

**D. BRUCE WOLFF**

**2433 Heyward Street ■ Columbia, South Carolina 29205  
Telephone 803.609.2434**

February 10, 2023

**HAND DELIVERED**

The Honorable Jenny Abbott Kitchings  
Clerk of Court, Court of Appeals of South Carolina  
1220 Senate Street  
Columbia, SC 29201

**Re: Wells Fargo Bank, N.A. v. D. Bruce Wolff**

**Appellate Case No. 2022-001805**

**RECEIVED**

**FEB 10 2023**

**SC Court of Appeals**

Dear Honorable Clerk:

Please be advised that I received the transcript of the proceedings below from the court reporter on February 1, 2023.

Accordingly, I calculate the due date for the appellant's brief and designation of the record for Wednesday, March 6th, 2023. Please let me know if this calculation is incorrect.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Bruce Wolff', with a long horizontal line extending to the right.

D. Bruce Wolff  
Defendant Pro se

Encl. 49-page transcript

cc: Mr. Theodore von Keller- Crawford & von Keller, LLC  
1640 St. Julian Place  
Columbia, SC 29204

State of South Carolina )  
 ) Court of General Sessions  
County of Richland ) 2017-CP-40-03865

Wells Fargo Bank, N.A. )  
 )  
 vs. ) Transcript of Record  
 )  
D. Bruce Wolff )

July 18, 2022  
Columbia, South Carolina

B E F O R E:

The Honorable Alison Renee Lee, Judge.

A P P E A R A N C E S (All present by video or telephone):

Theodore von Keller, Esq.  
Attorney for the Plaintiff

D. Bruce Wolff, Pro Se  
Defendant

**RECEIVED**

FEB 10 2023

**SC Court of Appeals**

Anneliese Grassi  
Transcriber



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	NO.	DESCRIPTION	ID.	EV.
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3	P-A	Business records	9	10
4	P-B	Business records	9	10
5	P-C	Business records	9	10
6	P-D	Business records	9	10
7	P-E	Business records	9	10
8	P-F	Business records	9	10
9	P-G	Business records	9	10
10	P-H	Business records	9	10
11	P-I	Business records	9	10
12	P-J	Business records	9	10
13	P-K	Business records	9	10
14	P-L	Business records	9	10
15	P-M	Business records	9	10
16	P-N	Business records	9	10
17	P-O	Business records	9	10
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1 THE COURT: So the next matter I have is docket 2017-  
2 CP40-03865, Wells Fargo Bank v. D. Bruce Wolff. The plaintiff  
3 is represented by Theodore von Keller and the defendant is pro  
4 se.

5 I believe Mr. Wolff is in the office with you, Mr. von  
6 Keller?

7 MR. VON KELLER: Yes, ma'am. He is. I've provided him  
8 with a laptop and another copy of the exhibits. And I've got  
9 my IT guy going to make sure she understands how to activate  
10 the video. And my witness should be joining me from Phoenix,  
11 Arizona.

12 THE COURT: Okay.

13 MR. VON KELLER: There's Mr. Wolff.

14 THE COURT: All right.

15 MR. VON KELLER: And I think my witness is present. All  
16 right, Your Honor. I think we're all here.

17 THE COURT: Okay. And I have read the Court of Appeals  
18 opinion I believe where the case was remanded. I think this  
19 case came up previously as it relates to a motion for  
20 judgement and it went up to the Court of Appeals on appeal.  
21 The Court of Appeals determined that liability was appropriate  
22 as it relates against Mr. Wolff. As I understand it, it was  
23 in the nature of some type of a collection action and the  
24 Court of Appeals remanded the matter for further review and  
25 information relating to the amount of the debt that would be

1 owed to Wells Fargo.

2 And I have seen the documents that were filed in the  
3 file. I have not read all of them extensively but I have  
4 looked at them. I know Mr. Wolff provided a lot of  
5 information and so I did not get a chance to read through all  
6 of it. But as I understand it we are here just to determine  
7 the amount of damages that would be owed to Wells Fargo Bank.

8 And Mr. Wolff, you'll have the opportunity -- any  
9 witnesses that are produced, you'll have the opportunity to  
10 ask questions of that witness.

11 And my understanding is, is I believe we all understand  
12 that it is the burden of the Wells Fargo Bank to establish the  
13 amount of their damages and get what they would be entitled  
14 to.

15 Any questions at this time before we get started?

16 MR. VON KELLER: None from me, Your Honor. I think  
17 you've correctly summarized the status of the case.

18 THE COURT: Okay. Anything from you, Mr. Wolff, at this  
19 time?

20 MR. WOLFF: Not at this time, Your Honor. But thank you.

21 THE COURT: Okay. And I understand that the Wells Fargo  
22 Bank has one witness on its behalf; is that correct?

23 MR. VON KELLER: That is correct, Your Honor.

24 THE COURT: And I think I might have access to some of  
25 the exhibits. I know that they were produced and I'll try to

1 follow along with them to the best I can as we go through. So  
2 you --

3 MR. VON KELLER: Thank you, Your Honor.

4 THE COURT: -- you may proceed.

5 MR. VON KELLER: Thank you, Your Honor. I would call  
6 Amanda Layton to the stand please.

7 THE COURT: Ms. Layton, if you would raise your right  
8 hand please. Thank you. If you would state your full name  
9 please.

10 THE WITNESS: Amanda Layton, L-A-Y-T-O-N.

11 THE COURT: Thank you.

12 Yes, sir.

13 MR. VON KELLER: Thank you, Your Honor.

14 AMANDA LAYTON, after being duly sworn, testified as  
15 follows:

16 DIRECT EXAMINATION

17 BY MR. VON KELLER:

18 Q Ms. Layton, by whom are you employed?

19 A Wells Fargo Bank.

20 Q In what position?

21 A I'm a senior loan workout specialist.

22 Q How long have you been doing that please?

23 A I have been a senior loan workout specialist for three  
24 and a half years.

25 Q What are your duties in that capacity?

1 A As a senior loan workout specialist and specifically my  
2 role, I am the custodian of record and the Wells Fargo  
3 representative to appear for small business lending litigation  
4 matters.

5 Q Are you familiar with the account of Mr. Wolff that's the  
6 subject of this hearing on damages?

7 A I am, yes.

8 Q Have you reviewed that file in anticipation of today's  
9 hearing?

10 A Yes, I have.

11 Q Does Wells Fargo maintain a file of the loan with Mr.  
12 Wolff that's the subject of this lawsuit?

13 A We do, yes.

14 Q What documents are in that file please?

15 A That file would contain the original note as well as the  
16 authorization to convert the account from Wachovia, who  
17 originated the loan, to Wells Fargo when Wells Fargo and  
18 Wachovia merged. It includes the going statements going back  
19 from March of 2010 when Wells Fargo and Wachovia merged  
20 forward to the date of charge off. It includes the customer  
21 agreements that were in affect throughout the life of the loan  
22 from the point in which prior to conversion and to the charge  
23 off of the debt. It includes, also, a few inserts that were  
24 included with the account throughout the billing of the  
25 account history.

1 Q Are those documents made in the regular of course of a  
2 regularly conducted business?

3 A Yes, they are.

4 Q Are those documents made at or near the time of the event  
5 that appear on them?

6 A Yes, they are.

7 Q And are those documents created from information  
8 transmitted by a person with knowledge of the events that  
9 appear on them?

10 A They are, yes.

11 Q And are they maintained in the course of a regularly  
12 conducted business activity?

13 A They are.

14 Q And is the regular practice of Wells Fargo to make such  
15 documents?

16 A It is, yes.

17 Q You had filed 15 exhibits in this case labeled A as in  
18 alpha through O as in omega. Are those documents all from the  
19 Wells Fargo customer file of Mr. Wolff?

20 A They are, yes.

21 Q And those documents had been provided to Mr. Wolff's  
22 previous counsel in May of this year and e-filed with the  
23 court also in May of this year; is that correct?

24 A Yes.

25 MR. VON KELLER: And Your Honor, I'll represent as an

1 officer of the court that I provided Mr. Wolff with an  
2 additional copy of that when he came into my office early this  
3 morning.

4 Your Honor, I would move -- I think the simplest way to  
5 conduct this hearing is to move to admit all of those exhibits  
6 A through O as business records and I would ask to admit them  
7 now.

8 (WHEREUPON, Plaintiff's Exhibit Nos. A through O were  
9 marked for identification only.)

10 THE COURT: Mr. Wolff, do you have any objection? He's  
11 offering them as business records so their held in the  
12 ordinary course of business by Wells Fargo Bank relating to an  
13 account that you had with them. And so do you object to those  
14 documents?

15 MR. WOLFF: No, Your Honor. But they're missing some of  
16 the documents from 1999 when the loan was obtained, and  
17 they've lost some eighth of a million dollars' worth of  
18 collateral and made no notations.

19 THE COURT: Well, that's separate and apart. But the  
20 documents that you have seen, are those documents A through O?  
21 I don't believe that she's saying that those are all of the  
22 documents in the file but those are the ones -- A through O  
23 are documents within their file. So do you object to those?

24 MR. WOLFF: There's some in front of me that are dated  
25 2013 and '15 where they kept changing the terms of the

1 agreement. But I see them. They're in front of me, Your  
2 Honor.

3 THE COURT: So you acknowledge that those are documents  
4 that are held within the files? And you may disagree with  
5 what they say, or questions about them, or how they're used,  
6 but Ms. Layton has testified that they are documents that are  
7 held in ordinary course of business from the time period that  
8 when they were created and when they were used.

9 MR. WOLFF: I'll agree with that.

10 THE COURT: Okay. Then I'll admit those documents.

11 (WHEREUPON, Plaintiff's Exhibit Nos. A through O were  
12 received into evidence.)

13 BY MR. VON KELLER:

14 Q Thank you. Let's jump right in, Ms. Layton. Please look  
15 at Exhibit A and identify that document for me please.

16 A This is the business bank line note and agreement from  
17 when Mr. Wolff applied for the line of credit with Wachovia  
18 National Bank.

19 Q All right. Is that the business line of credit that he  
20 obtained on or about April 14, 1999?

21 A It is, yes.

22 Q What type of interest rate was on this line of credit  
23 please?

24 A This was a variable interest rate.

25 Q What was the credit limit on the loan?

1 A 78,000.

2 Q And direct your attention to Exhibit B. Can you identify  
3 that document for me please?

4 A Yes. This is the initial draft of the 78,000 that Mr.  
5 Wolff took against the line as soon as it was opened.

6 Q And so he drew 78,000 dollars on or about April 15th,  
7 1999; is that correct?

8 A He did, yes.

9 Q All right. When did Wells Fargo acquire the assets of  
10 Wachovia Bank?

11 A Wells Fargo and Wachovia merged in March of 2010.

12 Q Was this account acquired by Wells Fargo?

13 A It was acquired through merger, yes.

14 Q If Mr. Wolff wanted to continue with this business line  
15 of credit with Wells Fargo what was necessary for him to do?

16 A He needed to convert the account from a Wachovia business  
17 line to a Wells Fargo business line.

18 Q Draw your attention to Plaintiff's Exhibit C. Can you  
19 identify that document for me please?

20 A Yes. This is the form, the business authorization form  
21 to convert the account from a Wachovia business line to a  
22 Wells Fargo business line. It includes terms and conditions,  
23 which allow Wells Fargo to convert the account from the  
24 Wachovia terms and conditions to the Wells Fargo terms and  
25 conditions. And then additionally, it's the provided customer

1 agreement that was in affect at the time, in which we asked  
2 him to convert the line of credit from Wachovia to Wells Fargo  
3 so that he would be familiar with what those terms and  
4 conditions were.

5 Q Signing this document, did Mr. Wolff agree to Wells  
6 Fargo's terms and conditions for the business line of credit  
7 set forth in Exhibit C?

8 A Yes, he did.

9 Q And that, to the best of your knowledge, is Mr. Wolff's  
10 signature dated 11/29/2010 on Exhibit C?

11 A Yes.

12 Q Let me direct your attention to page 7 in Exhibit C, it's  
13 entitled change in terms of account. Can you explain what the  
14 terms of that Wells Fargo agreement state?

15 A It states that the bank may unilaterally change any of  
16 the terms of the customer's account at the bank's sole  
17 discretion at any time, and that the bank will provide the  
18 customer with such notice as required by law by mailing such  
19 notice to the customer at the latest address shown in the  
20 bank's records.

21 Q Let me draw your attention to Exhibit D. Can you  
22 identify that document please?

23 A This is the business line customer agreement that went  
24 into effect in 2011 in the month of June.

25 Q This is the new terms and conditions that would govern

1 this account; is that correct?

2 A As effective June 1st, 2011, yes.

3 Q Do the records of Wells Fargo reflect that this agreement  
4 was sent to Mr. Wolff?

5 A Yes. It would've been sent with his billing statement in  
6 April of 2011.

7 Q Does Exhibit D reiterate what you were just talking about  
8 on Exhibit C about the bank's authority to change the terms of  
9 the agreement at any time? Is that found on page 11 of  
10 Exhibit D?

11 A It is, yes.

12 Q All right. Let me draw your attention to Exhibit E. Can  
13 you identify that document please?

14 A This is the monthly billing statements for May of 2012.

15 Q What does Exhibit E say about the interest rate on this  
16 account?

17 A It says that beginning with your June 2012 statement a  
18 new interest rate will apply.

19 Q And that is in accord with the variable rate of interest  
20 agreement Mr. Wolff agreed to; is that correct?

21 A Correct.

22 Q Did Mr. Wolff have to accept this change in the interest  
23 rate?

24 A No. But if he hadn't he would've needed to pay off the  
25 line of credit.

1 Q Do the records of Wells Fargo reflect that Mr. Wolff  
2 continued to utilize the line of credit after May 4, 2012?

3 A I show that he did not pay the balance off, so yes, he  
4 continued to utilize the line.

5 Q All right. Draw your attention to Plaintiff's Exhibit F.  
6 Can you identify that document for me?

7 A This is the June 2012 billing statement.

8 Q And does it reflect the interest change as forecast in  
9 Exhibit E?

10 A It does, yes.

11 Q All right. Draw your attention to Plaintiff's Exhibit G.  
12 Can you identify that document for me please?

13 A This is the customer agreement that was in effect, or  
14 went into effect as of August 1st of 2013.

15 Q And do the records of Wells Fargo reflect that this was  
16 sent to Mr. Wolff?

17 A Yes, they do.

18 Q And does this also contain, on page 8, again, the same  
19 terms about the bank's right to unilaterally change the terms  
20 of the agreement?

21 A It does, yes.

22 Q All right. Please identify Plaintiff's Exhibit H for me.

23 A This is the September 2013 billing statement for Mr.  
24 Wolff's line of credit.

25 Q All right. And does this also indicate to Mr. Wolff that

1 a new interest rate would be effective in October of that  
2 year?

3 A It does, yes.

4 Q All right. And now in regards to Plaintiff's Exhibit I.  
5 Can you identify that for me please?

6 A This is the October 2013 billing statement, which  
7 reflects the new interest rate.

8 Q From 6.25 to 7.25 percent; is that correct?

9 A Correct.

10 Q As Mr. Wolff been advised of in his monthly statement as  
11 shown in Plaintiff's Exhibit H?

12 A Yes.

13 Q All right. Can you identify Exhibit J for me please?

14 A Exhibit J is an insert that was included in the December  
15 2014 billing statement that was sent to Mr. Wolff. And what  
16 it states is that we are implementing a new minimum payment  
17 increase strategy, or a new a strategy for repaying the line  
18 of credit. It states that the current payment due will be  
19 equal to the sum of a finance charge, bank fees, and other  
20 charges plus one percent of your new balance. Whereas before  
21 Mr. Wolff was paying, simply, one dollar or maybe two dollars  
22 above the interest that was billed monthly. What we were  
23 doing was assisting the customer in repaying the line of  
24 credit at a quicker rate by increasing the minimum payment by  
25 one percent of the balance plus interest and fees.

1 Q And can you explain to me why this change occurred in the  
2 account?

3 A This change occurred again to benefit the customer in  
4 paying the line of credit down at a much faster rate. It  
5 certainly was not to the benefit of Wells Fargo. Wells Fargo  
6 would have made more money on this line of credit if we had  
7 just left the payment terms as interest plus one dollar,  
8 clearly. So it was done to benefit the customer.

9 Q And the right to make this change in this payment was  
10 pursuant to those things that Mr. Wolff had been advised of in  
11 the statements that we talked about earlier; is that correct?

12 A In -- in the customer agreement, yes, where it states  
13 that we can change the terms.

14 Q All right. Let me draw your attention to Exhibit K.  
15 would you identify that document for me please?

16 A This is the February 2015 billing statement.

17 Q All right. And what does it show the minimum payment on  
18 Exhibit K?

19 A 1,191 dollars, which is reflective of the new repayment  
20 terms with the interest plus one percent of the balance and  
21 any additional fees.

22 Q Now, through the defense of this case, Mr. Wolff has  
23 talked about the change in the interest rate. But the  
24 significant increase in the monthly payment, that's not a  
25 product of an interest rate change, is it?

1 A No.

2 Q It is a product of the change as set forth in Exhibit

3 J --

4 A Correct.

5 Q -- correct? The new payment change that allowed Mr.

6 Wolff to pay down the line of credit more quickly and to save

7 a significant amount of interest?

8 A Correct.

9 Q All right. Is the calculation of the increase in the  
10 monthly payment what was explained in Exhibit J?

11 A Yes.

12 Q So is it fair to say that the increase in the minimum  
13 monthly payment to Mr. Wolff was more attributable to the  
14 change in the current payment as set forth in Exhibit J rather  
15 than any change in the interest rate?

16 A Exactly. Yes.

17 Q All right. Can you identify Exhibit L for me please?

18 A Exhibit L is the customer agreement that went into effect  
19 on November 1st of 2015.

20 Q Was this sent to Mr. Wolff?

21 A It was, yes.

22 Q And then again on page 8 of this, the customer is  
23 notified of the right the bank may change the terms of the  
24 agreement; is that correct?

25 A Correct.

1 Q And at any time Mr. Wolff could terminate the line of  
2 credit but that would require him to pay it off, correct?

3 A Correct.

4 Q But he maintained the line of credit to and including the  
5 time of Exhibit L; is that right?

6 A That is correct, yes.

7 Q All right. Let me draw your attention to Exhibit M. Can  
8 you identify that document please?

9 A This is the January 2016 billing statement.

10 Q And what does it reflect in regards to the interest rate?

11 A It reflects a 7.5 percent interest rate.

12 Q And what was the basis of that change please?

13 A It would've been a change in prime.

14 Q All right. Which was spelled out in the terms of the  
15 initial agreement; is that right?

16 A Correct.

17 Q All right. Let me draw your attention -- I'm sorry.

18 When was the last -- what do the records of Wells Fargo review  
19 as the last payment received from the defendant?

20 A October 30th of 2015.

21 Q All right. And draw your attention to Plaintiff's  
22 Exhibit N. Can you identify that document please?

23 A This is the November 2016 billing statement. I'm sorry.  
24 2015 billing statement.

25 Q And does it reflect the last payment received from the

1 defendant was on October 30, 2015?

2 A That it does.

3 Q All right. Was the failure to make any payments on the  
4 line of credit after October 30, 2015, an element of default  
5 under the terms of the business line of credit?

6 A It was, yes.

7 Q All right. Did Wells Fargo make a demand on Mr. Wolff  
8 for full payment?

9 A Twice that I'm aware of.

10 Q And the amount of that full payment was what please?

11 A \$70,473.34.

12 Q All right. I'm going to draw your attention to  
13 Plaintiff's Exhibit O. And those are the monthly statements  
14 from April 2016 going forward until, I'm sorry, the --

15 A I believe it's March of 2010.

16 Q Okay. Thank you very much. Those reflect the -- each --

17 A 2011. I apologize.

18 Q I'm sorry. Say what you said again please.

19 A May of 2011 is the first billing statement in this list.

20 Q Okay. And then it shows you all the monthly statements  
21 all the way throughout the account; is that correct?

22 A Correct.

23 Q And any payments made by Mr. Wolff would've been itemized  
24 on these monthly statements; is that right?

25 A Correct.

1 Q And so in regards to the account, what do the records of  
2 Wells Fargo reflect the total amount due by Mr. Wolff with all  
3 credits being applied?

4 A \$70,473.34.

5 Q And that -- you had provided the statements that reflect  
6 all payments and all charges; is that correct?

7 A From May 2011 forward, yes.

8 Q So is it your testimony that the debt in this case is  
9 \$70,473.34?

10 A It is, yes.

11 Q Thank you.

12 MR. VON KELLER: Your Honor, that's all that I have for  
13 Ms. Layton.

14 THE COURT: Mr. Wolff, do you have any questions for this  
15 witness?

16 MR. WOLFF: I do.

17 CROSS-EXAMINATION

18 BY MR. WOLFF:

19 Q Ms. Layton, do you have a figure of the amount of  
20 finances charges that were paid from 1999 up to the time that  
21 I stopped making payments?

22 A I do not have that figure readily available, no.

23 Q Is that something that would be important to know?

24 A Not relatively, no.

25 Q Okay. And was this a simulated funded account, and has

1 Wells Fargo paid a three billion dollar penalty and under  
2 obligation to do remediation for this type of practice?

3 MR. VON KELLER: Excuse me, Your Honor. I object. As  
4 you know, Mr. Wolff has filed some documents with the Court  
5 that deal with a resolution with the North Carolina Attorney  
6 General and California Attorney Generals with Wells Fargo.  
7 None of that is relevant to this matter and I object to this  
8 line of inquiry.

9 THE COURT: What's the relevance, Mr. Wolff?

10 MR. WOLFF: Well, the relevance is, is this is about  
11 reputation. And I can assure you that I did not sign any  
12 financial document giving a financial institution the right to  
13 any terms that they so choose, including the difference in the  
14 interest rate at their sole discretion, and part of this  
15 Department of Justice investigation says just that. And Wells  
16 Fargo has agreed to hire and pay for independent economist and  
17 forensic accountants. And that's what I'm looking for is to  
18 find the exact amount that I've been harmed in the eighth of a  
19 million dollars in lost collateral. And this terms of the  
20 things that you do on a consumer credit card where you can  
21 continue to change the agreement, but not something that's  
22 backed with securities. And I want Wells Fargo, at their  
23 expense, to take a good hard look at this, and the economic  
24 impact, and what has happened.

25 THE COURT: I think --

1 MR. WOLFF: And it looks to me that they're obligated to  
2 do that.

3 THE COURT: I think that you are required to -- that  
4 you'd have to ask her specific questions relating to the  
5 issues as it relates to your particular account, it's not  
6 something that applies globally at this particular point. But  
7 to the extent that you have questions about how that impacts  
8 your particular account, you can certainly ask questions about  
9 that particular matter. As it relates to your particular  
10 account and what if anything have they done as it relates  
11 to -- you can ask her questions about the interest rate, or  
12 the charges, or why she believes that the charges or the terms  
13 could be changed.

14 So I'm going to partially sustain Mr. von Keller's  
15 objection to it.

16 MR. WOLFF: I mean, I have nothing further to say. I  
17 received all of these documents, and I knew what was happening  
18 long before the Department of Justice found out about it. So  
19 and I have other current loans with Wells Fargo, including my  
20 principal mortgage on my residence and another loan where  
21 they've done the same thing. I just haven't stopped paying  
22 for it yet.

23 THE COURT: And I understand what you've said. I think  
24 you can ask her questions in reference to this particular  
25 account and what actions the bank took with respect to this

1 account, or why they took that particular action.

2 MR. WOLFF: Okay. I have no further questions for Ms.  
3 Layton.

4 THE COURT: And anything redirect?

5 MR. VON KELLER: No, Your Honor. I just reiterate --

6 REDIRECT EXAMINATION

7 BY MR. VON KELLER:

8 Q So your testimony is that you provided all of the monthly  
9 statements from the inception of the account going forward,  
10 reflecting all payments, all withdrawals made by Mr. Wolff,  
11 all payments applied, any changes to the interest rate or  
12 payment terms. All of that has been provided and you have  
13 personally verified that the total amount due with all credits  
14 being applied is \$70,473.34; is that correct?

15 A That is correct.

16 MR. VON KELLER: Your Honor, that's the plaintiff's case.

17 THE COURT: Mr. Wolff, is there any evidence that you  
18 wish to provide as it relates to the amount of the debt that's  
19 owed or the judgment that would be entered by the Court?

20 MR. WOLFF: I would ask that the Court, please, to  
21 consider not to enter in the judgment today and allow some  
22 further calculations by Wells Fargo. I have sent a letter  
23 directly to an executive vice president and senior counsel at  
24 their law department asking them if they would take a look at  
25 remediation for this account to determine an amount.

1 MR. VON KELLER: Your Honor, I might remind the Court  
2 that this matter filed this complaint in June of 2017. A  
3 summary judgement was granted in August of '18. Mr. Wolff  
4 appealed. That case went up to the Court of Appeals. The  
5 Court of Appeals has affirmed my order of summary judgment.  
6 As to liability, Mr. Wolff has offered nothing in regards to  
7 why the calculation damages is inaccurate, and I would ask  
8 that Mr. Wolff's relief be denied and that the Court enter an  
9 order entering judgement in the amount testified to by the  
10 business records custodian of Wells Fargo.

11 THE COURT: Mr. Wolff, are you challenging -- you are  
12 challenging what they have charged you in terms of -- what  
13 information do you have? Or you can certainly ask her, or you  
14 could've asked her about questions relating to the charges.  
15 But you don't dispute what she's testified to as it relates to  
16 how the documents that she testified about, and that you  
17 received notice that there were going to changes to the  
18 interest rate, but you're not actually challenging the  
19 specific dollar amount?

20 MR. WOLFF: I am challenging the specific dollar amount  
21 and I'm challenging the process. This is way beyond an  
22 unconscionable agreement which is legal. This is a criminal  
23 agreement. This is exactly why the Department of Justice has  
24 stepped in on this particular thing. And this amount is not  
25 correct. They've not acknowledged losing that eighth of a

1 million dollars' worth of stock. They didn't ackn -- they  
2 didn't dispute it. Mr. von Keller tried to -- I did an  
3 affidavit of this stuff with a letter when I started back in  
4 2013 with a regional bank executive asking about all this, and  
5 asking them to pay money, and to reduce the interest rates on  
6 this and another account, and they didn't do anything.

7 And this stuff with the Department of Justice is all new.  
8 It's only come about recently. It was not -- I knew what was  
9 happening but I assure you in this Exhibit 1, on page 3,  
10 paragraph F at the bottom the requirement to remediate the  
11 improper sales practices. This was an issue with the best --

12 MR. VON KELLER: What is Mr. Wolff --

13 MR. WOLFF: -- practice --

14 MR. VON KELLER: I'm sorry, Your Honor. What's --

15 MR. WOLFF: -- and the statement of facts. I provided  
16 this Mr. von Keller. I don't guess he read what I filed --

17 THE COURT: So let me just --

18 MR. WOLFF: -- with the Court.

19 THE COURT: So what did you provide to him? There's a  
20 document that you filed with the court as well?

21 MR. WOLFF: I did. It's Exhibit 1, and it was filed July  
22 12th, and it's a 47 page document, and I'm referring to page  
23 3. I mean --

24 MR. VON KELLER: Your Honor --

25 MR. WOLFF: -- this has been all --

1 MR. VON KELLER: -- Mr. Wolff --

2 MR. WOLFF: -- over the --

3 THE COURT: Oh, hold on.

4 MR. WOLFF: -- national news.

5 THE COURT: I'm sorry. Go ahead, Mr. Wolff.

6 MR. WOLFF: This has been all over the national news and  
7 the Department of Justice put all this information out so that  
8 state courts would be aware of this.

9 THE COURT: Mr. Wolff, this matter was filed back in  
10 2017. Did you raise these issues during the course of the  
11 hearings that would've been conducted prior to the appeal to  
12 the Court of Appeals?

13 MR. WOLFF: Yes, Your Honor. In my original affidavit I  
14 had a letter, a certified letter that I sent to the regional  
15 bank executive, Colt Chetwood (phonetic), and asking about all  
16 of these things. And within the time limits of their  
17 remediation that they've listed on the Wells Fargo website  
18 shows that if you tried to do something in between those  
19 dates, that they were obligated to do something for  
20 remediation.

21 THE COURT: And were those issues that were ruled on by  
22 the court before the appeal? In terms of your claims and your  
23 defenses at that particular point? When this case first came  
24 about?

25 MR. WOLFF: There's been no doubt and they have not

1 denied that they've lost an eighth of a million dollars' worth  
2 of collateral. All the certificates and everything that I had  
3 to go through to redeem it, they never acknowledged it. And  
4 Mr. von Keller is -- this is another attempt for him to just  
5 say everything is okay, just like he said about this, and the  
6 raising of the interest rate. This is key to this.

7 THE COURT: Mr. --

8 MR. WOLFF: I've borrowed over millions of dollars from  
9 the banks before Wells Fargo, and Wachovia, and First Union,  
10 and South Carolina National, never had a problem. But --

11 THE COURT: Mr. --

12 MR. WOLFF: -- this is a serious issue. You can't just  
13 start changing the terms of an agreement when you got  
14 securities back --

15 THE COURT: Mr. --

16 MR. WOLFF: -- on a business loan.

17 THE COURT: Mr. Wolff, my question to you is, when this  
18 lawsuit was first filed in 2017, and you went to court, and  
19 you were able to present any evidence or information that you  
20 had, was all of this presented at the time that there was a  
21 hearing before the court made a decision, and before you or  
22 your attorney filed an appeal to the Court of Appeals?

23 MR. WOLFF: It was, Your Honor. And on July 12th I  
24 brought that with me to be refiled, and so the filing on July  
25 12th has a stamp from 2017.

1 THE COURT: Okay. And were those issues addressed by the  
2 Court of Appeals at the time?

3 MR. WOLFF: They were. And in the order it said that Mr.  
4 von Keller was wrong, that there was ample time for me to file  
5 it. He disputed that I didn't file it within the right amount  
6 of time, and which I did. It said they didn't dispute what  
7 was in those documents. And now under the order it would be  
8 illegal for them to dispute that material fact.

9 THE COURT: What material fact?

10 MR. WOLFF: The material fact that they lost the stock  
11 certificates and that I had to redeem them. So if you look at  
12 the filing on July 12th of, what was that, last week.

13 THE COURT: Were there --

14 MR. WOLFF: I've got --

15 THE COURT: Were these issues address by the Court of  
16 Appeals?

17 MR. WOLFF: They were. And I have that document right  
18 here. And Wells Fargo did not deny it. See, right here.  
19 It's from -- okay. Here's the document from the appeal. And  
20 on page 3 -- give me one moment. Okay: Okay. The record on  
21 appeal includes a certificate of service showing Wolff's  
22 affidavit was --

23 THE COURT: What --

24 MR. WOLFF: -- hand delivered.

25 THE COURT: What are you reding from? If you tell me

1 please.

2 MR. WOLFF: This per curium document from --

3 THE COURT: What --

4 MR. WOLFF: -- court.

5 THE COURT: Tell me what page. I have copy of that in  
6 front of me.

7 MR. WOLFF: It would be listed -- it was the Court of  
8 Appeals document.

9 THE COURT: Yes, sir. What page are you reading from so  
10 I can follow along and figure out where you are?

11 MR. WOLFF: This I pulled from the website from the South  
12 Carolina Court of Appeals.

13 THE COURT: And the paragraph starts with what words?

14 MR. WOLFF: Per curium. And I didn't refile this  
15 document on the 12th.

16 THE COURT: No.

17 MR. WOLFF: And this --

18 THE COURT: So the part that you were just reading to me,  
19 what part of that is in the order?

20 MR. WOLFF: It's --

21 THE COURT: Tell me which paragraph?

22 MR. WOLFF: It's on page 3. So let me -- I don't know if  
23 I can -- I don't know if I can hold this up so that -- so it  
24 would be that paragraph. Let me make -- let me just verify  
25 that. Okay. So it's the paragraph at the top and it's the

1 last few sentences saying that --

2 THE COURT: That would be page 4 of the order, it's the  
3 next to the last page. And where does it start?

4 MR. WOLFF: So it would be page 3, if my printer prints  
5 like yours. And --

6 THE COURT: At the very top of the page that you're on,  
7 it says "the period of time prescribed or allowed"; is that  
8 the page you're referring to?

9 MR. WOLFF: That's correct.

10 THE COURT: Okay. And so where on that page are you  
11 reading from?

12 MR. WOLFF: Well, the paragraph actually starts on the --  
13 let's see. Okay. So all right. So that's correct, right.  
14 We're on the same paragraph. And down on the end it said "the  
15 record on appeal includes the certificate of service showing  
16 Wolff's affidavit was hand delivered to Wells Fargo attorney,  
17 or the attorney's paralegal, two days before the date of the  
18 summary judgement hearing. Wells Fargo did not challenge the  
19 authenticity of the certificate or the accuracy of its  
20 information. Therefore, Wolff's affidavit was timely."

21 THE COURT: Yes, sir. I followed along with that. So  
22 what you're referring to, is you're referring to the affidavit  
23 that you provided along with the documents that you attached  
24 to it?

25 MR. WOLFF: That's correct. And it shows copies of the

1 faces of the stock certificates that were lost or destroyed,  
2 and it shows some email correspondence with the bank looking  
3 for those certificates, and then it shows the trouble that I  
4 had to go through to get them reissued. And then I sold them  
5 so I could keep up with the payments, and because I was afraid  
6 that the bank was going to find them and sell them at the  
7 wrong time. This was carefully structured agreement with  
8 Wachovia for this loan and I lost over 150,000 dollars in a  
9 few years just on the dividend income, which --

10 THE COURT: Mr. --

11 MR. WOLFF: -- is in the affidavit that I filed July  
12 12th.

13 THE COURT: Mr. Wolff, I think what you're telling me is  
14 information that really would relate to this particular matter  
15 so I'm going to ask you raise your right hand so that I can  
16 swear you in and we can get some testimony from you.

17 MR. WOLFF: Okay.

18 D. BRUCE WOLFF, after being duly sworn, testified as  
19 follows:

20 THE COURT: Okay. Thank you. Now, what I'm hearing from  
21 you is the affidavit that you submitted in conjunction with  
22 the summary judgement hearing, you submitted an affidavit with  
23 documents that were attached; is that correct?

24 THE WITNESS: That's correct.

25 THE COURT: And what I gather from the Court of Appeals

1 decision is that that information should be considered by the  
2 Court in determining the amount of damages that would be  
3 included?

4 MR. VON KELLER: Your Honor, I need to interject here  
5 with your permission.

6 MR. WOLFF: I believe --

7 MR. VON KELLER: Excuse me, Mr. Wolff. One second  
8 please.

9 Your Honor, let me clarify. Mr. Wolff is causing some  
10 confusion on the Court. Let me just -- that is not what's  
11 before the Court today. Mr. Wolff filed an answer to my  
12 complaint in which the only defense that he asserted was the  
13 inquiries in interest rates. On the eve of the hearing Mr.  
14 Wolff -- actually the day before the hearing Mr. Wolff sought  
15 to do three things, and either the day before the hearing or  
16 at the hearing. He sought to introduce an affidavit, he then  
17 asked for permission to amend his complaint to add defenses  
18 regarding the -- he has talked throughout this case about some  
19 shares of stock that got lost.

20 MR. WOLFF: Mr. von Keller?

21 MR. VON KELLER: It has nothing to do with this case.

22 MR. WOLFF: That's exactly what you --

23 MR. VON KELLER: Mr. Wolff, please let me speak.

24 THE COURT: I will hear from you Mr. Wolff --

25 MR. VON KELLER: He --

1 THE COURT: -- in just a moment.

2 MR. VON KELLER: He submitted an affidavit, and he sought  
3 to amend his answer, and he asked the court for permission to  
4 conduct discovery. The trial judge said that the affidavit  
5 was late but considered it nonetheless and rejected it. But  
6 the controlling issue is he wanted -- the only issues before  
7 the court was his objection to the interest rate. In order to  
8 introduce different arguments he needed to amend his answer  
9 and assert this because it was not admitted in the pleadings.

10 MR. WOLFF: It's --

11 MR. VON KELLER: That was -- Mr. Wolff. That was denied  
12 by the trial judge and the decision denying it was affirmed by  
13 the Court of Appeals. He then sought to do discovery on that  
14 issue, which was denied by the trial court and affirmed by the  
15 Court of Appeals. The only issue that was properly before the  
16 trial court on my motion for summary judgement was the  
17 interest rate. The affidavit was considered and rejected.

18 The Court of Appeals, simply, one of the arguments that I made  
19 was that the denial of the -- that the ruling denying the  
20 affidavit was -- I added an additional argument that was  
21 untimely, and they said no it wasn't untimely, but that's all  
22 right because the judge considered it none the less. So --

23 MR. WOLFF: Mr. von Keller, while we have Ms. Layton here  
24 let's refer back to Plaintiff's Exhibit A, and this clearly  
25 shows collateral for -- let me get my glasses. It clearly

1 shows a collateral for the loan, collateral particularly  
2 depicted as a securities pledged agreement dated April 14th,  
3 1999. I hardly doubt that Wachovia would've loaned me money  
4 without collateral.

5 MR. VON KELLER: It's a line of credit, Mr. Wolff. It's  
6 secured by a mortgage on your home.

7 MR. WOLFF: You are -- you -- you couldn't be further  
8 from the truth. Let's get Ms. Layton to look at Plaintiff's  
9 Exhibit A, page 2.

10 MR. VON KELLER: I see what you're referring to.

11 Your Honor, those issues are not before the Court. If  
12 Mr. Wolff wanted to make these issues, he needed to amend his  
13 answer back in 2018, and did not. Liability in this case is  
14 determined. The only issue before you is damages. What he's  
15 trying to do is to do what he didn't, what he failed to do in  
16 2018.

17 THE COURT: So the question I then have is how does this  
18 relate to the damages, or in terms of what was -- from what I  
19 understand is that it was a line of credit. The line of  
20 credit was drawn down, and that's the basis for which we are  
21 here today as it relates to damages.

22 MR. WOLFF: Yes.

23 THE COURT: Because the question is about how much has to  
24 be repaid or how much is Wells Fargo owed as it relates to the  
25 line of credit.

1 MR. WOLFF: Your Honor, let's go back to the -- what Mr.  
2 von Keller said. He said he thought that this was a mortgage  
3 on my house. Ms. Layton is right there. She looked at  
4 Exhibit A on page 2, and these documents -- here's a statement  
5 of purpose for an extension of credit secured by margin stock.  
6 Let's go to the correct page 4 on Plaintiff's Exhibit A and  
7 let's look what that says right at the top. Statement of  
8 purpose for an extension of credit secured by margin stock.  
9 This is key and crucial. And for you to say that, that just  
10 the --

11 THE COURT: And some (indiscernible) --

12 MR. VON KELLER: Your Honor, I retract. I was mistaken.  
13 He is correct about what the document says. However, that's  
14 irrelevant. Again, if you will look at the answer that is  
15 filed in the public index, which I have right before me, that  
16 defense was not asserted. The only thing he asserted at the  
17 time of the hearing, in which liability was granted, was the  
18 interest rate. This -- that was not an issue properly before  
19 the court. The judge denied his permission to amend and the  
20 Court of Appeals affirmed that. So we can't reverse that.  
21 That's res judicata.

22 MR. WOLFF: You don't know what you're talking about.  
23 You stood up -- the whole reason there was an appeal is you  
24 stood up and --

25 THE COURT: Let me review what the Court of Appeals said.

1 MR. WOLFF: -- from the (audio interference) case --

2 THE COURT: Mr. Wolff, this is what I took away from the  
3 argument or the decision of the Court of Appeals. In that  
4 very same paragraph that you were discussing it says that the  
5 Court of Appeals was affirming the circuit court's ruling on  
6 the issue with respect to not allowing you to move to amend  
7 your pleadings. It said, however, this court takes no  
8 position on Wolff's right to move to amend his pleadings on  
9 remand. And the problem is, is that this matter was remanded  
10 and there was no attempt -- it was remanded in 2021 and there  
11 was no attempt between 2021 and before today's date to amend  
12 your pleadings to be able to address this particular issue.  
13 And so therefore, to the extent that it requires an amendment  
14 to your pleadings, that has not been done at this particular  
15 time and cannot go forward at this particular point.

16 MR. WOLFF: This is key to everything. No one ever told  
17 me that. All of these letters and this is going to be key to  
18 the remediation that Wells Fargo is required to do. And if  
19 you give that order, it may prevent me from filing a claim for  
20 them for what happened.

21 THE COURT: I'm just reading what the Court of Appeals  
22 said. And the Court of Appeals said that it took no position  
23 on your right to move to amend your pleadings on remand. And  
24 once it was sent back to the circuit court in 2013 -- or June  
25 2021 or July 2021 when it came back to the circuit court, at

1 that particular time you could have requested of the court to  
2 amend your pleading, or whatever your pleading was as it  
3 relates to this particular matter, and that was not done.

4 So --

5 MR. WOLFF: Well, my income is so low, just like today, I  
6 can't afford legal representation. So I was unaware of that.

7 MR. VON KELLER: Your Honor, with your permission. The  
8 record reflects that Mr. Wolff continued to be represented by  
9 Drew Radeker up until the order relieving him on May 16, 2022.  
10 He had legal counsel of record. So your ruling that he had a  
11 year to -- if he wanted to amend, he had a year to do it, and  
12 did not.

13 THE COURT: Yeah. And I did see that Mr. Radeker was  
14 your attorney for a period of time and that he was relieved as  
15 counsel. So at this particular point, when we came -- when we  
16 started this hearing today on this particular issue, it is too  
17 late to amend your pleadings at this particular time.

18 MR. WOLFF: So you're saying the affidavit that I filed  
19 timely does not count?

20 THE COURT: Well --

21 MR. WOLFF: And there's no way to make it count?

22 THE COURT: To the extent that it would've required you  
23 to raise additional issues during the course of your defense,  
24 you could've raised it as an issue that needed to be addressed  
25 by the court so that the court could rule on. It was not

1 done. Your pleadings were not amended. And the only issue --  
2 I have to go based upon what's contained in the file at the  
3 time that you had -- this matter came forward, and it was not  
4 amended after that. And so I would have to say at this  
5 particular point, I don't believe that I can -- that it can be  
6 amended at this particular point.

7 MR. WOLFF: Well, what about this? Can you get them to  
8 accept the amount that I paid plus the 8,000 dollars from my  
9 retirement account?

10 THE COURT: If you have paid additional moneys since this  
11 particular matter came out, as I tell other people, any money  
12 that you paid that's not -- any money that you pay on a  
13 judgement would certainly have to be accepted. To the extent  
14 that you are claiming that what you paid related to the  
15 interest, if you were paying interest only initially, those  
16 matters are matters that were pursuant to your contract and  
17 your agreement with them, so they don't count towards the  
18 principle that's owed at this particular point.

19 MR. WOLFF: So there's nothing that you can do to delay  
20 this for me to try to seek some remediation for what they've  
21 done, and the interest rate, and give it some time?

22 THE COURT: I think you would've had to do that before  
23 this particular point.

24 MR. WOLFF: Well, I didn't know about it until recently  
25 because they didn't start advertising it until recently.

1 MR. VON KELLER: Your Honor, I might point out that my  
2 motion to ascertain damages was filed on August 9th, 2021,  
3 almost a year ago.

4 THE COURT: And to the extent that there was information,  
5 I think because you were represented by counsel, you certainly  
6 could've discussed all these issues and find out exactly what  
7 the parameters would've been for any damages here as it  
8 relates to what the Court of Appeals sent back down to  
9 ascertain the amount of damages.

10 MR. WOLFF: I repeatedly tried to get him to do that, but  
11 he got frustrated and refused. So now Mr. von Keller is going  
12 to get a judgment and a writ of execution and try to cease my  
13 bank accounts when all of my liability is with Wells Fargo,  
14 and then I won't be able to pay my mortgage and other loan  
15 with them. How much time can you give me, Your Honor, before  
16 this happens?

17 THE COURT: When I issue an order, you have same ability  
18 to be able to challenge my decision, you can still appeal it  
19 but it's there.

20 MR. WOLFF: I knew this could happen. I thank you for  
21 your time and consideration.

22 THE COURT: I mean, if you otherwise dispute the amount  
23 of the debt --

24 MR. WOLFF: I do.

25 THE COURT: -- with the -- well, you've got to show me

1 what's wrong about their calculations, and I'm not so sure  
2 that the remediation would be able to -- your issue with  
3 remediation would be able to assist you. I mean, the question  
4 is, did you draw down or take out 70,000 dollars, and have you  
5 paid not just the interest on it, but have you paid principle  
6 on that particular loan? And if you haven't, or if you have,  
7 then you need to tell me how much you've paid in terms of  
8 additional payments other than the interest that you were  
9 paying off on a monthly basis. And if --

10 MR. WOLFF: That's --

11 THE COURT: And if you stopped making payments -- I  
12 thought I heard evidence that you have stopped making payments  
13 at a certain particular point, and that they then held you in  
14 default, and that's how the loan got -- that's how they came  
15 to file the claims against you, and at the time of your  
16 default they are claiming that you owed \$70,473.34.

17 MR. WOLFF: I'm not denying that I defaulted, but I am  
18 denying the amount, and the interest rate, and how it was  
19 applied.

20 THE COURT: Well, if you can show me where they were in  
21 error, if you have independent knowledge separate and apart  
22 for what you're claiming is the remediation that needs to take  
23 place, then I'll be happy to hear that. But you've got to  
24 provide me some information, some documents to indicate, or  
25 show that the interest rate was not the correct interest rate,

1 they charged you something that was not -- they charged you  
2 more then what the interest rate was, or whatever you have  
3 evidence to show.

4 MR. WOLFF: I did and it would require a mathematician or  
5 forensic accountant and economist, and that's what the order  
6 is offering. And I would at least like some time to explore  
7 that since they've offered to pay for that.

8 THE COURT: Who is they and what order are you referring  
9 to?

10 MR. WOLFF: I'm --

11 THE COURT: You're referring to the --

12 MR. WOLFF: I'm --

13 THE COURT: -- remediation order.

14 MR. WOLFF: I'm referring to the remediation order and  
15 their --

16 MR. VON KELLER: Your Honor, if I may. If I could just  
17 save the Court a little time. Mr. Wolff keeps relying on this  
18 order with the Attorney General, and which he has submitted to  
19 the Court as his Exhibit 1. In paragraph 1 of that agreement  
20 they are referring to financial products and services that  
21 were improperly provided to customer under false pretenses or  
22 without customer's authorization of or consent. Mr. Wolff has  
23 already admitted in court and it is an established fact that  
24 is res judicata that he agreed to this agreement, he got the  
25 use of the money, he signed the conversion. Those are

1 established irrefutable facts. That is not what the Attorney  
2 General order in North Carolina and California is about. The  
3 remediation that is ordered in those matters were unauthorized  
4 unknown accounts. That's not what we're talking about here.  
5 Mr. Wolff got a loan, he signed for it, he got the money, he  
6 spent the money. That's all established. He's simply wasting  
7 the Court's time here. That remediation in North Carolina and  
8 California has no bearing on this.

9 MR. WOLFF: He is (audio interference).

10 THE COURT: That only applies to those particular states?

11 MR. VON KELLER: They apply to those states and they  
12 apply to totally different things.

13 MR. WOLFF: Here's the webpage here from -- let's see if  
14 we can get that. And I've got it highlighted. And it talks  
15 about the requirement, and says specifically -- let me read  
16 you exactly what it says. It says "customers who had an  
17 account or service opened without their consent or without  
18 being fully informed of the details of the account or service  
19 may be eligible for compensation." I would say if Ms. Layton  
20 was right there, and there's a terms of agreement from 2015,  
21 and terms of an agreement from 2013, I would say that I would  
22 be a poster child for what has happened.

23 THE COURT: Okay.

24 MR. WOLFF: And that they recognize this.

25 THE COURT: And so Mr. Wolff, are you saying that you did

1 not receive the documents that were sent to you in your  
2 statements during the time period that --

3 MR. WOLFF: They were.

4 THE COURT: -- that she's testified to; did you not  
5 receive them?

6 MR. WOLFF: Not originally. If you do a LexisNexis  
7 search on a Wells Fargo business line, there's all kind of  
8 people --

9 THE COURT: No, sir.

10 MR. WOLFF: -- all over the county that say the same  
11 thing.

12 THE COURT: That's not what we're talking about. We're  
13 talking about these -- as it relates to these particular  
14 documents that she said were sent to you in conjunction with  
15 your statements, that they were additional information that  
16 were contained in those statements. Did you not receive them?  
17 And I'll start with not receive them.

18 MR. WOLFF: I did not initially receive them because I  
19 would never -- I spent 15 years negotiating complex financial  
20 arrangement, and I assure you, I would never sign anything  
21 that says that I would give a financial institution to do an  
22 interest rate spread at their sole discretion. That is what  
23 this is all about. It's all about reputation. And I don't  
24 know what I'm going to have to go through to make that point,  
25 but I'm not going to have anything on record saying I did such

1 a thing whatsoever.

2 MS. LAYTON: Can I point out, Your Honor, I apologize for  
3 interrupting. But in Mr. Wolff's own Exhibit 2 on page 32 he  
4 provides a copy of the welcome letter that was sent to him  
5 with the authorization to convert, which then has the terms  
6 and conditions agreeing to be bound by the Wells Fargo  
7 customer agreement. So he did clearly receive those. He has  
8 them in his own records with his own handwritten notes on the  
9 top. Page 32 through 38.

10 MR. WOLFF: Did not have knowledge of that other stuff  
11 and the bank said that they were going to sell my collateral  
12 if I didn't pay off the loan in full, and it was a time when I  
13 was unable to pay off the loan in full.

14 MS. LAYTON: I have no record of that, Your Honor.

15 THE COURT: And so Mr. Wolff, it appears that you have  
16 received the documents. Whether you read them or not is a  
17 different story, but they were received. And when you receive  
18 them, you are responsible for reading the content of them.  
19 And by continuing to go forward with a line of credit, you  
20 would've been obligated under those new terms. So --

21 MR. WOLFF: That's what the whole appeal was about, Your  
22 Honor. And in the appeal it clearly states that I did not  
23 access or continue to use the agreement or do any cash  
24 advances because of that particular reason.

25 THE COURT: It's not --

1 MR. WOLFF: Because it --

2 THE COURT: -- just about -- it's not just about cash  
3 advances, Mr. Wolff. If you read the agreement from the  
4 testimony, it indicated that there would be a change in the  
5 interest rate on it. And --

6 MR. WOLFF: I know.

7 THE COURT: And that if you did not agree with those  
8 terms that you would need to make contact with them, and  
9 apparently under Wells Fargo the requirement was that you then  
10 needed to pay line credit because your interest was a variable  
11 rate interest from the very beginning from the testimony that  
12 I heard.

13 MR. WOLFF: It was tied to a Wall Street Journal --

14 THE COURT: Yes, sir.

15 MR. WOLFF: -- Ombre plus one, and was to never exceed  
16 that. And now I know why they destroyed the securities as  
17 collateral so they could do this agreement. You cannot allow  
18 any of this on a commercial business loan. You can't have it  
19 both ways. This is the kind of stuff you do on consumer  
20 credit cards. Bank state law says you could notify them 30  
21 days in advance for change in your rate. They can't have it  
22 both ways.

23 THE COURT: Okay.

24 MS. LAYTON: We did provide notice more than 30 days in  
25 advance.

1 THE COURT: Mr. Wolff --

2 MR. WOLFF: Not to the consumer --

3 THE COURT: -- what I will do is I will review all of the  
4 exhibits, I have not read all of them. I will take into  
5 account the testimony that has been provided. I've heard your  
6 argument that you had a business line of credit, from what  
7 you're telling me, and that you're saying that those matters  
8 did not apply to business lines of credit, and I'll just have  
9 to read the documents and determine whether that was, in fact,  
10 what occurred.

11 MR. WOLFF: And if there's anything else that I can  
12 provide, Your Honor, I'll certainly be willing to do that  
13 because I know just about everything there is to know about  
14 this case.

15 THE COURT: Unless there's something specific that --  
16 something else specific that you want to address. What I've  
17 heard you say at this particular point is that any changes  
18 would not apply to this particular type of loan or account.

19 MR. WOLFF: And that's the reason that the Department of  
20 Justice has put this order out. They don't want Wells Fargo  
21 to profit from doing something illegal. And knew that a long  
22 time ago, that's why I stopped paying on the loan because what  
23 they were doing was illegal.

24 THE COURT: Okay. Well, I will take that into  
25 consideration and determine whether it would apply to this

1 particular loan or not based upon the information that I have  
2 before me.

3 MR. WOLFF: Thank you, Your Honor.

4 THE COURT: Thank you --

5 MR. VON KELLER: Your Honor, just in --

6 THE COURT: -- all very much. I will --

7 MR. VON KELLER: -- with your permission, just in  
8 closing. Hats off to Mr. Wolff for a vigorous fierce defense,  
9 but if we keep our eye on the ball this is a very  
10 straightforward matter. He had a line of credit with  
11 Wachovia. He agreed to convert it to Wells Fargo and agreed  
12 to their terms. It was a variable interest rate. All of this  
13 is in writing. There were several interest rate changes that  
14 he was notified of in advance. They were reflected in the  
15 monthly statements. He got the 75,000 dollars, or 78, he  
16 utilized the money, he made payments on it. That clearly  
17 established a contract not only by his signature but by his  
18 conduct. At a later time, Wells Fargo, in compliance with the  
19 agreement that he had been informed of repeatedly, changed the  
20 payment so that it would be paid. All he was paying was the  
21 minimum interest rate. And they changed the rate, which they  
22 authorized to do under the agreement. And he ceased making  
23 payments and the account is due.

24 The matter involving North Carolina and California has no  
25 bearing on that. This was an account that he knowingly and

1 willing agreed to and participated in. And if he wanted to  
2 amend to assert something about law of certificate, that  
3 could've been done over the course of basically four years,  
4 and he has failed to do so.

5 THE COURT: Thank you. I will review all the information  
6 in the exhibits that have been present and I'll issue a  
7 written ruling from there.

8 MR. VON KELLER: Thank you very much, Your Honor. Thank  
9 you for your time.

10 MS. LAYTON: Thank you, Your Honor.

11 THE COURT: Appreciate it. And with that we are  
12 adjourned for the morning session. Thank you.

13 (End of Transcript of Record)

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