I don't think they're
7 systemically tied from this note and that
8 previous note.

9 Q. So is it just that the person
10 entering the information there, Danielle
11 Montgomery at two hundred sixty-seven, she
12 was a little bit more precise in her note?

13 A. Perhaps that is her procedure to
14 do so when she opens that process and then
15 the attorney simply noting and this is
16 what they chose to note with.

17 Q. If the Baum firm or Chase were
18 asked to run a search in a certain way,
19 would they be able to -- I'm asking based
20 upon your personal knowledge of these
21 notes -- be able to enter in the document
22 ID number and produce all the notes that
23 make reference to that document ID?

24 A. The notes stamp to the
25 templates, they don't stamp to the

1 S. Walter

2 documents, that I'm aware of. So you can
3 tie back to the process that Danielle
4 Montgomery opened.

5 Q. My final questions to you are if
6 we were to have a Baum representative in
7 here from the law firm with knowledge of
8 these notes, would that person be able to
9 walk us through these notes generally in
10 the way that you've been doing it?

11 MR. TEITELBAUM: Objection.

12 A. I have no idea whether they
13 could or not.

14 Q. And the LPS Desktop, you gave
15 certain categories. I'm not as familiar
16 with this as some other people in this
17 room.

18 What are some of the categories
19 in the LPS Desktop? You mentioned image?

20 A. Imaging would be your document
21 management and the processes would be
22 process management. Both of those are
23 within the LPS Desktop. I simply refer to
24 it as desktop.

25 Q. And if I were to ask for the

1 S. Walter

2 documents not necessarily from you but
3 from someone in this case, is there a
4 specific LPS Desktop file dealing with
5 this matter?

6 A. Well, I can only assume because
7 I'm reading notes. I don't know. I
8 haven't personally accessed this loan or
9 the desktop. But seeing these notes here,
10 I can assume there would be one to find.

11 MR. ZIPES: I have no further
12 questions.

13 EXAMINATION BY

14 MR. GARDNER:

15 Q. Mr. Walter, you have LPS Default
16 Solution employees that work at home; is
17 that true?

18 MR. CASH: Objection. That
19 doesn't have anything to do with this.

20 MR. GARDNER: It does have
21 something to do with this.

22 MR. CASH: Tell me how it does.

23 MR. GARDNER: I'm going to ask
24 them how they access the system to
25 find this document.

1 S. Walter

2 Q. If we had a terminal in front of
3 you right now connected to the Internet,
4 could you log into LPS Desktop?

5 MR. CASH: Again, I object that
6 that has nothing to do with this loan,
7 how our system is accessible.

8 MR. GARDNER: It does have to do
9 with it and I'm going to ask him --

10 MR. CASH: I'm not going to let
11 him answer. We're not going to talk
12 about our system and how you access
13 it. We're not.

14 Q. Do you have a user name and
15 password, sir?

16 MR. CASH: Objection.

17 Don't answer that.

18 Q. Are you not going to answer how
19 you access the system?

20 MR. CASH: No, he's not. It is
21 beyond the scope of our letter
22 agreement.

23 MR. TEITELBAUM: Objection. It's
24 beyond the scope of the March 18
25 order.

1 S. Walter

2 Q. Can an employee of the Baum law
3 firm access everything in LPS Desktop?

4 A. As long as the Baum firm has
5 sign-ons.

6 Q. What do you mean by sign-ons?

7 A. Each one of these names is going
8 to be stamping, so there's some sort of
9 user ID behind it, but I don't know how
10 that works.

11 Q. When you say, "stamping," what
12 do you mean?

13 A. Well, you're looking on the note
14 here written by Courtney Angelo as an
15 example on 1572.

16 Q. That would mean to you that she
17 had authority to access the system?

18 A. You would have to ask Steven J.
19 Baum.

20 Q. Do you know if that authority is
21 limited to some employees or is it
22 unlimited?

23 A. You'd have to ask --

24 MR. TEITELBAUM: I'm going to
25 object again.

1 S. Walter

2 Again, Mr. Gardner, how does
3 this affect Ms. Nuer?

4 MR. GARDNER: In terms of the
5 loan ID number that's been assigned to
6 this image and how it can be accessed
7 and how we can get all documents that
8 may be in this file related to the
9 date it was executed, the document may
10 not have been, I think all that's
11 relevant, sir.

12 MR. TEITELBAUM: We disagree.
13 I'm not directing the witness not to
14 answer. I am reserving my right again
15 to have this entire line stricken.
16 It's well beyond the scope of the
17 order.

18 This testimony today was ordered
19 by a court, an order we're operating
20 under of March 18 -- and hopefully
21 you've read that -- which limits, with
22 respect to debtor's counsel, how this
23 affected the debtor in the filing of
24 pieces of paper in front of this court
25 and this has absolutely nothing to do

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S. Walter

with the assignment. You've asked Mr. Walter about his assignment. He's testified he's signed the document. You can believe him or not believe him. That's your prerogative.

MR. GARDNER: Well, there are inconsistencies in the notes that have been identified during this deposition and I think those inconsistencies are certainly things that the U.S. Trustee and the debtor can pursue.

If you're instructing him --

MR. TEITELBAUM: I'm not instructing him. He's not my witness.

MR. CASH: I think he already answered. I think he answered does that mean they have access, he said you have to ask the Baum law firm who had access. That was his answer.

MR. GARDNER: That's all I have.

MR. TEITELBAUM: I have one or two questions, if I may.

(CONTINUED ON NEXT PAGE)

1 S. Walter

2 EXAMINATION BY

3 MR. TEITELBAUM:

4 Q. Mr. Walter, I just want to be
5 clear. You made reference to the Baum law
6 firm, LPS, and various predecessors in
7 interest, and WaMu and Chase as successor
8 to WaMu.

9 Under your understanding, who
10 engages the Baum law firm in this case?

11 A. Washington Mutual.

12 Q. So the Baum law firm is
13 representing Washington Mutual?

14 A. Correct.

15 Q. The Baum law firm is not
16 representing LPS; is that correct?

17 A. Correct.

18 Q. And when the Baum law firm
19 communicates through LPS, who is it
20 communicating with?

21 A. Washington Mutual.

22 Q. And is one purpose of LPS to
23 provide a secure method of communication
24 between the Baum firm and Washington
25 Mutual?

1 S. Walter

2 A. Yes.

3 Q. And is that communication medium
4 accessible to the world, third parties,
5 other than LPS, the Baum law firm, and
6 Washington Mutual?

7 A. No.

8 Q. A quick question, if I may. Mr.
9 Gardner mentioned power of attorney and I
10 may have misheard him and if I did, I
11 apologize. But I thought I heard him ask
12 you -- state that the limited power of
13 attorney, the way he read it, gave you
14 authority to sign a document as a vice
15 president of Chase.

16 A. That's not how I read it.

17 Q. Now, you see where, in the
18 second full paragraph, LPS shall discharge
19 its duties, do you see that, and then
20 there are a list of people?

21 A. Yes.

22 Q. Now, turn to the last page.
23 This document's dated October 22 of '08.

24 In October of '08, were you a
25 vice president at LPS?

1 **S. Walter**

2 **A. Yes.**

3 MR. TEITELBAUM: Thank you.

4 MR. CASH: I don't have anything.

5 MR. ZIPES: We're just restating
6 that the requests for the entire file
7 here which has not been provided to
8 date and Chase's counsel has said
9 they'll take it under advisement.

10 MR. CASH: We're done.

11 (Whereupon, a letter dated
12 April 1, 2010 was marked UST/LPS
13 Exhibit 4 for identification.)

14 (Whereupon, a document entitled
15 Default Services Agreement
16 was marked UST/LPS Exhibit 5
17 for identification.)

18 (Whereupon, a document entitled
19 Network Agreement was marked UST/LPS
20 Exhibit 6 for identification.)

21 (CONTINUED ON NEXT PAGE)

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S. Walter

(Whereupon, a letter dated
August 24, 2009 was marked UST/LPS
Exhibit 7 for identification.)

(TIME NOTED: 3:59 p.m.)

_____ (Signature of witness)

Subscribed and sworn to
before me this _____
day of _____,
2010.

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I N D E X

WITNESS	EXAMINED BY	PAGE
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	Mr. Teitelbaum	118

E X H I B I T S

UST/LPS	DESCRIPTION	PAGE
Exhibit 3	Multi-page document	7
Exhibit 4	Letter dated	
	April 1, 2010	120
Exhibit 5	Document entitled	
	Default Services Agreement	120
Exhibit 6	Document entitled	
	Network Agreement	120
Exhibit 7	Letter dated	
	August 24, 2009	121

ATTORNEY ZIPES FROM U.S. TRUSTEE HAS
RETAINED ALL EXHIBITS

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I N D E X (continued)

INSERTIONS

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REQUESTS

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RULINGS

Page	Line
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(NONE)

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CERTIFICATION BY REPORTER

I, Wayne Hock, a Notary Public of the State of New York, do hereby certify:

That the testimony in the within proceeding was held before me at the aforesaid time and place;

That said witness was duly sworn before the commencement of the testimony, and that the testimony was taken stenographically by me, then transcribed under my supervision, and that the within transcript is a true record of the testimony of said witness.

I further certify that I am not related to any of the parties to this action by blood or marriage, that I am not interested directly or indirectly in the matter in controversy, nor am I in the employ of any of the counsel.

IN WITNESS WHEREOF, I have hereunto set my hand this day of , 2010.
