

THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas

The Honorable Mikell R. Scarborough
Charleston County Master in Equity

APPELLATE CASE NO. 2014-002590

BRENT E. BENTRIM, ...Appellant

v.

WELLS FARGO BANK, N.A., ... Respondent

RECORD ON APPEAL – VOLUME 3 of 3

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SC Court of Appeals

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1 STATE OF SOUTH CAROLINA)
 2 COUNTY OF CHARLESTON) : IN THE COURT OF COMMON PLEAS
 3 BRENT E. BENTRIM,) CASE NO. 2011-CP-10-2946
 4 Plaintiff(s),)
 5 -vs) HEARING
 6 WELLS FARGO BANK, NA,)
 7 Defendant(s),)
 8 -----)
 9

10 Given before the Honorable Judge Mikell Scarborough in
 11 the Charleston County Courthouse, 100 Broad Street, Suite
 12 266, Charleston, South Carolina on Monday, April the 28,
 13 2014, commencing at 4:00 o'clock p.m.
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 20

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Also Present : Brent Bentrin, Elizabeth
Lassiter

INDEX TO EXHIBITS

(None were marked.)

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1 THE COURT: Next up is Brent Bentrin versus Wells
2 Fargo Bank. We've got Mr. Varnado for the plaintiffs.

3 MR. VARNADO: Yes, sir, Your Honor.

4 THE COURT: And for the defendants?

5 MR. BAKER: Charlie Baker.

6 MR. LANEY: Sterling Laney.

7 MR. HAWK: John Hawk.

8 MR. VARNADO: Your Honor, with me is my client,
9 Mr. Bentrin and Ms. Elizabeth Lassiter, who is an assistant
10 in my office.

11 THE COURT: I've got a list of seven motions.
12 Does that sound about right?

13 MR. VARNADO: That's correct, Your Honor. There
14 are some other pending dispositive motions but by agreement
15 of counsel and having notified your clerk we respectfully
16 request that those other motions be carried over to a
17 further hearing. So basically we're here today on --

18 THE COURT: And do we currently have another
19 hearing scheduled? I was trying get this one in here and
20 get y'all back on track if I could.

21 MR. VARNADO: Not yet, Your Honor.

22 MR. BAKER: And hopefully it will, Your Honor. I
23 did tell Rob before it got started that we were supposed to
24 mediate this case by the end of June, I believe with Dawes
25 Cooke being assigned as the mediator. Several weeks ago

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1 Sterling checked with Dawes' office. He had nothing in May
2 or June. He does have pretty extended availability in July.
3 So after the hearing this week we can hopefully nail down a
4 date we can do it, but we're going to request the associated
5 discovery deadlines and the motions be linked to that end of
6 July instead of the end of June. And I don't know whether
7 they agree or not. I just wanted to mention that before the
8 hearing.

9 THE COURT: Yeah. My law clerk is telling me that
10 right now we've got y'all scheduled for the 9th of June. So
11 I'm going to leave that on there, but I don't think y'all
12 are going to be ready to go them. So let's leave that out
13 there for now.

14 So let me run down the list I've got. I'm actually
15 looking at Mr. Hawk's e-mail. I think it's correct. If
16 it's not let's correct it. I've got a plaintiff's Motion to
17 Reconsider filed March 17th. I've got Wells Fargo's Motion
18 to Alter and Amend, a March 11th Discovery Order, a Motion
19 for Protective order March 20th, the plaintiff's second
20 Motion for a Rule filed March 24th, Wells Fargo's Motion to
21 Compel filed March 25th, Wells Fargo's Motion for Protective
22 Order filed March 25th, plaintiff's Motion to Renew it's
23 First Motion for a Rule filed March 28th, and then finally
24 Wells Fargo's Motion for Protective Order filed April 16th,
25 2014.

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1 So once we get past the first two we're into discovery
2 motions, and I'll take those up as needed. But let's talk
3 about the first things first, and that would be the Motion
4 to Reconsider and to Alter/Amend the prior orders of
5 March 17th and 11th. So Mr. Varnado, you get to go first,
6 your first motion.

7 MR. VARNADO: Thank you, Your Honor. May it
8 please the Court. Just by way of very brief introduction
9 the reason why this case was brought at first was on the
10 theory that the transaction described in a note dated March
11 12th of 2002 did not take place, that in fact the way the
12 bank serviced and handled whatever loan was issued took
13 place on a different date, with different sums, with
14 different application of interest, with different
15 application of payments, with a different origination fee,
16 and with a different late penalty. In other words, the note
17 does not describe the transaction which actually took place.
18 The transaction which actually took place was funded eight
19 days later, three days after the closing expired, and was
20 actually -- there was another HUD loan associated with it,
21 believe it or not.

22 We're also going to prove that we were not in default
23 on the grounds alleged by the bank in lawsuits filed in 2007
24 and 2009, all of which are in front of you. And you
25 actually dismissed the 2009 lawsuit, Your Honor, with

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1 prejudice to refile. Now, we were arguing a violation of
2 the Fair and Accepted Trade Practice Act, violation of the
3 Real Estate Civil Procedures Act, other causes of action.

4 When the case started though my client, still pro se,
5 asked opposing counsel by way of a Request for Production,
6 provide me the original note. And opposing counsel went to
7 Court and said unequivocally that Wells Fargo was the
8 holder, was in possession of the note, didn't have to turn
9 the note over because the vault procedure was going to take
10 six weeks to get, and that they would certify the copy from
11 the closing attorney's file, which actually never took
12 place.

13 So immediately after that my client, I think had hired
14 counsel, prior counsel, Mr. Sloan, served discovery seeking
15 information on was the note sold, had it been securitized,
16 was Wachovia, Wells Fargo acting as a servicer, did FUNB,
17 First Union National Bank, who originated the loan, did they
18 actually pay consideration. So these were all the questions
19 that were said in an October, 2011 discovery set, which
20 opposing counsel answered in November of 2011. And you're
21 going to hear all about that, because basically everything
22 before you flows from those questions.

23 So we already have, we think a strong case. And you're
24 going to hear from our experts and our client about the
25 first two things, whether or not the transaction took place,

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1 we say, no, and whether or not he was in default. And then
2 there's this whole other issue which has come to light, and
3 we've amended to add it in. So it's fairly before you, and
4 this is not, there's nothing new. There's no surprise.
5 We've been talking about this for months with opposing
6 counsel.

7 So the first, we Move to Reconsider. As Your Honor is
8 aware, we came before you on February the 10th. We had a
9 long discovery conference. You issued an order, you ruled
10 from the bench on certain things that need to be produced
11 within 30 days on a Motion to Compel. You also ruled that
12 within by the end of the week they would contact the IRS and
13 get what we now know to be a 147C letter, which would
14 confirm the name and address of this EIN 561948921. And I
15 think Your Honor remembers that.

16 And that was memorialized in the March 5th order. We
17 had sent in competing orders. And Your Honor signed one
18 that sort of took a little bit from both, and that was the
19 order. And then, Your Honor, then there was some letters
20 that went back and forth. And Your Honor issued a Form 4
21 Order on the 11th of March, which amended the March 5th
22 order. And frankly, we can't even agree on that.

23 So the first thing now having laid that foundation, I
24 appreciate Your Honor letting me do it, is the Motion to
25 Reconsider from us. The first thing is the ACRS Codes.

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1 Now, Your Honor had said they produced two codes rather than
2 all of them. As opposing counsel had said that these were
3 proprietary codes. Now, we only got them on Good Friday,
4 April 18th. We got a big production on Friday, April 18th.
5 And I'm going to go into that. That's for later in my
6 motion. I don't think it should've been produced on April
7 18th. I think that violated your March 5th order.

8 What is ACLS, the Advanced Consumer Loan System? My
9 colleagues say it's a proprietary system of Wachovia Bank or
10 Wells Fargo I guess. In reality Wells Fargo doesn't use it
11 anymore. Wachovia used it, but Wells Fargo doesn't. And
12 what is it? It's a software platform for servicing of
13 loans. Now, I have asked a lady from Florida, who is an
14 expert in ACLS. And she has given me an affidavit we just
15 received today. And I'm going to hand it up, Your Honor.
16 It's not in a format that would be ready to be filed yet,
17 but I want to hand it up to you, Judge.

18 MR. BAKER: Your Honor, we would object to any
19 affidavits we hadn't seen before today. I think the motion
20 of the rule is clear, Judge, you got to give it to us when
21 you file a motion.

22 THE COURT: Yeah. What's the purpose behind it?

23 MR. VARNADO: The purpose behind the motion,
24 Judge, is to --

25 THE COURT: No, the affidavit. The purpose of the

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1 affidavit.

2 MR. VARNADO: The purpose of the affidavit is to
3 show you what ACLS is, one. And two, that they haven't
4 given us everything in ACLS. And three, I know it's come,
5 but remember, Judge, they gave me these documents literally
6 only five working days before this hearing. I had to go
7 through every one of them, send them down to Florida to be
8 looked at to make sure they've given me everything. So I
9 think that this is not a late affidavit. This is an
10 affidavit which goes directly to the heart of what we're
11 here for, which is they have not produced everything in
12 ACLS.

13 What they have done is they have produced one little
14 bit of this platform called -- at the beginning back in 2011
15 they produced something called the ACLS History Card Report.
16 That's one little piece of the platform. And we've talked
17 about it before, Your Honor. I think I've showed it to you.
18 I've come in and I've argued that it had important
19 information in it.

20 I argued to Your Honor that what they did produce, the
21 ACLS History Card Report, just one piece of this said that
22 they sold the note -- they sold the loan rather, and that
23 they repurchased it. And you'll remember that my colleague,
24 Mr. Laney, got up and said, no, we didn't. We didn't sell
25 the note. You don't understand. We didn't sell the loan.

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1 We didn't repurchase it. It doesn't mean what you think it
2 says.

3 And after the hearing I e-mailed, I wrote my colleagues
4 and I said, I need more reports. I specified them by name.
5 I need more reports. Well, you know, we're already supposed
6 to be giving you the servicing records. So I just waited
7 patiently. We're not going to give you anything until, I
8 guess our April 18th deadline goes. So I've waited.

9 Now, I want to be clear on this. I'm going to get into
10 later why I think that they violated your order to wait
11 until April 18th to make a final production of documents.
12 There was a production of documents, there was an initial
13 production of documents on, dated March the 12th that I got
14 March the 17th. And it wasn't in there. Then there about,
15 right around some time around the first part of April I got
16 2,000 pages of documents, most of which are redacted. I'm
17 going to show you that in a little bit too. And then I get,
18 finally on Good Friday some more documents, which are
19 incomplete. And I'm going to talk to you about that.

20 So why am I handing this affidavit up? To go directly
21 to that point, because ACLS is not proprietary. It's made
22 by a company called CGI. The codes are actually a matter of
23 open record. And what I know now is that they produced a
24 little bit more of ACLS, just a tiny bit more called a
25 Securitization Report. That's kind of explosive, Judge,

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1 because that Securitization Report, the way we read it is
2 telling investment in a REMIC trust that you own Bentrim's
3 loan while simultaneously coming into court and saying, we
4 own this loan. And I understand there's going to be some
5 argument from counsel that, well, the loan was sold, but it
6 was sold to a subsidiary. And I don't think that's going to
7 fly.

8 But kind of having laid that foundation, Judge, we ask
9 Your Honor to please reconsider that you would only give two
10 codes, that you would order them to produce all the codes.
11 You may go, well, why do you need them if they're a matter
12 of public record? I just want to see if they're using the
13 same codes that are out there. And I want to see if they're
14 interpreting them correctly.

15 Your Honor did tell them to produce a witness who would
16 testify about the two codes which you ordered. And that
17 witness hadn't been produced. There's been no supplemental
18 interrogatory. There's been nothing saying who it is. So
19 I've been frustrated, I've not been able to -- I would
20 hopefully had that guy's deposition taken already. That
21 hadn't happened. So that's the first part, the ACLS codes.
22 I ask Your Honor to please reconsider that and have them
23 give me every code on that ACLS History Report.

24 The second part of my Motion to Reconsider, Your Honor,
25 was there was a big -- I had asked for discovery related to

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1 orders entered with the South Carolina Attorney General and
2 South Carolina Department of Consumer Affairs, and one for
3 the Office of the Comptroller of the Currency. My colleague
4 got up and said, that OCC Order, Judge, has a specific thing
5 in it that says this Order can't be used for any purpose
6 like a private, no private cause of action. So you
7 shouldn't produce the OCC Order.

8 And you know, the AG's Order, that's the way I heard
9 the argument. It's pretty much the same thing. It's got
10 jurisdiction in Washington. Well, Your Honor, I think this
11 was before you, and I just want to reiterate this point, the
12 Attorney General's Order does not have that same language
13 the OCC Order did about you can't use this for any reason.
14 In fact, the Attorney General Order specifically says you
15 can use it. You can use the Attorney General's Order for
16 grounds.

17 And since there's no limitation on discovery, there's
18 no limitation on the use of the Attorney General's Order,
19 the reason why I bring it up, Judge, is because in 2012 a
20 different set of Wells Fargo lawyers promised the South
21 Carolina Attorney General and our Department of Consumer
22 Affairs, and all other states' Attorneys General that they
23 would have a verified audit trail for every foreclosure that
24 was in process. The verified audit trail should say who
25 owns the loan at any given time.

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1 You're about to hear, I believe from counsel that well,
2 we were wrong about not selling that loan. I want to know
3 what their audit, what audit trail they did, because they
4 went and testified before Congress -- not these attorneys
5 but the bank and the bank representative -- that they had
6 looked at everything. They knew everything. There weren't
7 going to be mistakes anymore. There weren't going to be
8 discovery problems anymore.

9 I want to know where that audit trail is. I think
10 audit trail is discoverable since there's nothing in the
11 Attorney General Order that precludes it, nothing that
12 would -- and we're allowed to get it. I think they should
13 turn it over, Your Honor. And I ask that you please
14 reconsider that.

15 The final two are pretty, I think I can do quickly.

16 THE COURT: Yes, sir. Go ahead.

17 MR. VARNADO: The way the March 5th Order said, I
18 know we're going to be arguing about whether or not to turn
19 over the 2002 ledger. Originally you had said, give them a
20 ledger. And then there were some letters back and forth.
21 And you said, all right, the 2002 ledger. Whatever ledger
22 is turned over or not turned over, the Order says for my
23 eyes only, and I would just ask that that be amended for my
24 client to be able to look at it and my experts to be able to
25 look at it. And for my eyes only, especially if it's been

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1 redacted or things are changed, that wouldn't be good.

2 And finally, we had come before Your Honor. And I
3 tried to -- we had a Motion to Compel on all kind of issues.
4 And I tried to streamline them as best I can. And there was
5 discovery that was due and owing on this EIN 561949921. And
6 just to make sure this makes sense, back in October you had
7 ordered them to give me name, rank, and serial number for
8 that entity, basically it's name, it's address, and it's
9 relationship to Wells Fargo bank. I do not think they have
10 done that. I think that they cannot show that they have
11 complied with the spirit or letter of the order. I think
12 they've given four different answers. And it's so confusing
13 that there's no way to possibly get around it.

14 Simultaneous to doing that we realized we didn't Move
15 to Compel the actual documents which would back it all up,
16 and we need those, Judge. And that's the reason why I'm
17 asking you to -- it wasn't part of the order, and I think
18 it's fairly before you to be reconsidered is they need to
19 give the actual documentary backup for EIN 561948921, not
20 just a name, rank, and serial number, but in fact actually
21 the tax returns, a 1096 form which would show the 1098s that
22 are out there.

23 This is really important. I'm going to tell you why
24 it's really important, Judge. Remember how I said at the
25 beginning of the case we wanted to know if Wells Fargo and

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1 Wachovia were servicers. They had already turned over these
2 1098 forms that showed that my client's mortgage payments
3 were being made to, and mortgage interest was going to
4 561948921. Who is it? It's us. Well, we think you're
5 being a servicer. No, it's us. Well, give us a name,
6 address, and relationship to the bank. Yeah, we'll get to
7 that. Okay. So we've gotten four different responses on
8 that.

9 Well, but we never sold the note so we can't be a
10 servicer. Well, now you're going to hear, I believe that we
11 sold the note. That means that Bentrin was making payments
12 to 561948921 when they did not own the note. It's more than
13 just they sued without owning the note. Payments were being
14 made when they didn't own the note. We need to get these
15 records to see what's going on with this, because if they
16 didn't own the note then I think they don't want to turn
17 over this discovery because they don't want to show that the
18 payments are being distributed to a REMIC trust.

19 So all that discovery I think comes into play. And
20 you're going to hear a lot about that, Judge. There's a
21 whole motion dedicated just to 561948921 and whether or not
22 we've gotten the name, rank, and serial number. And I want
23 to say that -- and I've got lots to talk about there, but
24 that's basically it. There was some specific discovery
25 above and beyond just name, rank, and serial number. And it

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1 was what agreements were in place, what servicing
2 agreements, tax records, things like that. And I believe
3 there's enough there that you should order it. And that
4 would be my first part of this motion.

5 THE COURT: Okay. Mr. Baker?

6 MR. BAKER: Your Honor, good afternoon. Sterling
7 Laney's going to address the details of this first motion.
8 But since Mr. Varnado gave an introduction I feel it's
9 incumbent on me to give a brief introduction. You know, our
10 client and our law firm takes it very seriously when our
11 opponent comes into court and accuses the client and us of
12 discovery abuse and asks for pleadings to be struck. That
13 explains in part why I'm involved now in this case.

14 THE COURT: I understand.

15 MR. BAKER: As you'll find in the last motion to
16 be heard today on the restrictions on discovery we've looked
17 at this case and tried to get a 10,000 foot view, because
18 Mr. Laney and Mr. Varnado have been locked in the trenches
19 battling specific issues on discovery, which the parties are
20 entitled to do. And Your Honor's entitled to decide and
21 tell us what to do.

22 But from the 10,000 foot view, Your Honor, Wells Fargo
23 and it's predecessors in interest, Wachovia and First Union
24 National Bank have always been the holder of this note.
25 We've got it. It hadn't been endorsed. It hadn't been sold

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1 to anybody. We sold a participant -- when Wachovia held the
2 note a participation interest in the note was sold to
3 subsidiary, the Money Store, but the note itself was note
4 sold. We've got it.

5 When this case got started there had been three prior
6 actions handled by another law firm on behalf of the bank,
7 Brock and Scott. When this got started Brock and Scott had
8 not -- and Mr. Bentrin, I assume he counter-claimed for
9 foreclosure. Brock and Scott had not returned -- it was in
10 their file. They hadn't returned the original note to us,
11 which we've got right here. We've produced a copy, I
12 believe to the plaintiffs early on in the litigation. But
13 we got a lot -- out of an abundance of caution at first,
14 because nobody knew where it was, we got a Lost Note
15 Affidavit. Turns out we then -- Brock and Scott said, hey,
16 do you need these things back. We said, gosh, that's where.
17 So I mean, you know, you can look for a conspiracy under any
18 rock, but it's a very simple explanation.

19 THE COURT: Do you know when y'all retrieved the
20 note, the original note was retrieved?

21 MR. LANEY: I don't know the exact date, Your
22 Honor, but it was during the pendency of this litigation.
23 He filed it in April, 2011. I want to say it was some time
24 in 2012. And it's been sitting -- it's right here, Your
25 Honor. And it's not endorsed to anybody. Made payable to

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1 First Union National Bank by Brent E. Bentrim.

2 MR. BAKER: And in addition all this idea about we
3 sold it to a REMIC trust or securitization interest in it,
4 we think the law is clear, Your Honor. And we're going to
5 argue it, that first of all, that didn't happen, number one.
6 Even if it had it's irrelevant. We're the holder of the
7 note. We're entitled to foreclose. And we're successor by
8 merger with Wachovia and First Union. And so they're
9 chasing down blind alleys trying to throw mud at the wall
10 that is Wells Fargo.

11 We believe and we intend to show Your Honor today that
12 we in good faith produced everything Your Honor has ordered
13 with the exception of what we're seeking the reconsideration
14 of, which is the 2002 full general ledger. And we did
15 redact, because we believe it's work product and some
16 attorney/client a large portion of what we did produce
17 pursuant to your order, but we can get into those issues
18 later.

19 That's the overview. We just think that the discovery
20 in this case has tumbled out of control. And if you go back
21 and look at the 10,000 foot view none of what they're asking
22 for is really relevant so --

23 THE COURT: Have we identified whoever had the EIN
24 number?

25 MR. BAKER: Yeah. We got a letter from the IRS,

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1 which we produced. It had some Greensboro address. They
2 made the motion saying well, that's fraudulent somehow. We
3 called the IRS back up and they sent us another letter.
4 They made a mistake. We don't know what goes on in the IRS.
5 We've got -- it's attached to our motion. Once we get to
6 that motion it's attached to our response to his motion.
7 The fact that we've now produced that -- and we do, this
8 time our guy wherever he is didn't throw away the fax cover
9 page. We did produce the fax cover page. Somehow it didn't
10 get attached to our motion, but we do, we have produced that
11 I'm told.

12 MR. LANEY: And it does say it's assigned to First
13 Union National Bank, Your Honor.

14 THE COURT: All right. Mr. Laney, you want to
15 address the specifics?

16 MR. LANEY: Sure, Your Honor. First of all, you
17 know, obviously we were just handed this at the same time
18 you were.

19 THE COURT: I hadn't even looked at it yet.

20 MR. LANEY: But outside of our objecting for it
21 being untimely and this Casa Meriquita (ph) not being
22 identified as a witness, no idea who she is, what her
23 qualifications are. I don't see anything in here that says
24 that the ACLS is a public document. She says she worked on
25 the system.

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1 Your Honor, you ordered the two codes to be produced
2 which we complied with, which were November 29th, 2006, the
3 ACLS history card that shows there was a sale on May 10th,
4 2013. It shows it was repurchased. We gave them both those
5 codes. Even before we could give them the codes everything
6 blew up here. You're hearing seven motions. No, we have
7 not identified a witness yet because there's seven pending
8 motions. And they're asking for a whole lot more documents.

9 And so certainly I'm a little bit surprised to hear Mr.
10 Varnado say he should have gone ahead with the deposition.
11 I'd imagine he'd want to have all the documents before he
12 did that. But we don't think we should have to produce
13 anything else, Your Honor.

14 The ACLS history card, which I think Your Honor had.
15 We have another copy here we'd be happy to show you, but it
16 has a history description, item description to the end. And
17 it shows -- it's fairly self-explainable. Even a layperson
18 like myself can actually look through and see, here's the
19 amount that's owed. Here's a payment, or a late fee, or an
20 interest. There's a code, but then it says description of
21 what it is. And it explains it on the far right.

22 So it's not like this is hiding something that they
23 can't make heads or tails of if they didn't have all the
24 codes. I'm very surprised to hear that they need all the
25 codes in order to advance any of the theories of their case,

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1 Your Honor. I just don't think it goes to help us resolve
2 any of the issues that would lead to the discovery of
3 admissible evidence, which is the standard under Rule 26.
4 And as we cited in our Motion for Protective Order Rule 26
5 we cite the oncology case, hematology case pretty
6 frequently, Your Honor. But discovery requests have to be
7 reasonably tailored to the needs of the case at hand.

8 And I think where I'm going with all that is, Your
9 Honor, they're chasing -- as Mr. Varnado said, well, we
10 think it was sold. We think there's a security -- we think
11 there's a REMIC trust. Doesn't matter. None of that
12 matters. And we have some cases here, which Mr. Baker will
13 argue about later. But Your Honor, may I approach?

14 THE COURT: Sure.

15 MR. LANEY: Very recently Judge Blatt in the South
16 Carolina District Court in the Schneider case, Fourth
17 Circuit and our own bankruptcy court in the Cane case all
18 held that borrowers simply do not have standing to challenge
19 securitization of their mortgage loans or the assignment of
20 their mortgages. They don't have standing. Contractually
21 this is the contract, Your Honor, the note made between
22 Brent Bentrin and First Union National Bank. That's why
23 we're here.

24 And I think you stated it very clearly in our last
25 hearing, you said, when he started to explain about, well,

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1 we're concerned about this funding. We don't believe the
2 transaction took place. You said, well, wait a minute. If
3 the funding didn't take place we don't have a justiciable
4 controversy here to discuss. And we would take the exact
5 same position, Your Honor.

6 The fact of the matter is this note governs the
7 relationship between First Union National Bank and Brent
8 Bentrin and First Union National Bank's successors and
9 assigns, which were Wachovia and then Wells Fargo Bank which
10 is here today. Whatever the lender does with this on the
11 backside, if it wants to sell it it's a negotiate
12 instrument. We could sell it. We could transfer it. We
13 could, you know, securitize it. We can do all that. And in
14 South Carolina, you know, all we got to do is deal with
15 note. Mortgage follows the note.

16 THE COURT: Let me ask this question. Were the
17 servicing rights, were they transferred back and forth? Did
18 they move around as well?

19 MR. LANEY: No, sir. Servicing rights were never
20 transferred.

21 THE COURT: Always with Wells Fargo?

22 MR. LANEY: Always with First Union, Wachovia,
23 Wells Fargo. Yes, sir. And again, very good point, Your
24 Honor. Under RESPA we don't have to notify Mr. Bentrin
25 under 2605 if we've sold the loan. You have to notify them

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1 if you sold the servicing rights. And since those never
2 changed he doesn't have to be notified. So there's no cause
3 of action there.

4 So Your Honor, getting back to the ACLS codes. They
5 can't advance the theory here. I mean, they don't help us
6 any. He's asked for an accounting. He has disputed that
7 was in default under this loan. We have the payment -- I
8 mean, despite their assertions to the contrary there are
9 multiple documents of payment histories in this.

10 Mr. Bentrim in his latest Supplemental Request for
11 Production identifies 45 different payments, which he's
12 asking us to verify were deposited into a bank account. He
13 has those records. We've identified the other payment
14 history. So he has everything he needs to say whether or
15 not the terms of the loan were adhered to and whether or not
16 he was in default at the times we said he was in default.

17 And I think it's very important, Your Honor, while
18 You're considering this, in November 2012 we filed a Motion
19 for Summary Judgment before it was referred to Your Honor.
20 And Judge Dennis heard that. And he granted our Motion for
21 Summary Judgment as to Mr. Bentrim's breach of contract
22 claims. And I think that's very important, because all
23 these, you know, he can say Unfair Trade Practice and --
24 they don't go to prove fraud or Unfair Trade -- I mean, it's
25 an internal document. There's no intent to deceive or

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1 effect the public interest. And certainly it couldn't be a
2 fraud, you know, the elements of fraud and material
3 representation because it's an internal document contained
4 in Wachovia.

5 All the correspondence between the bank and Mr. Bentrin
6 has been produced. The servicing records, albeit redacted
7 for time -- the case has been litigated on four times, Your
8 Honor. There's a lot of work product in those servicing
9 records. Yeah, there's a lot of redaction in there. But
10 Your Honor, all the servicing records have been produced.
11 All the correspondence has been produced. All the documents
12 related to force placed insurance have been produced
13 pursuant to Your Order.

14 And so we think this is -- the order is to produce all
15 the codes now from a proprietary system based on the
16 arguments presented here by counsel. And you heard them.
17 You ruled upon this. We'd ask you to stand by Your ruling
18 as far as the codes go, Your Honor.

19 THE COURT: Has Mr. Varnado received the original
20 note? Have you seen the original note?

21 MR. VARNADO: I have, Judge. I mean, I totally
22 disagree with this, but I have seen it.

23 THE COURT: You've seen the note? You've shown it
24 to your client? Does he acknowledge that's his signature on
25 it?

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1 MR. VARNADO: That's his signature on it.

2 THE COURT: Thank you. Let me hear from you.

3 MR. VARNADO: The problem is is that Mr. Laney is
4 doing it again. He's testifying without actually having the
5 records which back it up. And it's like punching against
6 Jell-O, because you can't get a clear answer out of Wells
7 Fargo. Let's go back to some of the specific things he
8 said.

9 THE COURT: Well, let me ask you a couple
10 questions. All right. So they got the note. Their
11 position is they've held it all this time. What you're
12 after is proof that the note was sold at some point in time,
13 correct? Isn't that what you indicated?

14 MR. VARNADO: That's part of it, Judge, sure. And
15 how they got possession of that note back, under what
16 circumstances did they have that original note because --

17 THE COURT: And you tell me how that's relevant to
18 where we're going.

19 MR. VARNADO: Okay. It's extremely relevant,
20 Judge, because if the note -- if the loan was sold to a
21 REMIC and they produce some documents which substantiate
22 that, then in order to securitize the loan, the loan -- the
23 note is supposed to go to the REMIC trust. And there's no
24 proof of that. Okay. There's no proof that -- and their
25 documents say it was sold. If a loan is sold then there can

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1 be a severing of the collateral from the note.

2 And there's Article 9 of the Uniform Commercial Code
3 says whether or not the note's even enforceable. Plus, I
4 think you're getting another sort of misdirection here. For
5 instance, we're not saying that it was illegal for them to
6 securitize the note. We're saying that they should have
7 been up front with you that they did it, because it has a
8 real life impact effect, not only on the Uniform Commercial
9 Code but under trust law.

10 THE COURT: It has a real life effect because he
11 wants his payments applied properly, correct? Isn't that
12 what we're all about?

13 MR. VARNADO: That's part of it, Judge. But the
14 other part of it is is that what's really going on here is
15 that if they sold the note and they came in and claim that
16 they were the owner of it at the same time they were telling
17 REMIC investors you own the note, that's unfair. That's
18 deceptive. That's the exact --

19 THE COURT: To whom? Not to Mr. Bentrin it's not.

20 MR. VARNADO: It's totally unfair to him.

21 THE COURT: It's irrelevant to Mr. Bentrin.

22 MR. VARNADO: I strongly disagree, Judge.

23 THE COURT: I would find that irrelevant relative
24 to this contractual arrangement between the two of these
25 people. If you're representing REMIC or their investors

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1 maybe that would be relevant, but it's not relevant to Mr.
2 Bentrim. What's relevant to Mr. Bentrim is that he makes
3 his payments to the proper party and that those payments get
4 properly applied. And if they don't he's got a right to
5 complain. And that's why I thought we were here. Okay.
6 And that's where I'm going to take this. I'm telling you
7 that's where I'm going to take this discovery to whether you
8 like it or not. So first motion is denied.

9 Now, here's what I'm going to do. I'm going to make
10 Wells Fargo counsel here provide me with a full accounting.
11 I want the whole record of what has been transpired on that
12 account. It's going to be submitted to this Court in
13 camera. I will review it. I will do that, because that's
14 what he's asking for. But I want to take a look at it
15 without waiving the privilege and without waiving the work
16 product. Okay?

17 MR. LANEY: Absolutely, Your Honor.

18 THE COURT: Y'all get that to me.

19 MR. LANEY: We'll produce all the documents we've
20 already produced that shows the payment history from the
21 inception through the last payment that was made, Your
22 Honor.

23 THE COURT: Got it. That I will do. If I see a
24 problem with that we'll have another little pow wow.

25 MR. LANEY: Understood.

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1 MR. VARNADO: Judge, we got just a lot of issues.
2 And I heard your ruling. If you'll just allow me just to
3 make this one little preservation type argument. I do
4 believe that when it comes to the full hearing you're going
5 to see that Mr. Bentrim has been able to make allegations
6 under the Unfair and Deceptive Trade Practices Act for
7 whether or not this bank came before Your Honor saying that
8 they were the owner and holder of the note when in fact they
9 were not. And that the mortgage, the language in the
10 mortgage -- I'm not trying to berate it because I heard your
11 ruling, but the language in the mortgage is going to be
12 relevant in contravention to what Mr. Laney has said.

13 And those are two things I want to put in there, Judge.
14 I think we're ready for the next motion if you are, Your
15 Honor.

16 THE COURT: Go ahead.

17 MR. BAKER: I think the next motion is ours, our
18 Motion to Alter/Amend.

19 MR. VARNADO: That's right.

20 THE COURT: I think so. Y'all have already moved
21 to alter/ament the March 11 Order?

22 MR. BAKER: Yes, sir, Your Honor. Your Honor, we
23 submitted an affidavit of Annette Evans in support of our
24 motion. I don't know if you have our motion.
25 Unfortunately, we got the March 5th order, and sometimes no

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1 good deed goes unpunished. I wrote a letter because I was
2 concerned that your -- and like Mr. Varnado said, we
3 submitted competing orders. And we objected to the language
4 that said we were to produce the general ledger, because I
5 was like, how can we produce a general ledger of the bank.

6 And it was clarified we were only to produce the
7 general ledger for the year 2002. And when we checked with
8 our client, Your Honor, and I submitted the affidavit of
9 Annette Evans in support of that. And I've got more copies
10 if you'd like to see that, Your Honor. But she indicated
11 that these records are no longer actively maintained. They
12 have been taken off site in their tape media.

13 And to restore them would take no less than four
14 months. You have to put it out for bid for a third party
15 search contractor to A, to be able to go get it. You've got
16 to get an armored car service to go get the tape media.
17 Then we come back. And then to restore it.

18 And the 2002 general ledger only -- we've already
19 produced the two documents. They were in the loan file that
20 pertained to Mr. Bentrim's loan. I'm telling you, out of
21 the general ledger we have produced the two, the debit and
22 credit entries that pertain to this loan.

23 THE COURT: From the origination, right?

24 MR. BAKER: That's correct. And it shows that it
25 went to the closing attorney, Davidson Wiggins. I can't

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1 remember exactly how you say it.

2 THE COURT: Davidson Bennet and Wigger?

3 MR. BAKER: Yes, sir. That's correct. Who closed
4 the loan. And so we've asked that to the extent you've
5 ordered under the March 11th ruling for us to have to
6 produce the general ledger for the year 2002 that based on
7 the affidavit of Ms. Evans that we be, that be altered and
8 amended so that we don't have to go through this very
9 laborious and costly exercise to produce these documents.
10 And the reason for that is A, we've already produced the
11 general ledger that pertained to this loan.

12 Second, Your Honor, there's several documents here that
13 make this, that thanks to Your Honor's ruling we went back
14 and pulled the foreclosure files from the 2005 foreclosure,
15 the 2007 foreclosure, and the 2009 foreclosure. Got all the
16 documents from all the previous foreclosure accounting. And
17 what we found, Your Honor, is that in 2006 Mr. Bentrin
18 executed a stipulation where he acknowledged that he signed
19 the note. The acknowledged he signed the mortgage. He
20 acknowledged they were recorded. He acknowledged he
21 received the loan from First Union.

22 Then Your Honor entered an order August 16th, 2006
23 where you found that the -- bear with me, Your Honor -- that
24 the note was given by First Union, you said for value
25 received Brent Bentrin made, executed, and delivered a

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1 certain promissory note. To better secure it he executed
2 the mortgage, and that at that time the plaintiff, which was
3 Wachovia Bank was the owner and holder of -- they were doing
4 two notes at that time, notes and mortgage seeking to close
5 and that payment due on the note has not been made. That's
6 also in the stipulation, 'Your Honor. Mr. Bentrin
7 acknowledged that as of 2006 he was in default under the
8 terms of this note.

9 Now, you heard Mr. Varnado in the beginning. He wants
10 to challenge and say there's no proof that First Union,
11 there's no proof that First Union funded this loan. Well,
12 Your Honor, we have a ruling from you in August 2006, we
13 have a stipulation signed and executed. I need to get you a
14 copy of that stipulation, Your Honor, that it was entered.

15 And then in the 2009 lawsuit Mr. Bentrin appeared pro
16 se and answered the complaint, one of the allegations being
17 for value received you executed the note and mortgage. He
18 admitted to both of those paragraphs prior to Your Honor
19 dismissing the action without prejudice because Wells Fargo
20 did not produce a witness at the hearing.

21 So you have the stipulation, you have your August 16th,
22 2006 ruling, and you have his answer in the 2009 case all
23 admitting that for value received he executed the note and
24 mortgage. So the only thing that could -- so basically our
25 position is he's barred under the doctrines of res judicata

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1 and collateral estoppel from arguing that First Union didn't
2 fund this loan, didn't originate this loan. And that's the
3 only thing is the 2002 general ledger documents could show.
4 So for that reason as well we ask that you alter and amend.

5 THE COURT: Tell me about that, Mr. Varnado.

6 MR. VARNADO: Judge, it's just not right on a lot
7 of grounds. I'm going to try to explain it as best I can.
8 Your Honor ordered them to turn over all the documents which
9 would substantiate that it was their money. And that was in
10 your order. And the only thing which could be timely
11 considered to be a Rule 59 Alter/Amend is don't turn over
12 the 2002. It's too difficult.

13 Let me reiterate the reasons, the legal reasons why
14 this is important. One, Wells Fargo has to prove the debt.
15 That's just a basic foreclosure law. They must prove the
16 debt.

17 THE COURT: He's holding an original note over
18 there you've acknowledged already. That's pretty much a
19 debt in my book.

20 MR. VARNADO: Your Honor, a note without evidence
21 that money was actually transferred would not be evidence
22 that the money was transferred. And Your Honor already
23 ordered them to do it. And the note might be competent
24 evidence, but it's not going to be the evidence that they
25 actually paid their own money to do it. And why is it

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1 important? There's four legal grounds --

2 THE COURT: Do you have a HUD one saying that they
3 closed the loan? You talked about that earlier. I'm not
4 real sure what you're arguing here unless it's a three day
5 thing and a re-fi. So was this a re-fi of some property, or
6 was this a purchase?

7 MR. VARNADO: Yeah, it was a HELOC re-fi. That's
8 exactly what it was, a three day turn around.

9 MR. BENTRIM: We paid off a Bank of America loan
10 actually, Your Honor.

11 MR. VARNADO: But the funny thing is is that the
12 note which Mr. Laney says is the evidence says they paid
13 \$182,700. And yet you're going to hear from counsel, and
14 you'll see in the memoranda they only paid 180, eight days
15 later, three days after the closing.

16 THE COURT: I've closed a bunch of loans. They
17 would have taken their fees out of it, I'm sure of that.

18 MR. VARNADO: The fees were included in the 180,
19 Judge. So the note says 182,700 --

20 THE COURT: So are we fighting over \$2,000?

21 MR. VARNADO: No, sir. We're not.

22 THE COURT: We better not be.

23 MR. VARNADO: We're not fighting over it, Your
24 Honor, I promise you. What we're fighting over is that what
25 they say took place in the note is not what took place in

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1 reality.

2 THE COURT: Did Mr. Bentrim have a Bank of America
3 loan on the day he went into Davidson Bennet and Wigger and
4 enter into this transaction?

5 MR. VARNADO: Yes, sir. But that's --

6 THE COURT: Does that Bank of America loan exist
7 today, or was it paid off somewhere close to the 2002 time
8 period?

9 MR. VARNADO: It would have been paid off after
10 the August the 20th -- I mean, March the 20th, eight days
11 later, three days after that closing closed.

12 THE COURT: All right. Your client got a
13 Satisfaction of Mortgage and Cancellation of Note from Bank
14 of America?

15 MR. LANEY: I've got it right here if you'd like
16 to see it.

17 MR. VARNADO: I assume it would all be in there,
18 Judge, but the --

19 THE COURT: If that happened then I know they
20 transferred some money.

21 MR. VARNADO: They transferred some money. Did
22 they transfer the money that was said in the note, and is
23 the note enforceable under it's terms? And the next
24 question is is there is -- it happens that banks do not use
25 their own money to fund mortgages. Mr. Laney talked about

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1 this that this was a clearinghouse account. This general
2 ledger's a clearinghouse. It's got millions of loans in it.
3 But they don't use their own money.

4 Judge, they have to prove the debt. So the first thing
5 is, Your Honor, is they want to say the note is proof of the
6 debt even though the numbers are off. That's a big deal.

7 THE COURT: And how much are the numbers off?

8 MR. VARNADO: They're off by \$2,700. And the
9 other terms are off too, because as we've learned in
10 discovery --

11 THE COURT: You got a copy of the HUD 1 from the
12 closing?

13 MR. VARNADO: I don't have it with me, Judge, but
14 I can get it to you. Yes, sir.

15 THE COURT: I'll take a look at it. There's a
16 loan origination fee of 1.5 percent to First Union Bank,
17 \$2,700.

18 MR. VARNADO: What's the date of this one, Judge?
19 I'm sorry.

20 THE COURT: Page two. There's \$2,700 missing
21 right there. That money never would've gotten to Davidson
22 Bennett and Wigger. The bank would have taken that money
23 and paid it to themselves.

24 MR. VARNADO: Judge, I'm going to submit to you
25 there's a second HUD 1 that hadn't been handed up yet, we

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1 didn't bring with us. I'm going to submit to you that the
2 \$2,700 was buried in the 180 not separate. I'm going to
3 submit to you that what they're really asking for and what
4 you ordered them to do before is prove that they used their
5 own money, which would be a very simple thing to do.

6 They turned over one page of a general ledger. They're
7 making an argument that that one page of the general ledger
8 actually shows what's going on here. And it does not, Your
9 Honor. They say that there'd only be two entries. There'd
10 have to be four. What is a general ledger? A general
11 ledger is a contemporaneous --

12 THE COURT: Let me see that note as well.

13 MR. LANEY: Yes, sir.

14 MR. VARNADO: The general ledger is a
15 contemporaneous record of money going in and out of an
16 account. So they have only given over --

17 MR. LANEY: There is --

18 THE COURT: If you can find it I'd like to find
19 it.

20 MR. LANEY: The second note, Your Honor?

21 THE COURT: The second HUD.

22 MR. LANEY: There is, Your Honor. And I don't
23 think we brought it. I apologize for that. There was a
24 second HUD signed by Mr. Bentrin. His attorney, the closing
25 attorney Mr. Davidson brought him back in to do that. And

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1 as he is indicating the funding took place on March 21st,
2 which is when the second HUD was signed.

3 MR. VARNADO: No, sir. That's not -- the second
4 HUD was signed much later.

5 MR. BENTRIM: April 5th. I apologize.

6 MR. VARNADO: Your Honor, I'd just like to bring
7 it home. They are responsible to establish the debt. They
8 are responsible to establish that damage. And they are --
9 and I can prove -- I can argue lack of consideration as an
10 absolute defense. And Your Honor, there is a big, gaping
11 hole in what's going on here. They've only turned one page,
12 one general ledger page.

13 Your Honor, if I may approach again. This is it. This
14 doesn't establish -- it only establishes -- it establishes a
15 different amount of money than the note, which is one.

16 Nothing in the HUD says that they used their own money,
17 which is important too. And finally, this is actual the
18 real backstop, Judge, Truth in Lending is a defense. And
19 I'm entitled -- they say that the value received is their
20 value. The consideration given is their consideration. So
21 under the Truth in Lending Act I'm entitled to see all that.

22 And they want to go, well, we got in the note. Fine,
23 the note, if Your Honor says the note is part of it the
24 note's just part of the it. But it's not the whole
25 question. They've told you, Your Honor, that there is no --

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1 the last time we were here when Mr. Laney got up, even
2 though there was no affidavit, no Wells Fargo witness to
3 substantiate this that there is no ledger that's specific to
4 Bentrin. Okay. No ledger specific to Bentrin. The only
5 ledger is the one page that I've handed up there. That's
6 what Mr. Laney said.

7 So Your Honor said, okay, give them the ledger. And we
8 said 2002, that would be sufficient to show where is the
9 other 2,700 in that ledger. There would have to be a
10 minimum, a minimum of four entries in the ledger, where the
11 money came from to go into the clearinghouse account --
12 remember, this money, it's a clearinghouse account. So
13 where did that money come from? And then where did it go
14 out? So you only have a transfer from one side of the
15 balance sheet to the other there. You're missing more
16 documents. They're just simply missing more documents.

17 And this, Your Honor, if there is no Bentrin specific
18 ledger then where is the \$2,700 to be repaid later, and
19 where is his payments, his first payments? Mr. Laney would
20 say, well, Your Honor, the ACLS history card report, that
21 shows where all that stuff is except -- and this is very
22 important -- that ACLS history card report has nothing for
23 the first 18 months.

24 You want me to take that back, Judge, or you want to
25 look at it?

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1 THE COURT: I see it's there. I'm going to look
2 at it.

3 MR. VARNADO: There's nothing for the first 18
4 months. And you told them to turn over First Union National
5 Bank servicing records for the first 18 months, and those
6 have not been turned over. So nothing that they've handed
7 up to you proves that they used their own money to fund the
8 loan, which would be under Truth in Lending Act, which would
9 be under my defense of consideration, which would be under
10 their requirement to prove damage, which would be their
11 requirement to prove the amount of the debt.

12 Your Honor, I know they don't want to do it. And then
13 they've come in and said, oh, Your Honor, here's an
14 affidavit from this Annette Evans. Even though we're the
15 largest bank, or one of the largest banks in the country we
16 moved this to a spool to spool. Now, we don't know when we
17 did it, so there's a spoliation question. And you have
18 something -- I don't know if I have enough copies I can hand
19 to counsel to look at it. The OCC in 2004 gave an opinion
20 saying, keep your records handy. Keep your records handy.
21 The 12CFR 12.313, that's a code of federal regulations that
22 says keep your records handy, keep them handy.

23 And they're telling you, Your Honor, there's no Bentrin
24 specific ledger. Look at the ACLS history card, but yes, it
25 is missing 18 months of records. And there's a big black

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1 hole in it. But there's just this one page, that's enough
2 and this note's enough. And recent records submit it's not.
3 And Ms. Evans, her affidavit is silent on all that. I mean,
4 they haven't turned any evidence over by affidavit or
5 otherwise which would substantiate that there's only two
6 entries on the journal. There can't be. I mean, it just
7 defies logic.

8 So with all those things being taken into account
9 there's just no proof what they're saying. I mean,
10 Mr. Laney is basically testifying based on documents which
11 don't substantiate what he's saying. So Your Honor, we
12 respectfully request that you make him go ahead and turn
13 this over. And if they're saying that it's just too
14 expense, or we hid it on the bottom of the ocean, or it's on
15 tape, or we have to send a Brink's truck to get it, I mean,
16 the Code of Federal Regulation, the OCC says keep it. And
17 they haven't established that they didn't destroy it or move
18 it to a different media. They obviously had it when they
19 turned over that one page. They're just not turning over
20 more records. It'll illogical in every way.

21 THE COURT: I got it. The 2,700 it does show on
22 page two of the HUD that it's included in that \$3,900 of
23 settlement charges. The top of that note says it's for
24 182,700, which is \$2,700 more than the amount that was
25 funded. So if they took it out they had to take it out

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1 somewhere. Do we know where that was, or was that not done?
2 What happened with that, do we know?

3 MR. LANEY: I think that's part of the issue in
4 this case and why there's a dispute over whether or not Mr.
5 Bentrin says, I made all the payments I was supposed to do.
6 We say, no, you're in default because of the discrepancy in
7 the \$2,700 in the origination. But Your Honor, to that
8 point this loan and what we're talking about happened March,
9 2002. I don't care what date you choose. You can choose
10 April 5th, 2002, March 21st.

11 Those funds, there's no question that at least \$180,000
12 went to the closing attorney, 150,000 goes and pays off a
13 Bank of America mortgage, the mortgage satisfaction right
14 here, Your Honor. It was done. He acknowledges that. The
15 rest of the money went and pursuant to the HUD pays down
16 another loan with First Union, that certain loan. Mr.
17 Bentrin received the benefit and the value of all that. And
18 then he starts making payments.

19 And Your Honor, the records we've shown, the servicing
20 records then go through all that. But more importantly,
21 Your Honor, this issue has been litigated multiple times
22 previously. Mr. Bentrin filed for -- I have the
23 stipulation --

24 THE COURT: Let me ask you. I'm willing to divide
25 it on the res judicata issue up until the time we got

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1 finality. Did any of those cases go get filed? That's what
2 gives me concern about that issue.

3 MR. BAKER: Your Honor, your Master's Report and
4 Foreclosure he paid \$13,000 to keep it from being sold at a
5 foreclosure sale. So that --

6 THE COURT: There was a reinstatement on that?

7 MR. BAKER: He reinstated the loan a couple weeks
8 before the foreclosure sale.

9 THE COURT: That's in 2006 time frame?

10 MR. BAKER: Yes, sir. Your order is August 6th,
11 2006. He made the payments in or about September, 2006 and
12 reinstated the loan at that time. But the stipulation he
13 executed to Mr. Woodward (ph), who is the underlying
14 foreclosure counsel at that time, admits that for value
15 received he executed the note and the mortgage. His answer
16 in 2009 to Brock and Scott says for value received, I admit.
17 His only dispute is he says, I'm not in default pursuant to
18 what you're saying I'm in default, which is the same thing
19 he's saying now.

20 Your Honor, this whole who funded the loan is a
21 complete red herring. I mean, First Union Bank is a huge
22 depository institution. I imagine shareholders, depositors,
23 others made up the funds that actually came to Mr. Bentrin.
24 But any argument he can make over whether or not we funded
25 it goes out the window when he signed the note and said, I

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1 acknowledge you are the lender. You have made \$180,000 at
2 least -- we can argue about what it is -- come to me on my
3 behalf. And then I'm supposed to pay you back 360 payments
4 of at least \$984, which is set forth. There's a TILA
5 Disclosure. There's a HUD. There's the note. There's the
6 mortgage. All identify First Union National Bank as the
7 lender, no dispute about that. So to now come in and file a
8 lawsuit nine years later and say, well, we don't believe you
9 actually gave your money to do that is rather disingenuous,
10 Your Honor.

11 THE COURT: Have the amortization schedules been
12 run off those numbers or provided? Have y'all looked at
13 those at all?

14 MR. BAKER: No, I think that's something that
15 would be very good to do, Your Honor. I'm trying to go down
16 that path to see, you know, one of us is right. We'll see
17 who it is as far as payments are made.

18 THE COURT: Well, it could be that if he's not
19 meeting the payment criteria that the bank thinks he owes
20 then eventually it's always going to go into default. That
21 may have been part of the problem.

22 MR. BAKER: That's what I'd like to figure out,
23 Your Honor. I certainly think that's -- there's enough
24 smart accountants who can figure out exactly whether he was
25 current with his payments or not.

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1 THE COURT: There's some sort of second HUD.
2 You'll have to show that to me at some point in time.

3 MR. VARNADO: If I may briefly respond, Your
4 Honor. We're going to get -- they actually filed, the last
5 motion before Your Honor today is about the preclusive
6 effect or not of the 2006 Order. And I'm happy to argue it
7 now because --

8 THE COURT: Go ahead. He's telling me there's a
9 stipulation in there. And then the case is being resolved
10 by payment, so looks like we're back to square one.

11 MR. VARNADO: I'm going to tell you why it's not
12 preclusive, Your Honor.

13 THE COURT: I think you've got a statute of
14 limitations problem, but we'll talk about that some more.

15 MR. VARNADO: The first thing, Your Honor, is just
16 to reiterate, they have to prove the debt. We have
17 consideration as a defense to their counter-claim. They
18 brought the counter-claim. We have Truth in Lending as a
19 defense to their counter-claim. Prove your -- prove what
20 you're saying. And the only thing they say that they have
21 is a general ledger, which they don't want to turn over.

22 And then he says they have this 2006 Order. Okay. In
23 2009 Judge Peeper, when he was on the Court of Appeals,
24 issued an opinion, wrote an opinion called Mr. T versus Mrs.
25 T. Kind of a funny name, but it's a very important opinion.

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1 And what it said was that South Carolina is no longer
2 going to have absolutely rigid hyper-exclusivity on res
3 judicata. In other words, if there are equitable reasons to
4 open up issues which may have been litigated before the
5 Court has a right to do it, extrinsic fraud being one of the
6 reasons to potentially open it up. And we've discussed a
7 ton of reason about fraud. We have a fraud claim, Judge.

8 So the other thing about -- so if you look at that
9 that's really important. If you also look at the South
10 Carolina Supreme Court in the case called Chicola Affiliates
11 versus Moore in 1980, specifically said, Truth in Lending
12 never goes away. Truth in Lending is never waived. There's
13 no statute of limitations on it. It's never time logged.

14 So you have a 2006 Order in a case where Mr. Bentrin's
15 in default. He's never made a claim. He's never been able
16 to litigate. They put a gun to his head figuratively and
17 say, if you want to get out of this pay us the 13 grand and
18 we'll go away. All right. The order keeps saying, and
19 Mr. Laney keeps saying, for value received, for value
20 received, for value received. That's fine.

21 Value -- we're not disputing that some value was
22 received. We're disputing one, whether or not that can be
23 enforced by the note; two, what the UCC impact of that is;
24 and three, whether or not they can prove their
25 responsibility to establish the correct debt, the actual

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1 debt to establish damage and to -- and since we're entitled
2 to use consideration as a defense to prove that and under
3 the Truth in Lending. So all those things are there.

4 So you have this 2006 Order that is really Anodyne.
5 It's for value received, and it has different number on it
6 than the number they're seeking today. They come to your
7 court today, Judge, and motion after motion say the debt is
8 180, at least the initial payment was 180. And now
9 obviously it's grown, all right, under their theory. But
10 that 2006 order says 182. I think that alone right there
11 ought to blow the 2006 order up.

12 And then here's another thing, they've waived it. They
13 didn't argue it. They sued him again in 2007, didn't bring
14 up the 2006 Order. They sued him in 2009, didn't bring up
15 your 2006 order. They sued him again in this case,
16 counter-claim, didn't bring it up.

17 And then more than just waiver, that's actually -- if
18 we're going to start talking about res judicata I'm entitled
19 to look at and ask the Court to reopen issued of whether
20 it's fraud, issues where justice would require to look into
21 it, because Bentrin didn't know that there were shenanigans
22 with the note. He thought for the longest time that he had
23 a note with them. Then it turns out the note doesn't
24 describe the transaction. He gets something from the bank
25 saying you have a simple interest loan when in reality the

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1 note says it's not a simple interest loan at all. All this
2 stuff was found, and all this stuff, I think when we come in
3 to argue statute of limitations on a time bar you'll see
4 there's either an equitable funding or he didn't know. He
5 didn't know.

6 So having said all, Judge, the 2006 Order isn't an
7 issue of preclusion. And it certainly isn't a discovery
8 preclusion. I mean, whether or not it's an issue of
9 preclusion I think ultimately for you to decide when you
10 have the final hearing on the merits, or at the minimum you
11 have a hearing on our motions, dispositive motions, but
12 certainly not for discovery.

13 And this idea that Oncology Associates has any bearing
14 on this is really kind of risible, Judge. The first thing
15 about Oncology Associates is it was in CON litigation in
16 Greenville. I actually litigated against Stewart Andrews
17 and Travis Day Huff, the two lawyers who got smacked down by
18 Justice Kitridge, who was a member and ALJ Judge for doing
19 too much discovery.

20 I don't want to know every aspect of the bank's, what's
21 going on with the bank. I mean, we've been very reasonable.
22 We want to follow the money. We want to follow the money.
23 Show me where the money is. Prove under Truth in Lending
24 and let me do discovery under whether or not it's your
25 consideration. Prove the debt, do all that. The 2006 Order

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1 doesn't prove the debt and certainly they can't say that
2 asking for the 2002, just one year of the general ledger
3 when there's no other general ledgers.

4 And Mr. Laney wants to get up say, oh, the ACLS history
5 card proves this. I would ask you to get up and have
6 Mr. Laney show you an ACLS history card where there was
7 contemporaneous record of payments for the First Union
8 National Bank period, 18 months, because they're not there.
9 And you ordered him to turn this over, and they're not
10 there.

11 THE COURT: Do we have those?

12 MR. LANEY: They're on page one of the ACLS
13 history card, Your Honor. He just refuses to acknowledge
14 those are from First Union.

15 THE COURT: All right. So you got payment
16 history, you provided that?

17 MR. LANEY: Yes, sir.

18 THE COURT: All right. So your concern is with
19 the entire calendar year of 2002 and the ledger for the
20 entire year?

21 MR. LANEY: Yes, sir. Based on the affidavit of
22 Ms. Evans it would be extremely costly. And also based on
23 regardless of --

24 THE COURT: Can you locate what happened to the
25 \$2,700? Y'all know what happened to that?

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1 MR. LANEY: We should be able to reconstruct it, I
2 think through the closing attorney and the HUD, Your Honor,
3 and the payment history. I mean, I'm not trying to preclude
4 that, but I would point out extrinsic fraud is something
5 which keeps someone -- makes them, induces them not to
6 present their case or advise the person during the case.

7 I have Affidavit of Service from the 2005 case. I have
8 the Affidavit of Default. Mr. Bentrim sat on his hands. He
9 decided not to contest this, because he knew he was in
10 default as the stipulation shows. He said, I'm in default
11 under the terms of this loan in 2006.

12 And so now, I mean, it's very clear under collateral
13 estoppel in the Judy versus Judy case, Your Honor. You
14 can't go back and re-litigate an issue that was decided in a
15 previous action. And the prejudice is enormous. Here we
16 are, we could have resolved that issue in 2005 if Mr.
17 Bentrim had said, wait a minute, guys. I need to see that
18 you actually funded this loan. I don't agree with you.
19 Then we could have presented evidence much closer, two,
20 three years from the closing if that was even necessary.

21 But Your Honor, I question -- I'm hearing these argue.
22 You got to show the consideration. You got to show the
23 consideration that it came from, you. I have what he just
24 handed up to you shows that a wire went from First Union to
25 the closing attorney. I have a HUD. I have everything else

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1 that says we're the lender and we have a Satisfaction of
2 Judgment.

3 Your Honor, I've never seen a case -- I've been doing
4 this 20 years. And this is the first time anyone has said,
5 well, that's just not -- I mean, having a HUD acknowledging
6 you as the lender, having a TILA Disclose acknowledging you
7 as the lender, having a note acknowledging you as the
8 lender, and having a debit entry that shows a wire to the
9 closing attorney is insufficient to show that we funded the
10 loan. I think we have everything we need, Your Honor. And
11 it's already been litigated. They should be estopped from
12 raising it at this point.

13 MR. VARNADO: That's not a wire, Judge. It's not
14 a wire. It's a journal entry. It's not a wire. So
15 Mr. Laney saying it's a wire and it's not, which was what --

16 THE COURT: This is what's supposed to be on
17 the --

18 MR. VARNADO: That's just the one page. I'm
19 sorry, Your Honor. And then I'm going to hand up the first
20 page of the ACLS history card report. And this is the one
21 copy I have right now. If you look at the top there's --
22 it's got the wrong amount.

23 THE COURT: The 179 figure?

24 MR. VARNADO: Yes, sir. I mean, Your Honor, we
25 respectfully request that you uphold your Order. Mr. Laney

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1 hadn't talked about Truth in Lending, hadn't talked about
2 our right to make them prove their consideration. They
3 brought this counter-claim. Those things have been left
4 undressed. He's saying that the 2006 Order is preclusive
5 when they didn't use it. They waived it, you know.

6 That ACLS history card at best is a shadow ledger for
7 the servicer. It's not the actual contemporaneous ledger.
8 They need to turn it over. If they somehow secreted it or
9 put it on tape after this case started, then it's
10 spoliation. But they haven't proven it, Your Honor. And I
11 reiterate again under the OCC advisory letter under the
12 12CFR they're supposed to keep this stuff handy.

13 And the last thing is, how could they say that they've
14 done it and they know they've done it when they won't --
15 they don't have their own records to look at except one
16 page?

17 MR. LANEY: Your Honor, it shows the payments that
18 were made during the first year of the loan when it was done
19 by First Union. That's through, the systems were merged.
20 And that's why he sees it being different, you know. And we
21 have, like he said, we have to prove the amount as of today
22 that we contend that Mr. Bentrin owes. We have produced
23 payment histories. We have produced other documents.

24 MR. BAKER: Mr. Varnado, he keeps standing up
25 during our argument.

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1 MR. LANEY: So I'm just really at a loss as to
2 what else we can do to address this. And the TILA
3 Disclosure, he can raise it as a defense, but he signed TILA
4 Disclosure. And he has all his documents showing the
5 approximately 73 payments made during the life of this loan.
6 He can say, I made 73 payments. This is what I content you
7 said I was supposed to pay over the life of the loan. This
8 is what I've been paying. I have, you know, I have an issue
9 with that. That's what this hearing is supposed to be for,
10 the actual hearing where we have witnesses, not Mr. Varnado
11 or me arguing in front of you.

12 And Your Honor, the other lawsuits, they're brought
13 over other defaults afterwards. Why would we cite the order
14 and re-litigate an issue that had already been decided. I
15 mean, it basically proves our point. That's why you have
16 collateral estoppel to keep -- the litigation's got to end
17 somewhere. And it's too late to be reopening these issues
18 now.

19 THE COURT: Is it plaintiff's position this is not
20 the final HUD that was done?

21 MR. VARNADO: Oh, yeah. Absolutely. If it's
22 March 12th that is not the final HUD. If it's March 12th
23 that is not the final HUD.

24 THE COURT: Right. It looks like this loan was
25 funded March 21. Is that what y'all say?

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1 MR. VARNADO: Yes, sir. I mean, three days after
2 that loan ended. And that ACLS history card doesn't show
3 the principal balance during the 18 months. That was part
4 of what we asked Your Honor before to turn over First
5 Union's records, servicing records to show principal balance
6 through the whole thing. It's silent on that.

7 Mr. Laney, I don't understand the argument that we
8 didn't need the 2006 order when we sued them in 2007, 2009
9 for other defaults but it works now. I mean, it's a
10 different number. The numbers are all over the place. The
11 only way to do it is to make them turn over the only ledger
12 that they say they have, which is that ledger. Thank you,
13 Your Honor.

14 THE COURT: All right. As to the Motion to
15 Alter/Amend the Discovery Order I'm going to grant that
16 motion subject to this. I need to see what happened to the
17 \$2,700. I need to see the final HUD. And I need to see how
18 these funds were applied. I'm not sure I'm following it on
19 that document. So to the extent there's an ongoing
20 principal balance I'd like to see that. But as far as
21 having to go back and resurrect the 2002 log, I'm not going
22 to require you to do that.

23 MR. VARNADO: Your Honor, if I just may for the
24 record. I understand your ruling. I'd like to say that,
25 Your Honor, they funded a loan, and they won't do it. And

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1 they haven't established to Your Honor why their records are
2 on tape and why they can't produce them.

3 THE COURT: Let's get down to number three, that's
4 plaintiff's second Motion for a Rule to Show Cause.

5 MR. VARNADO: Your Honor, this is a big part of
6 this hearing. And it goes right to, you've already seen a
7 little bit of it, it goes right to your March 5th Order and
8 your March 11th Order. And it belies a lot of what's been
9 said in discovery. And I think it warrants a sanction, a
10 pretty severe sanction.

11 THE COURT: Tell me what it is.

12 MR. VARNADO: Yes, sir, Your Honor. We had a
13 hearing before Your Honor on February the 10th. It's
14 confirmed in the March 5th Order. And you did a March 11
15 Form 4 Order. You told them to produce documents within 30
16 days of the hearing on enumerated subjects. On March 17th I
17 received some records. Now, they said they put them in the
18 mail, you know. I wish I had gotten them on the 12th or
19 gotten them by Fed-Ex, but Your Honor said the 12th. I got
20 them on the 17th.

21 What was missing from the -- what we got were some
22 servicing records, which were redacted, some force placed
23 insurance information, and the correspondence file. What we
24 didn't get was a full set of the ACLS. And I e-mailed them.
25 I told them, you need to give me all the tables and charts

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1 from ACLS. We didn't get to -- we're not aware that we got
2 Mobius or ECAR (ph) documents, which are contemplated in
3 your Order. We didn't get anything called DOT, which is a
4 contra journal. That would have been maintained by them as
5 the servicer. We didn't get any vault records. We didn't
6 get any records of the sale of the loan and the witness name
7 for that. We didn't get the two ACLS codes. They were
8 provided later. We didn't get the First Union National Bank
9 servicing records. Those have never been given.

10 So effective on the 12th your Order, which it said 30
11 days, was not complied with. Then the March 11th Order came
12 out. And I guess my colleagues -- I thought your March 11th
13 Order only applied to this issue that you just ruled on,
14 Judge, and limited some more, which is the general ledger
15 and things having to do with proof of funding.

16 And you said at the end of your -- this Order is
17 because we're having confusion over paragraphs four and five
18 of my March 5th Order. All documents produced by the 18th.
19 Well, my colleagues said that meant everything by the 18th.
20 I don't think that's what you meant, Judge. That's
21 basically a five week extension on your Order. But be that
22 as it may, they took five extra weeks. And they still
23 haven't -- they didn't give me everything.

24 What did I get? This is the first thing that I got.
25 It was hand-delivered, Judge. And it's just -- Your Honor,

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1 may I approach? I don't know exactly what it is. This is
2 nothing but page after page of blank documents. This is
3 supposed to be the servicing records. Page after page of
4 blank, nothing in here. Now, there was few things that
5 shows some communication with my client. I don't even know
6 if this is Mobius. I don't know if it's ECAR. They didn't
7 say.

8 THE COURT: I was going to say, is that an
9 explanation as to why you got all those black pages?

10 MR. VARNADO: They're claiming attorney/client
11 privilege based on a privilege log which they subsequently
12 filed, which -- and I think Your Honor's ordered them to
13 produce stuff for an in camera review. So maybe that will
14 take care of it, or have somebody appointed at their expense
15 to look over it and see whether or not it's actually, the
16 privilege applies. But I want to come back to that
17 privilege log because there's something in there that's real
18 explosive on this.

19 THE COURT: Let me stop you right there. You were
20 shaking your head; is that what we got?

21 MR. LANEY: Those are the servicing records. And
22 we have produced a privilege log identifying that we
23 withheld certain servicing records or marked them out. We
24 didn't want to have gaps and him wonder what it was. We did
25 produce a lot of black pages, Your Honor. And there's 1,553

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1 pages in that particular notebook. Those are the ECAR
2 servicing notes. And so we redacted large chunks of it, no
3 doubt, Your Honor, for work product and attorney/client,
4 because as we talked about we had a 2005 lawsuit, 2007
5 lawsuit, 2009 lawsuit, and we've got the present lawsuit.
6 There's participation in litigation there's been a lot of
7 communication with counsel in a lot of those servicing
8 records.

9 MR. VARNADO: I'm going to come and I'm show you
10 something where they've push the envelope to the point on
11 privilege that I don't think you can put a lot of reliance
12 or trust on this. I don't know if my colleagues did it or
13 if it came directly from their client.

14 THE COURT: I've already indicated I'm going to
15 review it in camera. So if there's something you want to
16 point out --

17 MR. VARNADO: Let me point out for you one thing
18 here, Your Honor. I'm going to turn my colleague's
19 attention to page seven of their privilege log, their late
20 produced privilege log. Your Honor, I'm going to approach,
21 and I'm going to ask you to draw your attention, Your Honor,
22 to the bottom of page seven of their privilege log, which I
23 just handed up to you.

24 You'll see that that would include assertion of
25 privilege to Wells Fargo, 002086 and 002087, which should be

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1 in their production as well, 2086 and 2087. Well, here they
2 are, Your Honor. This is 2086 and 2087, so these would be
3 privilege withheld for -- this is the servicing record.
4 Mr. Laney now identified this as the ECAR record.

5 MR. LANEY: That's not an ECAR record. That's
6 ECAR record. That's an ACLS. It's not a part of the ECAR
7 system from what I know.

8 MR. VARNADO: This is a document that I'm showing
9 Mr. Laney right now, Judge. And you remember I went down
10 and I took the deposition of a nice legal assistant in
11 Jacksonville, Florida? She was their loss note filant. She
12 was the one who filed the lost note. And you know, part of
13 the Lost Note Affidavit she had specifically said, you know,
14 I looked at everything. I examined all the records.

15 And this was when Ms. Baker was working on the case.
16 And I said, well, I want her to bring the documents. And so
17 Ms. Baker produced to us the documents which Mr. Laney is
18 looking at right now. And I'm going to hand them up. But
19 what has been blacked out for attorney/client privilege is
20 flood insurance that Bentrim made and Wachovia accepted a
21 payment in May of 2006.

22 You remember, Your Honor, that's actually the same --
23 you'll remember that that's at the same time that they were
24 in foreclosure. And that's the same order they want you to
25 enforce that's preclusive. That's dual tracking. And they

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1 blacked it out saying that Bentrim's payment is somehow an
2 attorney/client privilege or a work product.
3 And then finally, the last thing that's blacked out is give
4 a history, which we submit is this consumer loan -- this
5 CRIF statement, which we talked about with Ms. Thomas'
6 deposition. I've talked about it before, Your Honor. I
7 know it's hard for me to keep it all in the note. But they
8 have blacked out --

9 THE COURT: You've lost me here, so I don't know
10 what I'm looking at anymore.

11 MR. VARNADO: Your Honor, may I approach?

12 THE COURT: Is this the ACLS one that you just
13 handed me the same as the one that's blacked out?

14 MR. VARNADO: Yes, sir. It's the same stuff.

15 THE COURT: All right. So take me down there.
16 Take me to where you want me to see. There's a memo date.
17 There's a loan balance. There's an application. There's a
18 reason. All right. Take me through it. What's the reason?

19 MR. VARNADO: Your Honor, I handed up my one copy
20 of the black out. The first black out entry is how far
21 down?

22 THE COURT: Almost to the bottom.

23 MR. VARNADO: Your Honor, may I have just two
24 seconds then? I think I can explain the whole thing if I
25 can look at both pages.

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1 THE COURT: How do you know it's for what you say
2 it's for? They posted a foreclosure payment in the
3 amount -- and I can't read something, request from --

4 MR. VARNADO: This, Your Honor, would be -- I
5 apologize, Judge. Here's black out, and it's for post
6 payment. That's not a -- is that attorney/client privilege
7 that my client made a payment, a dual tracking payment while
8 they were in foreclosure? That's not a privilege. I think
9 that's -- why did they claim the privilege when it's --
10 they're blacking out a payment. I think that's -- the next
11 one is -- talks about flood insurance and give history.
12 It's at the bottom there. Right three from the bottom they
13 blacked out flood insurance, which is a -- we claim as
14 unfair and deceptive act.

15 This is just one example. I mean, literally a thousand
16 plus pages have blackouts. And I don't have faith that they
17 are accurately telling Your Honor that these are based on
18 privilege or work product, because I don't know how flood
19 insurance, I don't know how the receipt of a payment. I
20 don't know how give a history is a privilege or a work
21 product. This is one document, but I -- so Your Honor, yes.
22 I draw that to your attention that there really is, there's
23 something wrong with that privilege log.

24 THE COURT: All right. Response?

25 MR. VARNADO: I had one other Motion to Amend, but

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1 if they want to respond to that I'll let them.

2 THE COURT: Let me just hear from them.

3 MR. BAKER: Your Honor, that's mine to address.

4 First of all, this Motion to Enforce the Second Rule to Show
5 Cause was filed after what they allege is the March 12th
6 deadline to produce stuff when we'd only produced some
7 stuff. And before we produced a privilege log we had a
8 ruling for protection.

9 Our position on that is pretty clear, Your Honor. We
10 received the March 5th order. And then there was some
11 question. Mr. Laney wrote to Your Honor saying, you know,
12 that whole other issue about the clarification but also
13 requesting more time. That was on March 11th, he wrote you.
14 And this is attached to our response to his motion.

15 Mr. Varnado sent an e-mail to, in response to
16 Ms. Craig, I believe saying that in so far as Mr. Laney's
17 letter of today, March 11th, asks for new relief, i.e. a
18 blanket two week extension on compliance with the Court's
19 order, plaintiff would like to make, opportunity to make
20 formal reply.

21 Ms. Craig's response was, no, the Court plans to
22 address the matter in a Form 4. We got the Form 4, and it
23 does discuss paragraphs four and five, but then at the end
24 of that without limiting this language to the four and five
25 it says the defendant shall produce all documentation by

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1 April 18th. These lawyers brought it to me. I said, I
2 think that's pretty clear. We got till April 18th to get
3 everything. We'll get it out as soon as can. We got till
4 April 18th.

5 And so we produced the first batch of what we were able
6 to get together on March 12th by mail. As you know, the
7 rules say service is effective upon mailing. And we did
8 mail it out of Greenville, so it took a couple days to get
9 to Mr. Varnado. Then we had another product ruling,
10 production in early April, and then on April 18th we
11 produced the rest.

12 Now, I would submit, Your Honor, and that's when we
13 produced the privilege log. This motion doesn't relate to
14 whether the privilege log is valid or not, I would submit,
15 you know. It's up to Mr. Varnado if he doesn't like the
16 privilege log to make a Motion to Compel, and that has not
17 been done, I respectfully submit. However, in our privilege
18 log we plainly explain that we were redacting all of the
19 servicing entries during the time periods of litigations.

20 And apparently some time before he had gone down to
21 Florida and deposed somebody. And if there was an
22 inadvertent waiver when that person went and got some
23 documents to respond to his questions. I think the rules
24 address inadvertent waiver too. We didn't know that, what
25 his explosive thing was until today. So we haven't been

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1 able to make a Motion for Inadvertent Waiver on that. But
2 that's when the litigation was ongoing. It's my
3 understanding that whatever was done was done in reliance on
4 advice of counsel.

5 So I submit to Your Honor that we were timely with the
6 production. If he doesn't like the privilege log he can
7 make a Motion to Compel after consulting with us. But you
8 know, again, this has gotten down into the trenches and has
9 been very little consulting. But I think we tried to make
10 clear what we were redacting. And if he thinks it's over
11 broad he can ask the Court to rule that way in a Motion to
12 Compel. But we're not ready to address it line by line
13 today.

14 THE COURT: I agree with that. I'm going to deny
15 that motion. Let's turn to Wells Fargo's Motions to Compel
16 and Motion for Protective Order.

17 MR. LANEY: Your Honor, the first Motion for
18 Protective Order relates to 73 requests for production which
19 Mr. Varnado sent on behalf of Mr. Bentrin on the day that
20 you issued your Form 4 of March 11th. And we asked for
21 protection from having to produce documents related to those
22 requests for production based on the holding in oncology,
23 because we don't believe -- A, we believe they're cumulative
24 and duplicative to what you already ordered in your March
25 5th, March 11th Order, and what you've talked about some

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1 today, Your Honor.

2 And also, they're not reasonably tailored to -- I
3 apologize, Your Honor. We do have a Motion to Compel which
4 was filed previously. That's based -- it's pretty
5 self-explanatory. I guess I got a little out of order. I
6 apologize.

7 THE COURT: That's all right. Let's take the
8 Protective Order for right now. That's what I started
9 taking notes about. And we'll jump back.

10 MR. LANEY: Fair enough. We don't believe that
11 many of the requests were reasonably tailored to lead to the
12 discovery of admissible evidence in this case. They're not
13 even related to this case. Your Honor, and if I could going
14 through the first one, there's only like three or four
15 categories here.

16 He said produce all the UniCar (ph) records. The
17 UniCar records are servicing records, Your Honor. We have
18 now produced the servicing records, which include a UniCar
19 -- it's actually the first document we produced on the March
20 12th production. So there has been a UniCar record
21 produced. We have produced the ECAR. We have produced
22 what's called CACS, C-A-C-S, which are our other servicing
23 records, even though I think there's a lot of duplication in
24 that. One was the Wachovia, one's the Wells -- we produced
25 all of those. So he has our servicing records, which is

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1 what you ordered, Your Honor. So number one is a servicing
2 record. And so we have produced our servicing record to the
3 extent they exist.

4 The next group is two through 14. And he's asking for
5 daily cash settlement reports, monthly cash settlement
6 reports, and for three different dates, August 29th, 2003 --
7 not really sure why he's asking for that date --
8 November 29th, 2006, that's the date that it says that the
9 loan was sold to the pool, and May 13th, 2010 which is when
10 it was repurchased.

11 Your Honor, we have, you've seen the ACLS history card
12 now. You've seen at least page one. You've studied it. As
13 Mr. Varnado mentioned, and he talked about CRIF notes which
14 are payment histories. And you ordered us today -- you
15 said, we're going to see the payment history. We're going
16 to get to the bottom of what happened to this \$2,700 and
17 look at it. That goes to the heart of this matter, the
18 payment history. What payments did Mr. Bentrin make? How
19 much does he still owe under this loan pursuant to the terms
20 and conditions of the loan, and whether or not he was in
21 default the times we say he's in default or whether he's in
22 default now.

23 I mean, that's the crux of what we're here arguing
24 about. None of these documents would go to show that.
25 Instead what these documents are relating to goes back to

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1 what we've already argued. And ultimately that is, was this
2 note sold to some other entity, were you holding it on your
3 books at the time periods? And we would say, that's not
4 going to help us resolve any of the issues here, Your Honor.

5 As we said, we have the original note there. It's not
6 endorsed. We have produced the other documents. A hundred
7 percent participation interest sold to a wholly owned
8 subsidiary, Your Honor. The servicing never changed on
9 this. And under the Horlbeth (ph), and Schneider, and Cane,
10 and Walker, and many other decisions, Your Honor, but we've
11 haded up three of them, there's just simply no standing to
12 challenge whether or not, you know, the loan was sold,
13 because that doesn't have anything to do with Mr. Bentrin.

14 And so I would submit that these next, two through,
15 really two through 14, they can't lead to discovery of
16 admissible evidence. And they're already cumulative or
17 asking for stuff that you've already ordered us to produce
18 which are the payment records, Your Honor.

19 The next one is produce the custodian of our ACLS
20 history. You told us once we get through all our discovery
21 disputes we'll have a witness who's going to testify, you
22 said about the payment history, the ACLS history card. So
23 I'm not sure why that's not already addressed by the Court's
24 Order in this case. So we believe that's cumulative and
25 duplicative.

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1 And then 16 through 61 are 45 or 46 payments going all
2 the way back to May of 2002, which according to his
3 memorandum in opposition to our motion he says, I want to
4 see that you actually deposited these into your account, not
5 that I made the payments and they were credited towards my
6 loan. But I want to see that they actually got deposited
7 into your account.

8 Your Honor, we would submit you've ordered us to
9 produce payment history. We have to show whether or not any
10 of the payments that he made -- I would submit to you the
11 documentation in the case there's 73 payments made. Were
12 those properly credited? Was enough interest and principal
13 reduced on this loan pursuant to those payments pursuant to
14 the terms and conditions of the note? Those documents, I
15 mean, there's been a lot of paper that's going back and
16 forth. Those document are there.

17 This is now just piling it on, simply getting to
18 another issue, which I believe Your Honor's already ruled.
19 And that is, it doesn't matter whether or not we were the
20 servicer or the owner. As long as we held that note, and we
21 were servicing it, and the payments were received and
22 credited, which we have all the documentation to show, this
23 doesn't go to prove anything else that are at issue in this
24 case, Your Honor, these 45, 46 payments. And again, this
25 all ties into that EIN issue, which was resolved under the

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1 147C. That is a First Union EIN number.

2 THE COURT: You got some more?

3 MR. LANEY: I have some more. I apologize, Your
4 Honor, couple more. Those are through 61. Sixty-two
5 through 67 he's asking for pooling and servicing agreements,
6 custodial agreements, deposits agreements. He goes through
7 this long litany all related to Wachovia Asset Securities
8 regarding securities 2002 AG1, 2003 AG1, 2002 AG2 Trust.
9 None of these relate to his loan. This loan wasn't sold to
10 any of these. It has nothing to do with this loan or the
11 subject matter of this lawsuit. So Your Honor, we certainly
12 would ask for protection from having to produce any of those
13 documents which are completely irrelevant to the subject
14 matter of this lawsuit that's here before us today, Your
15 Honor.

16 And then he asks for the property addresses relating to
17 what he alleges are the number of promissory notes which
18 were sold into those. And under the BAC versus Kinder --
19 and he says the reason is I need to see whether or not an
20 Assignment of Mortgage was recorded with those sales,
21 because that's the unfair and deceptive trade practice
22 you're engaging in. You sold my loan and you didn't record
23 an Assignment of Mortgage. BAC versus Kinder, which I have
24 a copy of, Your Honor, I'd be happy to hand up. You don't
25 have to record an Assignment of Mortgage in South Carolina.

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1 South Carolina law is clear on that.

2 So we would say, and again, that cannot be -- it's just
3 harassment, and it's unduly burdensome and oppressive, and
4 does not go to any of the issues that are before this Court
5 with any of the causes of action between his main cause of
6 action and our counter-claim, Your Honor. So we'd ask for
7 protection not to produce any of these.

8 THE COURT: Any other ones?

9 MR. LANEY: No, sir. That covers all 73.

10 MR. VARNADO: Judge, Mr. Laney is not accurately
11 framing the issues that are before the Court. Now, the only
12 issues before his client are the only ones which relate
13 within the four corners of this loan. And nothing else can
14 possibly be at issue. And that's just simply not correct.

15 THE COURT: All right. Well, I'm going to rule
16 that two through 14 are not relevant. I think 16 through 61
17 are not relevant. And 62 through 67 are not relevant. As
18 to the other items that he's argued I think I've ordered
19 that item number one be produced. They tell me they have
20 been produced. You find they've not been produced you bring
21 that to my attention. As to the ACLS history I've, again
22 ordered that to be produced. And the witness, they say
23 they'll get you. Is that correct?

24 MR. LANEY: That's correct, Your Honor..

25 THE COURT: So that's to be produced. So that's

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1 my ruling there. All right. Let's move to the next one.
2 That's y'all's Motion to Compel.

3 MR. LANEY: Your Honor, just for the record
4 there's 67 through 63 which were the property addresses.

5 THE COURT: Right. Yeah, denied. That's not
6 relevant.

7 MR. VARNADO: Your Honor, can I just make some
8 brief argue?

9 THE COURT: No, not now. Not now. Let's move on.

10 MR. VARNADO: Yes, sir, Your Honor.

11 THE COURT: You got a Motion to Compel.

12 MR. LANEY: Motion to Compel, Your Honor. It
13 basically is that when his Motion to Amend and Amended
14 Complaint he added 14 new causes of action. We served
15 specific interrogatories for Request for Production asking
16 him to identify what documents he was relying on to support
17 each of those causes of action and also as to his damages.
18 And the references we got were just general responses, Your
19 Honor, that you should look at all the documents in the loan
20 file and you should look at our responses to other
21 discovery, look at our answers in my deposition. And he
22 hadn't produced yet a document other than to say he had
23 statutory damages and attorney's fees and claims but nothing
24 to support it. And we've ask to compel that. Right now not
25 a single document was produced in response to that.

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1 MR. VARNADO: I think he should go through each of
2 my discovery and tell me where I went wrong, Judge. I mean,
3 I was ordered to answer and I answered it. Answer to amend
4 same way that they answered it. A lot of the -- he's making
5 a real broad thing. I got a letter from Mr. Hawk saying,
6 well, you can't refer to depositions. Well, they refer to
7 depositions. A lot of them were contention interrogatories
8 and we're not prepared to finalize them yet, Judge. I mean,
9 they're for the final part of the case. I mean, really
10 that's almost too broad, too sweeping, especially with major
11 sets of documents on their end which not even been produced.

12 THE COURT: All right. Well, here's what I want
13 you to do there. I want you to at least outline for them
14 what your claim for damages are. If they're actual damages
15 state what they are. If they're statutory damages state
16 what they are, the basis for them. And if there's some sort
17 of consequential incidental damages then state what the
18 basis is.

19 MR. VARNADO: I'll be happy to, Your Honor. I'll
20 do that.

21 THE COURT: I think that will take care of that
22 problem. All right. That was four. Now, we get back to
23 six, and that's plaintiff Motion to Renew it's first Motion
24 for a Rule to Show Cause that was filed March 28th. You
25 want to argue that one?

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1 MR. VARNADO: Yes, Judge, I want to argue it. And
2 then I would like two minutes to talk about some discovery
3 which you ordered which is --

4 THE COURT: I'm not sure I'm going to give you the
5 two minutes, but I'll let you argue the motion.

6 MR. VARNADO: Okay. If you would just let me do
7 that. Here's the thing about this motion is, you told them
8 to give the name, rank, and serial number 561948921, right.
9 They've given you four different answers. Mr. Laney wrote
10 you and said that it was assigned from First Union to
11 Wachovia to Wells Fargo and that it's address is in San
12 Francisco. And then he gave you a verified -- somebody
13 named Halverson from Sioux Falls, South Dakota, works for
14 the bank said, oh, it was assigned from First Union to
15 Wachovia to Wells Fargo, but we stoped using it in 2010 and
16 we don't know who's got it.

17 And then you ordered them to give a 147C letter. And
18 they held on to it -- it was untimely, and they held onto it
19 for a month. They had it February the 12th. They gave it
20 to me March the 12th. And it said Greensboro, North
21 Carolina on it. So I filed this motion that can't be right.
22 And then apparently a Wells Fargo employee, even though they
23 don't know who had, after 2010 who had it, called up. And I
24 don't know under what circumstances told the IRS to change
25 the address. And now they're here blaming the IRS, and they

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1 don't have any new affidavit. They have nothing -- they
2 still haven't really answered your question, which is a
3 straight answer, who has it, what's their relationship to
4 Wells Fargo, and who's using it.

5 And Your Honor, I think that they got to give all the
6 documents for it. They have not given me anything like
7 that. I know that they assigned Bentrims' payment rights to
8 it. So we should be able to get discovery on it. I mean,
9 it is directly related to this loan.

10 THE COURT: That's the 147C letter, right?

11 MR. VARNADO: Yes, sir. They got a new 147C
12 letter. So how did they get it? I mean, what we want is
13 pretty simple. We want a 1096 form which shows the 1098s,
14 the tax records, and the bank records, and just records
15 dealing with this. This is a servicer. And this actually
16 all ties back into, my colleagues have told you that this is
17 just about Bentrims' loan, but they haven't even come to
18 Court and said, explain what, why the note was sold.

19 I mean, Mr. Baker said they didn't consult with him. I
20 went over to his office, I thought about hour together,
21 maybe a little long on the time. And I was lead to believe
22 that they were going to come in and say, yeah, it was sold.
23 It was sold. And then there were some term that I've never
24 of before, said it was like partially sold. They haven't
25 given any records on that.

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1 They haven't given the First Union records. And the
2 vault records are incomplete, Judge. Remember how you said
3 in the vault records shows substantially -- they gave me
4 some vault records. The only vault record they gave me
5 shows that they sent, the vault sent the note to Womble
6 Carlyle. They haven't given me anything else.

7 So I'm really at -- I understand your rulings, but I
8 mean, there's certain things that they're kind of glossing
9 over. Did this note get sold? If the note this was sold
10 like they told me, this was sold to the Money Store --

11 THE COURT: All right. Let me stop you there.
12 What have we identified there? I know this has been a
13 problem.

14 MR. BAKER: On the EIN or the Money Store?

15 THE COURT: Well, let's talk about the EIN first,
16 and then I'm sure you'll get me there.

17 MR. BAKER: The EIN as the latest letter from the
18 IRS said was issued to First Union National Bank. When
19 First Union merged with Wachovia Wachovia used it. You
20 can -- a company can have more than one EIN. Their own
21 expert in whatever, his affidavit or something the experts
22 produced their own guy said you -- companies have more than
23 one EIN.

24 At the time -- and we've given them a consistent
25 answer. It was First Union's, and we got it, and it was

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1 used. We didn't know that they still, that the IRS still
2 considered First Union as having it as opposed to Wachovia
3 and then the latter. So we answered it that way.

4 Now, we did get the Court order. We have a letter from
5 the IRS. The first one was obviously not correct, because
6 as they show, you know, that's a residence in Greensboro.
7 We don't know how the IRS associated that address with that.
8 We just don't know. But I mean, to come in and say there
9 was some mythical first -- this is the most bizarre argument
10 I've ever heard. Some mythical First Union Bank of
11 Greensboro that used to be at somebody's house or somewhere,
12 I really don't understand that. We got letter. It didn't
13 appear to be correct. We asked for another letter, and we
14 got it, you know. We produced -- he knows who the person
15 is.

16 We don't think that he should be -- and I'll get to the
17 last motion. We don't think he should be allowed to do any
18 further discovery on that. If Your Honor feels differently
19 he can depose that fellow. But this is just out of the
20 realm of reason in our view.

21 THE COURT: So we have identified it. We know it
22 to be a First Union EIN number that got transferred.

23 MR. BAKER: As we thought all along. Now, the IRS
24 still has it under the First Union name apparently according
25 to the letter that they sent us. But you know, we were not

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1 really in charge of the federal government and what they do.

2 The second issue, you know, what I said in my
3 introduction was, as we become familiar with what has
4 happened in response to their allegations about a REMIC
5 trust, which is just totally out in left field, in orbit as
6 my old man might have said.

7 But a participation interest, which is different than
8 selling the note, was sold to the Money Store. And those
9 are internal accounting documents that say sale when it's
10 really not a sale of the note and mortgage itself. They had
11 a participation interest.

12 And beyond that, you know, we're going to produce the
13 witnesses the Court has ordered to talk about that. And if
14 he's, you know, he's got the documentation. We've got, you
15 can question the witness about it. If he needs to come back
16 to the Court and say, this doesn't add up, but now they're
17 just imagining things. It's one wrong assumption on another
18 that leads to some crazy theory.

19 So we just ask the Court to deny this motion. And the
20 EIN, we'll get to whether or not they can go further with
21 our last motion for protective order. But we've complied
22 with the Court's Order.

23 THE COURT: And what about the records that go
24 with that, the 1096 in particular he was asking about? Is
25 there such --

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1 MR. BAKER: I'll ask Mr. Laney to speak to that.

2 THE COURT: Mr. Laney, does any of that go with
3 that?

4 MR. LANEY: I don't think so. Your Honor, what
5 he's asked for are those documents and to the entity that
6 the EIN is assigned to. That's First Union National Bank.
7 As we know First Union National Bank is gone. And so he
8 wanted a certificate of good standing. I went back, looked
9 at his January 2nd, second supplemental request. He's asked
10 for like a certificate of good standing. He's asking for
11 tax returns of First Union National Bank, those types of
12 documents.

13 He has the actual 1098s, I believe, or 1099s which
14 showed his mortgage interest. If he believes that those
15 were wrongfully disclosed or anything he has his payments.
16 He can say, this is how much I was paying in interest or
17 anything. But we now know that was assigned to First Union
18 National Bank. And I think that dovetails back to our
19 original argument is, we have the original note. There's no
20 endorsement here. There's no mystery now. There's no
21 offshore entity, or REMIC trust, or pool of investors, or
22 anybody, because if they were, even if they were it doesn't
23 have anything to do with Mr. Bentrin.

24 That's the contract we're arguing about, Your Honor.
25 And you have it. You've seen it. That's what we have. So

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1 I would say that we -- and I would remind Your Honor, you
2 astutely said in the last hearing that if we order those by
3 the end of the week, we ask for it, we got it, we produced
4 it with our first batch of documents under your order. And
5 you said, I think if we get that one for the subsidiary
6 that'll end the inquiry. I agree with you, Your Honor. I
7 think it ends the inquiry.

8 MR. VARNADO: Your Honor, there's so much there
9 that's just not correct. And there's no evidence of it.
10 They have not produced evidence of it. And they say they're
11 going to get around to it. Let me just say this, the lack
12 of endorsement on elands, Mr. Laney said a lack of
13 endorsement on is significant, Judge. The reason why I
14 wanted the discovery is because they have made filing with
15 the federal government in that particular pooling saying
16 that we're not going to use an elands, and we're not going
17 to use an endorsement. We're not going to do it, and we're
18 not going to --

19 THE COURT: They don't even need it if they got
20 the note sitting here. It doesn't even matter.

21 MR. VARNADO: The note will help them in their
22 counter-claim, but their note is not part for my claim
23 against him for Unfair and Deceptive Trade Practices. I'm
24 pursuing that. They didn't own it. I mean, this is the
25 first I've heard of a participation interest. Where is an

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1 affidavit from anyone at Wells Fargo saying they sold a
2 participation interest? What they gave me on Good Friday,
3 Judge, said they made a sale, an outright sale to --

4 THE COURT: I think you may have hit it on the
5 head. I think you previously suspected that they sold the
6 note. Well, they're now saying they did sell a
7 participation interest in the note. That doesn't mean they
8 sold the note.

9 MR. VARNADO: And Your Honor, that goes right to
10 the heart of it. And another thing about this EIN is there
11 was -- and please let me come back to that, because this is
12 really critical. In our motion we talked about there being
13 two First Unions. Okay. The First Union that is the one
14 that became their client, there's a different first Union.
15 There's two different First Unions. They haven't told
16 you -- they still haven't really gotten up and said who is
17 using it, where is it, and what is it for. They won't be
18 honest about that. I want to take that back. They're not
19 being clear about that.

20 The second thing is now I should be entitled to
21 discovery on that. Under their own argument anything that
22 has to do with following the money on Bentrin's loan -- I
23 know that they assigned it to this 561948921. We know that
24 because of 1098s. We know that there were two First Unions.
25 We know that one First Union went belly up in '98,

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1 completely merged into the other. I don't have any way
2 right now to discover anything about that short of getting
3 it from them. They need to turn over the tax returns. They
4 should turn over the 1096. We should just follow the money.
5 That's all I'm asking, Judge, is to follow the money.

6 THE COURT: What about those 1099s that your
7 client should have gotten so he could file tax returns?

8 MR. VARNADO: We got the 1098s, but they don't say
9 they -- it's not a reasonable explanation of what happened
10 on why they were assigned. Because if they sold a
11 participation interest then maybe they were -- if they sold
12 the participation interest then maybe -- they definitely
13 sold it. And if they sold it then they were the servicer.
14 And they denied that they were the servicer all along. We
15 should be entitled to discovery on this, because we need to
16 be able to prove what the servicing records were, Judge.

17 And I got one last thing if I can just put on the
18 record, Judge. We turned over in discovery to them a
19 document that we had gotten. We didn't realize we, you
20 know, really had, which says that the EIN was being used by
21 Wachovia Retail Credit Service. So and we turned over
22 discovery to them -- there was a lawsuit in the eastern
23 district of Pennsylvania where their attorney said that
24 Wachovia Retail Credit Service and Wachovia were two
25 different entities.

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1 So there's this huge back hole about EIN 561948921.
2 I'm imploring, Your Honor, let me do discovery on it. I'm
3 imploring Your Honor to let me get into it and find out why
4 they assigned it and where the payment rights were going.
5 This case is a lot more than about just how they're
6 characterizing it as simply about whether or not Bentrin's
7 payments got made or not. This case is about whether or not
8 they've hidden from the Court critical things.

9 I'm telling you, Your Honor, they turned over documents
10 that show that they sold this to a REMIC pool. If you want
11 to do it on another motion another time I'll be happy to
12 prove it to you. The discovery should not be, discovery
13 should not be stopped on this.

14 I mean, this document we showed says that 561984 is
15 Wachovia Retail Credit. Why won't they give a straight
16 answer on that? And then these two documents are Court's
17 interrogatories saying that these are different companies.
18 They're separate entities. There's just so much confusion
19 here. We've got to have discovery on it to get to the
20 bottom of it, because if the payment rights were assigned
21 then the mortgage followed the payment rights. And they
22 might not even have right to even bring the 2006 claim at
23 all.

24 THE COURT: Y'all seen this?

25 MR. LANEY: I have not seen that.

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1 THE COURT: A 1098 interest statement. I don't
2 know if one's for the month and one's for the year or what
3 that is. That doesn't have the year on it.

4 MR. BAKER: Your Honor, the 1090 -- I keep calling
5 them 1099s -- all state Wachovia Retail Credit Servicing on
6 them. There's a servicing division of Wachovia Bank, NA.
7 That EIN was assigned to First Union and then used through
8 the servicing divisions of the subsequent companies, Your
9 Honor. That's who serviced this loan.

10 I think it actually all makes a lot of sense. The loan
11 was originated by First Union. It's serviced by First
12 Union. Then there's a merger with Wachovia. The servicing
13 division of Wachovia's accepting payments. They're issuing
14 the 1098s. It all, that all -- no mystery there, Your
15 Honor. It all makes sense.

16 MR. VARNADO: There's a huge mystery because they
17 won't come clean with me on it. And there are two different
18 companies. Their own attorneys have established that in
19 different cases. This document was turned over a couple of
20 years ago. And Your Honor, if we could just allow discovery
21 on it.

22 THE COURT: All right. I'm going to deny the
23 request. Let's go to the last one.

24 MR. LANEY: Thank you, Your Honor. The last is a
25 Motion for Protective Order. I think that based on what

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1 Your Honor just ruled some of this -- he's asked for the
2 Court's permission to take out of state depositions of
3 Mr. Paul R. and Joan G. Buck, who are the unfortunate North
4 Carolina citizens who live at this address that the IRS gave
5 to us with the first 147C letter.

6 THE COURT: I'm going to deny that request.

7 MR. LANEY: And then he wanted a 30(b)6 of this
8 First Union National Bank of Greensboro, which we have no
9 idea anything would exist.

10 MR. BAKER: I'm sorry. I know Mr. Laney's
11 talking, but I heard you say I'm going to deny that, meaning
12 you're going to grant our Motion for Protective on the
13 deposition?

14 THE COURT: I thought I was hearing the
15 plaintiff's Motion to Renew the First Motion for Rule to
16 Show Cause, so I'm denying that motion.

17 MR. BAKER: Right. Then we would go to number
18 seven.

19 THE COURT: And now we're on to number seven.

20 MR. LANEY: I apologize.

21 THE COURT: I'm denying the right to go chase
22 those people down at whatever that address is.

23 MR. LANEY: And just to clarify, Your Honor, he
24 had asked for a 30(b)6 of this First Union National Bank of
25 Greensboro, which we'll submit doesn't exist. There's just

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1 a First Union National Bank, which we all know.

2 THE COURT: You identified a First Union National
3 Bank of Greensboro?

4 MR. VARNADO: They turned --

5 THE COURT: They identified it?

6 MR. VARNADO: They turned over a 147C letter to me
7 after 30 days with a Greensboro address that apparently
8 didn't fluster them at all. When I raised it to the Court
9 obviously somebody at Wells Fargo went back got the IRS to
10 change the address. I don't need to take Mr. and Mr. Buck's
11 address. I just need to take this EIN address -- I mean,
12 take this EIN's deposition. That's all I want. So if I can
13 take -- it's a separate company.

14 THE COURT: Is that going to be the servicer? Is
15 that what you're trying --

16 MR. VARNADO: That's got to be who it is. It's
17 got to be the servicer.

18 THE COURT: Y'all got somebody from the servicer
19 that can testify?

20 MR. LANEY: Well, Your Honor, our contention is we
21 are the -- we're the owner and servicer.

22 THE COURT: There you go. I don't care who it is.
23 They can take somebody's deposition that's the servicer,
24 right?

25 MR. VARNADO: If you would allow me to take their

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1 deposition as the servicer that would be fantastic, Judge.

2 MR. LANEY: We can all come back at a hearing and
3 decide what that means, Your Honor. As we've contended all
4 along we have the original. We're the holder of the note.
5 All we've ever alleged. And we've always serviced it,
6 because we've accepted payments.

7 THE COURT: Well, I'm definitely going to allow
8 him to do that, require somebody, whoever that is. I don't
9 care what their name is or who they work for, if they can
10 testify as to, I assume the 30(b)6 representative of the
11 servicer of the loan. And you're certainly entitled to take
12 that person's deposition.

13 MR. VARNADO: And then I'm entitled to get the
14 servicing records. And I guess the last thing, Judge, is
15 they haven't turned over the whole ACLS. They have not
16 turned over the whole ACLS. And they have not turned over
17 the First Union records, servicing records that you ordered.
18 And the vault records are incomplete.

19 THE COURT: Isn't that what we covered earlier?

20 MR. BAKER: I thought it was.

21 THE COURT: Y'all are going to send that to me in
22 camera. I'll take a look at it. When can you get that
23 to me?

24 MR. BAKER: As quickly as we can, Your Honor. We
25 won't delay, but I'm not sure exactly how long that'll take

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1 to get it.

2 THE COURT: Ten days, 14 days?

3 MR. BAKER: I thought it was what we already had
4 that we were producing in camera, the ACLS.

5 THE COURT: Yeah. That's what I want.

6 MR. VARNADO: I'm sorry. This is new stuff,
7 Judge, new stuff that has not been produced.

8 MR. BAKER: Then we don't know what he's talking
9 about. Are we talking about our Motion for Protective Order
10 on specific things. And we understand your ruling that they
11 can take the deposition of the servicer.

12 THE COURT: Right.

13 MR. BAKER: He can't take the Buck's depositions.

14 THE COURT: Right.

15 MR. BAKER: We've asked for Protective Order on
16 his third set of request for production. Is that the 73?

17 MR. LANEY: Yes.

18 MR. BAKER: So you in effect granted our motion on
19 that. Interrogatories and request for production relating
20 to the general ledger bank information, I understood Your
21 Honor denied his motion earlier, which in effect granted our
22 motion on that.

23 THE COURT: Correct. What I asked for in camera
24 was the full accounting of the payment history.

25 MR. BAKER: Which we say is the ACLS record we

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1 produced. And we will get that to Your Honor.

2 MR. LANEY: And there's some other documents which
3 show payments as well, which we'll produce to Your Honor as
4 well.

5 THE COURT: Then you'll need to show me what was
6 presented.

7 MR. BAKER: Then we had asked, and I think you've
8 already ruled on this one too, that we not be required to
9 answer further interrogatories and requests to produce on
10 the EIN number.

11 THE COURT: Correct.

12 MR. BAKER: Then we had asked also that the
13 following subjects not be further inquired into, payments
14 due and made through August 16, but I guess you've in effect
15 denied our motion on that because we're going to produce the
16 whole thing to you?

17 THE COURT: Yeah.

18 MR. BAKER: All right. Then you're going to allow
19 the servicing, so we also ask that he not be allowed to
20 inquire anymore -- you know, may I consult with Mr. Laney?

21 THE COURT: Sure.

22 MR. BAKER: Your Honor, I think the rest of what
23 we asked for is probably for an advisory ruling, so we'll
24 withdraw those and just for protection from the things that
25 have been served so far. Thank you.

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1 MR. VARNADO: The final point, Your Honor, is they
2 have not produced First Union National Bank records, which
3 servicing records which you ordered them to produce. They
4 just have them now to be produced in camera. They have not
5 produced. They have only produced the barest of vault
6 records, only a vault record that shows that the vault went
7 to, from the vault to Womble Carlyle.

8 They have not produced any of the vault records to
9 substantiate what their lost note said. They have only
10 produced the barest of records which talk about this
11 participation interest. They haven't produced any sort of
12 participation interest agreement. They haven't produced --
13 it's just not there. I mean, and it conflicts with what
14 they told me earlier and what their own records say that
15 this note was securitized. They produced a securitization
16 report.

17 But I'm imploring you, Your Honor, please let me either
18 now or June the 9th come back and show you why they have not
19 given all of ACLS. It's just not been begin. I mean, we
20 have a -- and if they want to respond to that affidavit let
21 them. But they haven't produced these ACLS reports.
22 They've been dulling it out bit by bit. And knowledgeably,
23 and they know what they're doing.

24 THE COURT: All right. Let me just ask pointedly.
25 On the vault records, I'm assuming this note was in a vault

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1 and the thing moved from time to time. Is there any
2 indication it's gone somewhere? What was the law firm, was
3 that Brock and Scott?

4 MR. LANEY: Brock and Scott.

5 THE COURT: Do we know when it left and when it
6 came back?

7 MR. LANEY: That's what we produced, Your Honor.
8 It shows being checked out. It went back in, and it's been
9 in our possession ever since. And I apologize. I don't
10 know the exact day, but during the pendency of this lawsuit
11 we achieved it and retained it ever since.

12 MR. VARNADO: I respectfully disagree, Your Honor.
13 It does not show that it went to Brock and Scott. This is a
14 very limited vault record. It doesn't say --

15 THE COURT: Make sure y'all produce that to me,
16 just do that. If it's been redacted somehow just make sure
17 you follow it. I want to be able to follow where it goes.

18 MR. LANEY: Sure.

19 THE COURT: Give that to me. And then the
20 participation interest, he says it's the first time he's
21 heard about that. Is this something new that y'all come to
22 or not?

23 MR. LANEY: No, sir, Your Honor. That's the
24 document. You asked us to produce all the documents related
25 to those entries, the purchase and repurchase. And that's

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1 what we've done, but also have a witness who can explain,
2 this is what that means. So when you see sale or you see
3 repurchase, this is what that means.

4 THE COURT: And that person's been identified?

5 MR. LANEY: Not yet, Your Honor. We want to get
6 through all this, but we will do so very --

7 MR. VARNADO: Can they identify that person in
8 five days, Judge, or ten?

9 MR. LANEY: Sure. We'll be happy to do that.

10 MR. VARNADO: Five days on that. I'm telling you,
11 Your Honor, that I know the time is late, but they have not
12 shown you anything about a participation interest other than
13 they're here as their attorneys. They're here as debt
14 collectors. They're here representing a party that's under
15 discovery order. And they haven't produced that. It's just
16 not been produced in the documents. It's not something that
17 they can give you in camera without the redactions. It
18 hasn't been produced yet. It's just not there.

19 THE COURT: So in particular the ACLS and the
20 payment history. And then the vault records I'll be taking
21 a look at. Anything further?

22 MR. BAKER: There is one thing. And that is I
23 don't -- with these document requests outstanding, the
24 Court's in camera review, I don't see how we can finish
25 discovery by May 31st as ordered. I'd ask that Your Honor

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1 let us come back on June 9th. We were scheduled for
2 pre-trial and just talk about where we are and when we may
3 try it. In the meantime we'll get a date in July to mediate
4 it with Dawes.

5 THE COURT: All right. Let's do that. I'll amend
6 the scheduling order. I'll still bring y'all back on that
7 date. And let's figure out where we are then.

8 (Hearing concluded at 6:00 o'clock p.m.)
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1 STATE OF SOUTH CAROLINA)

2 : C-E-R-T-I-F-I-C-A-T-E

3 COUNTY OF DORCHESTER)

4 I, Stacey L. Scoggan, Court Reporter and Notary Public,
5 certify that I did have The Honorable Judge Mikell
6 Scarborough to appear before me at 4:00 o'clock p.m. on
7 Monday, April 28, 2014, at the law Charleston County
8 Courthouse, 100 Broad Street, Suite 266, Charleston, South
9 Carolina; that the witness was sworn and cautioned to tell
10 the truth, the pages constitute a true and accurate
11 transcript of the testimony given at that time and place.

12 I further certify that I am not of counsel or kin to
13 any of the parties to this cause of action, nor am I
14 interested in any manner in its outcome.

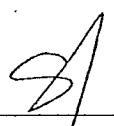
15 IN WITNESS WHEREOF, I have hereunto set my hand and
16 seal this the 15th day of May, 2014.

17

18

19

20


Stacey L. Scoggan

21

Notary Public for South Carolina

22

My Commission Expires: February 23, 2021

23

24

25

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1

1 STATE OF SOUTH CAROLINA)
 2 COUNTY OF CHARLESTON) IN THE COURT OF COMMON PLEAS
 3 BRENT E. BENTRIM,) CASE NO. 2011-CP-10-2946
 4 Plaintiff(s),)
 5 -vs-) HEARING
 6 WELLS FARGO BANK, NA,)
 7 Defendant(s),)
 8
 9
 10 Given before The Honorable Judge Mikell Scarborough in
 11 the Charleston County Courthouse, 100 Broad Street, Suite
 12 266, Charleston, South Carolina on Monday, June the 9, 2014,
 13 commencing at 2:30 o'clock p.m.
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A-P-P-E-A-R-A-N-C-E-S

1
 2 For the Plaintiff : Brown & Varnado
 3 By: Rob Varnado, Esq.,
 4 By: Lexus Wimberly, Esq.,
 103 Church Street
 Mt. Pleasant, SC 29464
 5 For the Defendant : Womble Carlyle Sandridge &
 6 Rice
 7 By: Charles Baker, Esq.,
 8 By: Sterling Laney, Esq.,
 By: John Hawk, Esq.,
 5 Exchange Street
 Charleston, SC 29401
 9 Also Present : Brent Bentrim
 10
 11
 12
 13
 14
 15
 16 INDEX TO EXHIBITS
 17 (None were marked.)
 18
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3

1 THE COURT: This afternoon we've got Brent Bentrim
 2 as the plaintiff versus Wells Fargo Bank, case number
 3 2011-CP-10-2946. And I've got Mr. Rob Varnado for the
 4 plaintiffs.
 5 MR. VARNADO: Thank you, Your Honor.
 6 THE COURT: And Mr. Charles Baker, Mr. Sterling
 7 Laney, John Hawk. Got a team over here on the defense side.
 8 Mr. Varnado, with you is --
 9 MR. VARNADO: My client, Mr. Bentrim, you've seen
 10 before. And Ms. Lexus Wimberly is our new member of the
 11 bar.
 12 THE COURT: Ms. Wimberly, glad to have you.
 13 MS. WIMBERLY: Thank you. Glad to be here.
 14 THE COURT: All right. I went through the list.
 15 While we do have some discovery motions it looked to me like
 16 the oldest outstanding motion was the plaintiff's motion for
 17 summary judgment if I remember correctly.
 18 MR. VARNADO: Your Honor, Mr. Hawk had e-mailed
 19 Ms. Craig a list. I would respectfully request that we be
 20 allowed to argue the motion to reconsider your last
 21 discovery order first.
 22 THE COURT: You want to start with discovery?
 23 MR. VARNADO: They will you'll see --
 24 THE COURT: I'll take it under advisement. Go
 25 ahead. You can start there.

4

MR. VARNADO: Thank you, Your Honor.
 THE COURT: I've got a Motion to Reconsider filed
 May 27 of '14 and a Motion to Compel filed May 30th of '14.
 You want to argue both of those?
 MR. VARNADO: I would, Your Honor, if it pleases
 the Court just the Motion to Reconsider now. And we'll move
 on to the substantive motions. And I'll explain why the
 purpose is.
 Judge, in the last discovery order the Section 5 the
 Court made the following ruling, Wells Fargo holds the
 original note, and the note is made payable to it's
 predecessor in interest. Your Honor, we respectfully
 request as the first ground for our Motion to Reconsider
 that you strike the word hold and substitute the words
 effective in possession, because by making a ruling that
 they hold the note that would be consistent with the factual
 finding that they were the holder of the note under the
 South Carolina Uniform Commercial Code.
 And Your Honor, for the same reasons that we included
 in our Motion for Summary Judgment, they are not the holder
 of the note, and cannot be the holder of the note, and never
 have been the holder of the note. And by they I mean Wells
 Fargo Bank. So Your Honor, I ask that we take the Uniform
 Commercial Code Article 3 and we follow it. I'll submit to
 you that that conclusion is inescapable.

1 THE COURT: Let's just go there. Let's just start
2 and stop right there.

3 MR. VARNADO: Yes, sir, Your Honor.

4 THE COURT: Tell me why they're not? If I recall
5 correctly the last time we were together they had an
6 original in their possession. They showed it to you, and
7 they showed it to me.

8 MR. VARNADO: Right. And that is the first part
9 of showing that you're a holder, possession of the note. We
10 don't dispute that's the note, or the original note, or that
11 they possess it now. But under the code, all the treatises
12 which analyze Article 3, the changes in the UCC since we
13 were in law school came down nationally in 2002 and were
14 enacted by the General Assembly in our state in 2008, having
15 possession is just the first step in determining whether or
16 not someone's the holder. It's just step one.

17 So they met step one. That's fine. But a holder is
18 more than just someone who possesses the note. They have to
19 prove a right to enforce it. So the question becomes, it's
20 made out to First Union National Bank. My colleagues in the
21 pleadings say First Union National Bank is — and Your
22 Honor, the definition of a holder is at 36-1-201. A holder
23 means a person who is in possession of a document, title, or
24 an instrument, or a certificate, investment of security
25 drawn, issued, or endorsed to him, or to his order, to

1 bearer in blank. And what that means is that it's either
2 made out to you, you're the payee, or it's made to bearer,
3 or it's made payable to you.

4 All right. So let's just break it down real simply.
5 They showed you the note. I believe Your Honor examined it.
6 I believe they brought it again. If they haven't we can go
7 ahead and get you a copy you can examine. The first thing
8 you'll notice on it is that there's no endorsements on it
9 whatsoever. It's not endorsed at all.

10 Second thing you'll notice is that it's made payable to
11 First Union National Bank. Because it's not endorsed it
12 cannot be a bearer instrument. A bearer instrument has a
13 blank endorsement on it. It's like when we endorse a check
14 just with our name only without any instructions, that
15 becomes bearer paper. So with the lack of any endorsements,
16 it's unendorsed. If there's no endorsement that means it's
17 not bearer.

18 Second, because there's no endorsement it's not
19 endorsed to Wells Fargo Bank, NA. Third, because it's made
20 payable to First Union National Bank and Wells Fargo
21 National Bank is a separate entity, a successor, it's not
22 payable to them. So just because they're a successor
23 doesn't mean that they're the payee.

24 In fact, the codes specifically contemplates a
25 situation where a successor will be transferred a note or an

1 instrument, and then they become absent any kind of
2 endorsement. They become a nonholder in possession.

3 THE COURT: All right. Take me through that step.

4 MR. VARNADO: That's pretty interesting, but the
5 code basically says, Judge, that the first payee is the
6 holder so long as they hold physical possession and they're
7 the payee they're the holder. Then the code says they can
8 endorse it in blank. That means just put their signature on
9 it. And that makes it bearer. Whoever has it after that
10 can present it and have it endorsed, even a thief. Then the
11 next thing the code says is that it can have a special
12 endorsement on it. So we don't have any of those.

13 THE COURT: We've got no endorsement?

14 MR. VARNADO: Right. We've got no endorsement.
15 And the only way for a successor to be a holder is to
16 receive it by way of negotiation. And that in the code is
17 defined as endorsement. So Wells Fargo admits and pleads
18 over and over again we're the successor in interest. And
19 they are. We don't deny that. But they're not the named
20 payee. The code specifically contemplates this situation.
21 Wells Fargo says we got it by transfer. Well, we dispute
22 that, how they got it by transfer. But nevertheless, they
23 say it was by transfer. Transfer then would kick you down
24 to the next level.

25 Because this is another important concept, Judge, only

1 under 3-301, only someone who meets the test of a Person
2 Entitled To Enforce, a PETE, can enforce a note. The first
3 PETE level under 3-301.1 is the holder. And we submit that
4 they're not. The next one is —

5 THE COURT: You submit they're not a holder?

6 MR. VARNADO: They're not the holder. They can't
7 be the holder.

8 THE COURT: Because of what the process we just
9 went through?

10 MR. VARNADO: Exactly. They obtained by some sor
11 of transfer. They're not the payee. And there's no
12 endorsements on it. So it's not bearer or it's paid to
13 order. The code though allows for a situation where you
14 could get it by transfer. And that would make you a
15 nonholder. Since you're not a holder you're a nonholder.
16 That's a little bit of a mouthful. And then you would have
17 to have possession. And you would have to show your
18 enforcement rights.

19 And that's another big point. If you're the holder
20 there's a presumption that you have enforcement rights. I
21 think the bank's been arguing, well, hey, we possess, we have
22 the note and that makes us the holder. And that does not
23 actually add up. That does not follow the code. When we
24 follow the code possession alone is just one step. If there
25 a nonholder in possession then the burden flips to them.

1 They have to show how they came into possession of this
2 instrument. They actually have to trace the instrument
3 almost like a chain of custody from what happened to it and
4 where it went.

5 And then there's a third, very critical point. Under
6 the Uniform Commercial Code a maker of the note or an
7 instrument like Mr. Bentrin is only required to pay a PETE
8 Person Entitled to Enforce. That's under 3-412. He cannot
9 pay a non-PETE. If he pays a non-PETE then he has zero
10 coverage for any money he's paid to a non-PETE. No one can
11 protect him from that. The way the code is written if he
12 pays someone who's not a Person Entitled to Enforce then any
13 dollar he paid them if the real PETE comes along later they
14 can say it doesn't matter what they paid him, doesn't matter
15 anything. That would be a nullity.

16 So when those three concepts are put together, holder,
17 Person Entitled to Enforce, and the fact that a maker of an
18 instrument is only required to pay a PETE, then it forces
19 us, all of us to sit and find out which box Wells Fargo goes
20 into under Article 3 of the Uniform Commercial Code, and
21 Article 3 governs foreclosures.

22 So what are they? We submit they can't be the holder.
23 They're not, it's not made out to their name. They're a
24 successor. It's not endorsed. The lack of the endorsement,
25 the fact that it's made out to First Union makes them, the

1 best they can hope for is a nonholder in possession. But
2 then that begs the question of do they have the rights to
3 enforce.

4 So Your Honor, under those principals we respectfully
5 request that you not make a finding of fact that they hold
6 the note. They can be in possession of the note, but that's
7 a pretty big concession to them in this discovery order that
8 they're the holder.

9 Your Honor, the next part of the Motion to Reconsider
10 touches on the same section of that discovery order, Judge,
11 that said that Wells Fargo need not produce further
12 documentation regarding the ACLS system. Your Honor, as
13 part of our Motion to Reconsider we submitted the affidavit
14 of a lady named Casmere Kita, K-I-T-A. And Ms. Kita is a
15 Florida resident, worked for 23 years for the company that
16 developed the ACLS software. She helped designed it. She
17 helped implement it. She helped run it.

18 And she submitted an affidavit to Your Honor that says
19 that there are servicing records which would be very easy
20 for the bank to produce, take ten or 15 minutes at the
21 keyboard to print off. They are files. Remember ACLS is a
22 servicing kind of software platform. And there are certain
23 files. And there are certain tables that are not included
24 on the ACLS history card.

25 So you have a situation here where the bank has

1 produced this document called the ACLS history card. This
2 is really important. This is it. This is the ACLS. We're
3 saying that there are files and tables within ACLS that need
4 to be produced as part of the servicing records. And Your
5 Honor, in the last discovery hearing before that, the
6 March 5th discovery order had said produce these records,
7 produce servicing records. And these are servicing records.

8 And why are they important? Because one, you ordered
9 it. Two, they claim they have servicing. And they need to
10 be turned over because they will actually go to show how the
11 bank services record. And they had put this part of the
12 order in saying no more ACLS discovery. That wasn't part of
13 the original motion. It's just part of the order. And we
14 respectfully submit that servicing records are still in play
15 and should be produced.

16 The next part of Ms. Kita's affidavit is important. It
17 says that there are additional tables which show who they
18 would have, who would have been the identity of investors
19 and owners of the note. If you recall what I said earlier,
20 Judge, if you're the nonholder in possession under UCC 3-203
21 and the official comment you bear the burden of proof to
22 show how you came in possession of the note. If ACLS very
23 simply would spit out a list of where the note was and who
24 had it then we respectfully submit that that part's part of
25 their burden of proof and should be produced.

1 The last part motion to reconsider, Judge, is you had
2 denied us to look into financial records. And the financial
3 records, if the bank is the nonholder in possession, and if
4 under UCC 3-203 they have the burden of proving how the note
5 moved, then they would have, it would be germane to prove
6 who got paid and where the payments went.

7 Since we were last together, Judge, and I'll sit down
8 after this. You'll recall the last time we were here and
9 the time before that Wells Fargo maintained that they had
10 never sold the note. They had never sold the note. We were
11 saying your records say that you sold it on November 29th,
12 2006. Counsel, no, we never sold it.

13 On Thursday we get an affidavit from Mr. Wakefield who
14 works for the bank that substantiates what we've been saying
15 all along, the note was sold. A hundred percent interest in
16 the note was sold all along. Judge, we have a situation
17 here where Wells Fargo has not produced any proof of what
18 happened to this note after November 29, 2006 when it was
19 pooled with 22,000 some other notes and sold to the Money
20 Store. It's opaque. There's no documents. There's no
21 proof. Mr. Wakefield says we sold a hundred percent
22 beneficial interest in this note on November 29, 2006 to the
23 Money Store.

24 Setting aside the fact it's taken us three years to get
25 that concession, Mr. Wakefield's affidavit doesn't say that

1 it came back. It just said and the Money Store was merged
2 into Wells Fargo. It never connects the dots. And they're
3 required to connect the dots as a nonholder in possession.
4 They're required to prove how they have a right to enforce.
5 And the way they have a right to enforce would be to prove
6 how the transfer was.

7 So Your Honor, that's why I wanted to argue this motion
8 to reconsider first. And I appreciate your consideration.

9 THE COURT: Thank you, sir. Mr. Laney?

10 MR. LANEY: Your Honor, may it please the Court. 10
11 We cited in our Oppositions and Motion for Summary Judgment 1
12 I guess essentially made the same argument that they were
13 entitled to summary judgment as to our foreclosure action
14 because Wells Fargo was not the holder of the note. And
15 Your Honor, what they failed to mention is that under
16 12-USC-215(a) that governs the merging of national banks it
17 states that you don't need to have the endorsement that
18 Mr. Varnado tries to make such a big deal out of here.

19 What it states is that all rights and interest of the
20 consolidating banks in and to every type of property, real,
21 personal, and mixed, and choses an action shall be
22 transferred to invested in the consolidated, the surviving
23 national bank association by virtue of the merger, the
24 consolidation without any deed or other transfer. Meaning
25 you do not have to have an endorsement of the note. It

1 doesn't need to say First Union National Bank pay to the
2 order of Wells Fargo Bank in order for Wells Fargo Bank to
3 be considered a holder. Under 12-USC-215(a) that action is
4 simply unnecessary, Your Honor.

5 And recently in a case in Indiana the Indiana Court of
6 Appeals found that, supported that. If I may hand this up.
7 It was not in our --

8 THE COURT: Same parties or somebody else?

9 MR. LANEY: It's different parties, CFS versus
10 Bank of America. And basically CFS had signed a note to Le
11 Sal. And Le Sal merged into Bank of America. Bank of
12 America brings a foreclosure action, and very similar to what
13 Mr. Bentrim's arguing here. They don't deny that they
14 signed the note to Le Sal. They just said we don't believe
15 Bank of America has the right to enforce. They're not the
16 successor to interest to Le Sal.

17 The Court of Appeals relying on 12-USC-215 said you
18 don't need to do that. As long as you have the merger, and
19 they've admitted and I don't think there's any dispute as to
20 the merger that transpired. And Wells Fargo National Bank,
21 the successor bank to First Union, you don't need an
22 endorsement in order to be considered the holder of the
23 note.

24 We do have the original note in the courtroom today.
25 You've seen it, Your Honor. It's made payable to First

1 Union National Bank or order. We have it. And under
2 12-USC-215(e) it's a specific provision, we should be
3 considered the holder of the note, Your Honor.

4 THE COURT: That case you just cited, is that
5 Sixth Circuit? What Court of Appeals is that?

6 MR. LANEY: It's 962 Northeast Second. It's the
7 Indiana Court of Appeals, Your Honor. CFS, LLC versus Bank 7
8 of America.

9 And Your Honor, the other point that's lost in all this
10 is that it's undisputed from the affidavit of Mr. Wakefield
11 and in the documentation we provided previously in discovery
12 that the interest in the loan went to a subsidiary of
13 Wachovia. And it's shown, it's attached as an exhibit to
14 Mr. Wakefield's affidavit that in November, 2006 the Money
15 Store was a subsidiary of Wachovia Bank. And May, 2010 it
16 was a subsidiary of Wells Fargo Bank due to the merger
17 between the two banks. It dissolved into the bank.

18 But even if it hadn't, Your Honor, it's a subsidiary of
19 the bank. So it's not sold to an outside third party. And
20 I think that's a very important distinction that shouldn't
21 be lost in all of this that we're talking about is that an
22 interest was given to a subsidiary and then brought back to
23 the bank.

24 And all of that happened, we filed this action in 2012.
25 All of that was previous to that. So at the time we're

1 bringing this action, Your Honor, there's nothing in the
2 record or in discovery, testimony, anywhere to contradict
3 that Wells Fargo Bank has the right to enforce this note,
4 either through whatever interest a subsidiary had, which has
5 now been dissolved and is in the bank, or directly in line
6 through the mergers with First Union National Bank.

7 It's also undisputed that Mr. Bentrim only made
8 payments to the bank. So I don't want to lose site of the
9 fact he entered into and received a loan from First Union
10 National Bank, only makes payments to First Union and/or
11 Wachovia. The payments stopped at around 2008. So I don't
12 want to misstate and say he made a payment to Wells Fargo
13 So it is undisputed. And they seem to take issue with this,
14 but we were servicing our own loan at all times through
15 this. And of course, under Bank of America versus Draper we
16 have a legal right to enforce the note pursuant to that as
17 well.

18 So Your Honor, I would submit A, that we are the holder
19 pursuant to 12-USC-215(e) and that the language in the order
20 should remain the way it is.

21 THE COURT: All right. Let me hear from you on
22 the other two issues, the ACLS and the --

23 MR. LANEY: First of all, Your Honor, Ms. Kita
24 I'm not sure where she came from. She's not a named witness
25 in this case. She's not one of the plaintiffs' named

1 experts. This was an affidavit that was handed up, I
2 believe at the time of the last hearing. I do not, other
3 than what they've submitted here do not know anything about
4 her.

5 However, when we asked our client for the servicing
6 records related to Mr. Bentrim's loan we received hundreds
7 of records, the ECAR notes and the others we had to go
8 through painstakingly and laboriously due to the number of
9 lawsuits on this and redact out the work product and
10 attorney/client that were in all of the servicing notes that
11 we produced. And so all of those came back. None of the
12 reports in the ACLS system were given to us. And when I
13 inquired of our client they were, at least the people I
14 spoke to were unfamiliar with these reports as being any
15 part of the servicing records with this.

16 So I would submit to the Court that we have complied
17 with the Court's order to produce the servicing records of
18 Mr. Bentrim on this loan, Your Honor. Other than the
19 unsubstantiated affidavit of Ms. Kita, who is not on the
20 witness list saying contrary, there's simply nothing else to
21 support that these actually are servicing records. So I do
22 not have any independent knowledge those constitute
23 additional servicing records for Mr. Bentrim.

24 Next, I think Your Honor ruled appropriately on this
25 last time, and that is, the payments were being made to us.

1 And you asked, Your Honor, for all the payment records that
2 we had produced in this case, and we have provided those to
3 Your Honor after the last hearing. We've done that to show
4 the application, the principal and interest. The payment
5 histories have been provided to Mr. Bentrim.

6 I think it's very clear in Horlath (ph) and any
7 others, whatever we may have done on the back side of this
8 note, whether it was selling an interest to a subsidiary,
9 and that has nothing to do with Mr. Bentrim. The contract
10 between us is the note and mortgage, and taking those
11 payments, and showing him the payment history of how they're
12 applied, which we've done, is really the only items that
13 he's entitled to. And we've provided those, Your Honor. So
14 we believe we complied with the Court's order there and it
15 doesn't need to be altered or amended in either of those two
16 respects.

17 THE COURT: All right. Mr. Varnado?

18 MR. VARNADO: Your Honor, thank you. Wells Fargo
19 is not the holder. Mr. Laney's analysis does not go into
20 Article 3. He would cite you to —

21 THE COURT: Does he need to go into Article 3 if
22 in fact the lender is the same lender as it was before? By
23 operation of law First Union which originally owned Wachovia
24 then went out of business and was bought by Wells Fargo.

25 MR. VARNADO: Absolutely.

1 THE COURT: All right. Well, why is that?

2 MR. VARNADO: Because the 1215 statute that he
3 cites says what it says, but it talks about a transfer. He
4 mentioned that. There's a statute that says when banks
5 merge they don't have to do anything. It automatically
6 transfers. But Your Honor, in South Carolina if you're
7 going to foreclose on a mortgage, on an instrument you've
8 got to follow Article 3. Article 3 takes transfer into
9 consideration.

10 THE COURT: UCC is like uniform throughout the
11 whole country so —

12 MR. VARNADO: Mostly, yeah. And that's right
13 And so just applying statutory construction principals you
14 have a statute which says when banks merge there's an
15 automatic transfer. And the UCC says transfer is under 203
16 You're not holder when you get it by transfer.

17 Well, there's another point that's even bigger, Judge,
18 is their own affiant, Mr. Wakefield, says they didn't own
19 the note at the time of the Wachovia/Wells Fargo merger.
20 There's nothing to transfer if you don't own it. When you
21 sell it, the note or payment in tangible under Article 9 you
22 lose your rights to it.

23 So I would respectfully submit that that federal
24 statute doesn't trump Article 3. Article 3, are you the
25 holder, or are you a nonholder in possession with rights to

1 enforce? You can only be holder if it's bearer paper or if
2 it's endorsed to you if you're not named payee. They're not
3 named payee. If they got it by transfer then they're the
4 nonholder in possession. That statute only says transfer.
5 It doesn't say you become the holder. I haven't seen this
6 Indiana court case, but I'd be shocked if it says you're the
7 holder. You're not. You have to prove you're holder in
8 South Carolina follow Article 3.

9 The other thing that I would ask the Court to look at
10 is that the Wakefield affidavit doesn't say where the note
11 went. They have the burden of proving that. It does not
12 say where the note went. And the last thing is is that
13 Bentrim only has to pay a Person Entitled to Enforce. A
14 Person Entitled to Enforce is defined under the code.

15 With respect to the ACLS, Judge, Ms. Kita is a witness
16 that we brought forth for the discovery purpose. She's a
17 subject matter expert in that field. Mr. Laney says he's
18 talked to witnesses, his client at his bank. There's no
19 counter affidavit. We don't understand what this is. She
20 helped create this. She helped write it. Her CV is
21 attached to her affidavit. I mean, if there's anything
22 unsubstantiated it's, well, we think we've given everything.

23 Your Honor, we've been very specific. We drilled right
24 down. Under this ACLS there's additional tables and
25 additional files which Ms. Kita said would only take ten to

1 15 minutes to print. And we specified them by name. And I
2 can run through them, Your Honor. But they're very
3 specific. You just press a button and you spit them out.
4 And there's no reason why they shouldn't be turned over.
5 Yes, they had to turn over the other servicing records, but
6 these are servicing records which remain unturned over. And
7 that same ACLS will tell us a lot about where the note went.

8 The final point is Bentrin, if he paid Wachovia and
9 Wells Fargo — he's only required to pay a PETE. And we
10 don't — they substantiated that payments were made,
11 payments were made on X date, but they don't substantiate
12 where they went or to whom they went. And that would be
13 relatively easy to spit out again. Where did these payments
14 go and to whom? They would help substantiate who actually
15 owned and held the note.

16 THE COURT: Let's start here. Do you contest that
17 First Union merged into Wachovia and merged into Wells
18 Fargo? Do you contest that?

19 MR. VARNADO: Not at all, but it's not germane.

20 THE COURT: And what about the Money Store, do you
21 disagree with them that they're a subsidiary of Wells Fargo?

22 MR. VARNADO: They are a subsidiary to Wells
23 Fargo. I would respond to that that they set up their
24 corporate formality the way they set it up. They're
25 estopped. They can't deny their own corporate structure.

1 The Money Store is a separate entity. Under the law it's a
2 separate entity. They can't come into court and pierce
3 their own corporate veil. They can't come in and deny it.
4 Piercing the corporate veil is the right for a third party
5 to say equity demands they be treated the same.

6 So the fact that the Money Store was a subsidiary is
7 irrelevant. Wachovia sold the note to the Money Store
8 before it merged into Wells Fargo. There was nothing for
9 Wachovia to transfer to Wells Fargo. Wells Fargo cannot be
10 the holder. It can be a nonholder, a nonholder in
11 possession, but it has to prove it's rights to enforce.
12 Bentrin only has to pay a PETE. They haven't proven that
13 they are a PETE. If the discovery order stands and they're
14 entitled to be a holder then that really is basically a
15 finding of fact that they're the holder and they haven't
16 proven it. In fact their records go against it.

17 THE COURT: You want to respond about the Money
18 Store?

19 MR. LANEY: Your Honor, the record will show that
20 Money Store was a subsidiary. Also, Mr. Varnado wants to
21 say we sold the loan, as if the entire loan. It's very
22 clear a participation, beneficial interest in the loan was
23 sold. And the servicing rights never left. There was no
24 letter that says, hey, your servicing rights have
25 transferred. So they're still with the main bank. And he

1 has seen where it shows that it went to Pool 794. We
2 provided all that documentation. And then Mr. Wakefield's
3 affidavit says the Money Store dissolved, and it was
4 distributed into Wells Fargo Bank in 2010. We didn't file
5 this action until 2012, Your Honor.

6 And again, it's a little disingenuous to say, well,
7 they're not the holder so they're not a Person Entitled to
8 Enforce. That's exactly what the Indiana court said.
9 Bank's a Person Entitled to Enforce the instrument by way of
10 the merger. They also said, well, that's not a transfer.
11 It says by virtue of the merger that's the transfer. So the
12 fact that he doesn't dispute the merger means there was a
13 transfer. And we received it, Your Honor.

14 So it's a rather circular, disingenuous argument in my
15 opinion to try to argue that Mr. Bentrin somehow escapes the
16 liability on this note from having to pay the successor bank
17 the one he entered into the loan just can't be the reality
18 of the situation, Your Honor.

19 THE COURT: All right. I'm going to take that one
20 under advisement. Let's move on. You want to argue your
21 Motion for Summary Judgment?

22 MR. VARNADO: Your Honor, we filed a Motion for
23 Summary Judgment last year. And we supplemented it this
24 month. Of the several grounds for summary judgment last
25 year based on some of your rulings, based on discovery

1 that's happened in this case, we abandoned five or six of
2 them. So I e-mailed Mr. Hawk about that. I think they had
3 already drafted part of their memorandum in opposition. But
4 the Motion for Summary Judgment I'm going to argue is the
5 new one if that's all right with the Court.

6 THE COURT: All right.

7 MR. VARNADO: The Motion for Summary Judgment
8 first ground, ground number one, not the holder. Judge,
9 we've been plowing this ground. I don't want to re-plow it
10 too much. But there is something that's important to note.

11 THE COURT: Anything new on that?

12 MR. VARNADO: The Indiana court said it's a
13 transfer. Just like we said before, a transferee can be,
14 have enforcement rights as the nonholder in possession.
15 Bentrin is only required to pay a PETE. The bank must come
16 and show that they are a Person Entitled to Enforce. They
17 have to come and show that. And they haven't done that.

18 Judge, Mr. Laney talks about the Money Store like it's
19 just, you know, a branch of the bank. It's not. It's an
20 independent separate corporation. Under our law it's
21 treated separately. Mr. Laney talks that it's assumed that
22 there was a servicing arrangement between Wachovia and the
23 Money Store, and Wells Fargo and the Money Store. And
24 that's not in evidence at all. Mr. Laney says that there
25 was only a beneficial interest sold, nothing really

1 transferred. Under Article 9 the ownership of that note
2 went to the Money Store. That means that the Money Store
3 had the ownership of it.

4 And this kind of circles around to why we sued Wells
5 Fargo in the first place. They've sued two foreclosure
6 cases in 2007 and 2009 when they didn't own the note. They
7 didn't tell this Court that they didn't own the note. They
8 didn't tell Mr. Bentrim they didn't own the note. They
9 denied him the right to have the chance to explore his
10 defenses.

11 Remember, we may not love it. We may not understand it
12 perfectly. But the UCC is the law. And the UCC says only
13 in a mortgage case, only a PETE can enforce. And only, you
14 have to be a holder, or a nonholder in possession, or the
15 third option, which really isn't in play here.

16 Your Honor, in their complaint they said, we're the
17 holder. They never pleaded that they were anything other
18 than the holder. And that's important. In their complaint
19 they said that they had ownership, but we had
20 Mr. Wakefield's affidavit saying they didn't own it.
21 Mr. Wakefield says when you sell a hundred percent you don't
22 own it anymore. So they don't own it. Mr. Bottiford (ph),
23 our expert, we submitted his affidavit. Says when you sell
24 it the way they sold it they don't own any of it anymore.
25 They haven't told us what happened to it at the Money Store.

1 They haven't told us how it got back to Wells Fargo. They
2 said that it's a servicing without proving there's any sort
3 of servicing record. They haven't met their burden.

4 Your Honor, we respectfully submit that you must
5 dismiss the counter claim because it's predicated on being
6 the holder, and they're not a holder. It's predicated on
7 ownership, and they can't prove that. That's not before the
8 Court. Really there's no proof of what happened to this
9 note after November 29, 2006. There's just a lot of
10 speculation, a lot of it's not fair, we don't know. What's
11 not fair to Mr. Bentrim is that he's only required to pay a
12 PETE. And yet the bank won't come forward and show exactly
13 how they get their rights.

14 They cite Draper. Draper's a great case. We believe
15 in citing Draper too. But in Draper the servicer turned
16 over the pooling and servicing agreement, turned over the
17 note, showed the endorsements, all that which is not here.
18 In other cases, a lot of the bankruptcy court cases are
19 really good on this. I mean, it seems like most of the law
20 concerning UCC Article 3 and how Article 9 works together,
21 if he's a holder not done is done by these bankruptcy
22 judges.

23 There's a great case out of the Ninth Circuit
24 Bankruptcy Panel called In Re Veal. And we cited it in our
25 papers. And I can hand up a copy of it, Judge. And In Re

1 Veal is just an exception --

2 THE COURT: Get that Indiana case from Mr. Laney 2
3 while you're at it.

4 MR. VARNADO: May I approach, Your Honor? Here
5 you go.

6 THE COURT: All right.

7 MR. VARNADO: Judge, our Memorandum of Law goes
8 through step by step how they're not a holder, how the lack
9 of enforcement means it's not bearer, not special order, how
10 the best they can hope for is to be a nonholder in
11 possession, how they still have to prove their rights to
12 enforce as a nonholder in possession. It goes through the
13 sale that they admit. It talks about how it's on Article 9.

14 We submit that Mr. Laney's just flat out wrong. He
15 says it's not fair to say that we're not the holder when we
16 merged. No, what's fair is they have to prove that they're
17 a PETE. All the other banks in all these other cases that
18 you're going to read, In Re Veal, and Draper, In Re
19 Woodberry, which the Draper court relied on heavily, all
20 those cases, all these documents are produced. There's no
21 question about it.

22 In fact, Your Honor, remember the last hearing
23 Mr. Laney handed up three cases, Harvard, Schneider, In Re
24 Cane. Those three cases we think that they're
25 misunderstood, the holdings. In those three cases the

1 homeowner said, well, because the note remained in your
2 vault then the sale, like the sale to the Money Store,
3 didn't happen. And of course, no, the sale did happen.

4 So you actually find a very interesting situation where
5 the bank is actually arguing opposite of the holdings in the
6 very cases it wants to hand up. There's a sale to the Money
7 Store. The Money Store is separate, a separate entity.

8 They cannot piece their own corporate veil. They can't do
9 what they're trying to do. They have to come and be a PETE.

10 One other point, so they say they're the holder. The
11 other point is intertwined. They have to have standing.
12 And they have to have ownership at the inception of the
13 suit. So this amended complaint was submitted in November
14 of 2011. The courts are adamant that in order to have
15 standing you have to have enforcement rights at the
16 inception of the suit. You can't have standing, you don't
17 have standing to bring the counter claim unless you have
18 enforcement rights at the inception of the suit. There's
19 also case authority that stands for the proposition that you
20 have to own the note and mortgage at the inception of the
21 suit.

22 That second part comes from a US Supreme Court case
23 called Carpenter v. Longley (ph), which was in the 19th
24 Century but still the law of the land. And everyone cites
25 to it. And in fact, South Carolina has adopted it. So in

1 order to have a counter claim Wells Fargo needs to show that
2 they have standing, in other words, they have enforcement
3 rights. And two, that they own the note and mortgage at the
4 time.

5 Now, without belaboring it too much loss, Your Honor
6 remembers that there was a loss note affidavit circulated
7 for a while. Mr. Baker said, well, we did that as kind of
8 like adult suspenders sort of thing, you know. Abundance of
9 caution I think was the term he used. But that loss note
10 affidavit was submitted after they filed their amended
11 pleading.

12 So you're left with the situation where they do not
13 have proof that they owned the note, that they were a PETE,
14 that they possessed the note, which would be required to be
15 a nonholder in possession. None of that is proven. No
16 affidavits are given whatsoever. Mr. Wakefield's affidavit
17 doesn't go there. It says we sold the note to the Money
18 Store. And then the Money Store merged with us. Doesn't
19 say what happened to the note in the meantime. Doesn't say
20 who owned it in the meantime. Their own records actually
21 conflict a little.

22 I think they want you to infer that the note was always
23 with the Money Store and came back when it merged March the 23
24 1st. Well, there's no proof of that in Wakefield's
25 affidavit. I mean, they did, the Money Store did merge.

1 But what happened to the note? That's a good question,
2 because they have to prove it.

3 THE COURT: Isn't it sitting right over there?

4 MR. VARNADO: What happened to the enforcement
5 rights and ownership of the note? Because physical
6 possession is just one element, and not even the most
7 important element. Ownership rights, rights to enforce.
8 What happened to the ownership rights and rights to enforce?
9 If I was being sloppy there I didn't mean to be. That's
10 important, because that hasn't been proven. There's no
11 evidence in the record at all about that. And they've known
12 about this argument. We've denied that they're the holder
13 the whole time.

14 Your Honor, we respectfully submit that you have to
15 dismiss the case because they said they're the holder and
16 they can't prove it. They can't prove anything else. They
17 can't prove they have standing. They can't prove they have
18 ownership. It's just missing from the record. It's just
19 gone.

20 There are some other grounds in this Motion for Summary
21 Judgment, Your Honor, if you'd like to have me go over them
22 now.

23 THE COURT: Go ahead.

24 MR. VARNADO: Judge, there's been several
25 foreclosure cases that came in front of you. When you

1 dismissed the 2009 foreclosure case you issued an order in
2 July of 2010 saying that they couldn't refile until they
3 submitted a calculated payoff. And we submit, Your Honor,
4 that they did not submit a calculated payoff.

5 THE COURT: What does Ms. Baker's -

6 MR. VARNADO: Ms. Baker's letter we submit is not
7 a calculated payoff. It's just not. It just says you owe
8 us some money, but it doesn't calculate exactly how it
9 should be done. In fact, Mr. Bentrim curiously just got a
10 statement from Wells Fargo Bank saying as of the date of
11 this statement Wells Fargo has not filed an acceleration
12 notice. I mean, they're all over the place. Their records
13 are all over the place, Judge. Ms. Baker's letter isn't a
14 calculated payoff. They didn't follow your order before
15 they did it.

16 In fact, there's a good argument under Rule 13 that
17 they didn't - this case was originally with another law
18 firm who got the case, answered, no counter claim. There
19 was a compulsory counter claim. The last argument they make
20 is well, you know, we agreed to an amendment. Bentrim's old
21 lawyer, he agreed to it too. So you've waived your rights
22 to argue against it.

23 But court of appeals has said in a City of North Myrtle
24 Beach case - I'm sure you've done this a hundred times,
25 Judge, I'm going to grant the amendment. I know you don't

1 like the amendment. I know you're going to argue against
2 the amendment later. All your rights are preserved to argue
3 against the amendment later. The Rule 15 hearing is just
4 over whether or not there should or shouldn't be an
5 amendment.

6 So it's not waived. They didn't follow your order.
7 They didn't file a compulsory counter claim. It's probably
8 waived. And then the grounds we articulated before, they
9 haven't proven they're the holder. They said they're the
10 holder. They picked their poison. They haven't proven it.
11 They haven't proven anything. They don't have standing.
12 They don't have proof of ownership. Mr. Laney can argue
13 about whether that's not fair, it's not right. A homeowner
14 shouldn't get a windfall.

15 But these are all principals which guide the law. The
16 UCC is the law of the land. Standing is the law of the
17 land. Ownership at the inception is the law of the land.
18 And I ask Your Honor when Mr. Laney's arguing where is the
19 proof of these things, where is the proof of ownership at
20 the inception of the counter claim, those sorts of things,
21 Your Honor. Thank you.

22 THE COURT: All right. Mr. Laney, you want to
23 respond?

24 MR. LANEY: Yes, sir, Your Honor. I think we
25 covered the holder argument. We obviously believe that

1 under 12-USC-215(a) we would meet the definition of a
2 holder, Your Honor, and also would say that in this day and
3 age with bank mergers of the size of Wachovia, First Union
4 National Bank into a Wells Fargo Bank or a Bank of America
5 and Le Sal Bank and the millions of loans between the two
6 entities that are merged together that it simply doesn't
7 make sense to put the burden on the interstate commerce and
8 others to have a specific endorsement on each singular note,
9 which is exactly why 12-USC-215(e) makes a lot of sense and
10 why it's there.

11 And I'll also say that that statute's been on the books
12 for a long time. And the 1969 Rogers versus First National
13 Bank of Saint George, District Court of South Carolina found
14 that the federal law, the 12-USC-215 governs mergers between
15 national banks not state laws. In that case it was the Tax
16 Code of South Carolina that was being argued as trumping as
17 Mr. Varnado says, the rights of the banks under
18 12-USC-215(e). So I would argue both of those.

19 Your Honor, we're here on summary judgment. And all we
20 have to do is bring forth some till of evidence to say
21 there's a question of fact about our rights to bring this
22 foreclosure action. You've seen the original note. We have
23 it. It's made payable to our predecessor bank. I'd be
24 happy to show it to you again if you'd like to see it, Your
25 Honor.

1 But you have to have standing to bring a foreclosure
2 action. You have to show the legal existence of the debt.
3 And our allegation the fault their own. Mr. Bentrims
4 admitted that he signed the note. He admitted to you in the
5 last hearing. He admitted he executed the mortgage.
6 There's no dispute about that. There's no dispute about the
7 mergers. There's no dispute, also if you go through the
8 causes of action which are going to be argued here in a
9 little while, Mr. Bentrims takes issue with PWR and responses
10 to that and claims negligence in the servicing of the loan.

11 So when Mr. Varnado stands up and says they're simply,
12 they want you to infer all these things, we're not asking
13 you to infer anything. It's basically admitted by the
14 plaintiff that the servicer of this loan was First Union
15 National Bank, Wachovia, and subsequently by way of merger
16 Wells Fargo Bank. Payments were made to those entities on
17 this loan.

18 With the affidavit of Mr. Wakefield saying that any
19 interest that the Money Store had dissolved and was
20 distributed into Wells Fargo Bank that closes the loop, at
21 least to a question of fact degree, at least to withstand on
22 a motion for summary judgment, Your Honor, anything that was
23 there. And the pleadings should rather say like, I know
24 that, you know, Womble Carlyle is not necessarily the firm
25 to come in front of you on foreclosure actions. But under

1 Rule 17(a) we're the real party in interest to enforce this.
2 We're a Person Entitled to Enforce the instrument.

3 I would say the evidence before you certainly supports
4 that we are, we have standing to enforce the note. So we
5 have a right to bring the foreclosure action, certainly
6 enough evidence is before this Court to withstand a motion
7 for summary judgment on that point. So if there needs to be
8 an amendment of the pleadings to conform to the evidence
9 under Rule 15(b) then so be it. We would submit it's
10 unnecessary. We believe we're the holder. But nonetheless
11 it is not correct for the plaintiff to be able to dismiss
12 the foreclosure action on semantics, Your Honor.

13 Second, the case he cites, 1872 and the case that's
14 following behind that, it came out of Nebraska. It's about
15 security of wheat over a note. And a mortgage was given
16 while the note was still held to another party. Completely
17 in opposite of what we have here, Your Honor. And certainly
18 it was 142 years before 2014, 140 years before 2012 when we
19 filed the -- I believe it was either November, 2011 or
20 spring of 2012 when we filed the foreclosure action. So
21 Your Honor, 140 years.

22 So under Draper, I have a copy here, but I'm sure
23 you're probably well familiar with it, and all the
24 bankruptcy cases say the same thing. Servicer has the right
25 to file motions to lift stay, file proofs claim, all of

1 those. So at the very least as a servicer of this we have
2 the right to bring the foreclosure action. However, we
3 would say it gets a little bit confusing because he wants to
4 keep arguing what happened in 2006 and 2010. We're sitting
5 here with a lawsuit that we filed in 2012 alleging
6 foreclosure, Wakefield and the other. We have the original
7 note in our possession. And the interest, any interest of
8 the Money Store are gone because it dissolved. It was a
9 subsidiary of Wells Fargo.

10 THE COURT: Take me through that process. That's
11 probably the only one I'm not sure I'm clear on.

12 MR. LANEY: Okay.

13 THE COURT: Under Draper as a servicer you would
14 have standing and the right to bring the action, correct?

15 MR. LANEY: Yes, sir.

16 THE COURT: Your argument is that you are in fact
17 a holder of the note because you're in possession of the
18 note. On the issue of --

19 MR. LANEY: Made payable to our predecessor. Yes,
20 sir.

21 THE COURT: On the issue of the actual entity
22 which existed at the time of, what was it November of '06,
23 the note was sold? The note was clearly sold?

24 MR. LANEY: Well, an interest in the note was
25 sold.

1 THE COURT: An interest in the note was sold?
 2 MR. LANEY: Yeah. I think that's an important
 3 distinction.
 4 THE COURT: Take me through that process so I'm
 5 clear on that.
 6 MR. LANEY: Okay. Your Honor, 2002 the notes
 7 made payable to First Union. Payments are made up until
 8 there's the merger. Wachovia and First Union, really First
 9 Union is the surviving entity, but it takes the name of
 10 Wachovia. In 2006 there is a sale of the beneficial
 11 interest to a wholly owned subsidiary, the Money Store
 12 Service Corporation. And we attached as an exhibit to
 13 Mr. Wakefield's affidavit showing that that's a subsidiary.
 14 No changing in the servicing rights transpired. That's
 15 why Mr. Bentrim didn't receive a notice of that. He doesn't
 16 have to under RESPA. If you sell any of the rights to
 17 somebody else, only if the servicing rights change and
 18 you've got to make payments to a different entity is the
 19 borrower entitled to receive notice. So there is no notice
 20 there. He continues to make payments up until 2008.
 21 There's disputes over those payments and defaults. And
 22 there is a foreclosure action brought in the name of
 23 Wachovia Bank.
 24 Whether you want to argue they should have said we're
 25 the owner and holder by and through the fact that we hold

1 the physical note in our possession, and we sold, we have
 2 interest in it as the servicing rights, and also our wholly
 3 owned subsidiary has an interest in it for a sale that
 4 transpired, both lawsuits were dismissed, Your Honor.
 5 And so then we get to 2010. And at that point the
 6 Money Store dissolves. And it's subsumed into Wells Fargo
 7 Bank, which in 2008, or actually effective March, 2010, two
 8 months prior to it dissolving Wells Fargo's merger with
 9 Wachovia becomes effective. And so you have any beneficial
 10 rights in the note rested with the Money Store until May,
 11 2010 when it dissolves and goes into Wells Fargo. And
 12 that's reflected on the balance sheet.
 13 It says, he uses the term repurchased. Whether or not
 14 it's a true repurchase for money or it's just simply noting
 15 that fact to show that there was a dissolution in the rights
 16 and interest in Pool 794, which Mr. Bentrim's loan was one,
 17 now move back upstream into the parent company, that you
 18 know, that remains. You could argue about that. But the
 19 fact of the matter is all the interest end up in Wells Fargo
 20 Bank. So now, Wells Fargo Bank has all the interest that
 21 Wachovia had and the subsidiary of Wachovia had. And it's
 22 all come back together in Wells Fargo Bank as of 2010.
 23 This lawsuit is not filed until 2012, Your Honor. So I
 24 believe under all those facts it's indisputable that Wells
 25 Fargo has standing and is a Person Entitled to Enforce the

1 note. There's no one else who can come in here and claim
 2 that Mr. Bentrim owes them on this note. We have the
 3 original note. At the conclusion of this if you rule in the
 4 bank's favor it's going to be marked satisfied. There's no
 5 third party going to come in and claim that he owes them
 6 that. And the only entities that can ever claim an
 7 interest, the only thing that's in here is the bank, the
 8 primary bank, Wachovia, Wells Fargo, and a wholly owned
 9 subsidiary of such banks, which has now been dissolved and
 10 brought into the banks.
 11 So Your Honor, under the UCC I believe and Draper and
 12 all those it may be a convoluted way to get there, but it's
 13 all there, Your Honor. And I think the important thing from
 14 the UCC is to make sure that rights of someone else doesn't
 15 show up and that you are only paying a Person Entitled to
 16 Enforce the instrument. I agree with that. But it is the
 17 people, it is the entity that's in the courtroom today with
 18 Mr. Bentrim, otherwise I don't believe he would have sued
 19 the entity to say they messed up on the servicing of the
 20 loan if we somehow didn't have a right to enforce it. I
 21 don't think he can have it both ways.
 22 I'd be happy to address the other two, the violation of
 23 the Court's order and the arguments that Mr. Varnado made if
 24 you'd like me to.
 25 THE COURT: No, you don't need to.

1 Let me hear from you. I think, is not the purpose behind
 2 the policy of the UCC to make sure that a debtor only has to
 3 answer to one debt? Do you agree with that or not?
 4 MR. VARNADO: I disagree. I think the policy is
 5 the debtor only has to answer to the person who can prove
 6 the right to enforce the debt. And this is critical,
 7 because Mr. Laney, great on his feet, tells you a story of
 8 what happened. But there is nothing in the record that
 9 substantiates what he says happened. He says that the note
 10 was with the Money Store, and the Money Store became Wells
 11 Fargo. But no client of his, no expert has submitted an
 12 affidavit.
 13 There's nothing probative before Your Honor that
 14 actually details that the note was still with the Money
 15 Store at the time of the Wachovia merger. In fact, their
 16 own records say that the note was repurchased after this
 17 mortgage. Mr. Laney says, well, you know, that's how we
 18 booked it. But again, where's the proof? Your Honor --
 19 THE COURT: Isn't the proof in the fact that the
 20 note's in the courtroom right now?
 21 MR. VARNADO: No, sir. It's not, because the
 22 physical possession does not equate to PETE. They could
 23 have --
 24 THE COURT: Unless I find that they are the
 25 holder, correct?

1 MR. VARNADO: Well, true. Obviously the court
2 system declares who is and isn't a PETE. We would submit
3 that it would be erroneous to say that they're the holder
4 based on the limited facts that they've showed you and
5 basically the testimony of counsel. If Mr. Laney's correct
6 that the note never left the vault -- and we have no vault
7 records. They lost them. Then that would mean that the
8 Money Store never had possession of it. There was no
9 transfer.

10 And the UCC -- and this can happen. You can have
11 ownership rights but not rights to enforce. You can have
12 rights to enforce but not ownership. Mr. Laney wants to
13 argue, you know, Your Honor, we here in this courtroom, we
14 should recognize that life's complicated and things have
15 changed. And we should not really follow the UCC. And I
16 shouldn't have to say how I got it. I'm going to refer to a
17 statute that talks about transfer, even though the UCC
18 specially says transfer.

19 And this is important. They could potentially have the
20 right to enforce without an endorsement, simply by virtue of
21 transfer. The UCC allows that, but they have to prove it.
22 And they haven't proved it. Where's the evidence of what
23 happened to the note while it was in the Money Store? It'd
24 be very easy for Mr. Wakefield who's a business school grad
25 and a special purpose entity expert to say, it was sold to

1 the Money Store and the Money Store kept it the whole time
2 and then it went back over. He doesn't say that. There's
3 no proof.

4 And this whole thing about the servicing is very
5 important, Your Honor. Mr. Laney wants you to accept that
6 servicing is a forgone conclusion. And yet Wells Fargo in
7 their interrogatory responses has specifically denied that
8 there was any sort of servicing contract. So what's a
9 servicer? Draper says a servicer can be, you can self
10 service and be a servicer while you own and hold the note.
11 I've got Wakefield who says we didn't own and hold the note
12 after 2006.

13 So in Draper the servicer said here's my pooling and
14 servicing agreement. Wells Fargo, there's no pooling and
15 servicing agreement. We were doing it for our subsidiary.
16 They're required to show that their subsidiary is a separate
17 entity. If they're not the owner and holder then the
18 bankruptcy courts have been specific, you have to show a
19 contractual relationship. You also have to show if you're
20 the servicer and not the holder that you're servicing for a
21 PETE. All this has got to be proven. And it's one of the
22 reasons why we're in here asking for the discovery. Oh, we
23 never sold it. Well, okay, we did sell it. Because if you
24 sold it then you can't be the holder.

25 I mean, Mr. Laney I think is incorrect to come before

1 Your Honor and say we don't need to follow the Uniform
2 Commercial Code. We can just rely on this federal statute,
3 and you can take my word for it that the note never left the
4 Money Store and came back to Wells Fargo at the merger and
5 everything's fine.

6 But we submit that under the Uniform Commercial Code,
7 Article 3 which governs why we're here today on this counter
8 claim, which is what we're seeking to enforce and to get
9 dismissed, that they have to prove transfer. They have to
10 prove the holder. And we think that they just absolutely
11 cannot. They pleaded in their complaint that they're the
12 holder, so that should be dismissed. The claim should be
13 dismissed. If you allow them to refile I don't know. They
14 should plead that they have standing. They should plead how
15 they have ownership.

16 That Carpenter v. Longing case was made the law in
17 South Carolina in '31. It's still cited today. It's not
18 some sort of crazy wheat case from Nebraska. It's actually
19 out of Colorado. But even more importantly, the one thing
20 that Mr. Laney says, the Money Store was a wholly owned
21 subsidiary. It's not even a wholly owned subsidiary. And
22 it doesn't matter. They're a separate entity.

23 So we respectfully submit, Your Honor, that they can't
24 cut corners. Under the Uniform Commercial Code they have to
25 show how the transfers happened and back in. We're here

1 today for summary judgment. There's no proof to that. It's
2 just absent, just completely gone. They don't need to have,
3 it doesn't need to be endorsed to be enforceable, but it has
4 to be proven to have ownership, standing, and rights to
5 enforce by virtue of transfer. So the endorsement's a
6 little bit of a red herring. Sure, they don't have to
7 endorse it. The Uniform Commercial Code's set up to where
8 they don't have to have an endorsement.

9 And then just to sum up. Servicing, there's no
10 servicing contract. They've absolutely denied they're a
11 servicer. In order to be a servicer under Draper, under In
12 Re Veal, under In Re Woodberry, all these cases which are
13 cited for you, which I respectfully request Your Honor to
14 look at, the servicer has to be in a contractual
15 relationship with a PETE. That's not proven.

16 A servicer still has to come into court and prove it's
17 Article 3 enforcement rights. Draper did it. It was done
18 really quick because it was a bearer paper. That was pretty
19 simple. But this is an unendorsed note. There's nothing
20 attached to it. It's not endorsed. It's not made out to
21 Wells Fargo. Wells Fargo's the successor, i.e. not the
22 holder. If they're the nonholder in possession they got to
23 prove it.

24 If they're claiming to come in as a servicer they have
25 to prove that under Article 3. All of it's under Article 3.

1 That federal statute doesn't void our law. It just merely
2 says the way of transfer. You don't have to actually have a
3 contract document transfer. Fine. That's great. They
4 still have to prove the enforcement rights under 3-203. The
5 official comment's just dead on about this.

6 None of this is in front of you. Mr. Laney will say
7 these things, but there's proof of them by affidavit or
8 otherwise, by deposition testimony or otherwise. They're
9 not the holder. The best they are is a nonholder in
10 possession. They have not proven a right to enforce. They
11 haven't proven standing. They haven't proven ownership at
12 inception. Haven't proved a servicing contract. Haven't
13 proved they service as for a PETE and will not show you
14 anything that happened to this note after November 29, 2006,
15 where it went, who had it, how it was transferred, how it
16 came back, whether it ever left the vault.

17 All those things are incredibly germane to an Article 3
18 investigation. And I submit that that's what we're here
19 today on a counter claim to do that. They have not met
20 their burden of proof. They have not shown a scintilla of
21 fact. These facts aren't in question. Legally they are not
22 the holder. Legally they have not met their burden.
23 Legally they have not proven anything. We respectfully
24 request that you dismiss.

25 THE COURT: Mr. Laney?

1 MR. LANEY: Your Honor, we're not here to get
2 summary judgment on a foreclosure action offensively, which
3 is what it sounds like Mr. Varnado is arguing against. He's
4 trying to dismiss our action. And all we're saying is
5 there's a question of fact about our rights to be here in
6 the courtroom to foreclose this instrument. I think without
7 a doubt that's what we've done. We submitted the affidavit
8 of Matthew Wakefield for that purpose, Your Honor, to
9 show -- and we brought the original note for that purpose.
10 We cited 12-USC-215(a) for that purpose.

11 I would submit that Mr. Varnado's own arguments that he
12 said certain times under a transfer you can be here to
13 enforce it. If you're a nonholder in possession of the note
14 you have a right to enforce. If you're the servicing agent
15 as we've talked about you have the right to enforce. If
16 you're the holder you have a right to enforce it. There's a
17 lot of different ways, and all we're trying to do, Your
18 Honor, is say summary judgment is not proper to dismiss a
19 foreclosure action because there is at least, at the very
20 least a question of fact.

21 We would submit there's a lot more than that, but at
22 the very least there's a question of fact as of today about
23 Wells Fargo's right to foreclose this mortgage against
24 Mr. Bentrin. And for that reason the motion for summary
25 judgment should be denied, Your Honor. We don't think any

1 of the grounds that he has cited constitute sufficient
2 grounds for the Court to dismiss it on summary judgment. If
3 we were making this argument post hearing after putting up
4 all the evidence in the case, that might be a sufficient
5 argument. We're not there yet, Your Honor.

6 And I would want to point out we've moved for summary
7 judgment to his causes of action, but we have not moved
8 offensively, conclusively on our right to foreclose this
9 note. That's still, in my opinion for another hearing at
10 another day before this Court. We have to proceed. We've
11 got to prove our case. That's part of what we do.

12 THE COURT: As to the amount of the debt and what
13 the note gives security for?

14 MR. LANEY: That's correct. Yes, sir, Your Honor.

15 THE COURT: You do have a Motion for Summary
16 Judgment though, right?

17 MR. LANEY: We do, Your Honor.

18 THE COURT: Who's arguing that one, Mr. Baker?

19 MR. LANEY: Mr. Baker, Your Honor.

20 THE COURT: I'll take that motion under advisement
21 too. Mr. Baker, let me hear from you.

22 MR. VARNADO: Thank you, Your Honor.

23 MR. BAKER: Thank you, Your Honor. I'll try to
24 make this as to the point as I can.

25 THE COURT: Thank you, sir.

1 MR. BAKER: It's undisputed that Mr. Bentrin
2 signed the note and the mortgage. It's undisputed that it
3 was a refinance of a pre-existing mortgage with Bank of
4 America. There's some dispute about this origination fee of
5 \$2,700, which he discovered the discrepancy, he admits in
6 April of 2002 in his amended complaint. He says in
7 paragraph 16, he said that discrepancy resulted in years of
8 contention, including the 2005 foreclosure suit. And he
9 also says, well, I thought they corrected it.

10 But there were three different foreclosure suits after
11 that. So it's our position he's on notice that it wasn't
12 necessarily corrected, that this documentation which he says
13 he's recently discovered has been there the whole time where
14 he should have known in these other foreclosure suits if he
15 had wanted to that this alleged \$2,700 issue was still out
16 there.

17 So I'm just going to go through his causes of action
18 one by one and tell you what our grounds are. First cause
19 of action is for negligence/gross negligence. It's our
20 position, first of all, that a bank owes its depositor or
21 customer no duty of care where the relationship is solely
22 contractual. The Regions Bank versus Schmock case which
23 we've cited is clear that it's not a fiduciary relation
24 where a duty arises only because of the status of debit or
25 creditor unless the bank undertakes a duty to advise as to

1 some servicing offer. That did not happen here.
 2 Now, I'm going to admit we just saw this Memorandum in
 3 Opposition an hour or so before. I just saw it when we
 4 walked into the courtroom. We have not read this Kerr case.
 5 Mr. Varnado says that stands for the proposition there's a
 6 limited duty of care. I haven't read it. Schmock already
 7 said there's a limited duty of care when the bank undertakes
 8 it. I don't know that that case goes any farther than that.
 9 Maybe it does, and maybe I'm going to have to reargue, hear
 10 what he says, and maybe get to look at it.

11 But that's our first point, a debtor/creditor is not
 12 inherently fiduciary and no duty of care arises unless we
 13 undertake to advise him as part of the services we provide
 14 which did not happen. In addition, this whole origination
 15 fee, as I mentioned he should have known that in 2002 that
 16 that was an issue. And he's waited till 2011. If I'm
 17 correct when Mr. Laney said we brought this action in 2012
 18 he means a foreclosure.

19 THE COURT: That's correct.

20 MR. BAKER: So this suit was filed in 2011.

21 THE COURT: Right.

22 MR. BAKER: We amended foreclose on the counter
 23 claim. But 2002 to 2011 is certainly more than three years.

24 On the negligent misrepresentation which is the second
 25 cause of action, basically the same grounds, no duty and

1 statute of limitations. Plus in addition no right to rely.
 2 Mr. Bentrin is a career banker, very experienced in these
 3 ways. So we don't think he had any kind of right to rely on
 4 any alleged negligent misrepresentation, which we're not
 5 sure exactly from the complaint what is the negligent
 6 misrepresentation unless it's this argument that by filing
 7 the previous foreclosures we were not entitled to somehow.
 8 Frankly, that's a matter for the Court to have taken up
 9 previously in those cases. There is no claim for any kind
 10 malicious prosecution. So if we didn't have the right to
 11 bring those cases they were dismissed he could have brought
 12 that up at that time.

13 Third cause of action is for breach of implied
 14 covenant, good faith and fair dealing. And as to that, Your
 15 Honor, we simply say there is no independent cause of action
 16 for that. That's part of a breach of contract cause of
 17 action which Judge Dennis clearly dismissed earlier in the
 18 case. Similarly with the breach of contract accompanied by
 19 a fraudulent act, that requires them to prove a breach of
 20 contract which they cannot do because that claim was
 21 previously dismissed by Judge Dennis. Those are subsumed
 22 under the breach of contract claim which has been dismissed.

23 As to conversion, the fifth and tenth causes of action,
 24 I take it their allegation is that by accepting payments
 25 that we're somehow not entitled to that that represents

1 conversion of their funds. We think the law is pretty
 2 clear. When you take money that's not meant to be kept
 3 separate it's not conversion of money. Money can only be
 4 converted when it's intended to be kept separate.

5 And that's the case we cited Owens versus Andrews Bank
 6 and Trust. That was a Christmas Club account where the lady
 7 had a Christmas Club account. The bank refused to give it
 8 back. The money was kept separate. Whereas here there's
 9 payments made to the bank, and it goes into their general
 10 coughers. That is not the case.

11 And there's a case shows that. It's not a banking
 12 case. It's an insurance premium case, but it's Austin
 13 versus Independent Life and Accident Insurance. We did not
 14 cite this. I just found it. 370 Southeast Second 918 Court
 15 of Appeals 1988, in that case the plaintiffs allege that
 16 they were defrauded into buying these insurance policies.
 17 And they paid premiums. And they made a claim for fraud and
 18 conversion. But in that case the insurance company took the
 19 premiums and just, no one kept them separately. So there's
 20 no conversion claim. They sued them for fraud in that case.
 21 There's no conversion claim under these facts, so we'd ask
 22 Your Honor for summary judgment on that.

23 The fraudulent misrepresentation, constructive fraud,
 24 the sixth and seventh causes of action, again we believe
 25 that those have been not plead with particularly as required

1 by Rule 9(b). In addition, there's been no false
 2 misrepresentation claimed, unless it again goes back to this
 3 we didn't have the right to bring the lawsuits, which we
 4 don't think is actionable. And no right to rely, again
 5 Mr. Bentrin is an experienced banker in an arm's length
 6 transaction. And there was no proximate cause from any
 7 representation because the prior claims were dismissed.

8 Next is the unfair trade practices, the eighth cause of
 9 action. There are two arguments there. Basically there's
 10 no effect on the public interest here. This whole servicing
 11 issue about the \$2,700 and whether we've accounted correctly
 12 for it, that's a matter for Your Honor. If you find we're
 13 entitled to foreclose and you figure out, you know, we've
 14 got to prove how much we're owed he gets to contest that.
 15 That's pretty simple. That's between him and us. It does
 16 not effect the public interest.

17 In addition, we believe that national banks like Wells
 18 Fargo are not subject to the South Carolina Unfair Trade
 19 Practices Act as had been found by the two other circuit
 20 courts whose opinions we gave you. Our act says that
 21 interpreting the South Carolina act you were to be guided by
 22 the Federal Trade Commission Act, the FTC.

23 THE COURT: We call it the little FTC.

24 MR. BAKER: Right. And the Federal Banking Act,
 25 the federal act that regulates national banks, whatever it

1 is, it's in these pleadings, specifically accepts -- well, I
2 apologize. It is a Federal Trade Commission Act
3 specifically excludes banks as something that they can
4 enforce, that they can regulate because they're regulated by
5 another fed law.

6 Ninth cause of action is slander of title. And we
7 believe that a filing of lis pendens as in this case is
8 absolutely privileged as part of a judicial proceeding and
9 summary judgment should be granted on that ground.

10 The eleventh cause of action is civil conspiracy. We
11 cannot conspire with ourselves or our subsidiaries or our
12 employees. And in addition, we can't act in concert with
13 ourselves. That's pretty clear law I think. In addition,
14 they haven't plead any special damages. The damages they
15 plead are damages they have for other claims in the case.
16 And I think the law is pretty clear that you can't have
17 overlapping damages.

18 The thirteenth cause of action is the Fair Debt
19 Collection Practices Act. And Your Honor, our position is
20 we're not a debt collector whom we're collecting our own
21 loan. And that applies to the servicer too. And we cited
22 the cases in our brief.

23 The fourteenth cause of action is the South Carolina
24 Consumer Protection Code. And as to that, if the underlying
25 loan is secured by a first lien or it's equivalent security

1 interest in real estate it's not a consumer loan. Now, this
2 loan took out an existing purchase money mortgage, but
3 because we had previously, First Union I guess had
4 previously put a home equity line they didn't switch it. It
5 was the same bank. So technically it's a second lien, but
6 it's the equivalent of a purchase money mortgage because it
7 took out a purchase money mortgage.

8 THE COURT: It replaced a purchase money mortgage
9 correct?

10 MR. BAKER: That's correct.

11 THE COURT: And came in the form of an equity line
12 of credit?

13 MR. BAKER: Well, no, I confused the Court. What
14 happened was he had a purchase money mortgage at Bank of
15 America. Some time before the loan in question he took out
16 what I understand is a home equity line with First Union.
17 And that was the bank he worked for. Then he later took
18 out, he wanted to get a loan to take out the purchase money
19 mortgage, which is the loan we're arguing about.

20 But rather than having it substituted as the first they
21 just left them in place because it was the same lender. Did
22 not switch the priority officially. Our position is it's
23 still in effect the equivalent of a first lien on the
24 property, because it took the place of an existing purchase
25 money mortgage. And therefore is not a consumer loan.

1 And in addition, even if it were a consumer loan
2 there's a one year statute of limitations. It would be
3 barred one year after the accelerated maturity date which
4 occurred during the first foreclosure in 2005. So he would
5 have to have brought it after 2005, within one year of the
6 2005.

7 Next to last, the fifteenth cause of action is the
8 RESPA claim, Real Estate Settlement Procedures Act. And our
9 position in that is that we did respond to the 2008 letter
10 asking for information. And the 2010 letter was basically
11 the same information. We responded beyond the 30 days,
12 however, we don't believe he has any actual damages which
13 flow from that.

14 You remember, Your Honor, at the last hearing you
15 required the plaintiff to produce an itemized list of his
16 actual damages, which is Exhibit H to our brief. And as to
17 this fifteenth cause of action basically he claimed the
18 difference between the Bank of America loan and the current
19 loan, some \$99,000, the failure to release a lien and
20 satisfy the mortgage, which I don't know what exactly that
21 relates to. I guess that since he's saying he put us on
22 notice that we really don't have the right to bring this
23 case we should release the lien and we didn't.

24 And then payments made to Wachovia from '06 to '08 he
25 said we didn't have a right to receive. None of that flows

1 from any delay in responding to the letter about servicing.
2 So it really, these damages he's claiming for the fifteenth
3 cause of action are not proximate cause by this delay in
4 responding. And in addition, in order to have a claim for
5 statutory damages for delay there's got to be pattern and
6 practice of it, which there is no evidence of here.

7 The sixteenth cause of action is for mail fraud.
8 Again, we feel he has not stated those particularities
9 required by 9(b). And we've also cited a case that says if
10 it's not criminally indictable as mail fraud you don't have
11 a private cause of action.

12 Lastly, and this is lastly, the declaratory judgment,
13 seventeenth cause of action, we're asking for summary
14 judgment, you know. Basically Your Honor could find if
15 we're not entitled to foreclose, we're not entitled to
16 foreclose. And that's really kind of, declaratory judgment
17 goes out the window. He probably is entitled to an
18 accounting, which we will get in the course of foreclosing.
19 So in our mind the accounting claim is really the only one
20 that survives in terms of his offensive claims in this case.
21 Thank you very much.

22 THE COURT: Mr. Varnado, let's start in with the
23 RESPA claim. I'd like to start there if we can.

24 MR. VARNADO: Yes, sir, Your Honor. Where I
25 briefed this, it is on page 24 of my memorandum. And I also

1 put the RESPA letters and e-mails in Exhibit Letter G, the
2 last exhibit to the memorandum. Your Honor, they only move
3 for summary judgment on these two qualified written
4 requests.

5 Mr. Baker has sort of advanced a new argument that I
6 didn't see in the memo that I was trying to write down,
7 didn't quite catch it. But in their motion and their
8 memorandum of law they said the December 8 letter they fully
9 complied with. And that's the December 8th, 2008 and the
10 July 20, 2010 went to a lawyer and therefore it doesn't
11 count. That was the basis of the motion.

12 MR. BAKER: We're not arguing that anymore. I
13 think we asked them to send it to our lawyer, so we're not
14 arguing that.

15 MR. VARNADO: Okay. Well, then that one right
16 there would be the July 10, 2010 letter was never responded
17 to fully. It's a RESPA violation. Summary judgment should
18 be denied.

19 They also, it said that -- I don't know if they're
20 abandoning this argument that because we asked for more than
21 servicing records in the July 10 letter that they can't be a
22 QRW either, which they didn't cite any authority for that.
23 I don't know if they're abandoning that argument.

24 MR. BAKER: I really didn't hear what you said.
25 What did you say?

1 MR. VARNADO: Your Honor, I had said that they
2 had --

3 THE COURT: I heard you. He didn't hear you.

4 MR. VARNADO: Well, I can only talk to you.

5 MR. BAKER: I apologize, Your Honor.

6 THE COURT: That's all right.

7 MR. VARNADO: That the July 20, 2010 QRW wasn't
8 QRW because it asked for more than servicing records. And I
9 don't know if that's still a valid -- I didn't think it was
10 series grounds for summary --

11 THE COURT: QWR, qualified written request.

12 MR. VARNADO: Yes, Judge. So I don't know if
13 they're abandoning that argument either, because that was
14 one they made in the paper. And I wanted to address it if
15 it's still a valid argument.

16 THE COURT: Y'all's position on that, Mr. Baker?

17 MR. BAKER: Your Honor, we're not abandoning that
18 right now.

19 MR. VARNADO: All right. Judge, there's no
20 authority cited in the memorandum. And it doesn't stand to
21 reason that if you send a QRW for servicing records and
22 that's the QRW, and you go oh, by the way, I'd also like to
23 get the insurance records on the force placed insurance that
24 you've killed your QRW. If they can't cite any authority
25 for it then it's a question of fact whether or not it's a

1 valid QRW. I think that you should deny this motion for
2 summary judgment.

3 When we sent other letters and e-mails that I cite in
4 the brief really nothing's happened on this. Judge Dennis
5 heard this and denied their motion too. They just sent QRWs
6 on October 12th, October 25th, and November 8th of 2010 that
7 would constitute a demand. They never did it. So you get
8 statutory damages under RESPA. They ask for our damages.
9 We gave them what we thought they were.

10 But at this point, just like Mr. Laney said earlier, if
11 it's a pleading problem let us amend. But we're here today
12 to prove our case. And we're actually here at a very unique
13 time. If they're moving for legal grounds then they can
14 move for summary judgment on legal grounds, you know, right
15 from the inception. But if they're saying there's proof
16 problems or that there's a contested fact about whether or
17 not certain letters are in effective or effective or not,
18 then that goes right into Hancock versus Mid South just like
19 Mr. Laney argued a few moments ago.

20 Your Honor, we've extensively briefed. Unless Your
21 Honor has more questions I think that covers QRW. They
22 really have just a scintilla that meets Hancock. It's
23 something that we're going to have to hash out at trial of
24 the case.

25 We briefed every point that Mr. Baker brought up. I

1 think there's a couple things that need to be said. One,
2 that Mr. Bentrim's not a banker. He's a financial adviser.
3 It's different. He hadn't been and he doesn't work for a
4 bank. He's a financial adviser. It's different.

5 Two, the Kerr case is one that I found when I did a
6 Westlaw search. It says what it says. The chief justice,
7 it was where some third parties and one bank customers were
8 trying to get a negligence claim through Dawes Cooke. And
9 Chief Justice Toll said well, banks owe their customers a
10 limited duty of care meaning a non-fiduciary duty. That's
11 fine. We haven't pleaded fiduciary duty. You probably
12 heard that about 30, 50, 70 times. Breach of fiduciary
13 duty, I didn't plead that. I just pleaded simple
14 negligence. And Kerr stands for the proposition of simple
15 negligence.

16 THE COURT: The problem then being that they have
17 the obligation to properly manage the file, to make sure
18 payments are credited properly? That's where you're going
19 with that, is that correct?

20 MR. VARNADO: Sure. And I'm kind of caught
21 because they say they're the servicer but won't show me a
22 servicing contract. And yet if they are the servicer then
23 they were negligent. If they're not the servicer then
24 they're not the holder. I mean, it's one of those, they're
25 sort of, they're kind of caught. They have to pick one or

1 the other.
 2 Judge, the statute of limitations argument, Mr. Baker's
 3 saying that it's all about the \$2,700 origination fee.
 4 Mr. Bentrim testified that wasn't important. It's really
 5 about three things. Did they have the right to sue us in
 6 2007 and 2009? Did they accurately follow the terms of the
 7 note? Was there other negligence involved and unfair and
 8 deceptive trade practices? So Kerr is the law of the land
 9 and the negligence claim can't be kicked based on the
 10 contract.
 11 They site the Water Point case, which was a breach of
 12 contract action against an insurance broker. It's
 13 completely in opposite for all the reasons as cited in my
 14 brief at some length. We go into, I think I just addressed
 15 the statute of limitations, negligent misrepresentation. I
 16 want to just say if you'll allow me, Judge, I know it's
 17 getting late but I'll be quick.
 18 Breach of contract accompanied by a fraudulent act,
 19 yeah, Judge Dennis kicked out breach of contract case.
 20 Because I didn't -- it was a pro se pleading. I didn't
 21 plead it right. I begged him, can you please let me amend?
 22 No, it's gone because you didn't specify what the contract
 23 is, which leaves us in a really unique situation where a
 24 bank is suing me for breaching a contract, although they
 25 argued we don't know what contract you were talking about.

1 Judge. The 1098 went from -- my colleague said Bentrim paid 1
 2 us and that EIN was paid to is us. Well, then there's no
 3 proof that the money went anywhere else as a servicer.
 4 That's a grounds for conversion right there. If they took
 5 money and didn't pay it to the servicer -- and there's no
 6 proof that they did. They haven't proved that. Then that
 7 would be conversion. If they didn't have the right to take
 8 the money that would be a conversion. If they put a lien on
 9 his property they have then they converted his use of the
 10 property. All those are cited at some length in my
 11 memorandum.
 12 I'm going to skip fraud because I think the same
 13 principals apply as in negligent misrepresentation. The
 14 second to last one I really want to do on is UTPA.
 15 Obviously it's a very important cause of action for us as
 16 you know. And they are citing two principals. One, that
 17 even though Dick Dyer overruled the general liability test
 18 it still applies to banks because of the section 29-5-40(b)
 19 of our little FTC Act. Our UTPA says look at section A of
 20 the big FTC Act.
 21 All right. First of all, Dick Dyer overruled the
 22 general liability test. This whole theory is based on the
 23 idea that footnote somehow survived from the case that Dick
 24 Dyer overruled. But if you look at that footnote it's
 25 clearly about the general purpose test.

1 Breach of contract of company by a fraudulent act
 2 however, is a separate cause of action. It's completely
 3 separate. Professor Hubbard and Professor Felix say it's
 4 completely separate. And I've met all the burden of that.
 5 I think Judge Dennis, when he talks of breach of contract
 6 claim or pleading failure, breach of contract accompanied by
 7 a fraudulent act is a new cause of action. Completely
 8 different. I mean, Felix and Hubbard say it's not a breach
 9 of contract claim, it's not a fraud claim. It's pleaded
 10 separately. And I go on, and I have citations to authority
 11 that Your Honor can read.
 12 Conversion, you know, they want to cite this bank case
 13 which says a depositor/creditor relationship alone there
 14 can't be conversion. That same case that they cite, Owens
 15 versus Andrews says if there's something more that makes it
 16 non-depositor/creditor then a conversion case can apply. In
 17 that case the guy nabbed the Christmas fund stuff. In this
 18 case we're alleging that they sold the note and they no
 19 longer are the depositor/creditor. The best they can hope
 20 for is a servicer.
 21 Like I say, they haven't proved it, but that's the best
 22 they can hope for. If they were the servicer they haven't
 23 shown a servicing contract. They converted the money, then
 24 they converted the -- you remember the whole -- I don't even
 25 want to touch on it, but the whole 1098 argument, that's us,

1 And if you examine their argument their argument
 2 doesn't hold water, Judge. Because the South Carolina UTPA
 3 says look at Section A of the FTC Act. Section A of the FTC
 4 Act says there can't be unfair and deceptive practices in
 5 trader commerce, which is identical to our Section A. And
 6 that makes sense. You wouldn't want South Carolina to be
 7 going off on a different direction on what constitutes
 8 trader commerce from the feds. I get that.
 9 But nowhere in 29-5-40(b) does it say look at Section B
 10 of the FTC Act. Congress set it up where the FTC regulates
 11 all business but banks are carved out. Banks are regulated
 12 under the Federal Reserve Act. That was the act that
 13 Mr. Baker was looking for. And that's assigned to the
 14 Office of the Controller of the Currency.
 15 Funny thing happened on the way though. The OCC issued
 16 an advisory opinion in 2002 which is still on their website.
 17 You can look it up, Judge. And I did at length. And the
 18 OCC says, oh, by the way, banks, please be on notice that we
 19 can sue you under the FTC Act for unfair and deceptive trade
 20 practices.
 21 So Mr. Baker's whole argument falls apart. Mr. Baker
 22 says look at A. And Congress doesn't have it like that.
 23 You're supposed to follow federal law, and yet federal law
 24 actually allows the OCC to sue banks for violation of the
 25 FTC Act, which means that there's no carve out for banks

1 under the FTC Act, which means that there's no carve out for
2 banks under the UTPA.

3 I hate to get into the weeds like that. I know it's
4 almost five, but we briefed it pretty extensively. We tell
5 you why the Anderson footnote's — we tell you why we think
6 those two circuit judges were wrong, or they didn't have the
7 OCC 2002 Advisory Statement in front of them. It's just
8 wrong.

9 And public impact, again, Your Honor, we keep coming
10 back. They admitted to the South Carolina Attorney General
11 and South Carolina Department of Consumer Affairs that they
12 violated South Carolina Unfair Trade Practices Act. They
13 admitted it. I mean, that's an admission by a party
14 opponent. One, why would they admit it if they weren't
15 subject to it?

16 THE COURT: Still doesn't give you a private cause
17 of action.

18 MR. VARNADO: I mean, I don't need a private cause
19 of action. I need, I can sue them under the UTPA. I have a
20 private cause of action under our UTPA that's for sure.
21 They're not exempt from the UTPA. They've already admitted
22 the biggest element I have to prove, adverse public impact
23 which means a potential for repetition, which means has done
24 it in the past. Or Your Honor, I should be entitled to
25 discovery on whether or not they've done this to other

1 homeowners.

2 But for the purpose of summary judgment they can't,
3 legally or factually they can't meet their burden to prove
4 summary judgment at this time. I know that one's a little
5 convoluted, but that's the reason why UTPA does apply to
6 banks. And there is evidence of the adverse public impact.
7 I think when you read our civil conspiracy, Fair Debt
8 Collection Practice, Consumer Protection you'll see the
9 reasons why they really created their own issues of genuine
10 fact because they sold the note in 2006. They no longer
11 acted as debtor/creditor.

12 They really, in terms of the South Carolina Consumer
13 Protection Code, if the note's not enforceable then the
14 mortgage goes to the note. And that's been a big part of
15 our case from the get go. Then it's an unsecured note, and
16 then it's therefore outside the purview of the act.

17 And there's another thing. Mr. Baker was wrong. The
18 bank actually did change the priority. The bank put, the
19 \$10,000 left on the home equity loan went first. And that's
20 in the record. So he's incorrect on that. They put the
21 HELOC second, which really begs the question why they would
22 do that, but I guess we'll get to that later.

23 And then the declaratory judgment, the declaratory
24 judgment sort of mirrors their counter claim. Their counter
25 claim says we're entitled to enforce. And my DJ action says

1 you're not entitled to enforce. So it's sort of, they kind
2 of go like one with the other. If you're not going to
3 dismiss the counter claim you can't grant the summary
4 judgment on the declaratory judgment we would respectfully
5 submit.

6 But if you look at our filings you're going to see,
7 again a list of all the things that they haven't proven on
8 page 28. These are things that are not proven. You've
9 heard from counsel, but you haven't heard from any affidavit
10 or anybody. And these are the very simple things to prove
11 like what happened to the note, where was it.

12 Judge, I think the last point I'd make is that summary
13 judgment's a drastic remedy. We all know that. Summary
14 judgment, the supreme court disliked them. That's why they
15 handed down Hancock for a scintilla. And also imbedded in
16 Rule 56 is this concept that summary judgment's
17 inappropriate if more discovery is left to be done.
18 Discovery's still open. I mean, counsel said we need to
19 extend discovery.

20 We have a wrath of depositions to take. I just found
21 out who one of their — back in February you ordered them to
22 tell me who the witness was on vault records. I think I
23 just found out well, you know, last week. So I'm sorry I
24 wrote you a 30 page brief. I would have liked to have been
25 smaller. I got their brief on Friday about 4:45. And I

1 worked all weekend, but I worked Saturday and Sunday pretty
2 late, Judge.

3 And I respectfully submit that based on all these facts
4 there's enough facts in evidence. The law is wrong. I've
5 gone over all those arguments. That you deny summary
6 judgment at this time. Thank you.

7 MR. BAKER: Very briefly. I thought that's what I
8 did say on the equity line in this case. The equity line,
9 the \$12,000 did stay first and this loan was second. Maybe
10 I got confused.

11 On the public impact for the Unfair Trade Practices
12 Act, I am told by my counsel that the attorney, whatever we
13 did with the Attorney General was not based on somehow
14 wrongly filing foreclosures. Previously we didn't have a
15 right to.

16 MR. LANEY: I believe that's correct.

17 MR. BAKER: And so we don't know how that, you
18 know, the allegations in this case can relate to that as
19 having — certainly there are some things a bank may do that
20 has an impact on the public interest, but not what's alleged
21 in this case. They haven't shown it occurred before. And
22 they haven't shown, you know — it was Wachovia bringing the
23 previous cases. Now, it's Wells Fargo. We've got the note
24 in our file. And you know, it goes back to their summary
25 judgment. I mean, there certainly is circumstantial

1 evidence that the note was with the Money Store and came
2 back to us.

3 But that's not the basis for our motion for summary
4 judgment. We don't have to prove anything. We can point
5 out that they are missing evidence on an essential element
6 of any of their claims against summary judgment that way.
7 And most of this is within their bailiwick to say here's the
8 proof, not for them to take our depositions.

9 So where is the public impact under Unfair Trade
10 Practices? On the negligence, again he said it doesn't
11 relate to the \$2,700. That's good to know. So that's out
12 the window. But that's part of the accounting we'll figure
13 out in the foreclosure, but the right to sue in '07 and '09,
14 if they had some claim against us there for wrongfully suing
15 isn't that a compulsory counter claim in those cases that we
16 brought? And isn't that a malicious prosecution claim? I
17 don't know how -- I've never heard of a case based on a
18 negligent lawsuit. You negligently filed a lawsuit against
19 me so you can recover. Accurately following the note, again
20 that arises out of contract. That's not a tort claim.

21 So I don't -- in any event, all I heard him say about
22 the Kerr case was that there's some limited duty. If the
23 case was a third party claim and they said there was no
24 claim against the third party, again not having read it I
25 don't know.

1 But Your Honor, a duty of care is a question of law.
2 It's got to arise from something. Doesn't say what the
3 limited duty of care a bank owes is. So in this case we
4 would submit that unless there's some fiduciary relation or
5 we undertook to do something and provide a service other
6 than just what we normally do as part of the loan
7 processing, that there's no separate duty of care. And the
8 unusual circumstances to make it rise to a duty don't exist.

9 Lastly, our RESPA claim is a legal argument. And my
10 point is there's no damages that flow from responding late
11 to the 2010 letter, which we did not respond within the 30
12 days. If you get the statutory damages, at least as I read
13 the statute, and maybe I'm reading it wrong, it says that
14 you've got to prove a pattern or practice. In the case of
15 an action by an individual an amount equal to the sum of any
16 actual damages or a result of the failure, here the delay,
17 there are no damages that result because we didn't respond
18 to him on time.

19 His damages he's alleging result from making loan in
20 the first place or trying to bring the claim against him
21 when we're not the holder. There's no proximate cause
22 there. And then it says any additional damages as the Court
23 may allow in the case of a pattern or practice of
24 noncompliance with the requirements of this section in an
25 amount not to exceed \$2,000.

1 Here we respond to the first letter. We responded late
2 to the second one. And our point is it hardly amounts to a
3 pattern and practice. And no amount of discovery is going
4 to be able to change that fact. Thank you.

5 MR. LANEY: Your Honor, may I just clarify one
6 thing? It was a little confusing. About the Attorney
7 General order, certainly it had to do with the servicing of
8 loans which would be similar to the issues that they brought
9 in this case. I don't want to mislead the Court, but our
10 arguments we made in the previous hearing said Mr. Bentrin
11 was adequately represented by the Attorney General in that
12 case. There's no private cause of action for the acts that
13 were complained of in the Attorney General's, set forth and
14 agreed upon in the consent order can't serve the basis for
15 his Unfair Trade Practices here.

16 That's how it can't impact the public interest, because
17 that case has already been decided. If anything it's res
18 judicata against Mr. Bentrin to bring claims based on the
19 same allegation. There's a consent order and Attorney
20 General Wilson represented the people of South Carolina in
21 that case. There's already been redress for any injuries.
22 That's kind of what I was trying to --

23 THE COURT: One second here.

24 MR. VARNADO: I'll be real brief. Mr. Laney's
25 point, remember, Bentrin filed his case before the Attorney

1 General came out. We're not suing for violations that the
2 Attorney General found, but we're using the admission by a
3 party opponent that they have violated the UIPA as the basis
4 for the adverse public impact. I think that's dead on.

5 Mr. Baker says, well, they haven't shown you any other
6 proof. Well, they fought us tooth, hook, and tail to get
7 the proof I asked him for other homeowners. No, that
8 doesn't apply to Bentrin's loan. I think you see the reason
9 why we want it, Your Honor. I think we're entitled to some
10 of that, but maybe we'll get to that, the last little
11 motion.

12 The other thing is the negligence claim. Mr. Baker is
13 saying -- it's Justice Toll right in front, banks have a
14 limited duty of care. Limited duty of care means you don't
15 owe a fiduciary duty. So I haven't sued them under
16 fiduciary duty. The qualified written request, I don't
17 know. I show you five, I show you five QRWs by letter and
18 e-mail that they ignored. They send back a note that's not
19 the note that they sued on.

20 And I've actually added -- and I'd ask Your Honor to
21 look at it for these CRIS statements. If you look those
22 CRIS statements over, Judge, you're going to see that they
23 don't add up to each other. There's clearly a pattern and
24 practice of ignoring qualified written requests and
25 submitting false information. And that's all before Your

1 Honor in the record today. And that's all I have to say
2 about that, Your Honor.

3 THE COURT: Very good. All right. Here's what
4 I'm going to do for now. One, as to the initial motion, and
5 that was the motion to change or redact the order, I'm going
6 to make a finding that, in fact Wells Fargo is a holder in
7 due course. That's my finding. Even if they're not a
8 holder they have all the rights of a nonholder. So I'm
9 making that finding of fact today based on the record
10 before me. That's going to impact this case.

11 MR. BAKER: Your Honor, may I make a
12 clarification? You said even if not --

13 THE COURT: Even if they're not the holder they
14 qualify under the second section of the PETE statute we've
15 been talking about today. And I think clearly they are, in
16 fact the holder. I find that they possess the document.
17 And by possession of the document in this particular case
18 they are the holder of the instrument.

19 Two, even if they're not the holder there would be a
20 nonholder in possession instrument with all the rights of
21 the holder. So they fit under Section 36-3-301(a), I think
22 that's actually 1 and 2. That's one principal finding that
23 I'm making. As a consequence of that I'm not changing that
24 prior order. I'm not granting any further discovery on the
25 ACLS nor anything further, that's one.

1 Now, two, as to the plaintiff's Motion for Summary
2 Judgment I'm going to deny those Motions for Summary
3 Judgment because essentially they're based on whether or not
4 they're a holder. So I'm going to deny that Motion for
5 Summary Judgment in toto. As to the defendant, Wells
6 Fargo's Motions for Summary Judgment I'm going to ask that
7 y'all get me a proposed order that follows what we've
8 discussed today.

9 However, the two causes of action which I am confident
10 that are going to survive this Motion for Summary Judgment I
11 believe to be the negligence cause of action, but that's
12 subject to the statute of limitations claim. I need y'all
13 to flush that out for me. And then the RESPA violations,
14 same thing. It is my belief based on the argument we've had
15 here today that these two claims are going to survive. I'm
16 not telling you that that's in perpetuity, but those two are
17 the ones that I think will survive today's Motions for
18 Summary Judgment.

19 Breach of fiduciary duty will not. South Carolina
20 Unfair Trade Practices will not. I haven't seen any special
21 damages for the conspiracy to survive. Federal Debt
22 Collection Practices Act will not survive. Consumer
23 Protection Code is not going to survive.

24 I haven't then ruled on the breach of contract
25 accompanied by a fraudulent act. There's one I haven't

1 ruled on. And then y'all just have to get me some authority
2 on that and what y'all's position is on that. And I'll hear
3 from you on that as well.

4 MR. BAKER: What about good faith and fair
5 dealing, Your Honor, or should we argue that too?

6 THE COURT: That's breach of contract, so that
7 goes away. Yeah. That's the same thing as a breach of
8 contract. I said the negligence would probably survive
9 subject to the statute of limitations. I think that's where
10 the negligent misrepresentation claim is in the same boat.

11 I'm going to grant Summary Judgment on conversion. I'm
12 going to grant it on fraud. I'm granting it as to slander
13 of title. I've already granted it as to conspiracy, the
14 Fair Debt Collection and Civil Protection Code. RESPA
15 survives. Mail fraud, summary judgment. And I think that
16 takes care of the declaratory judgment claim. I finding
17 that they're the holder. I think that takes care of that.

18 (Hearing went off the record for a brief period
19 of time.)

20 THE COURT: We're back on the record. Just for
21 the purpose of the record there was some discussion as to
22 whether or not the rulings are final and interlocutory.
23 It's the position of the Court that the Court's rulings on
24 Summary Judgment are not final until such time as the case
25 is resolved. So if that helps you with your analysis I

1 think that may be of some benefit to you.

2 All right. So I think I have ruled on everything. If
3 I've left something out y'all need to bring that to my
4 attention. I think the biggest single ruling today was, of
5 course that I find that they are, in fact the holder in due
6 course as to the note and mortgage in question. I think
7 that's significant in this case.

8 But there is no final order in this Court's opinion.
9 They still have to prove their case at the time of trial.
10 There's still an issue of damages. Those damages arise in
11 addition to their requirement of proof as to the note, the
12 amount of the debt is whether or not there have been some
13 statutory violations which would entitle you to some costs
14 and fees.

15 And there's also a question about the \$2,700, as to
16 whether or not that's existing. And then whether or not
17 there has been under the negligence causes of action, as to
18 whether or not there's been some mishandling of the claim.
19 And I'm not so sure that's not a breach of contract, but
20 that's been tossed out. So it's still exists as breach of
21 contract.

22 MR. VARNADO: One quick motion, Judge.

23 THE COURT: Yes.

24 MR. VARNADO: Discovery motion, we have moved to
25 compel, Your Honor. Your Honor said no more ACLS records.

1 I respectfully request that you reconsider that. There are
2 servicing records by Ms. Kita's affidavit. No counter
3 affidavit from the bank, no showing of hardship. And I
4 respectfully submit that we should get to see the servicing
5 records. Number two --

6 THE COURT: Let me stop you right there. The
7 servicing records, what's been provided? What's not
8 provided? Tell me what that is.

9 MR. LANEY: Your Honor, we have provided what's
10 called the ECAR notes. And for that there was another
11 system that we also provided prior to the merger. So we
12 have provided both systems. They exist and probably some
13 overlap in exactly what's done, but from the inception to
14 the beginning.

15 And I know Mr. Varnado has indicated that, well, we
16 need to get the First Union servicing records. Any records
17 we have related to First Union's servicing of this loan were
18 included in the Wachovia servicing records which we have
19 provided to them. We've made -- through inquiry of our
20 client they told us these were the servicing records related
21 to Mr. Bentrim's loans. And we've provided that.

22 Until the affidavit of Mr. Kita and this motion, these
23 other reports and anything related to that I never heard of
24 that motion. And so we inquire, the folks I did inquire of
25 said they were not aware of those reports either. But it's

1 my understanding as I sit here today that my client has
2 provided us with all the servicing records related to
3 Mr. Bentrim's loans that we have, Your Honor.

4 MR. VARNADO: I just would just briefly say
5 Ms. Kita is an expert in this platform. These are servicing
6 records. If you ordered a totality of servicing records and
7 he says I provided a lot of them, but I can still show some
8 are left, then these specifically go to principal and
9 interest, and how it was handled. They're the backup for
10 the ACLS history card. And Ms. Kita says it's a keystroke.
11 And Mr. Laney didn't bring on account of it's burdensome or
12 it's out of play. Your Honor, all we ask is that someone at
13 the bank just go to the ACLS and press enter.

14 THE COURT: All right. Move to the next one.

15 MR. VARNADO: Your Honor, the next one was the
16 vault records. I have a lot of confusion about this.

17 THE COURT: I'll deny the vault records outright
18 Anything else?

19 MR. VARNADO: They gave us the witness they need
20 to. The First Union records, if they exist then they should
21 be turned over. Mr. Laney says they're subsumed in
22 Wachovia. I don't know that to be. I just want somebody to
23 say we've turned over everything we have.

24 MR. LANEY: You indicated we had to produce a
25 witness on the servicing, and we provided that name to

1 Mr. Varnado.

2 THE COURT: That's the name y'all provided?

3 MR. LANEY: Yes, sir. And we've provided another
4 name previously pursuant to the Court's order.

5 THE COURT: Okay. Y'all do have that name?

6 MR. VARNADO: We do have that name, Your Honor.

7 THE COURT: All right. And what about the
8 keystroke to get the ACLS records, tell me about that. Is
9 it that simple, that easy?

10 MR. LANEY: I simply don't know, Your Honor. I'll
11 be honest with you. I doubt it's that easy, but I do not
12 know. When we asked for the servicing records to comply
13 with the Court's order all the ECAR notes, the other notes
14 that we have provided, which are quite voluminous to
15 Mr. Varnado and his clients, that's what was represented to
16 us are the servicing records for this file.

17 So I do not, I honestly can't sit here in front of you
18 and say I know what these reports he's representing
19 Ms. Kita's saying they are, whether those are servicing
20 records or not. I've never personally seen any such
21 reports, how easy or how hard that is.

22 THE COURT: Right. Have you been able to put this
23 request into a written form based upon what she's providing
24 you to a specific and for a specific period of time?

25 MR. VARNADO: I think, I definitely think I have.

1 THE COURT: That's the answer to my question. So
2 here's what I want to do. I want you to rephrase it. I
3 want you to go back to it, rephrase it again. I want y'all
4 to take that back to your client. I want to find out how
5 difficult or how burdensome that is.

6 MR. LANEY: Yes, sir, Your Honor.

7 THE COURT: And I don't want to just response that
8 it's burdensome. I want a response that it's going to take
9 umpteen hours to generate this thing. And if it's not then
10 I want it to be produced. Simple as that.

11 MR. LANEY: Thank you, Your Honor. If it doesn't
12 relate to servicing would that be also something we could
13 just tell the Court, these reports that Ms. Kita's wrong.

14 THE COURT: Right.

15 MR. LANEY: Thank you, Your Honor.

16 THE COURT: Okay. I think that concludes our
17 hearing for today. I did tell y'all I was going to give
18 y'all a scheduling order. I'm not going to do that today.
19 So what I'd ask you to do is send me a proposed order.
20 Y'all put y'all's heads together and see when we can do
21 that. If you want to submit one together that would be fine
22 with me.

23 MR. VARNADO: Thank you, Judge.

24 MR. LANEY: Thank you, Judge.

25 (Hearing concluded at 5:40 o'clock p.m.)

1 STATE OF SOUTH CAROLINA
COURT OF COMMON PLEAS
2 COUNTY OF CHARLESTON

3 Brent E. Bentrin,
4 Plaintiff,
5 vs. CASE NO. 2011-CP-10-2946
6 Wells Fargo Bank, N.A.,
7 Defendant.
8
9
10

11 Hearing before the Honorable
12 Mikell R. Scarborough, reported by Christine A.
13 Smith, Court Reporter and Notary Public, at
14 11:17 a.m. on October 16, 2014, at 100 Broad
15 Street, Charleston, South Carolina.
16
17
18
19

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1 PROCEEDINGS

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4 MR. BAKER: Your Honor, we argued
5 motions back in June, and both sides
6 submitted -- we submitted a proposed order.
7 Both sides submitted supplemental briefs. We
8 went back and forth quite a few times, and
9 probably drove your clerk crazy. Now we're
10 just waiting for a recusal of the case.

11 THE COURT: So it's my fault? I've got
12 you. I heard you loud and clear. You say
13 you did send in proposed orders?

14 MR. BAKER: I've got it right here,
15 Judge. I can be a little bit more specific,
16 too. This involves several discovery motions
17 and a summary judgment. You granted summary
18 judgment on ten out of 13 claims and asked
19 for further briefing on the three remaining.

20 THE COURT: Okay.

21 MR. BAKER: This order -- I think
22 Mr. Varnado only had two issues with the
23 order. One is under Section I, Plaintiff's
24 Motion to Reconsider. He wanted you to -- he
25 thought that you found at the hearing that

1 Wells Fargo is not only a holder, as we had
2 the original note, but also a holder in due
3 course. Our order just said a holder.

4 On Section III the motion is for us to
5 gather our documents, and if we objected to
6 producing them or they were overly burdensome
7 or weren't relevant we asked for 20 days to
8 do that. He wants 15. We're fine with 15.
9 We have most of that done already now. We
10 didn't back then, but we have -- so I don't
11 object to that. We think you ought to just
12 stick to the ruling. It was a holder.
13 That's the only issue on this order.

14 THE COURT: Okay.

15 MR. BAKER: And then we need to set up
16 a date to hear, unless you're going to decide
17 on the supplemental briefs, to hear further
18 arguments on the three claims you asked for
19 further briefing on, which were the negligent
20 misrepresentation claim, the breach of
21 contract accompanied by a fraudulent act, and
22 the RESPA claim. Both sides submitted briefs
23 on that, unless you want to hear from us
24 again.

25 THE COURT: Those were the supplemental

5 1 memoranda, right? 2 MR. BAKER: Right. And then you talked 3 about a schedule. We have not mediated. 4 We're prepared to once we finish up a couple 5 of depositions. 6 THE COURT: Okay. Let's first talk 7 about the holder -- holder in due course 8 language. Where do you stand on that? 9 MR. VARNADO: Judge, we're going to ask 10 you -- if you ruled that they're a holder or 11 a holder in due course we're going to ask you 12 to reconsider. You did say that they were a 13 holder and a holder in due course. 14 THE COURT: They were holding the 15 document, right? 16 MR. VARNADO: But we don't think that's 17 the test of a holder. 18 THE COURT: Well, I'm going to find 19 that they're a holder. I think that they're 20 a holder in due course. I think they're a 21 holder. They are whatever they are. If 22 they're holding it in their hand, and my 23 recollection is I looked at it. I think it 24 would fit under UCC. 25 MR. VARNADO: And we respectfully	7 1 95 percent on it, and are checking on the 2 other 5 percent. 3 THE COURT: Is there an objection to 4 the other at this time? 5 MR. BAKER: No objection. 6 THE COURT: All right. 7 MR. VARNADO: I mean, again, 8 Your Honor, the only thing I can say is -- 9 since they've been working on it since June, 10 I expect, that it wouldn't take another 20 11 days to get it to us. 12 THE COURT: It sounds like he's ready 13 to give it to you. 14 MR. BAKER: I think we can give 15 95 percent of it to him tomorrow. We're 16 looking at the other 5 percent. 17 MR. VARNADO: The other thing is, 18 Judge, they turned over some documents in 19 camera review for you, and we feel that they 20 should be produced as well. I don't know if 21 you recall correctly, but they turned over an 22 agreement, and you know, I would say a couple 23 of things. Under UCC Article 9 debtor is 24 allowed to see a security agreement. Two, we 25 executed a consent confidentiality agreement
6 1 disagree. 2 THE COURT: You're welcome to do that. 3 MR. VARNADO: We've submitted that they 4 really can't be because of the requirement 5 that it be endorsed and they don't have an 6 endorsement. We've shown you in some of the 7 other arguments. 8 THE COURT: All right. 9 MR. VARNADO: And then the other thing 10 that's kind of out there is -- 11 THE COURT: Well, let's stick to the 12 two discovery issues. You-all are ready 13 to -- 14 MR. BAKER: I could amend. If it's 15 Your Honor's direction we could amend this 16 proposed order to say, hold grant holder in 17 due course. 18 THE COURT: Let's do that. 19 MR. BAKER: I'll submit it this 20 afternoon. 21 THE COURT: That would be great. And 22 then on the discovery thing you-all have got 23 what you need to provide at this point in 24 time? 25 MR. BAKER: I think we've got about	8 1 drafted by Womble Carlyle or it might have 2 been Buist Moore at the time. So we are 3 already bound by that confidentiality 4 agreement, and it's just discoverable. I 5 think they've also given you some redacted 6 vault records. I just don't see what 7 possible argument in light of Article 9, in 8 light of the consent confidentiality 9 agreement, in light of just the broad nature 10 of discovery that those documents should not 11 be turned over. 12 In fact, that security agreement is 13 something that we feel they denied and denied 14 over again existed, and we really need to see 15 it in order to test what they're saying. 16 We're kind of fighting these summary judgment 17 battles with one hand tied behind our back 18 because there's an important document that's 19 been presented for in camera review without 20 really explaining why it shouldn't be turned 21 over to the Plaintiff, so that's the next 22 thing. 23 THE COURT: All right. Do you want to 24 address that one? 25 MR. BAKER: Our position is you ruled

9 1 on it. We submitted it for in camera review 2 for you to decide whether to give it to them 3 or not. I don't recall what's in them at 4 this point to argue the merits. 5 THE COURT: I can't recall. I remember 6 some of the stuff I thought probably was 7 confidential, and some of the stuff I 8 thought -- I think probably can be disclosed. 9 I would have to go back and take a look at 10 it. 11 MR. BAKER: It's certainly at 12 Your Honor's discretion. 13 THE COURT: I apologize. I'm not as up 14 to speed on it as I should be. As I think 15 back on it now I got to the point where I 16 just decided we needed to probably get 17 together, and that's why we're here. If 18 you'll amend the order as indicated and 19 e-mail it to me today I will sign it today. 20 I'll have it signed today. It sounds like 21 you should have your documents tomorrow. 22 I'll go back and take a look at the 23 things. My recollection is I usually mark 24 the things up. If I think they're 25 confidential or shouldn't be disclosed I	11 1 We named four because he named four. We had 2 to have as many. We don't know exactly what 3 they're going to say. As of last year they 4 weren't ready to give any testimony. So we 5 figured we would end discovery and then we 6 would like to mediate before both parties go 7 to the expense of getting the experts up to 8 speed. Our idea is by the end of the year. 9 Then we would have -- falling mediation they 10 would have a month to get their experts 11 ready, a month for us to depose them and then 12 likewise on our side. So it does extend it 13 out to about May for our pretrial and then 14 trial. 15 That's kind of our idea of how it 16 should unfold subject to whatever Rob has to 17 say. 18 MR. VARNADO: I think Mr. Baker 19 correctly said -- I just got this. It's way 20 too aggressive on thinking that we can 21 complete discovery depositions -- the way 22 it's set right now -- on or before December 23 5th. That's basically a month. In light of 24 the records, which I haven't gotten yet, 25 there's also -- you remember, Judge, there
10 1 usually am pretty clear on that. If I think 2 something doesn't have any basis upon 3 which -- a work product is being derived then 4 I certainly will let you get that, and I'll 5 just have to get back to you-all as to what 6 those documents are. Okay? 7 Discovery then will continue. You-all 8 have some depositions to take, and then have 9 we set forth a mediator at this point in time 10 or not? 11 MR. BAKER: We were going to use Dawes 12 Cooke. I have a proposed scheduling order I 13 gave to Rob about 15 minutes before the 14 hearing. We haven't had a chance to discuss 15 it. Our kind of idea of how it should 16 happen -- we can discuss dates if they don't 17 agree. 18 Our idea -- we believe under your prior 19 ruling that we have a right to continue and 20 then finish the Plaintiff's deposition, and 21 then you had ordered us to produce a witness 22 on certain topics. I think it was one or 23 two. I can't remember right now. We can get 24 that done. Our proposal was to finish those. 25 Each side has named like four experts.	12 1 was this -- they said that this note -- they 2 were going to the money store. There was a 3 sale to the money store. We haven't gotten 4 any money store records at all. 5 I don't know if those are part of what 6 Mr. Baker says he's going to have to me by 7 tomorrow. I think the scheduling order is 8 just way too tight, especially around the 9 holidays, to get all the depositions that 10 need to be done and to get Dawes to mediate 11 it right before Christmas. 12 MR. BAKER: Usually he accuses the 13 Defendant of trying to stretch it out too 14 far. That's fine. 15 THE COURT: I find these banks grow a 16 heart somewhere between about December 10th 17 and 24th every year. You might want to be 18 thinking about a mediation about that time. 19 That's just been my experience from sitting 20 up here on the bench, Mr. Varnado. 21 MR. VARNADO: Yes, sir, Your Honor. 22 MR. BAKER: Maybe we can have some 23 further discussions and then come back to 24 you. 25 THE COURT: Why don't you-all do that.

13 1 I'll tell you what I'm going to do today. 2 Mid-January let me get you-all back in here 3 for sort of another status. Let's see where 4 we are at that time. I think you-all need to 5 keep moving forward. 6 By that time -- one, I'll sign that 7 order. Two, sooner than that I'm going to 8 get you an answer on these privileged 9 documents that have been provided to me. I 10 like the idea of trying to mediate it prior 11 to taking all those experts. You-all can 12 always mediate it again. Dawes was in the 13 back of my mind. Have you-all met with him 14 yet at all? 11:27:54AM 15 MR. BAKER: We talked to him. We 16 didn't -- there was a mediation date. With 17 that ruling, Your Honor, there was just so 18 much up in the air that we both kind 19 of agree -- plus once we get the ruling 20 there's a chance they might appeal. Things 21 kind of hinge on this order. 22 You know, I just want to make clear to 23 the Court, our position on discovery is that 24 the only discovery left to be done is turning 11:28:20AM 25 over what the Court's ordered and producing	15 1 colleague is not closed by any stretch of the 2 imagination. 3 THE COURT: All right. Well, we'll 4 cross that bridge if we can't get that 5 resolved in the next 90 days. 6 January, let me bring you-all back in 7 here. January 12, 2015, why don't you-all 8 come back in at, let's say, 11:00. 9 MR. VARNADO: Your Honor, is that 11:28:53AM 10 Monday the 12th? 11 THE COURT: Monday the 12th. 12 MR. BAKER: That's Martin Luther King 13 Day, Judge. 14 THE COURT: Martin Luther King is the 11:29:56AM 15 next Monday. I had to work on Columbus Day. 16 MR. VARNADO: You had to work the day 17 before Thanksgiving a few years ago, too. 18 THE COURT: Yes. January 12th, 19 11:00 a.m. Thank you. 20 (The proceedings were concluded at 21 11:30 a.m.) 22 23 24 25
14 1 the witnesses. There's a limited number of 2 fact witnesses. 3 We're not agreeing -- there was a 4 discovery deadline, but we're not agreeing to 11:28:32AM 5 discovery wide open, Your Honor. 6 MR. VARNADO: I would say one thing 7 about this whole issue of the money store, it 8 came up real late in the game. Remember, 9 Judge, they said -- before a parade of 10 lawyers are coming in here and telling you 11 that the debt had been sold and that this 12 document that we pointed to didn't mean what 13 it said. The participation interest was 14 sold. Actually there was a sale -- there was 15 this guy named Wakefield that gave an 16 affidavit rather, the Wakefield affidavit, 17 which is part and parcel of what they're 18 asking you to rule on. We haven't gotten 19 document one from the money store even though 20 they're claiming the money store -- they're 21 taking it over. So they should be in custody 22 and control of those documents. 23 THE COURT: All right. Very good. 24 MR. VARNADO: So I think their 25 discovery, with all due respect to my	16 1 State of South Carolina) 2 County of Charleston)CERTIFICATE 3 4 I, Christine A. Smith, Court Reporter and 5 Notary Public for the State of South Carolina at 6 Large, do hereby certify that the foregoing 7 transcript is a true, accurate, and complete 8 record. 9 I further certify that I am neither 10 related to nor counsel for any party to the 11 cause pending or interested in the events 12 thereof. 13 Witness my hand, I have hereunto affixed 14 my official seal this 19th day of December, 2014 15 at Charleston, Charleston County, South 16 Carolina. 17 18 19 20 21 Christine A. Smith 22 Notary Public 23 My Commission Expires 24 May 12, 2021 25

STATE OF SOUTH CAROLINA
COURT OF COMMON PLEAS
COUNTY OF CHARLESTON

Brent E. Bentrim,
Plaintiff,

vs. CASE NO. 2011-CP-10-2946

Wells Fargo Bank, N.A.,
Defendant.

Hearing before the Honorable
Mikell R. Scarborough, reported by Christine A.
Smith, Court Reporter and Notary Public, at
11:14 a.m. on January 12, 2015, at 100 Broad
Street, Charleston, South Carolina.

COPY

CHRISTINE A. SMITH, Court Reporter

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P R O C E E D I N G S

1
2
3 THE COURT: This is Bentrim versus
4 Wells Fargo. I have it as a pretrial status.
00:00:10 5 This is a motion to reconsider and other
6 outstanding motions. We have Mr. Rob Varnado
7 for the Plaintiff in this case. I've got
8 Mr. Baker and Mr. Hawk and Mr. Laney all
9 representing Wells Fargo, right?

00:00:30 10 MR. BAKER: Yes, Your Honor.

11 THE COURT: Very good. I've ruled on
12 some issues. I understand some are on
13 appeal; is that correct?

14 MR. VARNADO: Your Honor, I think I can
00:00:39 15 recite the procedural history.

16 THE COURT: Okay. Thanks.

17 MR. VARNADO: There's one order that
18 contains several parts. Your Honor may be
19 aware that earlier in the year there was a
00:00:58 20 discovery order, and my colleague submitted
21 an order and Your Honor signed it. He used
22 the word, "held". I asked Your Honor to
23 reconsider the use of the word, "held", in
24 that discovery order.

25 After that simultaneously the parties

1 both filed extensive cross motions for
2 summary judgment. You denied the Plaintiff's
3 motions for summary judgment and you granted
4 in part and denied in part the Defendant's
00:01:21 5 motion for summary judgment. One order
6 resulted, Judge.

7 In that motion to reconsider the
8 discovery order Your Honor went ahead and
9 said, you know what? I'm going to go ahead
10 and rule that Wells Fargo is not only a
11 holder but is also a holder in due course of
12 the note and alternatively they're still able
13 to enforce under the Uniform Commercial Code
14 even if they're not a holder or are a holder
00:02:00 15 in due course.

16 Now, I'm left with a tricky situation,
17 Judge, because I respectfully disagree with
18 you on that. We've gone over that and I
19 understand just in the hearing before us you
00:02:10 20 articulated your thought on that. I've gone
21 ahead and appealed that. It was risky for
22 me.

23 I could have come in and said, Your
24 Honor, I think you changed your original
00:02:25 25 order to the extent that it became new so

1 that a successive Rule 59 motion would pull
2 the time and allow me to appeal. It was just
3 on the line enough where I thought that the
4 better practice would be to go ahead and
00:02:41 5 appeal rather than file a second Rule 59
6 motion or rely on that.

7 So the first motion -- I did go ahead,
8 just out of an abundance of caution, assuming
9 my colleagues might try to dismiss it at the
00:02:54 10 Court of Appeals, I did file a timely second
11 motion to reconsider. Your Honor, you've
12 made a ruling which we believe becomes the
13 law in the case. That's the functional
14 equivalent of a partial summary judgment
00:03:08 15 really on the issue of holder/holder in due
16 course or in the alternative they're able to
17 enforce.

18 I understand that. To the extent this
19 case is here, that's your ruling. That's
20 become the ruling of the case. We don't need
21 to litigate it anymore from our standpoint.
22 We just need to appeal it, which we've done.

23 I do have a motion to reconsider on
24 that issue, whether or not they're the
03:35 25 holder/holder in due course or in the

1 alternative you're still able to enforce. I
2 don't know if that's in front of you by
3 virtue of the appeal. That actually begs --
4 the next question is, what is and isn't in
5 front of you by virtue of the appeal.

6 We also -- that same order because it
7 was all done in one order, Judge -- maybe in
8 hindsight I shouldn't have gotten up there
9 and asked that it be done in separate orders.
10 It's all been in one order. That order also
11 contained rulings on causes of action.
12 Remember, I had like 13 causes of action.
13 You dumped eight or nine of them.

14 THE COURT: Good for me.

00:04:01 15 MR. VARNADO: While we respectfully
16 request that you reconsider that, that motion
17 is also in front of you. I think we all are
18 aware of that. That's done primarily to
19 preserve appellate review under the motion to
00:04:17 20 reconsider. I think my colleagues filed a
21 memorandum of law in opposition to that
22 saying I was just rehashing arguments and
23 making the same things over and over again,
24 which actually is a pat on the back for me
00:04:27 25 because that's what I'm required to do. It's

1 state court and they're reciting federal law.
2 That's neither here nor there.

3 There are some additional causes of
4 action which Mr. Baker, Mr. Laney, and
00:04:38 5 Mr. Hawk sure would love for you also to rule
6 against me on summary judgment for, but I
7 don't think -- we would ask that you not and
8 we briefed those.

9 Remember we had a big hearing, and you
00:04:49 10 said the 13 causes of actions -- I'm going to
11 grant nine and I'm going to take that under
12 advisement. I think you said, I don't know.
13 I'm kind of leaning against it, but I'm
14 willing to be persuaded. So we both briefed
00:04:56 15 those extensively, too.

16 Those are the remaining ones which
17 would be negligence, RESPA, and the breach of
18 contract accompanied by a fraudulent act.
19 You threw out ETPA and some of the other ones
00:05:14 20 like mail fraud and down the line, but you
21 left in negligence, RESPA, breach of contract
22 accompanied by a fraudulent act and -- there
23 might be one or two --

24 MR. HAWK: Misrepresentation.

00:05:25 25 MR. VARNADO: Yes. All the negligence

1 ones I've got them lumped together. We
2 briefed those pretty extensively back in the
3 fall. I don't know if you want to hear
4 argument on those or not. That's kind of
00:05:40 5 where we are procedurally. I think the
6 main -- one of the fundamental questions
7 before Your Honor is, by virtue of my appeal
8 of your order, the combined order, that
9 denied the motion to reconsider on discovery
00:05:52 10 and made that affirmative finding
11 holder/holder in due course on the
12 alternative enforcement and granting summary
13 judgment to the Defendant -- but there was
14 no -- the order didn't have any sort of
00:06:07 15 findings of fact or conclusions of law. It
16 just said I'm granting -- where does that
17 leave the case?

18 You know, the Appellate Court rules --
19 we're in a tricky situation because once the
00:06:24 20 appeal is made it divests the Court of at
21 least some jurisdiction on Rule 203, but
22 under Rule 205 it retains jurisdiction for
23 things not affected by the appeal. So that
24 begs the question of: If I respectfully
06:42 25 appeal Your Honor's ruling on holder and

1 holder in due course in the alternative
2 they're still able to enforce, how is -- does
3 that allow the case to go forward? Should
4 the Court stay it? Should the Court stay the
00:06:57 5 Plaintiff's original claim saying that hey,
6 we think you guys committed fraud and unfair
7 deceptive trade practices and breach of
8 contract and negligence and RESPA? Should it
9 stay that? Should it stay their counterclaim
00:07:10 10 to foreclose?

11 We respectfully submit that it would
12 stay the foreclosure counterclaim, and it
13 might even stay it faster and more than it
14 does our claim. In order for them to come
00:07:24 15 into the Court to prove the foreclosure,
16 that's one of the necessary elements that
17 they would have to establish, Your Honor, is
18 their enforcement rights under Article III.
19 It's under Swindler v. Swindler. It's an
00:07:36 20 Article III situation.

21 Now, I know we -- I don't want to get
22 back in the weeds. You've ruled. I
23 understand your ruling. You've articulated
24 your ruling. We respectfully disagree.
07:46 25 That's for another matter. Having said that

1 we respectfully submit that because I've
2 appealed that and because it goes directly to
3 the horn of their claim on the
4 counterclaim -- they have to prove some other
00:07:59 5 things, too. They have to prove the right to
6 enforce under Article III.

7 THE COURT: I'm with you. Who's
8 arguing today? Mr. Baker? All right,
9 Mr. Baker.

00:08:07 10 MR. BAKER: I'm arguing this issue of
11 whether to stay or not.

12 THE COURT: Right.

13 MR. BAKER: Let's even assume for a
14 minute that what your order related to was
00:08:17 15 anything other than a discovery dispute,
16 which is what it was. Assuming it's some
17 type of holding on holder and holder in due
18 course even then the Plaintiff did not have
19 to appeal that. They elected to. So the law
00:08:33 20 of the case really doesn't come in.

21 The law of the case only fits in when
22 you don't appeal something you have to
23 appeal, or you appeal something and have an
24 interlocutory order or something gets decided
08:43 25 and comes back and the appeal court's already

1 ruled on that issue. It's fear that that law
2 in the case wasn't really that.

3 The point is, we have to look at what
4 your ruling was, Your Honor. Your ruling has
00:08:56 5 been appealed based on the October 28th order
6 and it was a denial of a motion to
7 reconsider. And that was a motion to
8 reconsider what?

9 Well, it was to reconsider a May 16th
00:09:08 10 order in which you denied -- well, you
11 actually granted our motion for protective
12 order and refused to require us to produce
13 some documents. You said in that order that
14 was, I believe, Section 4, the May 16th
00:09:28 15 order. You said in there that you were
16 denying the request for production on Items
17 16 through 73 relating to certain things, and
18 then the order stated the Court notes that as
19 of the date of this hearing Wells Fargo holds
00:09:48 20 the original note and the note is made
21 payable to its predecessor in interest, First
22 Union National Bank.

23 That was your reasoning apparently for
24 denying the request for production. The
00:09:59 25 Plaintiff then turned that into a holding and

asked you to reconsider your holding. In your October order you reiterated -- and you did use the word "conclude" there, but I would submit that what that shows is just the Court's reasoning for denying a production of documents. This is nothing more than a discovery order. It does not affect the remaining issues of summary judgment or going forward with the foreclosure.

What we're going to be faced with -- so you're entitled to do that. You can change your thinking at any time. You have refused to allow some documents to be produced, but that's all you've done.

Under Rule 201 what can be appealed? A final judgment or an appealable order or decision. What was the decision in your order? The decision was nothing more than to deny them access to some documents. Whatever your reasoning was -- you don't appeal a Judge's mind. You appeal his actual rulings.

That said, if they are correct, and everything else should be stayed, the only reversible order -- the only reversible error that you're going to make by going ahead and

1 finishing off these summary judgment issues
2 by ruling on a motion to reconsider eight or
3 nine of them and the other orders would be to
4 be able to allow us to take everything up to
00:11:29 5 the Court of Appeals at once. I don't think
6 they're going to spank you too hard for doing
7 that, assuming that's even wrong to do which
8 I submit it's not.

9 Otherwise what we are faced with is a
00:11:40 10 year to appeal on a discovery order. If that
11 gets sent back -- you rule one way or the
12 other on the motions for summary judgment
13 they can appeal a granular motion for summary
14 judgment. Again, you and I will be dealing
00:11:46 15 with this case in our retirement if that
16 occurs.

17 So I would submit that the appeal does
18 not stay the remainder of the issues before
19 you, that Your Honor, can go ahead and rule
00:12:05 20 on the motion to reconsider, most of our
21 summary judgment grant, and the other four
22 causes of action -- I agree with Rob. They
23 have been briefed to death and you just need
24 to kind of look at them. We're here and
00:12:19 25 prepared to argue over them, Judge, or

1 Mr. Hawk is, not me.

2 We can argue them. We've briefed them.
3 We've argued them for you. We've briefed
4 them. You can look at them and decide, and
00:12:28 5 we hope if you granted them that he can
6 probably appeal those, and we can get all
7 these issues taken care of at once and then
8 come back and get foreclosed.

9 THE COURT: From your prospective.

00:12:42 10 I've got it. Well, I tend to agree. I think
11 it's clearly an interlocutory order and a
12 discovery order. It had to do -- you-all
13 unfortunately had to sit through that last
14 hearing which is some of the same stuff.

00:12:57 15 So like I said then and like I say for
16 this record -- one of the things I try to do
17 up here is to be consistent. I might be
18 wrong, but that's the old Bubba Ness rule:
19 Maybe in error but never in doubt. Well, I
00:13:07 20 might be in doubt, but I try to make a ruling
21 and try to be somewhat consistent with it.

22 MR. BAKER: I will say, Your Honor, if
23 we can get a fairly quick ruling on the
24 summary judgments then we can attach it to
00:13:24 25 the appeal -- that's assuming he's going to

1 appeal it. He doesn't have to appeal a grant
2 of summary judgment. He can. He doesn't
3 have to. He can do that at the end of the
4 case.

00:13:35 5 THE COURT: All right.

6 MR. VARNADO: Just so I can make a
7 record, Your Honor, while I understand your
8 ruling that you believe it's interlocutory
9 nevertheless it is an affirmative ruling.
00:13:48 10 Even though it was a part of and arose out of
11 a discovery order you didn't make an
12 affirmative ruling. You said, this is it.
13 They're the holder. They're also the holder
14 in due course and if they aren't they're
15 still entitled to enforce. So the providence
16 of the ruling doesn't really trump the fact
17 that it is an affirmative ruling.

18 We're allowed to appeal a final order,
19 an order which disposes of an issue, an order
20 which precludes us from having discovery or
21 any further litigation on it. For the
22 purpose of just protecting the record -- in
23 case we're in Columbia arguing about the
24 suitability or unsuitability of the appeal.
25 I would note that my colleagues haven't moved

1 to dismiss that appeal yet for the very
2 grounds that they're stating. Anyhow, it
3 would definitely go to the counterclaim. I
4 think the best thing to do would be to hold
00:14:34 5 everything in place here because that's
6 really the heart --

7 THE COURT: Here's what I want to hear
8 from you on. I do have these other issues
9 under advisement. I want to hear from your
00:14:50 10 ruling. Mr. Baker's comment was if I rule
11 quickly you could take the whole thing up
12 there if it's adverse to you. If it's in
13 your favor I guess we would be looking at
14 going to trial so your Plaintiff could move
00:14:54 15 forward. That would be my thought.

16 Let me hear from you on that issue as
17 to what -- my principal thought is it's a
18 discovery order, therefore it's
19 interlocutory. It's not final. Okay? I
00:15:11 20 understand your ruling as to the holder in
21 due course. I could change my mind on that.
22 I don't think I'm going to. It was the basis
23 upon which I denied your request for relief.
24 Okay?

00:15:21 25 So let's talk about the Court's ability

1 to issue a ruling on what's under advisement
2 already so that you can get some finality to
3 those issues and either take them up or not,
4 and then I'll hear from Mr. Hawk or somebody,
00:15:35 5 whoever wants to talk about that.

6 MR. VARNADO: It's an interesting case,
7 Your Honor, because it all impacts the same
8 order. So you read Rule 201, 203, and 205
9 together, and 201 talks about you can appeal
00:15:49 10 a final order. That's an appeals -- a
11 creature of statute and procedure.

12 203 says you appeal your order, and it
13 was all mashed together in one order. So you
14 can make an argument and I don't know if
15 there's any controlling precedent on that.
16 Now, because these two issues are mashed
17 together that means that not only is that
18 whole order appealed but it stays the whole
19 order on the appeal.

20 Now, out of an abundance of caution I
21 set out an appeal in that section, and my
22 colleagues have said, well, because you said
23 you're appealing that section that means the
24 other ones are still out there. I don't
25 think so, but it definitely appeals the whole

1 thing because your ruling on holder/holder in
2 due course and enforcement has had a ripple
3 effect. It really is the basis for your
4 ruling on these causes of action, too. And
5 while I respectfully disagree we understand
6 Your Honor's articulated it very clearly.

7 Your Honor says because they exhibit
8 an original note just like in the last
9 case -- they exhibit an original note -- that
10 my attempts to ask that they prove all the
11 transfers down the line because it's a
12 negotiable instrument made payable to a
13 different entity, they should show how it
14 came to them, how it came to be that they can
15 exhibit that.

16 Your Honor said, no. You know what?
17 I'm articulating a rule that because they
18 exhibit that original note we don't need to
19 inquire into that anymore. So I think I'm
20 doing a fair job of explicating what Your
21 Honor's ruling is but at the same time saying
22 we respectfully disagree. We think that that
23 inverts the Uniform Commercial Code.

24 Your ruling on that affected all those
25 rulings. As you said there, ETPA, how can

7
1 they have -- I think Your Honor's thinking
2 was, how can they have a ETPA if they're
3 exhibiting an original note right here? How
4 can that be unfair and deceptive? Now, we
5 would argue that it would.

6 I also want to make one other point.
7 We did file a memo -- Mr. Hawk -- I think
8 they filed a memo on Friday. I worked over
9 the weekend. I just want to make sure you
10 have it and that it's part of the record. I
11 would incorporate it by reference. It is
12 interesting that Womble Carlyle -- I don't
13 know if it was these lawyers, but Womble
14 Carlyle defended Wells Fargo in an action in
15 front of Judge Joe Anderson in Columbia
16 during the same time that we were here kind
17 of litigating these issues.

18 It's fascinating because Judge Anderson
19 issued an order in June saying, I'm going to
20 allow the ETPA to proceed against this bank,
21 Wells Fargo. So it's not directly binding on
22 you, but it's a pretty interesting precedent.
23 You know the really fascinating thing about
24 that case, Judge? In this case Wells Fargo
25 said, you know what? We don't think we did

7
1 anything wrong to you, Bentrim, but you don't
2 even have a right to bring a ETPA action
3 because of that footnote in the Anderson
4 case, and the Anderson case being that
5 underlying precedent, not Judge Anderson.

6 While they were in front of Judge
7 Anderson they were arguing, you know what?
8 We did find the ETPA, but it doesn't matter.
9 The attorney general, his action in that
00:18:50 10 consent order along with 48 other attorneys
11 general in the federal government, that was
12 done for all South Carolinians. Judge
7 13 Anderson said -- in fact, the South Carolina
14 attorney general, General Wilson, submitted
00:19:03 15 two letters to Judge Anderson which
16 specifically said, when I sign this consent
17 order I did so and I carved out the right of
18 individual homeowners like Bentrim to bring
19 me the ETPA action.

00:19:19 20 I think you said I have a consistent
21 mindset on how I rule on these things, but I
22 would ask Your Honor if that's your
23 consistent mindset and if that mindset played
24 into the rulings on the causes of action for
7 19:31 25 which you granted summary judgment to the

1 extent that I'm not articulating some
2 additional grounds that we didn't know about
3 earlier. They never turned out with these
4 attorney general letters to us, then I would
00:19:43 5 respectfully submit, Your Honor, that that
6 means the whole thing would be stayed. It's
7 really is the whole essence of the case.

8 The Court of Appeals said, you know, I
9 think that they haven't proven that they're
00:19:50 10 the holder or the holder in due course. We
11 agree with Bentrin, the argument we're going
12 to make that they're required to state what
13 their enforcement realm is at the inception
14 of the lawsuit and stick to it. In this
15 case, Your Honor -- I'm not going to belabor
16 it, but their position has changed
17 dramatically since the beginning of their
18 case, this case.

19 They say we're here -- we have the
00:20:15 20 right to enforce as a holder by "success" or by
21 merger. In other words, First Union/Wachovia
22 merged with Wells Fargo and now that note is
23 passed over. There was no separation. The
24 first time they came in here they said, we
00:20:29 25 don't even need to produce the original note,

1 and then they came and said we've lost the
2 note. Then they came and said, it doesn't
3 matter that we found it again. We never sold
4 it. We never sold it.

00:20:40 5 Well, you know what? We did a
6 participation interest agreement. Finally we
7 had an expert say it wasn't a participation
8 and finally somebody said, okay, we sold it
9 to TMS, but it doesn't matter because that's
00:20:51 10 a wholly unsubsidiary. So you see their
11 stories change. Then finally there was a
12 little discovery that kind of crept up on the
13 last hearing. They gave us some discovery.
14 We submitted another affidavit, a timely
00:21:04 15 affidavit, with our motion to reconsider
16 saying, oh, my gosh, this discovery shows
17 that the note went to this thing called TMS
18 swap which is a securitization.

19 Now, I'm not arguing that
00:21:16 20 securitization is wrong. I'm just saying
21 that they need to show where the note flowed
22 for transfer. Mr. Baker said they never were
23 securitized. Well, I have an expert that
24 says it was securitized. They don't have
00:21:28 25 anything that says it wasn't. Like I said,

7 1 I'm not arguing securitization. I'm not even
2 arguing that the note is unenforceable. I'm
3 just saying that they can't enforce it right
4 now as they pled it.

00:21:37 5 So all these things, Your Honor, that's
6 our position, right? Your Honor, said that
7 they exhibit the note, so that's the reason
8 why I'm going to grant summary judgment. If
9 that's the reason why you granted summary
00:21:52 10 judgment then I respectfully submit that the
11 case should be stayed.

7 12 MR. BAKER: It's a little unclear, Your
13 Honor whether we're still arguing the holder
14 issue, or have we gone on to the merits of
00:22:02 15 the summary judgment issue.

16 THE COURT: It's not so much the
17 merits. I think I've taken that under
18 advisement. I'm still there. What I wanted
19 to hear was his position relative to the
00:22:10 20 Court's jurisdiction of the ability to
21 decide.

22 MR. BAKER: That's all the more reason
23 to go ahead and rule on the summary judgment
24 motion so it can get taken up, too.

7 22:17 25 THE COURT: All right. Very good.

1 Well, that's what I'm inclined to do. I'm
2 not telling you how I'm going to rule. I've
3 just waited for the day to hear this
4 argument. I wanted to flesh this one out.

00:22:26 5 MR. VARNADO: And we reserve all our
6 rights and I understand, so you'll have the
7 summary judgment issues out there on the
8 motion to reconsider and the ones that are as
9 yet unruled on. We have the appeal.

00:22:41 10 Mr. Baker hadn't said this. Can I have one
11 second, Your Honor?

12 THE COURT: You-all filed something on
13 Friday? Because I haven't seen it.

14 MR. HAWK: We did. Mr. Hawk sent it to
00:23:00 15 Ryan, I believe.

16 THE COURT: Did you get it by e-mail?

17 MR. CONNER: I did.

18 MR. VARNADO: I do think that it would
19 shut the foreclosure case down. They have to
00:23:06 20 prove that. That's one of the elements they
21 have to prove. There hadn't been any
22 argument on that.

23 There's a final thing out there, Judge.
24 There's two final things. They're both
-23:14 25 discovery related. They both turned over a

7 1 document to you that I think is a pooling and
2 sourcing agreement. I don't know. They
3 haven't identified what it is or what date it
4 has or what import it's in. They just said,
5 old Varnado and Bentrim, they're trying to
6 attack securitization, Judge, and we're
7 allowed to securitize which we never said
8 they weren't. They're totally allowed to
9 securitize. More power to them, but they
00:23:41 10 have to show how that note was transferred
11 down the line. That burden is entirely on
12 them.

7 13 There's a document in your Chambers and
14 they said, this is so secret, Judge, that we
00:23:51 15 can't even let Rob know its title or its
16 date. We really would respectfully request
17 that you let us see that. We think that
18 Article III allows an obligor to see all the
19 evidence which would show transfer. We know
00:24:03 20 pooling and servicing agreements demonstrate
21 transfer. That thing's been sitting around
22 forever. I hoped that you would release it.

23 You did the discovery order. There's
24 still some -- I know Your Honor -- we have
7 24:15 25 been wrangling over discovery a long time and

1 you sort of had a final ruling on -- this is
2 going to be sort of the last little bit of
3 discovery. We only got partial reduction.
4 It was nice in here because it talks about
00:24:24 5 the TMS swap thing which allowed us to have
6 an expert say that shows securitization.

7 So all those things being equal, Your
8 Honor, if you're going to rule on it we would
9 reserve our right to say that maybe the Court
00:24:37 10 didn't have jurisdiction. That's up for
11 Columbia to decide.

12 THE COURT: Okay.

13 MR. VARNADO: Thank you, Judge.

14 THE COURT: Very good. I'll have you a
00:24:46 15 ruling within two weeks.

16 MR. VARNADO: Thank you, Your Honor.

17 THE COURT: Thank you.

18 MR. LANEY: Your Honor, can I ask one
19 question?

00:24:52 20 THE COURT: Sure, Mr. Laney.

21 MR. LANEY: He mentioned the Harler
22 case that he just filed. Would you like for
23 us to submit a short response to that just to
24 clarify our position?

24:59 25 THE COURT: Sure. You can. You can.

1 MR. LANEY: Thank you, Your Honor..

2 THE COURT: Just make sure he gets a
3 copy.

4 MR. BAKER: Thank you, Judge.

00:25:05 5 MR. VARNADO: Thank you for your time,
6 Your Honor.

7 MR. LANEY: Actually, Your Honor,
8 Mr. Hawk reminded me. He had provided that
9 order previously to the Court. I think it's
00:25:11 10 in there.

11 THE COURT: Well, there you go. Thank
12 you, Mr. Hawk.

13 MR. LANEY: I don't want to kill you
14 with more paper.

00:25:19 15 THE COURT: Very good.

16 (The proceedings were concluded at
17 11:39 a.m.)

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1 1 STATE OF SOUTH CAROLINA 2 COURT OF COMMON PLEAS 3 COUNTY OF CHARLESTON 4 US Bank, National Association, 5 as Trustee for the Certificateholders 6 of BANC of America Funding Corporation, 7 Mortgage Pass-Through Certificates, 8 Series 2006-D, 9 Plaintiff, 10 vs. CASE NO.: 2011-CP-10-7638 11 Charles A.B. Moore; Capital Bank, 12 National Association, s/b/m, First 13 National Bank of Spartanburg; and 14 Rochelle Wiltshire f/k/a Rochelle Naurath, 15 Defendant(s). 16 17 Hearing before the Honorable 18 Mikell R. Scarborough, reported by Christine 19 A. Smith, Court Reporter and Notary Public, 20 at 10:31 a.m. on January 12, 2015, at 100 21 Broad Street, Charleston, South Carolina. 22 CHRISTINE A. SMITH, Court Reporter 23 P.O. Box 30276 24 Charleston, SC 29417 25 (843) 367-9596 casmith@charlestoncounty.org	3 1 PROCEEDINGS 2 3 THE COURT: This is US Bank versus 4 Charles Moore and Capital Bank. I have 5 Mr. Will Stork here for the Plaintiff which 6 is US Bank; is that correct? 7 MR. STORK: That's correct, Your Honor. 8 THE COURT: I've got Mr. Cantrell here 9 for Mr. Moore, and I've got Mr. Colwell here 10 for Capital Bank. I'm just looking through 11 the file, and from what I'm reading in the 12 file you-all have a mediation scheduled for 13 Wednesday; is that right? 14 MR. CANTRELL: We're supposed to, Your 15 Honor. If it please the Court, I don't think 16 any of us are going to show up. 17 Unfortunately his client has a conflict and 18 can't be there, and I really think it's 19 premature until we get these responses. 20 THE COURT: Let's get through the 21 process. So are we here on your motion then? 22 MR. CANTRELL: Yes. 23 THE COURT: All right, Mr. Cantrell. 24 Go ahead. 25 MR. CANTRELL: Yes, Your Honor. We're
2 1 APPEARANCES OF COUNSEL: 2 ATTORNEYS FOR THE PLAINTIFF: 3 William P. Stork, Esq. 4 Brock & Scott, PLLC 5 Westpark Center 6 3800 Fernandina Road, Ste. 110 7 Columbia, SC 29210 8 (803) 454-3540 9 ATTORNEYS FOR THE DEFENDANT: 10 John R. Cantrell, Jr., Esq. 11 Law Office of John R. Cantrell 12 P.O. Box 1276 13 Goose Creek, SC 29445 14 (843) 797-2454 15 Christopher T. Colwell, Esq. 16 Moore & VanAllen 17 P.O. Box 22828 18 Charleston, SC 29413 19 (843) 579-7033 20 21 22 23 24 25	4 1 here on a motion to compel. John Cantrell 2 for Defendant Charles Moore. The 3 responses -- by the way, Your Honor, does 4 Your Honor, have the motion to compel, or 5 would you like to see copies of it? 6 THE COURT: I do believe I have it, 7 Mr. Cantrell. 8 MR. CANTRELL: And does your law firm 9 wish to have a courtesy copy? 10 THE COURT: Filed January 2? 11 MR. CANTRELL: That sounds correct. 12 That is correct, Your Honor. 13 THE COURT: And I got a response filed 14 January 8. That's between you and the 15 Plaintiff, correct? 16 MR. CANTRELL: It is, Your Honor. The 17 response did return -- I don't think it's to 18 the motion to compel, is it? I don't think 19 there is a response, Your Honor. I don't 20 think there's a response. Basically, Your 21 Honor, as I said, it's a motion to compel. 22 These discovery requests were originally 23 issued to US Bank. The current servicer is 24 Nationstar. So we're dealing with Nationstar 25 and US Bank.

1 Your Honor, when that note was endorsed? So
2 as far as proving the date of that
3 endorsement Your Honor isn't going to find
4 that relevant?

10:44:49AM

5 THE COURT: At this time it's not.

6 MR. CANTRELL: Even if they acquired it
7 after they filed the case?

8 THE COURT: Well, the issue would be
9 how many notes did Mr. Moore sign? I'm going
10 to assume he signed one.

10:44:58AM

11 MR. CANTRELL: Well, they don't always
12 do that, Your Honor. Sometimes they're
13 required to sign --

14 THE COURT: Well, Mr. Moore is smarter
15 than your average bear. We know that. Okay?

10:45:11AM

16 MR. CANTRELL: I had an attorney tell
17 me that she was at a closing last year and
18 they wanted her to sign multiple original
19 copies of the note.

10:45:14AM

20 THE COURT: Well, I certainly hope she
21 said, no.

22 MR. CANTRELL: She did, but it seems to
23 be a prevalent practice that they're asking
24 people to do that you know. We don't know if
25 more than one copy -- after he signed it the

10:45:22AM

1 power of attorney -- so his agent would have
2 been the one that did that. He's a resident
3 of Georgia.

10:45:32AM

4 THE COURT: Well, I've already ruled on
5 that one, so we're not going to chase that
6 rabbit. What else have you got?

7 MR. CANTRELL: Let's see, Your Honor.
8 The document has -- the custodian would know
9 when that note was endorsed. We have copies
10 of all those, but Your Honor doesn't care
11 about that. I'm trying to readjust to Your
12 Honor's ruling.

10:45:46AM

13 THE COURT: Right. If they don't have
14 that original note you're entitled to go
15 chasing it all day long, but if Mr. Stork
16 pulls that out of his file and he's holding
17 onto it, he just played a trump card. As
18 long as he's in possession of that or his
19 client's in possession of that note they've
20 got a right to enforce it.

10:46:10AM

21 MR. CANTRELL: I understand, Your
22 Honor.

23 THE COURT: Talk to the lawyer in the
24 back room and he might not agree with me
25 either, but he's got that issue on appeal.

10:46:17AM

1 You-all might turn me out wrong, but it's
2 like raising children. You have to be
3 consistent.

4 MR. CANTRELL: Yes, Your Honor, and I
5 appreciate Your Honor clarifying your
6 position on that.

7 This is another one they've actually
8 said no on. I've asked them to produce for
9 inspection the original trust agreement that
10 created this securitized trust. I'll explain
11 why that's important. The trust is an
12 artificial entity. They're not the
13 originator of this loan. They claim to have
14 been transferred into this trust.

15 We have not seen a signed copy of this

16 trust agreement. What we have is the
17 electronic signature, a little "s/" with
18 signatures on it. We don't believe -- trust
19 closings are like real estate closings, Your
20 Honor. People go into a big room. They all
21 sign these documents. We haven't seen a copy
22 of that.

23 Now, if that document is unsigned --
24 opposing counsel has agreed that New York
25 governs this trust. Under New York law we've

10:46:28AM

10:46:38AM

10:46:48AM

10:46:58AM

10:47:13AM

1 got appellate law that says, a written
2 contract is not valid or enforceable unless
3 it's signed. So if this trust agreement, a
4 contract, is unsigned, this document that
5 creates the trust, they've agreed to that.
6 It's unsigned. We don't have a trust. We
7 don't have an appointed trustee who is suing
8 us. We don't have any corpus mistrust
9 because that point and search agreement also
10 conveys the corpus of the trust of this
11 mortgage loan they allegedly own. So it's
12 very important. This point and search
13 agreement is the most important document.
14 It's like an articles of incorporation. If
15 the corporation came in here and they didn't
16 have articles filed -- they might appear to
17 be a legal entity but they aren't. Any
18 action filed by an entity that is not a legal
19 entity is a novelty, that's binding appellate
20 law in South Carolina as well. So we want to
21 inspect -- so we want to inspect -- like we
22 inspected the original note. We want to
23 inspect the original pooling and servicing
24 agreement to make sure that it's been
25 properly signed.

10:47:23AM

10:47:22AM

10:47:42AM

10:47:50AM

10:48:04AM

STATE OF SOUTH CAROLINA
COURT OF COMMON PLEAS
COUNTY OF CHARLESTON

Brent E. Bentrim,
Plaintiff,

vs. CASE NO. 2011-CP-10-2946
Wells Fargo Bank, N.A.,
Defendant.

Hearing before the Honorable Mikell
R. Scarborough, reported by Christine A. Smith,
Court Reporter and Notary Public, at 11:14 a.m.
on March 5, 2015, at 100 Broad Street,
Courtroom 2A, Charleston, South Carolina.

CHRISTINE A. SMITH, Court Reporter

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PROCEEDINGS

THE COURT: I have this listed as a
status, and then I've got a notice of a motion
to compel or for a protective order. I'm
assuming this comes out of my ruling granting
them the right to look at some documents. I
don't know what else.

MR. BAKER: It does, but I think it's
putting the cart before the horse. We need to
discuss the status first.

THE COURT: All right. Let's talk
about it.

MR. BAKER: Well, I don't know know if
the Court -- you've been notified or not,
Judge, but the Plaintiff did appeal the
portion of your order that granted summary
judgment on the ten causes of action, and
that's on top of the previous appeal of your
discussion and an order that Wells Fargo was
the holder and holder in due course. Both of
those issues have been appealed.

In our view that states the entire
case. The things that are left, the claims
that are left -- I don't know what Plaintiff's

1 APPEARANCES OF COUNSEL:

2 ATTORNEYS FOR THE PLAINTIFF:

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view is on it precisely at this point, but
I've heard before that they think that some
are still viable. We can go through them one
by one, but we can just wait to hear what they
think is still viable that's not affected by
the appeal. We think everything is affected
by the appeal. So I can address whatever they
don't think.

Our position is, too, that if the case
is stayed then discovery is stayed. We can
address these motions to compel and whatnot
after it comes back.

THE COURT: I've got you. Mr. Varnado?

MR. VARNADO: Your Honor, if it please
the Court, we can start with the procedure
side first. We have, Your Honor, we have two
appeals going.

THE COURT: Two appeals going? Okay.

MR. VARNADO: There's one order from
October.

THE COURT: Okay.

MR. VARNADO: Part of that order you
had ruled that they were the holder and holder
in due course. We said that happens in all
the cases.

5 1 THE COURT: Okay. 2 MR. VARNADO: And then you granted 3 summary judgment. We asked you to reconsider 4 that. You denied reconsideration on all of it 00:02:18 5 except UTPA. You said the UTPA will proceed 6 and placed discovery on UTPA. You did that on 7 January 28th in that order that Mr. Conner 8 sent us by e-mail. So that's been appealed. 9 THE COURT: Okay. 00:02:32 10 MR. VARNADO: Now, Your Honor, as a 11 threshold matter -- the Court of Appeals takes 12 jurisdiction over the order, and there's a 13 stay on what on appeal, so that means that 14 they can't -- since they won on summary 00:02:49 15 judgment that's stayed. 16 What is not stayed is anything not 17 affected in the order. So I want to ask Your 18 Honor to see Appellate Court Rules 241 and 19 205. 00:03:02 20 THE COURT: Okay. 241 and 205? 21 MR. VARNADO: Yes, sir. The gist of it 22 is is that, Your Honor, anything that is not 23 appealed is still before this Court, and Your 24 Honor, there is authority from the South 00:03:20 25 Carolina Supreme Court, back in '91 -- may I	7 1 relationship a lot of these causes of action 2 probably need to be reconsidered. Now, a rule 3 60(b) motion -- 4 THE COURT: Those are the ones on 5 appeal, though, right? 6 MR. VARNADO: Yes. 7 THE COURT: I don't have jurisdiction 8 to do that. 9 MR. VARNADO: We can ask the Court of 10 Appeals under Rule 60(b) to allow you to have 11 the jurisdiction to consider that Rule 60(b) 12 motion. Rule 60(b), if read further into it 13 says -- if it's on appeal go ahead and ask the 14 Court of Appeals to give jurisdiction back to 15 a certain court to consider. We reserve the 16 right to do that. 17 Your Honor, you do have the right to 18 continue with the discovery and we believe 19 that you should continue with the discovery 20 and we have a discovery motion before us 21 today. 22 THE COURT: Okay. 23 MR. BAKER: Your Honor, it's an 24 incorrect statement that whatever's not 25 appealed goes forward. It's whatever is not
6 1 approach? 2 THE COURT: Yes. 3 MR. VARNADO: -- called Cousar that 4 says that the Court can retain and does retain 00:03:31 5 jurisdiction to proceed with discovery. Now, 6 Your Honor, no matter what happens in Columbia 7 this case is going to go to trial. 8 There are causes of action which are 9 still going forward: UTPA, negligence, breach 00:03:51 10 of contract accompanied by fraud, RESPA. Your 11 Honor, judicial economy, would suggest that we 12 proceed with discovery. There have been 13 problems with discovery. We've asked Your 14 Honor -- before we filed the appeal we asked 00:04:14 15 Your Honor to give us relief under Rule 60(b) 16 from your order in October. Your 17 Honor's aware that that participation 18 agreement was finally disclosed. And what's 19 really changed the whole nature of the case is 00:04:28 20 that that participation agreement blows away 21 any argument that there was merely a 22 debtor/creditor relationship between the bank 23 and Bentrin. They sold this loan. Why is 24 that important? 00:04:48 25 If there's no debtor/creditor	8 1 affected by the appeal. 2 THE COURT: Right. 3 MR. BAKER: They haven't appealed 4 everything because they've won some things. 5 You didn't grant summary judgment on some 6 things. The question is whether the issues on 7 appeal, on the appeal matters, affect the 8 remaining causes of action. 9 I'll just go down them one at a time to 00:05:54 10 demonstrate out of their memorandum -- 11 memorandum for summary judgment how the 12 issues -- the Court of Appeals now needs to 13 decide because they appealed. 14 THE COURT: Well, let me just say this. 00:06:08 15 If they're determined to be a holder doesn't 16 that pretty much take care of just about every 17 issue that would not be on appeal? 18 MR. BAKER: Exactly. 19 THE COURT: If that's incorrect -- 00:06:17 20 MR. BAKER: Judge, their negligence 21 claim right out of their memorandum from June 22 of 2014 says that part of their negligence 23 claim is that we had a duty to refrain from 24 instituting foreclosure proceedings in 2007 00:06:31 25 and 2009 claiming to be the holder of the note

9 1 when the note had been sold. The holder issue 2 -- that's exactly what they're claiming in the 3 negligence: Negligent misrepresentation. 4 Right out of their memorandum, the 2007 and 00:00:40 5 2009 foreclosure lawsuits, claiming to be the 6 holder, that was a negligent 7 misrepresentation, claiming the right to 8 enforce by merger with Wachovia. 9 The unfair trade practices claim, the 00:06:56 10 same -- they go through and say the same thing 11 that proves negligence and misrepresentation, 12 it all relates back to the holder issue: The 13 breach of contract accompanied by the 14 fraudulent act. Now, the complaint doesn't 00:07:12 15 specify -- they don't go into much detail in 16 the memo, but if they're right, if they're 17 successful on appeal and we're not the holder, 18 we can't enforce it, then there's no contract 19 to enforce. There's no breach of contract 00:07:24 20 because we've got no contract. 21 So that's affected, and as far as the 22 RESPA claim goes, that's the only one they may 23 have an argument with. The fact of the matter 24 is that applies to the holder and servicer of 00:07:36 25 the mortgage. They've alleged in the	11 1 have not been appealed, so they are affected 2 by the appeal and the stay applies. 3 If he wants to go to the Court of 4 Appeals and ask them for permission to 00:08:49 5 overcome that then go ahead. I guess he can 6 do that. I haven't read that rule, but that's 7 not for this Court to decide. 8 In addition we've only had a brief time 9 to look at this case, but my understanding of 10 this case would be discovery can go forward on 11 claims that aren't affected by the appeal. 12 Why would you go forward on claims that are 13 affected by the appeal and that are stayed? 14 There's no sense in going forward with 00:09:15 15 discovery on any matters if this entire case 16 is stayed. 17 MR. VARNADO: With all due respect to 18 my colleague he's just wrong on all these 19 Appellate Court rules and how they -- 00:09:32 20 THE COURT: I don't think he is. 21 Before I can go forward with this case you 22 have to go to the court of appeals and ask 23 them to send a remitter down here for me to 24 hear anymore. Okay? That's my reading of the 00:09:38 25 rules. Okay? You've asked me, and I'm
10 1 complaint that we weren't the servicer. We 2 say we are. We say we have an agreement that 3 says we are. They claim we're not. If they're 4 right about that we have no right to 00:07:50 5 foreclose. 6 In addition under RESPA you have to 7 prove actual damages. Just the mere fact that 8 you don't respond to somebody in the way they 9 say you should respond under the statute we 10 disagree about that. Just because you don't 11 doesn't mean you're automatically entitled to 12 some damages. If something happens and they 13 do something because you don't respond, like 14 if we gave them incorrect information or 15 didn't give them information and the 16 foreclosure went through and they later found 17 out that we hadn't accounted right that would 18 be some actual damages under RESPA. 19 Just in a vacuum there is no RESPA 00:08:27 20 claim of actual damages. Nothing's happened 21 yet because we didn't reply right other than 22 he lacked some information. There's no actual 23 damage flowing from that. So there's nothing 24 really to litigate that's not affected by the 00:08:41 25 appeal in any of these causes of action which	12 1 telling you I don't think I have jurisdiction. 2 I think jurisdiction is in the 3 Appellate Court. You can ask the Appellate 4 Court to send it back down for me to have 00:09:41 5 jurisdiction, and then we can proceed. That's 6 just the way I read it. Thank you, gentlemen. 7 See you again. 8 MR. BAKER: See you in about two years 9 sir. 00:09:53 10 THE COURT: It shouldn't take that long 11 to get a ruling on that question, but you-all 12 have got to put it to them. It's not in the 13 nature of a supersedeas. It's just what can 14 we do? You need to be specific about what you 00:10:09 15 ask for. Okay? I think this whole thing is 16 caught up in that holder language. It is or 17 it is not. I've already ruled on that one. 18 MR. BAKER: And he's appealed it. 19 Thank you, Judge. 00:10:22 20 THE COURT: Thank you, gentlemen. Good 21 to see you. 22 MR. VARNADO: Your Honor, thank you. 23 (The proceedings were concluded at 24 3:03 p.m.) 25

STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	NINTH JUDICIAL CIRCUIT
COUNTY OF CHARLESTON	)	CASE NO.: 2011-CP-10-2946
 BRENT E. BENTRIM	)	
	)	
Plaintiff,	)	AFFIDAVIT OF CASIMIRA KITA
	)	
v.	)	
	)	
WELLS FARGO BANK, N.A.,	)	
	)	
Defendant.	)	
_____	)	

PERSONALLY APPEARED before me, the undersigned Casimira Kita, who, after being duly sworn depose and state as follows:

1. I am an adult over the age of 18 and competent to make this affidavit. A copy of my C.V. is attached.
2. I am an independent consultant and subject matter expert on the Advanced Consumer Lending System (ACLS) owned and manufactured by CGI Group, Inc. [CGI].
3. I have spent 23 years with CGI and its clients on the development, implementation and servicing of ACLS -- including designing, programming and testing software changes and loan conversion from other servicing platforms.
4. I am intimately familiar with the reporting capabilities and loan level data held in ACLS.
5. I have reviewed the ACLS files provided by the Defendant to the Plaintiff.
6. Accounts that are booked on ACLS are controlled by the parameters in the Bank Control File (BCF), which are files ALRS9915 & ALRS9905. Files and tables are interrelated and cannot operate independently of one another.

7. To my knowledge, neither ALRS9915 & ALRS9905 have been produced and would constitute servicing records.
8. Many fields that control the account processing are internal fields and are not displayed on any report which means the missing tables are required in order to understand fully the information contained on the history card that was provided.
9. The transaction history records are used for the Customer History Card. Not all the data on the transaction history record are shown on the History Card Report, however.
10. All the transactions details are on the Master File Display. These are used to validate all the changes on the account in the order they were processed.
11. After reviewing the Master File Display for the Loan, I affirm it is incomplete, missing the following TABLES – all of which constitute servicing records maintained in ACLS:

- a. ALT0184 LOAN FEES (front end fees)
- b. ALT0185 LOAN STATEMENTS AND COUPONS
- c. ALT0187 LOAN RECURRING FEES
- d. ALT0191 LOAN VIR INTEREST/SPLIT RATE
- e. ALT0192 LOAN DELINQUENCY
- f. ALT0193 LOAN CIF ACCOUNT
- g. ALT0194 LOAN USER DATA
- h. ALT0195 LOAN INSURANCE TYPE
- i. ALT0196 LOAN PAYMENT SCHEDULES
- j. ALT0197 LOAN EXPENSES
- k. ALT0198 LOAN COLLATERAL
- l. ALT0200 LOAN HISTORY
- m. ALT0325 LOAN TICKLER.

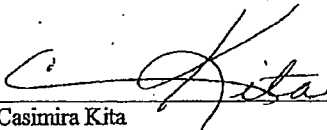
12. In addition to the Bank and Type records, the pool and investor records are maintained by ACLS. The specific account in question was defined to a pool that was sold to an investor.

13. In order to obtain and verify the identity and investors in Pool 794, shown to be the owner of the subject loan on December 1, 2006, March 8, 2007 and May 30, 2009 the following records are required:

- a. SLIA for the Investor, or a printout of table ALT0271
- b. SLAA for the Pool, or a printout of table ALT0297

14. These servicing records should not be overly burdensome and can be produced within 10 to 15 minutes

FURTHER AFFIANT SAYETH NOT.


Casimira Kita

SWORN TO AND SUBSCRIBED BY ME
this 23rd day of May, 2014.


Notary Public for the State of Florida
My Commission Expires: 2-11-15



AFFIDAVIT

The State of Florida
County of Clay

Personally appeared before me Casimira Kita who first being duly sworn would depose and testify as follows:

1. I am an independent consultant and subject matter expert in CGI's Advanced Consumer Lending System (ACLS) and CAS.
2. I spent 23 years with CGI and its clients on ACLS, including designing, programming and testing software changes.
3. I am intimately familiar with the reporting capabilities and loan data held in ACLS and have reviewed the ACLS files provided by the Defendant to the Plaintiff.
4. I have reviewed WF 2294 and 2302 and determined these reports were generated from ACLS.
5. I have determined from WF 2294 and 2302 that the loans in Pool 794 were securitized and sold to investors.
6. I have reviewed WF 2388 -2390 and determined this record was generated from ACLS.
7. I have determined based on WF 2388 that Pool 794 is a Trust.
8. I have determined based on WF 2389 the Trust was sold to investors (securitized) on November 29, 2006.

Subscribed and Sworn To
Before me on the
13th day of November, 2014

Heather R. Mouhouri

Notary Public

My Commission Expires on 2-11-15

Casimira Kita



WACHOVIA BANK, N.A.

ADVANCED CONSUMER LOAN SYSTEM
SECURIZATION TRIAL BALANCE
AS OF DATE: 05/29/2009

#A7SC0601

PAGE: 6.539

DATE: 05/30/2009

INVESTOR	BANK	APP	LOAN NUMBER	ACCT PURCHASE START DATE	CURRENT INT RATE	CURRENT LOAN BALANCE	INTEREST DUE	INTEREST ACCR MTD	MSF FEES MTD	LATE CHARGE MTD	INTEREST PAID YTD	D C
794	28	3	322801000572300	0	11/01/2006	6.940	58,300.10	1,447.57				
794	28	3	322801000572318	0	10/27/2006	7.630	53,476.33	157.79				
794	28	3	322801000572326	0	10/27/2006	8.190	50,634.31	159.06				
794	28	3	322801000572649	0	11/02/2006	7.340	149,913.43	5,059.45				
794	28	3	322801000572672	0	10/30/2006	1.500	447,091.22	9,464.51				
794	28	3	322801000572789	0	11/03/2006	8.440	80,650.98	249.23				
794	28	3	322801000573290	0	11/02/2006	7.040	44,130.21	34.05				
794	28	3	322801000573308	0	11/02/2006	6.250	281,434.54	674.67				
794	28	3	322801000573310	0	11/02/2006	6.250	207,068.23	495.39				
794	28	3	322801000573530	0	10/27/2006	8.440	30,383.50	175.64				
794	28	3	322801000573696	0	11/01/2006	7.190	5,357.22	17.94				
794	30	3	323001000001694	0	03/15/2006	9.250	28,473.79	129.88				
794	30	3	323001000001793	0	12/21/2005	6.500	20,180.45	58.06				
794	30	3	323001000003088	0	04/19/2006	7.840	44,319.57	94.71				
794	30	3	323001000003278	0	05/04/2006	6.790	132,466.43	167.43				
794	30	3	323001000004003	0	06/19/2006	6.390	129,493.16	517.49				
794	30	3	323001000004029	0	06/24/2006	7.940	151,374.78	408.06				
794	30	3	323001000004367	0	07/19/2006	9.740	17,302.80	422.69				
794	30	3	323001000004458	0	07/22/2006	7.940	3,586.47	55.41				
794	30	3	323001000004524	0	07/14/2006	8.840	84,259.74	12.49				
794	30	3	323001000004532	0	07/24/2006	6.790	25,387.09	632.61				
794	30	3	323001000004821	0	08/04/2006	8.590	12,408.40	83.73				
794	30	3	323001000004946	0	08/08/2006	8.690	11,614.05	84.68				
794	30	3	323001000005117	0	08/18/2006	7.990	41,789.83	74.66				
794	30	3	323001000005125	0	08/25/2006	9.440	69,772.56	283.58				
794	30	3	323001000005265	0	08/30/2006	7.590	29,008.55	505.27				
794	30	3	323001000005604	0	10/04/2006	8.790	9,137.53	102.35				
794	30	3	323001000005612	0	09/28/2006	9.100	33,635.55	61.62				
794	30	3	323001000005679	0	09/27/2006	7.790	6,277.04	187.63				
794	30	3	323001000005778	0	10/11/2006	8.190	78,068.48	5.36				
794	30	3	323001000005885	0	10/16/2006	7.840	43,010.47	455.11				
794	30	3	323001000005893	8	10/12/2006	9.190	20,938.53	323.34				
794	30	3	323001000005919	0	10/13/2006	9.190	7,431.88	31.95				
794	41	3	000041100198640	0	05/18/1999	5.000	5,832.51	163.25				
794	41	3	000041100215695	0	01/28/2003	7.240	91,094.84	6.10				
794	41	3	000041100215102	0	03/20/2003	6.490	26,310.86	16.20				
794	41	3	000041100216388	0	04/22/2003	6.740	18,399.31	194.37				
794	41	3	000041100218168	0	07/08/2003	6.490	62,146.04	48.58				
794	41	3	000041100218647	0	07/28/2003	6.490	37,128.26	82.91				
794	41	3	000041200205635	0	07/19/2000	10.140	43,370.44	228.31				
794	41	3	000041200213034	0	03/15/2002	7.740	174,504.20	123.77				
794	41	3	000041200213065	2	03/12/2002	3.490	47,879.19	303.50				
794	41	3	000041200213584	0	05/03/2002	7.490	14,252.03	6,205.72				
794	41	3	000041200213799	0	06/11/2002	7.490	47,879.19	60.92				
794	41	3	000041200215087	0	11/11/2002	6.490	56,761.00	29.24				
794	41	3	000041200215944	0	03/05/2003	6.990	88,056.79	242.05				
794	41	3	000041200216060	0	03/19/2003	6.490	73,506.73	194.79				
794	41	3	000041200216099	0	03/21/2003	6.350	102,944.15	218.20				
794	41	3	000041200217001	0	09/24/2003	5.990	55,966.19	127.88				
794	41	3	000041200217388	0	05/27/2003	6.240	66,271.46	202.73				
794	41	3	000041200218101	0	07/02/2003	6.490	31,157.31	105.25				
794	41	3	000041200218619	0	07/23/2003	6.490	47,261.01	200.32				
794	41	3	000041300186159	0	08/25/1997	9.500	9,420.07	132.87				
794	41	3	000041300207230	0	10/26/2000	10.500	41,739.40	159.91				
794	41	3	000041300207546	0	11/22/2000	3.090	49.47	27.10				

1,593.57 05/04/2009

10.00

WF002294

WACHOVIA BANK, N.A.

ADVANCED CONSUMER LOAN STATUS
REGISTRATION TRIAL BALANCE
AS OF DATE: 11/30/2006

047806101

PAGE: 9,072

DATE: 11/30/2006

INVESTOR	DATE	APP	MEMBER	ACTY	FORWASH	CURRINT	LOAN	INTEREST	INTEREST	INTY	LAST	INTEREST	D
				WTD	WTD	WTD	AMOUNT	DOB	WTD	FEES	CHARGE	PAID	C
798	04	3	325401000111077	0	10/25/2006	31,640	112,961.26	21.28	623.27				
798	04	3	325401000111132	0	10/25/2006	8,670	76,618.46	785.39	873.20				
798	04	3	325401000111242	0	10/25/2006	10,490	51,207.45	2,015.07	101.37				
798	04	3	325401000111323	0	10/25/2006	10,690	40,511.90	323.62	260.62				
798	04	3	325401000111424	0	10/27/2006	1,640	35,600.00	241.90	222.91				
798	04	3	325401000111473	0	10/27/2006	1,640	60,810.38	387.26	354.68				
798	04	3	325401000111507	0	10/30/2006	6,300	54,724.30	257.31	297.76				
798	04	3	325401000111523	0	10/30/2006	6,420	23,184.58	156.01	120.64				
798	04	3	325401000111571	0	10/31/2006	6,780	36,600.00	166.73	120.98				
798	04	3	325401000111594	0	10/31/2006	2,440	30,691.73	248.91	165.84				
798	04	3	325401000111616	0	10/31/2006	6,420	9,944.67	11.79	89.19				
798	04	3	325401000111637	0	10/31/2006	7,500	25,777.29	255.49	235.07				
798	04	3	325401000111659	0	10/31/2006	4,420	8,233.00	34.28	32.25				
798	04	3	325401000111681	0	10/31/2006	4,780	27,807.90	176.04	129.61				
798	04	3	325401000111709	0	10/31/2006	6,800	29,140.34	176.11	129.11				
798	04	3	325401000111742	0	10/31/2006	4,870	35,834.25	352.81	180.19				
798	04	3	325401000111764	0	10/31/2006	6,800	190,630.10	1,122.83	1,028.18				
798	04	3	325401000111786	0	10/31/2006	8,040	45,649.90	331.08	267.96				
798	04	3	325401000111808	0	10/31/2006	7,790	28,137.01	36.43	181.25				
798	04	3	325401000111830	0	10/31/2006	6,780	107,832.18	547.04	606.62				
798	04	3	325401000111852	0	10/31/2006	6,780	11,646.65	265.22	272.92				
798	04	3	325401000111874	0	10/31/2006	7,000	80,643.05	331.63	281.69				
798	04	3	325401000111896	0	11/01/2006	6,810	603,902.00	2,488.54	2,510.91				
798	04	3	325401000111918	0	10/30/2006	6,810	120,725.70	831.89	617.88				
798	04	3	325401000111940	0	10/30/2006	9,210	62,765.20	494.87	491.81				
798	04	3	325401000111962	0	10/30/2006	7,310	60,491.75	330.93	240.18				
798	04	3	325401000111984	0	11/01/2006	6,750	28,381.10	148.80	116.11				
798	04	3	325401000112006	0	10/26/2006	7,630	68,206.08	469.29	340.49				
798	04	3	325401000112028	0	11/01/2006	7,790	50,408.44	236.13	223.31				
798	04	3	325401000112050	0	10/30/2006	7,790	53,718.70	378.63	344.21				
798	04	3	325401000112072	0	10/30/2006	6,130	101,078.55	837.27	761.16				
798	04	3	325401000112094	0	11/01/2006	6,290	101,247.66	537.97	820.62				
798	04	3	325401000112116	0	11/02/2006	7,120	58,122.00	218.69	218.63				
INVESTOR TOTALS						1,585,813,633.90	7,791,628.12	8,820,313.40	509.00	33,151.80	188,264.78		
TOTAL OF ACTIVE SOLD LOANS					21,768								
TOTAL OF CLOS/CHARGE OFF					80								
TOTAL NUMBER OF LOANS					21,848								

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BV

WF002302

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STATE OF SOUTH CAROLINA	)	IN THE COURT OF COMMON PLEAS
	)	NINTH JUDICIAL CIRCUIT
COUNTY OF CHARLESTON	)	CASE NO.: 2011-CP-10-2946
 BRENT E. BENTRIM	)	
	)	SECOND AFFIDAVIT OF
Plaintiff,	)	CLIFTON D. BODIFORD
	)	
v.	)	
	)	
WELLS FARGO BANK, N.A.,	)	
	)	
Defendant.	)	
_____	)	

PERSONALLY APPEARED before me, the undersigned Clifton D. Bodiford, CPA, who, after being duly sworn depose and state as follows:

1. I am an adult over the age of 18 and competent to make this affidavit.
2. I am a certified public accountant practicing in Columbia, South Carolina. I have over 40 years of experience in accounting; there has been no lapse in my CPA status since I began practice. My C.V. is attached.
3. Within my practice, I specialize in providing consulting and audit services to the financial services industry including nationally chartered banks. As such have reviewed the accounting for loan and the accounting for the sales of loans and participation interests in loans.
4. I have reviewed the following documents produced by the Defendant: WF2294, WF2299, WF2300, WF2301, WF2302, WF2303, WF2304 and WF2305.
5. I have expertise related to Financial Accounting Standards Board (FASB) Statement Number 140 (the identification number before the codification) as it applies to the accounting for loans owned and the loans sold on December 1, 2006.

6. Whole loans (the entire loan balance) or a participation interest in a loan (a percentage of the loan) may be sold by the entity holding the loan. In either event -- whether the entire loan or a portion of the loan is transferred -- the transfer of ownership constitutes a sale,
7. The transaction described in WF2301 indicates Wachovia Bank, NA loaned The Money Store/ Service Corp the funds to purchase loans from Wachovia Bank, NA.
8. The documents reviewed indicate the Wachovia Bank, NA sold the loans in question, as without a sale there would have been no gain to recognize as was reflected in the journal entries (regardless of whether or not the gain was or was not eliminated in consolidation).

FURTHER AFFIANT SAYETH NOT.

Clifton B. Bodiford
Clifton B. Bodiford

SWORN TO AND SUBSCRIBED BY ME
this 23 day of May, 2014.

Melanie B. Buchanan
Notary Public for the State of South Carolina
My Commission Expires: 10/19/15

Clifton D. Bodiford
Certified Public Accountant

Education

1965 - University of South Carolina-B.S. Accounting

Work Experience

1965-1985 - Clarkson, Harden & Gantt, CPA's, Partner

1985-1992 - Ernst & Young, Partner

1993 - Arthur Andersen & Company, Partner

1994 - Present-self employed CPA

Clients Served

Extensive experience serving banks, saving and loan associations and insurance companies providing audit and related consulting services

STATE OF SOUTH CAROLINA	)	COURT OF COMMON PLEAS
	)	NINTH JUDICIAL CIRCUIT
COUNTY OF CHARLESTON	)	CASE NO. 2011-CP-10-2946
	)	
BRENT E. BENTRIM,	)	
	)	
Plaintiff,	)	THIRD AFFIDAVIT OF
	)	CLIFTON D. BODIFORD, CPA
v.	)	
	)	
WELLS FARGO BANK, N.A.,	)	
	)	
Defendant.	)	
STATE OF SOUTH CAROLINA	)	
	)	
COUNTY OF RICHLAND	)	

PERSONALLY APPEARED BEFORE me, the undersigned Clifton D. Bodiford, CPA, who after being duly sworn would depose and state as follows:

1. I am an adult over the age of 18 and competent to make this affidavit.
2. I am a Certified Public Accountant practicing in Columbia, South Carolina. I have over 40 years of experience in accounting; there has been no lapse in my CPA status since I began my practice. My C.V. is attached. I have given two (2) prior affidavits in this matter.
3. Within my practice, I specialize in providing consulting and audit services to the financial services industry including nationally chartered banks. As such I am familiar with the accounting for loan and the accounting for the sales of loans, including participant interests in loans as they relate to corporate subsidiaries.
4. I have expertise related to Financial Accounting Standards Board (FASB) Statement Number 140 (the identification number before the codification) as it applies to the accounting of loan owned and loans sold on or about December 1, 2006.
5. I have reviewed the following documents produced by the Defendant: WF 2341-5 "Consent Agreement," WF 2346-59 "Participation Agreement," and WF 2355-70 "Servicing Agreement." I have also reviewed the documents identified as WF 2294 2299-2305, and 2371-2572

6. It is my opinion that the Participation Agreement is incomplete on its face insofar as it is undated and Schedule A is not attached. Absent a dated Participation Agreement with an attached Exhibit A, the Agreement, there is no evidence the Plaintiff's loan was a part of the described transaction.

7. I have reviewed Plaintiff's Exhibit GG, "Fitch Report" as it relates to Wachovia's Home Equity Loan Servicing platform.

8. It is my opinion that the contra-journal loan servicing system known as DOTS will establish what entity received its right to payments in the Bentrin Loan.

9. If applicable to the Bentrin Loan, however, then the transaction described in the Participation Agreement, is a complete transfer of ownership (i.e. a 100% sale) to The Money Store Service Corp., Inc. ("TMS/SC"), which divested Wachovia Bank, NA ("Wachovia") of any right or title to the Bentrin Loan.

10. The Participation Agreement further indicates Wachovia has *no recourse* in the loans sold.

11. Under Generally Accepted Accounting Practices (GAAP) and Generally Accepted Auditing Standards (GAAS), as well as industry standards, any sale to subsidiary, as alleged, is still a legal transfer of ownership, resulting in a true sale.

12. I have reviewed the letter to the Court from Defendant's counsel dated May 7, 2015. It is my opinion that if the Participation Agreement is applicable to the Bentrin Loan, then the assertion of Defendant's counsel that the Participation Agreement does 'not evidence a sale, repurchase, transfer, assignment or hypothecation' of the Loans is false.

13. Based on my experience, it is common for a "Participation Agreement" such as the one presented as part of WF 2341-2370 to be a preparatory step to ultimately securitizing the loans included in such a transaction.

14. I have reviewed the sworn Affidavit of Casimira Kita dated November 13, 2014 confirming the securitization of a Trust identified as "Pool 794."

15. Based on the information I have reviewed, and in the absence of contrary evidence at this time, it is my opinion to a reasonable degree of certainty that "Pool 794" is likely a REMIC Trust.

16. Therefore additional Agreements should exist in regards to the securitization of Pool 794, which would be a completely separate transaction that the Participation Agreement.

Clifton D. Bodiford
Clifton D. Bodiford, CPA

SWORN TO AND SUBSCRIBED BY ME
This 19 day of February, 2015.

Julie S. Chavis
Notary Public for the State of South Carolina
My Commission Expires: 6/26/17

Clifton D. Bodiford
Certified Public Accountant

Education

1965 - University of South Carolina-B.S. Accounting

Work Experience

1965-1985 - Clarkson, Harden & Gantt, CPA's, Partner

1985-1992 - Ernst & Young, Partner

1993 - Arthur Andersen & Company, Partner

1994 - Present-self employed CPA

Clients Served

Extensive experience serving banks, saving and loan associations and insurance companies providing audit and related consulting services

BK: 41 LOC:
RC: 9006774

LN TP: 39
0180000/00

NEGOTIABLE PI
(Fixed or Vari



41200213089 * 2

\$182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

68004199310001
301 SOUTH TRYON STREET, NC5434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET

CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

☐ If indicated, this is a fixed rate loan and my Interest Rate is

☒ If indicated, this is a variable rate loan and my initial Interest Rate is 4.99 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The Initial Interest Rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.13 %	\$ 174315.60	\$ 180000.00	\$ 354315.60

I have the right to receive at this time an itemization of the Amount Financed: () I want an itemization. () I do not want an itemization.
(Initials) (Initials)

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$984.21	M	05/11/02		\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.

☒ MAXIMUM RATE.
If indicated, the maximum interest rate will not exceed: 45.98
18.00

☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.

☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

☐ the goods or property being purchased. ☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$

Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

I may see my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
_____	_____	Credit Life	\$ _____	_____	\$ _____	
_____	_____	Credit Disability	\$ _____	_____	\$ _____	\$ _____

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

SC 29407

As more fully described on mortgage dated 03/12/02

_____ If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with your variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

BE B

INSURANCE: If I have given you a security interest in my property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s), if you require such coverage. My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment, if (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

GUARANTY OF THIRD PERSONS: The undersigned jointly and severally guarantee the payment, when due, to any holder hereof of all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, of any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against the borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by the foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor – Co-Signer (SEAL)

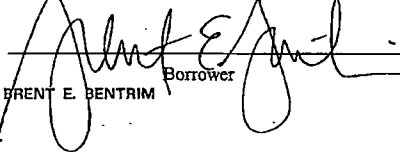
Guarantor – Co-Signer (SEAL)

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner (SEAL)

Owner or Co-Owner (SEAL)

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.


BRENT E. BENTRIM Borrower (SEAL)

Borrower (SEAL)

NEGOTIABLE PROMISSORY NOTE
(Fixed or Variable Interest Rate)



BK: 41 LOC: LN TP: 39
AC: 0008774 0180000/00

Ref. No. 0205200092

Date: 03/12/02

Acct. No.

\$ 182700.00

EDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NC 5434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET
CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

- ☐ If indicated, this is a fixed rate loan and my Interest Rate is
- ☒ If indicated, this is a variable rate loan and my Initial Interest Rate is 4.89 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The Initial Interest Rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.13 %	\$ 174315.60	\$ 180000.00	\$ 354315.60

I have the right to receive at this time an Itemization of the Amount Financed: () I want an Itemization. () I do not want an Itemization.
(Initials) (Initials)

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$984.21	M	05/11/02		\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

- ☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.
- ☒ MAXIMUM RATE.
If indicated, the maximum interest rate will not exceed: 15.99
18.00

- ☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.
- ☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

- ☐ the goods or property being purchased. ☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$ Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

- ☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

- ☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

EXHIBIT D

I may see my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
_____	_____	Credit Life	\$ _____	_____	\$ _____	
_____	_____	Credit Disability	\$ _____	_____	\$ _____	\$ _____

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON SC 29407

As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with your variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

3913

INSURANCE: If I have given you a security interest in my property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s), if you require such coverage. My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment. If (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to .15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to set-off against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

GUARANTY OF THIRD PERSONS: The undersigned jointly and severally guarantee the payment, when due, to any holder hereof of all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, of any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against the borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by the foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor - Co-Signer (SEAL)

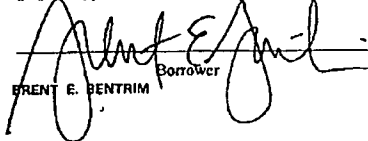
Guarantor - Co-Signer (SEAL)

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner (SEAL)

Owner or Co-Owner (SEAL)

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.


BRENT E. BENTRIM Borrower (SEAL)

Borrower (SEAL)

NEGOTIABLE PROMISSORY NOTE
(Fixed or Variable Interest Rate)



BK: 41 LOC: LN TP: 39
RC: 0006774 0180000/00

Ref. No. 0205200092

Date: 03/12/02

Acct. No.

\$182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NC5434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET

CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

- ☐ If indicated, this is a fixed rate loan and my Interest Rate is
- ☒ If indicated, this is a variable rate loan and my initial Interest Rate is 4.89 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The Initial Interest Rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.13 %	\$ 174315.60	\$ 180000.00	\$ 354315.60

I have the right to receive at this time an Itemization of the Amount Financed: () I want an itemization () I do not want an Itemization.
(Initials) (Initials)

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$984.21	M	05/11/02		\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

- ☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.
- ☒ MAXIMUM RATE.
If indicated, the maximum interest rate will not exceed: ~~15.99~~
18.00

- ☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.
- ☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

- ☐ the goods or property being purchased. ☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$ Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

- ☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

- ☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

EXHIBIT A

I may see my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
_____	_____	Credit Life	\$ _____	_____	\$ _____	_____
_____	_____	Credit Disability	\$ _____	_____	\$ _____	\$ _____

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

SC 29407

As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with your variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment/change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

INSURANCE: If I have given you a security interest in my property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s), if you require such coverage. My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment, if (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor. I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

GUARANTY OF THIRD PERSONS: The undersigned jointly and severally guarantee the payment, when due, to any holder hereof of all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, of any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against the borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by the foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor - Co-Signer (SEAL)

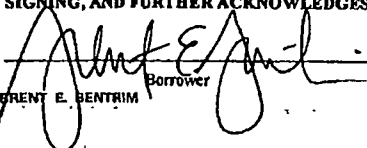
Guarantor - Co-Signer (SEAL)

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner (SEAL)

Owner or Co-Owner (SEAL)

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.


BRENT E. BENTRIM Borrower (SEAL)

Borrower (SEAL)

NEGOTIABLE PROMISSORY NOTE
(Fixed or Variable Interest Rate)



BK: 41
RC: 0008774

LOC:

LN TP: 39
0180000/00

Date: 03/12/02

Ref. No. 0205200092

Acct. No.

\$182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NCS434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET
CHARLESTON, SC 29407

Brent E. Bentrим
BENTRIM, BRENT E. TO BE A TRUE COPY

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

- ☐ If indicated, this is a fixed rate loan and my Interest Rate is _____.
- ☒ If indicated, this is a variable rate loan and my Initial Interest Rate is 4.88 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The Initial Interest Rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.13 %	\$ 174315.60	\$ 180000.00	\$ 354315.60

I have the right to receive at this time an Itemization of the Amount Financed: (_____) I want an Itemization: (_____) I do not want an Itemization. (Initials) (Initials)

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$854.21	M	05/11/02	3	\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

- ☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.
- ☒ **MAXIMUM RATE.** If indicated, the maximum interest rate will not exceed: ~~32.98~~ 15.00

- ☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.
- ☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

- ☐ the goods or property being purchased.
- ☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. 5

Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

I may see my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
_____	_____	Credit Life	\$ _____	_____	\$ _____	_____
_____	_____	Credit Disability	\$ _____	_____	\$ _____	\$ _____

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

3C 29407

As more fully described on mortgage dated 09/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with your variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

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INSURANCE: If I have given you a security interest in my property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s), if you require such coverage. My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any acccessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment, if (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

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GUARANTY OF THIRD PERSONS: The undersigned jointly and severally guarantee the payment, when due, to any holder hereof of all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, of any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against the borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by the foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor - Co-Signer (SEAL)

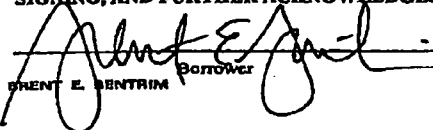
Guarantor - Co-Signer (SEAL)

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner (SEAL)

Owner or Co-Owner (SEAL)

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.


Brent E. Benthim Borrower (SEAL)

Borrower (SEAL)

NEGOTIABLE PROMISSORY NOTE
(Fixed or Variable Interest Rate)



BN: 41
RC: 0006774

LOC:

LN TP: 39
0180000/00

Ref. No. 0205200092

Date: 03/12/02

Acct. No.

\$ 182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NCS434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET
CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

☐ If indicated, this is a fixed rate loan and my interest rate is

☒ If indicated, this is a variable rate loan and my initial interest rate is 4.99 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The initial interest rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed: The amount of credit provided to me or on my behalf.	Total of Payments: The amount I will have paid after I have made all payments as scheduled.
5.19 %	\$ 1743.16.80	\$ 180000.00	\$ 354316.80

I have the right to receive at this time an itemization of the Amount Financed: ☐ I want an itemization ☐ I do not want an itemization.
(Initials) (Initials)

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
280	\$894.21	M	06/11/02		\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.

☒ MAXIMUM RATE.
If indicated, the maximum interest rate will not exceed: ~~18.00~~
18.00

☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.

☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

☐ the goods or property being purchased. ☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$ Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

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0205200092
E-TITLE/ESCROW/NOTES/HTS

I may see any contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 10 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED	#1	#2	TYPE	PREMIUM	TERM	AMT. OF COVERAGE	DISABILITY
			Credit Life	\$		\$	
			Credit Disability	\$		\$	

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked for the premiums shown above

Signature of Insured #1

Signature of Insured #2

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is filed as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
SO 28407
As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES. VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the variable rate consumer (ending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will be equal to the change in the WSJ Prime Rate, WSJ Prime Rate is announced and changed, from time to time, I understand that the interest rate is not replicated or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ Prime Rate published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th rate is on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT AND PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment interest date, you will calculate a payment estimate to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 2.5% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 2.5% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charges which will be reflected in my final balloon payment. If my loan has a variable interest rate, my payment habits and any loan extensions may change the amount of my finance charges in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 2.5% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

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0208280022

INSURANCE: If I have given you a security interest in my property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s). If you require such coverage, my insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment. If (1) I do not cure the default within 20 days, (2) I am over late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added in my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

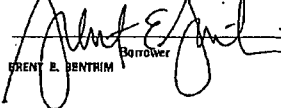
GUARANTY OF THIRD PERSONS: The undersigned jointly and severally guarantee the payment, when due, to any holder hereof of all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, of any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against the borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by the foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

_____(SEAL) _____(SEAL)
Guarantor - Co-Signer Guarantor - Co-Signer

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

_____(SEAL) _____(SEAL)
Owner or Co-Owner Owner or Co-Owner

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.

_____(SEAL) _____(SEAL)
Borrower Borrower
BRENT E. BENTHIM

NEGOTIABLE PROMISSORY NOTE (Fixed or Variable Interest Rate)



Ref. No. 0205200092

BK: 41
RC: 0006774

LOC:

LN TP: 39
0180000000

Date: 03/12/02

Acct. No.

\$ 182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NC 5434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET

CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

☐ If indicated, this is a fixed rate loan and my interest rate is

☒ If indicated, this is a variable rate loan and my initial interest rate is 4.99 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The initial interest rate is computed as follows: Prime Rate of 4.76 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE The cost of my credit as a yearly rate.	FINANCE CHARGE The dollar amount this credit will cost me.	Amount Financed, The amount of funds provided to me or on my behalf.	Total of Payments, The amount I will have paid when I have made all payments as scheduled.
5.13 %	\$ 174316.80	\$ 180000.00	\$ 364316.80

I have the right to receive at this time an Itemization of the Amount Financed () I want an Itemization () I do not want an Itemization ()

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
100	\$994.21	M	06/11/02				
	\$				\$		

Variable Rate.
If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my thirty-first payment.

☒ **MAXIMUM RATE.**
If indicated, the maximum interest rate will not exceed: 18.00 %

☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.

☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.50% in 20 days, then my final payment would increase by \$4.80.

Securely, I am giving a security interest in:

☐ the goods or property being purchased. ☒ Other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$ **Prepayment.** If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

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0205200092
NEGOTIABLE PROMISSORY NOTE

I may see my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
_____	_____	Credit Life	\$ _____	_____	\$ _____	_____
_____	_____	Credit Disability	\$ _____	_____	\$ _____	\$ _____

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

SC 28407

As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with your variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSI Prime Rate. WSI Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus the WSI Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSI "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSI Prime Rate. If the 25th falls on a day when the WSI Prime Rate is not published, the WSI Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply. If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my financed charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my financed charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my financed charge which will be reflected in my final balloon payment.

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Guarantor - Co-Signer (SEAL)

Guarantor - Co-Signer (SEAL)

Owner or Co-Owner (SEAL)

SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.

 (SEAL) Borrower

BRENT E. BENTRIM

 (SEAL) Borrower

NEGOTIABLE PROMISSORY NOTE
 (Fixed or Variable Interest Rate)

 BK: 41
 RC: 0006774

 LOC: LN TP: 39
 0180000/00

Ref. No. 0205200092

Date: 03/12/02

Acct. No.

\$ 182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NC5434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRAM

10 NICHOLSON STREET
CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed), plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed, together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

☐ If indicated, this is a fixed rate loan and my Interest Rate is

☒ If indicated, this is a variable rate loan and my Initial Interest Rate is 4.88 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The Initial Interest Rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.13 %	\$ 1743.15.80	\$ 180000.00	\$ 354315.80

 I have the right to receive at this time an Itemization of the Amount Financed: ☐ I want an Itemization. ☐ I do not want an Itemization.

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$984.21	M	06/11/02		\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.

☒ **MAXIMUM RATE.**
 If indicated, the maximum interest rate will not exceed: ~~15.00~~
 18.00

☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.

☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

☐ the goods or property being purchased. ☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$

Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 3% of my payment.

☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

I may see my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
		Credit Life	\$ _____	_____	\$ _____	
		Credit Disability	\$ _____	_____	\$ _____	\$ _____

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked for the premiums shown above

Signature of Insured #1

I request coverage(s) checked for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

SC 28407

As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with your variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of this loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

INSURANCE: If I have given you a security interest in my property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s), if you require such coverage. My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment. If (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

7983

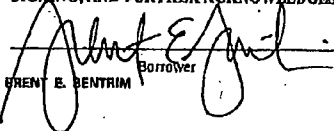
GUARANTY OF THIRD PERSONS: The undersigned jointly and severally guarantee the payment, when due, to any holder hereof of all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, of any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against the borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by the foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor - Co-Signer (SEAL) _____ (SEAL)
Guarantor - Co-Signer

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner (SEAL) _____ (SEAL)
Owner or Co-Owner

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.

 _____ (SEAL) _____ (SEAL)
Brent E. Benthim Borrower
Borrower

NEGOTIABLE PROMISSORY NOTE

(Fixed or Variable Interest Rate)



BK: 41 LOC: LN TP: 39
RC: 0006774 0180000/00

Ref. No. 0205200092

Date: 03/12/02

Acct. No.

\$182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NC5434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET

CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

☐ If indicated, this is a fixed rate loan and my Interest Rate is

☒ If indicated, this is a variable rate loan and my initial Interest Rate is 4.99 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The Initial Interest Rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.13 %	\$ 174315.60	\$ 180000.00	\$ 354315.60

I have the right to receive at this time an itemization of the Amount Financed. ☐ I want an itemization. ☐ I do not want an itemization.

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$884.21	M	05/11/02		\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.

☒ MAXIMUM RATE.
If indicated, the maximum interest rate will not exceed: 15.99
18.00

☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.

☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

☐ the goods or property being purchased. ☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$

Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

I may see my contract documents for a "addit" information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
		Credit Life	\$		\$	
		Credit Disability	\$		\$	\$

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. An additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

SC 29407

As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with your variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

INSURANCE: If I have given you a security interest in any property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s), if you require such coverage. My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment, if (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you, may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

GUARANTY OF THIRD PERSONS: und [redacted] jointly and severally guarantee paym when due, to any holder hereof, all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against it borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by it foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor - Co-Signer

(SEAL)

Guarantor - Co-Signer

(SEAL)

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner

(SEAL)

Owner or Co-Owner

(SEAL)

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED, PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.

BRENT E. BENTRIM

Borrower

(SEAL)

Borrower

(SEAL)



First Union Adjustable Rate Loan Information Statement

This disclosure describes the features of the Adjustable Rate Loan Program for loans that I am considering. Information on other Adjustable Rate Loan programs is available upon request.

How My Interest Rate and Payment Are Determined

- My interest rate will be based on an index plus a margin.
- My payment will be based on the interest rate, loan balance, and loan term.
 - The interest rate will be based on the Prime Rate published in the "MONEY RATES" table in the Eastern Edition of *The Wall Street Journal* (my "Index") plus a margin. My interest rate may be changed on the first day of each month (my "Change Date"). The Prime Rate in effect on the 25th of the month prior to the Change Date is the Index. If more than one Prime Rate is published, the higher rate will be used. Ask for the current interest rate and margin.
 - Information about the Index is published daily in *The Wall Street Journal*.
- My interest rate will equal the Index plus my margin unless my interest rate "cap" limits the amount of change in the interest rate.

How My Interest Rate Can Change

- My interest rate can change monthly.
- My interest rate cannot exceed 18.00%. In North Carolina, if the original amount of my loan is \$25,000 or less, my interest rate cannot exceed 16.00%.
- There is no limit as to how much my interest rate can increase or decrease either annually or over the term of the loan, except in Florida where it cannot increase or decrease more than 6 percentage points over the term of the loan.

How My Payment Can Change

- My monthly payment can increase or decrease substantially based upon changes in the interest rate.
- If my loan has an original term of 60 months or less, my payment will not change. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.
- My payment can change in the 61st calendar month, and, if applicable, every 60 calendar months thereafter based on changes in the interest rate. My payment cannot increase more than 25% of the previous payment at each adjustment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. On the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.
- Because my periodic payment may change once every 60 months and my interest rate may change monthly, my periodic payments may not fully cover the interest due. Such interest will be added to my loan amount and will be due at the end of the term of my loan. In such cases, unless the program I choose has a balloon provision, I will continue to make my final adjusted periodic payment for as long as any unpaid balance remains on my loan. If I have a balloon provision, I must make a single payment of the total of my periodic payment plus the remaining unpaid balance, including any accrued interest and other unpaid fees and charges I owe, at the end of the loan term.

Initial and Maximum Interest Rate and Payment Examples

For example, on a \$10,000 loan with an initial interest rate of 10.00% (in effect in April 1998) and with the maximum amount the interest rate can rise under this program being either 18.00% or 16.00% (for loans of \$25,000 or less in North Carolina, and in Florida, using the 6.00% maximum interest rate increase over the term of the loan), the monthly payment can rise from a first year payment to a maximum payment as shown below (assuming the interest rate rose to the maximum rate in the first month):

	60 months*	180 months	360 months
Initial Payment*	\$214.29	\$108.37	\$ 88.46
Maximum Payment (18.00%)	\$214.29 in 1st year	\$169.33 in 11th year	\$269.99 in 26th year
Maximum Payment (16.00%)	\$214.29 in 1st year	\$169.33 in 11th year	\$193.51 in 21st year

* Assumes no rate changes over the term of the loan

** Because my loan term in this example is only 60 months, my payment amount would not have changed. However, if I choose a balloon payment program, my final payment will be substantially larger than disclosed. Otherwise, I will have to make enough additional payments to fully amortize the balance remaining at maturity.

Note: The number and/or the amount of the periodic payment may increase or decrease substantially depending on monthly changes in the Index rate.

How to Compute My Actual Payment

To see what my initial actual payment would be, I can divide my mortgage amount by \$10,000, then multiply the initial monthly payment from the chart above by the amount. For example, the initial monthly payments for a \$60,000 loan with an initial interest rate of 10.00% would be:

$\$60,000 \div \$10,000 = 6$; $6 \times \$214.29 = \$1,285.74$ per month (60 month term)

$6 \times \$108.37 = \$650.22$ per month (180 month term)

$6 \times \$88.46 = \$530.76$ per month (360 month term)

I will be notified in writing at least 25 days before the due date of a payment at a new level. This notice will contain information about my interest rates, payment amount, and loan balance.

By signing below, I acknowledge that I have received a copy of this Adjustable Rate Loan Information Statement and the booklet entitled "Consumer Handbook on Adjustable Rate Mortgages" at the time of application.

March 12, 2002
Date of Acknowledgement

Applicant's Signature

Co-Applicant's Signature

BKC 402PG182

Return To:

First Union National Bank
Consumer Loan Operations
P.O. Box 50010
Roanoke, VA 24022
Parcel No:

Prepared By:

MORTGAGE

THIS MORTGAGE made this day 12 March, 2002 between the Mortgagor,
Brent E. Bentrin

(herein "Borrower"), and the Mortgagee, First Union National Bank, a national banking association organized and existing under the laws of the United States of America, whose address is First Union National Bank, 301 South College Street, NC 0630, Charlotte, North Carolina 28288-0630 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 182700.00 which indebtedness is evidenced by Borrower's Note dated 03/12/02 extensions, modifications and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid, due and payable on 04/11/32

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described Property located in the County of Charleston, State of South Carolina:

SEE ATTACHED EXHIBIT "A" INCORPORATED HEREIN BY REFERENCE

which has the address of 10 NICHOLSON STREET

CHARLESTON SC 29407
and Parcel No. 421-02-00-107 (herein "Property Address");

TOGETHER with all the improvements now or hereafter erected on the Property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain a part of the Property covered by this Mortgage; and all of the foregoing, together with said Property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Any Rider ("Rider") attached hereto and executed of even date is incorporated herein and the covenant and agreements of the Rider shall amend and supplement the covenants and agreements of this Mortgage, as if the Rider were a part hereof.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and, convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note. This Mortgage secures payment of said Note according to its terms, which are incorporated herein by reference.
2. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations, under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.
3. **Hazard Insurance.** a) Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards, including floods or flood, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 5.
 b) All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.
 c) Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property or does not answer within thirty (30) days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.
 d) Except as provided in subparagraph 3(e) below, should partial or complete destruction or damage occur to the Property, Borrower hereby agrees that any and all instruments evidencing insurance proceeds received by Lender as a result of said damage or destruction, shall be placed in a non-interest bearing escrow account with Lender. At Lender's discretion, Lender may release some or all of the proceeds from escrow after Borrower presents Lender with a receipt(s), invoice(s), written estimates(s) or other document(s) acceptable to Lender which relates to the repair and/or improvements of the Property necessary as a result of said damage and/or destruction. Absent an agreement to the contrary, Lender shall not be required to pay Borrower any interest on the proceeds held in the escrow account. Any amounts remaining in the account after all repairs and/or improvements have been made to the Lender's satisfaction, shall be applied to the sums secured by this Mortgage. Borrower further agrees to cooperate with Lender by endorsing all checks, drafts and/or other instruments evidencing insurance proceeds and any necessary documents. Should Borrower fail to provide any required endorsement and/or execution within thirty (30) days after Lender sends Borrower notice that Lender has received an instrument evidencing insurance proceeds, or document(s) requiring Borrower's signature, Borrower hereby authorizes Lender to endorse said instrument and/or document(s) on Borrower's behalf, and collect and apply said proceeds at Lender's option, either to restoration or repair of the Property or to sums secured by this Mortgage. It is not the intention of either party that this escrow provision, and/or Lender's endorsement or execution of an instrument(s) and/or document(s) on behalf of Borrower create a fiduciary or agency relationship between Lender and Borrower.
 e) Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1 or change the amount of the payments. If under paragraph 15 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument.
4. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.
5. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such actions as is necessary to protect Lender's interest in the Property.

Any amounts disbursed by Lender pursuant to this paragraph 5, with interest thereon from the date of disbursement, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon

notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 5 shall require Lender to incur any expense or take any action hereunder.

6. Inspection. Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

7. Condemnation. The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

8. Borrower Not Released; Forbearance by Lender Not a Waiver. The Borrower shall remain liable for full payment of the principal and interest on the Note (or any advancement or obligation) secured hereby, notwithstanding any of the following: (a) the sale of all or a part of the premises; (b) the assumption by another party of the Borrower's obligations hereunder; (c) the forbearance or extension of time for payment or performance of any obligation hereunder, whether granted to Borrower or a subsequent owner of the Property; and (d) the release of all or any part of the premises securing said obligations or the release of any party who assumes payment of the same. None of the foregoing shall in any way affect the full force and effect of the lien of this Mortgage or impair Lender's right to a deficiency judgment (in the event of foreclosure) against Borrower or any party assuming the obligations hereunder, to the extent permitted by applicable law.

Any forbearance by Lender in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

9. Successors and Assigns Bound; Joint and Several Liability; Co-signers. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of paragraph 14, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender.

10. Notice. Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by first class mail addressed to Borrower or the current owner at the Property Address or at such other address as Borrower may designate in writing by notice to Lender as provided herein, and any other person personally liable on this Note as these persons' names and addresses appear in the Lender's records at the time of giving notice and (b) any notice to Lender shall be given by first class mail to Lender's address at First Union National Bank, Consumer Loan Operations, P.O. Box 50010, Roanoke, VA 24022 or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

11. Governing Law; Severability. The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflicts shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

12. Borrower's Copy. Borrower shall be furnished a conformed copy of the Note, this Mortgage and Rider(s) at the time of execution or after recordation hereof.

13. Rehabilitation Loan Agreement. Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

14. Transfer of the Property or a Beneficial Interest in Borrower; Assumption. As used in this paragraph 14, "interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written

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consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given in accordance with paragraph 10 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies by this Security Instrument without further notice or demand on Borrower.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

15. Default; Acceleration; Remedies. Upon Borrower's breach of any covenant or agreement of Borrower in this entire Mortgage, including the covenants to pay when due any sums under the Note secured by this Mortgage, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without demand or notice, notice of the exercise of such option being hereby expressly waived. Lender may invoke the power of sale hereby granted. Lender shall have the right to enter upon and take possession of the Property hereby conveyed or shall without taking such possession have the right to sell the same at public auction for cash, after first giving notice of the time, place and terms of such sale by publication once a week for three consecutive weeks prior to said sale, in some newspaper published in said county, and upon payment of the purchase money, the Lender, or owner of the debt and Mortgage, or auctioneer, shall execute to the purchaser for and in the name of the Mortgagors, a good and sufficient deed to the Property sold; the Lender shall apply the proceeds of said sale: first, to the expense of advertising, selling and conveying said Property, including a reasonable attorney's fee; second, to the payment of any amounts that may have been expended or that may then be necessary to expend in paying insurance, taxes and other encumbrances, with interest thereon; third, to the payment in full of the principal indebtedness and interest thereon, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the date of said sale; and fourth, the balance, if any, shall be paid over to the said Borrowers or to whomever then appears of record to be the owner of said Property. The Lender may bid and become the purchaser of the Mortgaged Property at any foreclosure sale hereunder.

16. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, this Note and Notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 15 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action, as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

17. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that so long as Borrower is not in default hereunder, Borrower shall, prior to acceleration under paragraph 15 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration and/or foreclosure under paragraph 15 hereof, or abandonment of the Property, Lender, in person or by agent, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. The Lender shall be liable to account only for those rents actually received prior to the foreclosure sale as provided in paragraph 15. Lender shall not be liable to account to Borrower or to any other person claiming any interest in the Property for any rents received after foreclosure.

18. Loan Charges. If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits, then: (a) any such loan charges shall be reduced by the amount necessary to reduce the charge to the permitted limit and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by mailing a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

19. Legislation. If, after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provisions of the Note, the Mortgage or any Rider, unenforceable according to their terms, or all or any part of the sums secured hereby uncollectible, as otherwise provided in this Mortgage or the Note, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by the Mortgage to be immediately due and payable.

20. Satisfaction. Upon payment of all sums secured by this Mortgage, the conveyance of the Property pursuant to this Mortgage shall become null and void and Lender shall release this Mortgage. Borrower shall pay all costs of recordation, if any. Lender, at Lender's option, may allow a partial release of the Property on terms acceptable to Lender and Lender may charge a release fee.

21. Waiver of Homestead. Borrower hereby waives all rights of homestead exemption in the Property and relinquishes all rights of dower and curtesy in the Property.

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22. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal, or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

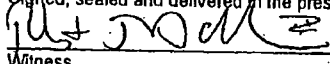
As used in this paragraph 22, "Hazardous Substances" are those substances defined as toxic or Hazardous Substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 22, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety, or environmental protection.

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE
UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender at First Union National Bank, Consumer Loan Operations, P.O. Box 50010, Roanoke, VA 24022 of any default under the superior encumbrance and of any sale or other foreclosure action.

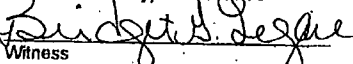
IN WITNESS WHEREOF, Borrower has executed this Mortgage and adopted as his seal the word ("SEAL") appearing beside his name.

Signed, sealed and delivered in the presence of:


Witness

Robert J. Donaldson, III

Witness Name Typed or Printed


Witness

Bridget G. Legare

Witness Name Typed or Printed

 [SEAL]
Borrower

[SEAL]
Borrower

[SEAL]
Borrower

[SEAL]
Borrower

State of South Carolina

County of Charleston

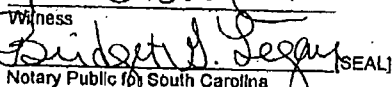
Before me, the undersigned Notary Public, personally appeared Robert J. Donaldson, III

who being duly sworn, deposed and said that (s)he saw Brent E. Bentrin

sign, seal and deliver the foregoing Mortgage and that (s)he, together with Bridget G. Legare

witnessed the execution thereof.

SWORN to and subscribed before me this 12th day of March, 2002

 [SEAL]
Notary Public for South Carolina

Bridget G. Legare

Notary Public Name (Typed or Printed)

My Commission Expires: 1/31/12

Davidson
Bennett
& Wigger
ATTORNEYS AT LAW

EXC 402PG188

FILED

C402-182

2002 APR -3 PH 3: 15

CHARLES L. BRAND
REGISTER
CHARLESTON COUNTY SC

12.00
c

NEGOTIABLE PROMISSORY NOTE

(Fixed or Variable Interest Rate)



BK: 41
RC: 0006774

LOC:

LN TP: 39
0180000/00

Ref. No. 0205200092

Date: 03/12/02

Acct. No.

\$182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NC5434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET

CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

☐ If indicated, this is a fixed rate loan and my Interest Rate is

☒ If indicated, this is a variable rate loan and my initial Interest Rate is 4.99 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The Initial Interest Rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.13 %	\$ 174315.60	\$ 180000.00	\$ 354315.60

I have the right to receive at this time an itemization of the Amount Financed: () I want an itemization, () I do not want an itemization.
(Initials) (Initials)

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$984.21	M	05/11/02		\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.

☒ MAXIMUM RATE.
If indicated, the maximum interest rate will not exceed: ~~15.99~~
18.00

☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.

☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

☐ the goods or property being purchased.

☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$

Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

I may see my contract documents for a "addit" Information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
		Credit Life	\$		\$	
		Credit Disability	\$		\$	\$

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

SC 29407

As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with you variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments to the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

INSURANCE: If I have given you a security interest in any property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s), if you require such coverage. My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment, if (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

GUARANTY OF THIRD PERSONS: The undersigned jointly and severally guarantee payment when due, to any holder hereof, all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against the borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by the foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor - Co-Signer (SEAL)

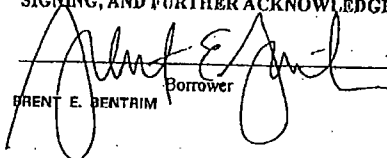
Guarantor - Co-Signer (SEAL)

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner (SEAL)

Owner or Co-Owner (SEAL)

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED, PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.


Brent E. Bentrim Borrower (SEAL)

Borrower (SEAL)



First Union Adjustable Rate Loan Information Statement

This disclosure describes the features of the Adjustable Rate Loan Program for loans that I am considering. Information on other Adjustable Rate Loan programs is available upon request.

How My Interest Rate and Payment Are Determined

- My interest rate will be based on an index plus a margin.
- My payment will be based on the interest rate, loan balance, and loan term.
 - The interest rate will be based on the Prime Rate published in the "MONEY RATES" table in the Eastern Edition of *The Wall Street Journal* (my "Index") plus a margin. My interest rate may be changed on the first day of each month (my "Change Date"). The Prime Rate in effect on the 25th of the month prior to the Change Date is the Index. If more than one Prime Rate is published, the higher rate will be used. Ask for the current interest rate and margin.
 - Information about the Index is published daily in *The Wall Street Journal*.
- My interest rate will equal the Index plus my margin unless my interest rate "cap" limits the amount of change in the interest rate.

How My Interest Rate Can Change

- My interest rate can change monthly.
- My interest rate cannot exceed 18.00%. In North Carolina, if the original amount of my loan is \$25,000 or less, my interest rate cannot exceed 16.00%.
- There is no limit as to how much my interest rate can increase or decrease either annually or over the term of the loan, except in Florida where it cannot increase or decrease more than 6 percentage points over the term of the loan.

How My Payment Can Change

- My monthly payment can increase or decrease substantially based upon changes in the interest rate.
- If my loan has an original term of 60 months or less, my payment will not change. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.
- My payment can change in the 61st calendar month, and, if applicable, every 60 calendar months thereafter based on changes in the interest rate. My payment cannot increase more than 25% of the previous payment at each adjustment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. On the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.
- Because my periodic payment may change once every 60 months and my interest rate may change monthly, my periodic payments may not fully cover the interest due. Such interest will be added to my loan amount and will be due at the end of the term of my loan. In such cases, unless the program I choose has a balloon provision, I will continue to make my final adjusted periodic payment for as long as any unpaid balance remains on my loan. If I have a balloon provision, I must make a single payment of the total of my periodic payment plus the remaining unpaid balance, including any accrued interest and other unpaid fees and charges I owe, at the end of the loan term.

Initial and Maximum Interest Rate and Payment Examples

For example, on a \$10,000 loan with an initial interest rate of 10.00% (in effect in April 1998) and with the maximum amount the interest rate can rise under this program being either 18.00% or 16.00% (for loans of \$25,000 or less in North Carolina, and in Florida, using the 6.00% maximum interest rate increase over the term of the loan), the monthly payment can rise from a first year payment to a maximum payment as shown below (assuming the interest rate rose to the maximum rate in the first month):

	60 months**	180 months	360 months
Initial Payment*	\$214.29	\$108.37	\$ 88.46
Maximum Payment (18.00%)	\$214.29 in 1st year	\$169.33 in 11th year	\$269.99 in 26th year
Maximum Payment (16.00%)	\$214.29 in 1st year	\$169.33 in 11th year	\$193.51 in 21st year

* Assumes no rate changes over the term of the loan.
** Because my loan term in this example is only 60 months, my payment amount would not have changed. However, if I choose a balloon payment program, my final payment will be substantially larger than disclosed. Otherwise, I will have to make enough additional payments to fully amortize the balance remaining at maturity.

Note: The number and/or the amount of the periodic payment may increase or decrease substantially depending on monthly changes in the index rate.

How to Compute My Actual Payment

To see what my initial actual payment would be, I can divide my mortgage amount by \$10,000, then multiply the initial monthly payment from the chart above by the amount. For example, the initial monthly payments for a \$60,000 loan with an initial interest rate of 10.00% would be:

$\$60,000 \div \$10,000 = 6$; $6 \times \$214.29 = \$1,285.74$ per month (60 month term)
 $6 \times \$108.37 = \$650.22$ per month (180 month term)
 $6 \times \$ 88.46 = \$530.76$ per month (360 month term)

I will be notified in writing at least 25 days before the due date of a payment at a new level. This notice will contain information about my interest rates, payment amount, and loan balance.

By signing below, I acknowledge that I have received a copy of this Adjustable Rate Loan Information Statement and the booklet entitled "Consumer Handbook on Adjustable Rate Mortgages" at the time of application.

March 12, 2002

Date of Acknowledgement

Applicant's Signature

Co-Applicant's Signature

BKC 402PG182

Return To:

First Union National Bank
Consumer Loan Operations
P.O. Box 50010
Roanoke, VA 24022
Parcel No:

Prepared By:

MORTGAGE

THIS MORTGAGE made this day 12 March, 2002 between the Mortgagor,
Brent E. Bentrin

(herein "Borrower"), and the Mortgagee, First Union National Bank, a national banking association organized and existing under the laws of the United States of America, whose address is First Union National Bank, 301 South College Street, NC 0630, Charlotte, North Carolina 28288-0630 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 182700.00 which indebtedness is evidenced by Borrower's Note dated 03/12/02 extensions, modifications and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid, due and payable on 04/11/32

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described Property located in the County of Charleston, State of South Carolina:

SEE ATTACHED EXHIBIT "A" INCORPORATED HEREIN BY REFERENCE

which has the address of 10 NICHOLSON STREET

CHARLESTON SC 29407
and Parcel No. 421-02-00-107 (herein "Property Address");

TOGETHER with all the improvements now or hereafter erected on the Property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain a part of the Property covered by this Mortgage; and all of the foregoing, together with said Property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Any Rider ("Rider") attached hereto and executed of even date is incorporated herein and the covenant and agreements of the Rider shall amend and supplement the covenants and agreements of this Mortgage, as if the Rider were a part hereof.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and, convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note. This Mortgage secures payment of said Note according to its terms, which are incorporated herein by reference.
2. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations, under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.
3. **Hazard Insurance.** a) Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards, including floods or flood, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 5.
 b) All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.
 c) Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property or does not answer within thirty (30) days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.
 d) Except as provided in subparagraph 3(e) below, should partial or complete destruction or damage occur to the Property, Borrower hereby agrees that any and all instruments evidencing insurance proceeds received by Lender as a result of said damage or destruction, shall be placed in a non-interest bearing escrow account with Lender. At Lender's discretion, Lender may release some or all of the proceeds from escrow after Borrower presents Lender with a receipt(s), invoice(s), written estimates(s) or other document(s) acceptable to Lender which relates to the repair and/or improvements of the Property necessary as a result of said damage and/or destruction. Absent an agreement to the contrary, Lender shall not be required to pay Borrower any interest on the proceeds held in the escrow account. Any amounts remaining in the account after all repairs and/or improvements have been made to the Lender's satisfaction, shall be applied to the sums secured by this Mortgage. Borrower further agrees to cooperate with Lender by endorsing all checks, drafts and/or other instruments evidencing insurance proceeds and any necessary documents. Should Borrower fail to provide any required endorsement and/or execution within thirty (30) days after Lender sends Borrower notice that Lender has received an instrument evidencing insurance proceeds, or document(s) requiring Borrower's signature, Borrower hereby authorizes Lender to endorse said instrument and/or document(s) on Borrower's behalf, and collect and apply said proceeds at Lender's option, either to restoration or repair of the Property or to sums secured by this Mortgage. It is not the intention of either party that this escrow provision, and/or Lender's endorsement or execution of an instrument(s) and/or document(s) on behalf of Borrower create a fiduciary or agency relationship between Lender and Borrower.
 e) Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1 or change the amount of the payments. If under paragraph 15 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument.
4. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.
5. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such actions as is necessary to protect Lender's interest in the Property.

Any amounts disbursed by Lender pursuant to this paragraph 5, with interest thereon from the date of disbursement, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon

notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 5 shall require Lender to incur any expense or take any action hereunder.

6. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

7. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

8. **Borrower Not Released; Forbearance by Lender Not a Waiver.** The Borrower shall remain liable for full payment of the principal and interest on the Note (or any advancement or obligation) secured hereby, notwithstanding any of the following: (a) the sale of all or a part of the premises; (b) the assumption by another party of the Borrower's obligations hereunder; (c) the forbearance or extension of time for payment or performance of any obligation hereunder, whether granted to Borrower or a subsequent owner of the Property; and (d) the release of all or any part of the premises securing said obligations or the release of any party who assumes payment of the same. None of the foregoing shall in any way affect the full force and effect of the lien of this Mortgage or impair Lender's right to a deficiency judgment (in the event of foreclosure) against Borrower or any party assuming the obligations hereunder, to the extent permitted by applicable law.

Any forbearance by Lender in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

9. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of paragraph 14, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender.

10. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by first class mail addressed to Borrower or the current owner at the Property Address or at such other address as Borrower may designate in writing by notice to Lender as provided herein, and any other person personally liable on this Note as these persons' names and addresses appear in the Lender's records at the time of giving notice and (b) any notice to Lender shall be given by first class mail to Lender's address at First Union National Bank, Consumer Loan Operations, P.O. Box 50010, Roanoke, VA 24022 or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

11. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflicts shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

12. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note, this Mortgage and Rider(s) at the time of execution or after recordation hereof.

13. **Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

14. **Transfer of the Property or a Beneficial Interest in Borrower; Assumption.** As used in this paragraph 14, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written

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consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given in accordance with paragraph 10 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies by this Security Instrument without further notice or demand on Borrower.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

15. Default; Acceleration; Remedies. Upon Borrower's breach of any covenant or agreement of Borrower in this entire Mortgage, including the covenants to pay when due any sums under the Note secured by this Mortgage, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without demand or notice, notice of the exercise of such option being hereby expressly waived. Lender may invoke the power of sale hereby granted. Lender shall have the right to enter upon and take possession of the Property hereby conveyed or shall without taking such possession have the right to sell the same at public auction for cash, after first giving notice of the time, place and terms of such sale by publication once a week for three consecutive weeks prior to said sale, in some newspaper published in said county, and upon payment of the purchase money, the Lender, or owner of the debt and Mortgage, or auctioneer, shall execute to the purchaser for and in the name of the Mortgagors, a good and sufficient deed to the Property sold; the Lender shall apply the proceeds of said sale: first, to the expense of advertising, selling and conveying said Property, including a reasonable attorney's fee; second, to the payment of any amounts that may have been expended or that may then be necessary to expend in paying insurance, taxes and other encumbrances, with interest thereon; third, to the payment in full of the principal indebtedness and interest thereon, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the date of said sale; and fourth, the balance, if any, shall be paid over to the said Borrowers or to whomever then appears of record to be the owner of said Property. The Lender may bid and become the purchaser of the Mortgaged Property at any foreclosure sale hereunder.

16. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, this Note and Notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 15 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action, as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

17. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that so long as Borrower is not in default hereunder, Borrower shall, prior to acceleration under paragraph 15 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration and/or foreclosure under paragraph 15 hereof, or abandonment of the Property, Lender, in person or by agent, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. The Lender shall be liable to account only for those rents actually received prior to the foreclosure sale as provided in paragraph 15. Lender shall not be liable to account to Borrower or to any other person claiming any interest in the Property for any rents received after foreclosure.

18. Loan Charges. If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits, then: (a) any such loan charges shall be reduced by the amount necessary to reduce the charge to the permitted limit and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by mailing a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

19. Legislation. If, after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provisions of the Note, the Mortgage or any Rider, unenforceable according to their terms, or all or any part of the sums secured hereby uncollectible, as otherwise provided in this Mortgage or the Note, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by the Mortgage to be immediately due and payable.

20. Satisfaction. Upon payment of all sums secured by this Mortgage, the conveyance of the Property pursuant to this Mortgage shall become null and void and Lender shall release this Mortgage. Borrower shall pay all costs of recordation, if any. Lender, at Lender's option, may allow a partial release of the Property on terms acceptable to Lender and Lender may charge a release fee.

21. Waiver of Homestead. Borrower hereby waives all rights of homestead exemption in the Property and relinquishes all rights of dower and curtesy in the Property.

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22. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal, or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 22, "Hazardous Substances" are those substances defined as toxic or Hazardous Substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 22, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety, or environmental protection.

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE
UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender at First Union National Bank, Consumer Loan Operations, P.O. Box 50010, Roanoke, VA 24022 of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage and adopted as his seal the word ("SEAL") appearing beside his name.

Signed, sealed and delivered in the presence of:

Witness

Robert J. Donaldson, III

Witness Name Typed or Printed

Witness

Bridget G. Legare

Witness Name Typed or Printed

Borrower

Brent E. Bentrin

(SEAL)

Borrower

(SEAL)

Borrower

(SEAL)

Borrower

(SEAL)

State of South Carolina

County of Charleston

Before me, the undersigned Notary Public, personally appeared Robert J. Donaldson, III

who being duly sworn, deposed and said that (s)he saw Brent E. Bentrin

sign, seal and deliver the foregoing Mortgage and that (s)he, together with

Bridget G. Legare

witnessed the execution thereof.

SWORN to and subscribed before me this 12th day of March, 2002

Witness

Bridget G. Legare (SEAL)

Notary Public for South Carolina

Bridget G. Legare

Notary Public Name (Typed or Printed)

My Commission Expires: 1/31/12

Davidson
Bennett
& Wigger
ATTORNEYS AT LAW

DKC 402PG188

FILED

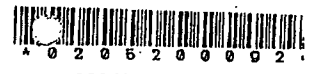
C402-182

2002 APR -3 PM 3: 15

CHARLES L. BRAND
REGISTER
CHARLESTON COUNTY SC

12.00
c

NEGOTIABLE PROMISSORY NOTE
(Fixed or Variable Interest Rate)



BK: 41 LOC: LN TP: 39
RC: 0006774 0180000/00

Ref. No. 0205200092
Date: 03/12/02 Acct. No.

\$ 182700.00
CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NCS434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM
10 NICHOLSON STREET
CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

☐ If indicated, this is a fixed rate loan and my Interest Rate is
☒ If indicated, this is a variable rate loan and my initial Interest Rate is 4.99 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The Initial Interest Rate is computed as follows: Prime Rate of 4.75 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.19 %	\$ 174315.60	\$ 180000.00	\$ 354315.60

I have the right to receive at this time an itemization of the Amount Financed: () I want an itemization. () I do not want an itemization.
(Initials) (Initials)

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$984.21	M	05/11/02		\$		
	\$				\$		

Variable Rate.
If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

☒ If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.
☒ MAXIMUM RATE.
If indicated, the maximum interest rate will not exceed: ~~15.99~~ 18.00

☐ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.
☐ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

☐ the goods or property being purchased. ☒ other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Fees. \$ Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

☐ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

☐ If indicated, the Annual Percentage Rate does not take into account my required deposit.

I may see my contract documents for a "credit" information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
		Credit Life	\$		\$	
		Credit Disability	\$		\$	\$

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

SC. 29407

As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with you. variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments to the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

INSURANCE: If I have given you a security interest in any property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s), if you require such coverage. My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment, if (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

GUARANTY OF THIRD PERSONS: und and jointly and severally guarantee payu when due, to any holder hereof all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against it borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by it foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor - Co-Signer

(SEAL)

Guarantor - Co-Signer

(SEAL)

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner

(SEAL)

Owner or Co-Owner

(SEAL)

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED, PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.

BRENT E. BENTRIM

Borrower

(SEAL)

Borrower

(SEAL)



First Union Adjustable Rate Loan Information Statement

This disclosure describes the features of the Adjustable Rate Loan Program for loans that I am considering. Information on other Adjustable Rate Loan programs is available upon request.

How My Interest Rate and Payment Are Determined

- My interest rate will be based on an index plus a margin.
- My payment will be based on the interest rate, loan balance, and loan term.
 - The interest rate will be based on the Prime Rate published in the "MONEY RATES" table in the Eastern Edition of *The Wall Street Journal* (my "Index") plus a margin. My interest rate may be changed on the first day of each month (my "Change Date"). The Prime Rate in effect on the 25th of the month prior to the Change Date is the Index. If more than one Prime Rate is published, the higher rate will be used. Ask for the current interest rate and margin.
 - Information about the Index is published daily in *The Wall Street Journal*.
- My interest rate will equal the Index plus my margin unless my interest rate "cap" limits the amount of change in the interest rate.

How My Interest Rate Can Change

- My interest rate can change monthly.
- My interest rate cannot exceed 18.00%. In North Carolina, if the original amount of my loan is \$25,000 or less, my interest rate cannot exceed 16.00%.
- There is no limit as to how much my interest rate can increase or decrease either annually or over the term of the loan, except in Florida where it cannot increase or decrease more than 6 percentage points over the term of the loan.

How My Payment Can Change

- My monthly payment can increase or decrease substantially based upon changes in the interest rate.
- If my loan has an original term of 60 months or less, my payment will not change. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.
- My payment can change in the 61st calendar month, and, if applicable, every 60 calendar months thereafter based on changes in the interest rate. My payment cannot increase more than 25% of the previous payment at each adjustment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. On the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.
- Because my periodic payment may change once every 60 months and my interest rate may change monthly, my periodic payments may not fully cover the interest due. Such interest will be added to my loan amount and will be due at the end of the term of my loan. In such cases, unless the program I choose has a balloon provision, I will continue to make my final adjusted periodic payment for as long as any unpaid balance remains on my loan. If I have a balloon provision, I must make a single payment of the total of my periodic payment plus the remaining unpaid balance, including any accrued interest and other unpaid fees and charges I owe, at the end of the loan term.

Initial and Maximum Interest Rate and Payment Examples

For example, on a \$10,000 loan with an initial interest rate of 10.00% (in effect in April 1998) and with the maximum amount the interest rate can rise under this program being either 18.00% or 16.00% (for loans of \$25,000 or less in North Carolina, and in Florida, using the 8.00% maximum interest rate increase over the term of the loan), the monthly payment can rise from a first year payment to a maximum payment as shown below (assuming the interest rate rose to the maximum rate in the first month):

	60 months**	180 months	360 months
Initial Payment*	\$214.29	\$108.37	\$ 88.46
Maximum Payment (18.00%)	\$214.29 in 1st year	\$169.33 in 11th year	\$269.99 in 26th year
Maximum Payment (16.00%)	\$214.29 in 1st year	\$169.33 in 11th year	\$193.51 in 21st year

* Assumes no rate changes over the term of the loan
 ** Because my loan term in this example is only 60 months, my payment amount would not have changed. However, if I choose a balloon payment program, my final payment will be substantially larger than disclosed. Otherwise, I will have to make enough additional payments to fully amortize the balance remaining at maturity.

Note: The number and/or the amount of the periodic payment may increase or decrease substantially depending on monthly changes in the Index rate.

How to Compute My Actual Payment

To see what my initial actual payment would be, I can divide my mortgage amount by \$10,000, then multiply the initial monthly payment from the chart above by the amount. For example, the initial monthly payments for a \$60,000 loan with an initial interest rate of 10.00% would be:

$$\begin{aligned}
 \$60,000 \div \$10,000 = 6; \quad & 6 \times \$214.29 = \$1,285.74 \text{ per month (60 month term)} \\
 & 6 \times \$108.37 = \$650.22 \text{ per month (180 month term)} \\
 & 6 \times \$ 88.46 = \$530.76 \text{ per month (360 month term)}
 \end{aligned}$$

I will be notified in writing at least 25 days before the due date of a payment at a new level. This notice will contain information about my interest rates, payment amount, and loan balance.

By signing below, I acknowledge that I have received a copy of this Adjustable Rate Loan Information Statement and the booklet entitled "Consumer Handbook on Adjustable Rate Mortgages" at the time of application.

March 12, 2002
Date of Acknowledgment

Applicant's Signature

Co-Applicant's Signature

Return To:

First Union National Bank
 Consumer Loan Operations
 P.O. Box 50010
 Roanoke, VA 24022
 Parcel No:

Prepared By:

MORTGAGE

THIS MORTGAGE made this day 12 March, 2002 between the Mortgagor,
Brent E. Bentrin

(herein "Borrower"), and the Mortgagee, First Union National Bank, a national banking association organized and existing under the laws of the United States of America, whose address is First Union National Bank, 301 South College Street, NC 0630, Charlotte, North Carolina 28288-0630 (herein "Lender").

WHEREAS, Borrower is indebted to Lender in the principal sum of U.S. \$ 182700.00 which indebtedness is evidenced by Borrower's Note dated 03/12/02 extensions, modifications and renewals thereof (herein "Note"), providing for monthly installments of principal and interest, with the balance of indebtedness, if not sooner paid, due and payable on 04/11/32

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note, with interest thereon; the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of this Mortgage; and the performance of the covenants and agreements of Borrower herein contained, Borrower does hereby mortgage, grant and convey to Lender the following described Property located in the County of Charleston, State of South Carolina:

SEE ATTACHED EXHIBIT "A" INCORPORATED HEREIN BY REFERENCE

which has the address of 10 NICHOLSON STREET

CHARLESTON SC 29407
 and Parcel No. 421-02-00-107 (herein "Property Address");

TOGETHER with all the improvements now or hereafter erected on the Property, and all easements, rights, appurtenances and rents all of which shall be deemed to be and remain a part of the Property covered by this Mortgage; and all of the foregoing, together with said Property (or the leasehold estate if this Mortgage is on a leasehold) are hereinafter referred to as the "Property."

Any Rider ("Rider") attached hereto and executed of even date is incorporated herein and the covenant and agreements of the Rider shall amend and supplement the covenants and agreements of this Mortgage, as if the Rider were a part hereof.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and, convey the Property, and that the Property is unencumbered, except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note. This Mortgage secures payment of said Note according to its terms, which are incorporated herein by reference.
2. **Prior Mortgages and Deeds of Trust; Charges; Liens.** Borrower shall perform all of Borrower's obligations, under any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage, and leasehold payments or ground rents, if any.
3. **Hazard Insurance.** a) Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards, including floods or flood, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's approval which shall not be unreasonably withheld. If Borrower fails to maintain coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property in accordance with paragraph 5.
 b) All insurance policies and renewals shall be acceptable to Lender and shall include a standard mortgagee clause. Lender shall have the right to hold the policies and renewals. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.
 c) Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, if the restoration or repair is economically feasible and Lender's security is not lessened. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with any excess paid to Borrower. If Borrower abandons the Property or does not answer within thirty (30) days a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may collect the insurance proceeds. Lender may use the proceeds to repair or restore the Property or to pay sums secured by this Security Instrument, whether or not then due. The 30-day period will begin when the notice is given.
 d) Except as provided in subparagraph 3(e) below, should partial or complete destruction or damage occur to the Property, Borrower hereby agrees that any and all instruments evidencing insurance proceeds received by Lender as a result of said damage or destruction, shall be placed in a non-interest bearing escrow account with Lender. At Lender's discretion, Lender may release some or all of the proceeds from escrow after Borrower presents Lender with a receipt(s), invoice(s), written estimate(s) or other document(s) acceptable to Lender which relates to the repair and/or improvements of the Property necessary as a result of said damage and/or destruction. Absent an agreement to the contrary, Lender shall not be required to pay Borrower any interest on the proceeds held in the escrow account. Any amounts remaining in the account after all repairs and/or improvements have been made to the Lender's satisfaction, shall be applied to the sums secured by this Mortgage. Borrower further agrees to cooperate with Lender by endorsing all checks, drafts and/or other instruments evidencing insurance proceeds and any necessary documents. Should Borrower fail to provide any required endorsement and/or execution within thirty (30) days after Lender sends Borrower notice that Lender has received an instrument evidencing insurance proceeds, or document(s) requiring Borrower's signature, Borrower hereby authorizes Lender to endorse said instrument and/or document(s) on Borrower's behalf, and collect and apply said proceeds at Lender's option, either to restoration or repair of the Property or to sums secured by this Mortgage. It is not the intention of either party that this escrow provision, and/or Lender's endorsement or execution of an instrument(s) and/or document(s) on behalf of Borrower create a fiduciary or agency relationship between Lender and Borrower.
 e) Unless Lender and Borrower otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in paragraph 1 or change the amount of the payments. If under paragraph 15 the Property is acquired by Lender, Borrower's right to any insurance policies and proceeds resulting from damage to the Property prior to the acquisition shall pass to Lender to the extent of the sums secured by this Security Instrument.
4. **Preservation and Maintenance of Property; Leaseholds; Condominiums; Planned Unit Developments.** Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this Mortgage is on a leasehold. If this Mortgage is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants creating or governing the condominium or planned unit development, the by-laws and regulations of the condominium or planned unit development, and constituent documents.
5. **Protection of Lender's Security.** If Borrower fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, then Lender, at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums, including reasonable attorneys' fees, and take such actions as is necessary to protect Lender's interest in the Property.

Any amounts disbursed by Lender pursuant to this paragraph 5, with interest thereon from the date of disbursement, at the Note rate, shall become additional indebtedness of Borrower secured by this Mortgage. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon

notice from Lender to Borrower requesting payment thereof. Nothing contained in this paragraph 5 shall require Lender to incur any expense or take any action hereunder.

6. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Borrower notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

7. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Mortgage.

8. **Borrower Not Released; Forbearance by Lender Not a Waiver.** The Borrower shall remain liable for full payment of the principal and interest on the Note (or any advancement or obligation) secured hereby, notwithstanding any of the following: (a) the sale of all or a part of the premises; (b) the assumption by another party of the Borrower's obligations hereunder; (c) the forbearance or extension of time for payment or performance of any obligation hereunder, whether granted to Borrower or a subsequent owner of the Property; and (d) the release of all or any part of the premises securing said obligations or the release of any party who assumes payment of the same. None of the foregoing shall in any way affect the full force and effect of the lien of this Mortgage or impair Lender's right to a deficiency judgment (in the event of foreclosure) against Borrower or any party assuming the obligations hereunder, to the extent permitted by applicable law.

Any forbearance by Lender in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

9. **Successors and Assigns Bound; Joint and Several Liability; Co-signers.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of paragraph 14, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender.

10. **Notice.** Except for any notice required under applicable law to be given in another manner, (a) any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing such notice by first class mail addressed to Borrower or the current owner at the Property Address or at such other address as Borrower may designate in writing by notice to Lender as provided herein, and any other person personally liable on this Note as these persons' names and addresses appear in the Lender's records at the time of giving notice and (b) any notice to Lender shall be given by first class mail to Lender's address at First Union National Bank, Consumer Loan Operations, P.O. Box 50010, Roanoke, VA 24022 or to such other address as Lender may designate by notice to Borrower as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or Lender when given in the manner designated herein.

11. **Governing Law; Severability.** The state and local laws applicable to this Mortgage shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of federal law to this Mortgage. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflicts shall not affect other provisions of this Mortgage or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Mortgage and the Note are declared to be severable. As used herein "costs," "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law or limited herein.

12. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note, this Mortgage and Rider(s) at the time of execution or after recordation hereof.

13. **Rehabilitation Loan Agreement.** Borrower shall fulfill all of Borrower's obligations under any home rehabilitation, improvement, repair or other loan agreement which Borrower enters into with Lender. Lender, at Lender's option, may require Borrower to execute and deliver to Lender, in a form acceptable to Lender, an assignment of any rights, claims or defenses which Borrower may have against parties who supply labor, materials or services in connection with improvements made to the Property.

14. **Transfer of the Property or a Beneficial Interest in Borrower; Assumption.** As used in this paragraph 14, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written

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consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by federal law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than thirty (30) days from the date the notice is given in accordance with paragraph 10 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies by this Security Instrument without further notice or demand on Borrower.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

15. Default; Acceleration; Remedies. Upon Borrower's breach of any covenant or agreement of Borrower in this entire Mortgage, including the covenants to pay when due any sums under the Note secured by this Mortgage, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without demand or notice, notice of the exercise of such option being hereby expressly waived. Lender may invoke the power of sale hereby granted. Lender shall have the right to enter upon and take possession of the Property hereby conveyed or shall without taking such possession have the right to sell the same at public auction for cash, after first giving notice of the time, place and terms of such sale by publication once a week for three consecutive weeks prior to said sale, in some newspaper published in said county, and upon payment of the purchase money, the Lender, or owner of the debt and Mortgage, or auctioneer, shall execute to the purchaser for and in the name of the Mortgagors, a good and sufficient deed to the Property sold; the Lender shall apply the proceeds of said sale: first, to the expense of advertising, selling and conveying said Property, including a reasonable attorney's fee; second, to the payment of any amounts that may have been expended or that may then be necessary to expend in paying insurance, taxes and other encumbrances, with interest thereon; third, to the payment in full of the principal indebtedness and interest thereon, whether the same shall or shall not have fully matured at the date of said sale, but no interest shall be collected beyond the date of said sale; and fourth, the balance, if any, shall be paid over to the said Borrowers or to whomever then appears of record to be the owner of said Property. The Lender may bid and become the purchaser of the Mortgaged Property at any foreclosure sale hereunder.

16. Borrower's Right to Reinstate. Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Borrower shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued if: (a) Borrower pays Lender all sums which would be then due under this Mortgage, this Note and Notes securing Future Advances, if any, had no acceleration occurred; (b) Borrower cures all breaches of any other covenants or agreements of Borrower contained in this Mortgage; (c) Borrower pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Borrower contained in this Mortgage, and in enforcing Lender's remedies as provided in paragraph 15 hereof, including, but not limited to, reasonable attorneys' fees; and (d) Borrower takes such action, as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Borrower's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Borrower, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

17. Assignment of Rents; Appointment of Receiver. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that so long as Borrower is not in default hereunder, Borrower shall, prior to acceleration under paragraph 15 hereof or abandonment of the Property, have the right to collect and retain such rents as they become due and payable.

Upon acceleration and/or foreclosure under paragraph 15 hereof, or abandonment of the Property, Lender, in person or by agent, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. The Lender shall be liable to account only for those rents actually received prior to the foreclosure sale as provided in paragraph 15. Lender shall not be liable to account to Borrower or to any other person claiming any interest in the Property for any rents received after foreclosure.

18. Loan Charges. If the loan secured by this Mortgage is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits, then: (a) any such loan charges shall be reduced by the amount necessary to reduce the charge to the permitted limit and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by mailing a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment under the Note.

19. Legislation. If, after the date hereof, enactment or expiration of applicable laws have the effect either of rendering the provisions of the Note, the Mortgage or any Rider, unenforceable according to their terms, or all or any part of the sums secured hereby uncollectible, as otherwise provided in this Mortgage or the Note, or of diminishing the value of Lender's security, then Lender, at Lender's option, may declare all sums secured by the Mortgage to be immediately due and payable.

20. Satisfaction. Upon payment of all sums secured by this Mortgage, the conveyance of the Property pursuant to this Mortgage shall become null and void and Lender shall release this Mortgage. Borrower shall pay all costs of recordation, if any. Lender, at Lender's option, may allow a partial release of the Property on terms acceptable to Lender and Lender may charge a release fee.

21. Waiver of Homestead. Borrower hereby waives all rights of homestead exemption in the Property and relinquishes all rights of dower and curtesy in the Property.

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22. Hazardous Substances. Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit, or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal, or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 22, "Hazardous Substances" are those substances defined as toxic or Hazardous Substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 22, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety, or environmental protection.

**REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE
UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST**

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give Notice to Lender at First Union National Bank, Consumer Loan Operations, P.O. Box 50010, Roanoke, VA 24022 of any default under the superior encumbrance and of any sale or other foreclosure action.

IN WITNESS WHEREOF, Borrower has executed this Mortgage and adopted as his seal the word ("SEAL") appearing beside his name.

Signed, sealed and delivered in the presence of:

[Signature]
Witness

Robert J. Donaldson, III

Witness Name Typed or Printed

Bridget G. Legare
Witness

Bridget G. Legare

Witness Name Typed or Printed

[Signature] [SEAL]
Borrower Brent E. Bentrim

Borrower [SEAL]

Borrower [SEAL]

Borrower [SEAL]

State of South Carolina

County of Charleston

Before me, the undersigned Notary Public, personally appeared Robert J. Donaldson, III

who being duly sworn, deposed and said that (s)he saw Brent E. Bentrim

sign, seal and deliver the foregoing Mortgage and that (s)he, together with Bridget G. Legare

witnessed the execution thereof.

SWORN to and subscribed before me this 12th day of March, 2002.

[Signature]
Witness
Bridget G. Legare [SEAL]
Notary Public for South Carolina

Bridget G. Legare

Notary Public Name (Typed or Printed)

My Commission Expires: 1/31/12

Davidson
Bennett
& Wigger
ATTORNEYS AT LAW

DKC 402PG188

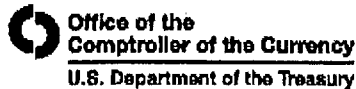
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CHARLES L. BRAND
REGISTER
CHARLESTON COUNTY SC

12.00
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NR 2011-47

FOR IMMEDIATE RELEASE
April 13, 2011

Contact: Robert Garsson
(202) 874-5770

OCC Takes Enforcement Action Against Eight Servicers for Unsafe and Unsound Foreclosure Practices

WASHINGTON — The Office of the Comptroller of the Currency today announced formal enforcement actions against eight national bank mortgage servicers and two third-party servicer providers for unsafe and unsound practices related to residential mortgage loan servicing and foreclosure processing.

The eight servicers are Bank of America, Citibank, HSBC, JPMorgan Chase, MetLife Bank, PNC, U.S. Bank, and Wells Fargo. The two service providers are Lender Processing Services (LPS) and its subsidiaries DocX, LLC, and LPD Default Solutions, Inc.; and MERSCORP and its wholly owned subsidiary, Mortgage Electronic Registration Systems, Inc. (MERS).

"These comprehensive enforcement actions, coordinated among the federal banking regulators, require major reforms in mortgage servicing operations," said acting Comptroller of the Currency John Walsh. "These reforms will not only fix the problems we found in foreclosure processing, but will also correct failures in governance and the loan modification process and address financial harm to borrowers. Our enforcement actions are intended to fix what is broken, identify and compensate borrowers who suffered financial harm, and ensure a fair and orderly mortgage servicing process going forward."

The enforcement actions require the servicers to promptly correct deficiencies in residential mortgage loan servicing and foreclosure practices that examiners identified in reviews conducted during the fourth quarter of 2010. The actions require the servicers to make significant improvements in practices for residential mortgage loan servicing and foreclosure processing, including communications with borrowers and dual-tracking, which occurs when servicers continue to pursue foreclosure during the loan modification process. The enforcement actions require the servicers to ensure that foreclosures are not pursued once a mortgage has been approved for modification and to establish a single point of contact for borrowers throughout the loan modification and foreclosure processes. In addition, the actions require servicers to establish robust oversight and controls pertaining to their third-party vendors, including outside legal counsel, that provide default management or foreclosure services.

The OCC's actions also require each servicer to engage an independent firm to conduct a multi-faceted review of foreclosure actions between January 1, 2009, and December 31, 2010. This requirement includes a comprehensive "look back" to assess whether foreclosures complied with federal and state laws, whether foreclosures occurred when grounds for foreclosure were not present, such as when loans were performing, and whether any errors, misrepresentations or other deficiencies resulted in financial injury to borrowers. The actions also require each servicer to establish a process for borrowers who believe they have been financially harmed by such deficiencies to make submissions to be considered for remediation. Each servicer must also submit a plan to remediate all financial injury to borrowers caused by any errors, misrepresentations, or other deficiencies identified in the independent consultant's findings.

The OCC based its enforcement actions on the findings of examinations conducted as part of the interagency horizontal reviews undertaken by the federal banking regulators in the fourth quarter of 2010. Examinations of these eight national bank servicers identified significant weaknesses in mortgage servicing and foreclosure governance that resulted in unsafe and unsound practices. The scope and degree of these practices differed among the servicers; however, based on the sample of files reviewed

by OCC examiners, borrowers in the sample were seriously delinquent at the time of foreclosures and servicers held the notes and documents required to foreclose. A summary of the findings of the interagency reviews is available in the *Interagency Review of Foreclosure Policies and Practices*, which was produced by the OCC, the Board of Governors of the Federal Reserve System, and the Office of Thrift Supervision.

The enforcement actions do not preclude determinations regarding assessment of civil money penalties, which the OCC is holding in abeyance.

Related Links

- *Interagency Review of Foreclosure Policies and Practices* (PDF)
- Consent Order for Bank of America (PDF)
- Consent Order for Citibank (PDF)
- Consent Order for HSBC Bank (PDF)
- Consent Order for JPMorgan Chase Bank, N.A. (PDF)
- Consent Order for LPS; DocX, LLC; and LPD Default Solutions, Inc. (PDF)
- Consent Order for MetLife Bank, N.A. (PDF)
- Consent Order for MERSCORP and Mortgage Electronic Registration Systems, Inc. (MERS) (PDF)
- Consent Order for PNC Bank, N.A. (PDF)
- Consent Order for U.S. Bank National Association, U.S. Bank National Association ND (PDF)
- Consent Order for Wells Fargo Bank, N.A. (PDF)

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**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
COMPTROLLER OF THE CURRENCY**

In the Matter of:

Wells Fargo Bank, N.A.
Sioux Falls, South Dakota

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) AA-EC-11-19
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)

CONSENT ORDER

The Comptroller of the Currency of the United States of America ("Comptroller"), through his national bank examiners and other staff of the Office of the Comptroller of the Currency ("OCC"), as part of an interagency horizontal review of major residential mortgage servicers, has conducted an examination of the residential real estate mortgage foreclosure processes of Wells Fargo Bank, N.A., Sioux Falls, South Dakota ("Bank"). The OCC has identified certain deficiencies and unsafe or unsound practices in residential mortgage servicing and in the Bank's initiation and handling of foreclosure proceedings. The OCC has informed the Bank of the findings resulting from the examination.

The Bank, by and through its duly elected and acting Board of Directors ("Board"), has executed a "Stipulation and Consent to the Issuance of a Consent Order," dated April 13, 2011 ("Stipulation and Consent"), that is accepted by the Comptroller. By this Stipulation and Consent, which is incorporated by reference, the Bank has consented to the issuance of this Consent Cease and Desist Order ("Order") by the Comptroller. The Bank has committed to taking all necessary and appropriate steps to remedy the deficiencies and unsafe or unsound practices identified by the OCC, and to enhance the Bank's residential mortgage servicing and

foreclosure processes. The Bank has begun implementing procedures to remediate the practices addressed in this Order.

ARTICLE I

COMPTROLLER'S FINDINGS

The Comptroller finds, and the Bank neither admits nor denies, the following:

(1) The Bank is among the largest servicers of residential mortgages in the United States, and services a portfolio of 8,900,000 residential mortgage loans. During the recent housing crisis, a substantially large number of residential mortgage loans serviced by the Bank became delinquent and resulted in foreclosure actions. The Bank's foreclosure inventory grew substantially from January 2009 through December 2010.

(2) In connection with certain foreclosures of loans in its residential mortgage servicing portfolio, the Bank:

(a) filed or caused to be filed in state and federal courts affidavits executed by its employees or employees of third-party service providers making various assertions, such as ownership of the mortgage note and mortgage, the amount of the principal and interest due, and the fees and expenses chargeable to the borrower, in which the affiant represented that the assertions in the affidavit were made based on personal knowledge or based on a review by the affiant of the relevant books and records, when, in many cases, they were not based on such personal knowledge or review of the relevant books and records;

(b) filed or caused to be filed in state and federal courts, or in local land records offices, numerous affidavits or other mortgage-related documents that were not properly notarized, including those not signed or affirmed in the presence of a notary;

(c) litigated foreclosure proceedings and initiated non-judicial foreclosure proceedings without always ensuring that either the promissory note or the mortgage document were properly endorsed or assigned and, if necessary, in the possession of the appropriate party at the appropriate time;

(d) failed to devote sufficient financial, staffing and managerial resources to ensure proper administration of its foreclosure processes;

(e) failed to devote to its foreclosure processes adequate oversight, internal controls, policies, and procedures, compliance risk management, internal audit, third party management, and training; and

(f) failed to sufficiently oversee outside counsel and other third-party providers handling foreclosure-related services.

(3) By reason of the conduct set forth above, the Bank engaged in unsafe or unsound banking practices.

Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. §1818(b), the Comptroller hereby ORDERS that:

ARTICLE II

COMPLIANCE COMMITTEE

(1) The Board shall maintain a Compliance Committee of at least three (3) directors, of which at least two (2) are outside directors who are not executive officers of the Bank or its holding company as defined in 12 C.F.R. § 215.2(e)(1) of Regulation O. In the event of a change of the membership, the name of any new member shall be submitted to the Examiner-in-Charge for Large Bank Supervision at the Bank ("Examiner-in-Charge"). The Compliance

Committee shall be responsible for monitoring and coordinating the Bank's compliance with the provisions of this Order. The Compliance Committee shall meet at least monthly and maintain minutes of its meetings.

(2) Within ninety (90) days of this Order, and within thirty (30) days after the end of each quarter thereafter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail actions taken to comply with each Article of this order, and the results and status of those actions.

(3) The Board shall forward a copy of the Compliance Committee's report, with any additional comments by the Board, to the Deputy Comptroller for Large Bank Supervision ("Deputy Comptroller") and the Examiner-in-Charge within ten (10) days of receiving such report.

ARTICLE III

COMPREHENSIVE ACTION PLAN

(1) Within sixty (60) days of this Order, the Bank shall submit to the Deputy Comptroller and the Examiner-in-Charge an acceptable plan containing a complete description of the actions that are necessary and appropriate to achieve compliance with Articles IV through XII of this Order ("Action Plan"). In the event the Deputy Comptroller asks the Bank to revise the Action Plan, the Bank shall promptly make the requested revisions and resubmit the Action Plan to the Deputy Comptroller and the Examiner-in-Charge. Following acceptance of the Action Plan by the Deputy Comptroller, the Bank shall not take any action that would constitute a significant deviation from, or material change to, the requirements of the Action Plan or this

Order, unless and until the Bank has received a prior written determination of no supervisory objection from the Deputy Comptroller.

(2) The Board shall ensure that the Bank achieves and thereafter maintains compliance with this Order, including, without limitation, successful implementation of the Action Plan. The Board shall further ensure that, upon implementation of the Action Plan, the Bank achieves and maintains effective mortgage servicing, foreclosure, and loss mitigation activities (as used herein, the phrase “loss mitigation” shall include, but not be limited to, activities related to special forbearances, modifications, short refinances, short sales, cash-for-keys, and deeds-in-lieu of foreclosure and be referred to as either “Loss Mitigation” or “Loss Mitigation Activities”), as well as associated risk management, compliance, quality control, audit, training, staffing, and related functions. In order to comply with these requirements, the Board shall:

(a) require the timely reporting by Bank management of such actions directed by the Board to be taken under this Order;

(b) follow-up on any non-compliance with such actions in a timely and appropriate manner; and

(c) require corrective action be taken in a timely manner for any non-compliance with such actions.

(3) The Action Plan shall address, at a minimum:

(a) financial resources to develop and implement an adequate infrastructure to support existing and/or future Loss Mitigation and foreclosure activities and ensure compliance with this Order;

(b) organizational structure, managerial resources, and staffing to support existing and/or future Loss Mitigation and foreclosure activities and ensure compliance with this Order;

(c) metrics to measure and ensure the adequacy of staffing levels relative to existing and/or future Loss Mitigation and foreclosure activities, such as limits for the number of loans assigned to a Loss Mitigation employee, including the single point of contact as hereinafter defined, and deadlines to review loan modification documentation, make loan modification decisions, and provide responses to borrowers;

(d) governance and controls to ensure compliance with all applicable federal and state laws (including the U.S. Bankruptcy Code and the Servicemembers Civil Relief Act ("SCRA")), rules, regulations, and court orders and requirements, as well as the Membership Rules of MERSCORP, servicing guides of the Government Sponsored Enterprises ("GSEs") or investors, including those with the Federal Housing Administration and those required by the Home Affordable Modification Program ("HAMP"), and loss share agreements with the Federal Deposit Insurance Corporation (collectively "Legal Requirements"), and the requirements of this Order.

(4) The Action Plan shall specify timelines for completion of each of the requirements of Articles IV through XII of this Order. The timelines in the Action Plan shall be consistent with any deadlines set forth in this Order.

ARTICLE IV

COMPLIANCE PROGRAM

(1) Within sixty (60) days of this Order, the Bank shall submit to the Deputy Comptroller and the Examiner-in-Charge an acceptable compliance program to ensure that the mortgage servicing and foreclosure operations, including Loss Mitigation and loan modification, comply with all applicable Legal Requirements, OCC supervisory guidance, and the requirements of this Order and are conducted in a safe and sound manner ("Compliance Program"). The Compliance Program shall be implemented within one hundred twenty (120) days of this Order. Any corrective action timeframe in the Compliance Program that is in excess of one hundred twenty (120) days must be approved by the Examiner-in-Charge. The Compliance Program shall include, at a minimum:

(a) appropriate written policies and procedures to conduct, oversee, and monitor mortgage servicing, Loss Mitigation, and foreclosure operations;

(b) processes to ensure that all factual assertions made in pleadings, declarations, affidavits, or other sworn statements filed by or on behalf of the Bank are accurate, complete, and reliable; and that affidavits and declarations are based on personal knowledge or a review of the Bank's books and records when the affidavit or declaration so states;

(c) processes to ensure that affidavits filed in foreclosure proceedings are executed and notarized in accordance with state legal requirements and applicable guidelines, including jurat requirements;

(d) processes to review and approve standardized affidavits and declarations for each jurisdiction in which the Bank files foreclosure actions to ensure compliance with applicable laws, rules and court procedures;

(e) processes to ensure that the Bank has properly documented ownership of the promissory note and mortgage (or deed of trust) under applicable state law, or is otherwise a proper party to the action (as a result of agency or other similar status) at all stages of foreclosure and bankruptcy litigation, including appropriate transfer and delivery of endorsed notes and assigned mortgages or deeds of trust at the formation of a residential mortgage-backed security, and lawful and verifiable endorsement and successive assignment of the note and mortgage or deed of trust to reflect all changes of ownership;

(f) processes to ensure that a clear and auditable trail exists for all factual information contained in each affidavit or declaration, in support of each of the charges that are listed, including whether the amount is chargeable to the borrower and/or claimable by the investor;

(g) processes to ensure that foreclosure sales (including the calculation of the default period, the amounts due, and compliance with notice requirements) and post-sale confirmations are in accordance with the terms of the mortgage loan and applicable state and federal law requirements;

(h) processes to ensure that all fees, expenses, and other charges imposed on the borrower are assessed in accordance with the terms of the underlying mortgage note, mortgage, or other customer authorization with respect to the imposition of fees, charges, and expenses, and in compliance with all applicable Legal Requirements and OCC supervisory guidance;

(i) processes to ensure that the Bank has the ability to locate and secure all documents, including the original promissory notes if required, necessary to perform mortgage servicing, foreclosure and Loss Mitigation, or loan modification functions;

(j) ongoing testing for compliance with applicable Legal Requirements and OCC supervisory guidance that is completed by qualified persons with requisite knowledge and ability (which may include internal audit) who are independent of the Bank's business lines;

(k) measures to ensure that policies, procedures, and processes are updated on an ongoing basis as necessary to incorporate any changes in applicable Legal Requirements and OCC supervisory guidance;

(l) processes to ensure the qualifications of current management and supervisory personnel responsible for mortgage servicing and foreclosure processes and operations, including collections, Loss Mitigation and loan modification, are appropriate and a determination of whether any staffing changes or additions are needed;

(m) processes to ensure that staffing levels devoted to mortgage servicing and foreclosure processes and operations, including collections, Loss Mitigation, and loan modification, are adequate to meet current and expected workload demands;

(n) processes to ensure that workloads of mortgage servicing, foreclosure and Loss Mitigation, and loan modification personnel, including single point of contact personnel as hereinafter defined, are reviewed and managed. Such processes, at a minimum, shall assess whether the workload levels are appropriate to ensure compliance with the requirements of Article IX of this Order, and necessary adjustments to workloads shall promptly follow the completion of the reviews. An initial review shall be completed within ninety (90) days of this Order, and subsequent reviews shall be conducted semi-annually;

(o) processes to ensure that the risk management, quality control, audit, and compliance programs have the requisite authority and status within the organization so that

appropriate reviews of the Bank's mortgage servicing, Loss Mitigation, and foreclosure activities and operations may occur and deficiencies are identified and promptly remedied;

(p) appropriate training programs for personnel involved in mortgage servicing and foreclosure processes and operations, including collections, Loss Mitigation, and loan modification, to ensure compliance with applicable Legal Requirements and supervisory guidance; and

(q) appropriate procedures for customers in bankruptcy, including a prohibition on collection of fees in violation of bankruptcy's automatic stay (11 U.S.C. § 362), the discharge injunction (11 U.S.C. § 524), or any applicable court order.

ARTICLE V

THIRD PARTY MANAGEMENT

(1) Within sixty (60) days of this Order, the Bank shall submit to the Deputy Comptroller and the Examiner-in-Charge acceptable policies and procedures for outsourcing foreclosure or related functions, including Loss Mitigation and loan modification, and property management functions for residential real estate acquired through or in lieu of foreclosure, to any agent, independent contractor, consulting firm, law firm (including local counsel in foreclosure or bankruptcy proceedings retained to represent the interests of the owners of mortgages), property management firm, or other third-party (including any affiliate of the Bank) ("Third-Party Providers"). Third-party management policies and procedures shall be implemented within one hundred twenty (120) days of this Order. Any corrective action timetable that is in excess of one hundred twenty (120) days must be approved by the Examiner-in-Charge. The policies and procedures shall include, at a minimum:

(a) appropriate oversight to ensure that Third-Party Providers comply with all applicable Legal Requirements, OCC supervisory guidance (including applicable portions of OCC Bulletin 2001-47), and the Bank's policies and procedures;

(b) measures to ensure that all original records transferred from the Bank to Third-Party Providers (including the originals of promissory notes and mortgage documents) remain within the custody and control of the Third-Party Provider (unless filed with the appropriate court or the loan is otherwise transferred to another party), and are returned to the Bank or designated custodians at the conclusion of the performed service, along with all other documents necessary for the Bank's files, and that the Bank retains imaged copies of significant documents sent to Third-Party Providers;

(c) measures to ensure the accuracy of all documents filed or otherwise utilized on behalf of the Bank or the owners of mortgages in any judicial or non-judicial foreclosure proceeding, related bankruptcy proceeding, or in other foreclosure-related litigation, including, but not limited to, documentation sufficient to establish ownership of the promissory note and/or right to foreclose at the time the foreclosure action is commenced;

(d) processes to perform appropriate due diligence on potential and current Third-Party Provider qualifications, expertise, capacity, reputation, complaints, information security, document custody practices, business continuity, and financial viability, and to ensure adequacy of Third-Party Provider staffing levels, training, work quality, and workload balance;

(e) processes to ensure that contracts provide for adequate oversight, including requiring Third-Party Provider adherence to Bank foreclosure processing standards, measures to enforce Third-Party Provider contractual obligations, and processes to ensure timely action with respect to Third-Party Provider performance failures;

(f) processes to ensure periodic reviews of Third-Party Provider work for timeliness, competence, completeness, and compliance with all applicable Legal Requirements and supervisory guidance, and to ensure that foreclosures are conducted in a safe and sound manner;

(g) processes to review customer complaints about Third-Party Provider services;

(h) processes to prepare contingency and business continuity plans that ensure the continuing availability of critical third-party services and business continuity of the Bank, consistent with federal banking agency guidance, both to address short-term and long-term service disruptions and to ensure an orderly transition to new service providers should that become necessary;

(i) a review of fee structures for Third-Party Providers to ensure that the method of compensation considers the accuracy, completeness, and legal compliance of foreclosure filings and is not based solely on increased foreclosure volume and/or meeting processing timelines; and

(j) a certification process for law firms (and recertification of existing law firm providers) that provide residential mortgage foreclosure and bankruptcy services for the Bank, on a periodic basis, as qualified to serve as Third-Party Providers to the Bank including that attorneys are licensed to practice in the relevant jurisdiction and have the experience and competence necessary to perform the services requested.

ARTICLE VI

MORTGAGE ELECTRONIC REGISTRATION SYSTEM

(1) Within sixty (60) days of this Order, the Bank shall submit to the Deputy Comptroller and the Examiner-in-Charge an acceptable plan to ensure appropriate controls and oversight of the Bank's activities with respect to the Mortgage Electronic Registration System ("MERS") and compliance with MERSCORPS's membership rules, terms, and conditions ("MERS Requirements") ("MERS Plan"). The MERS Plan shall be implemented within one hundred twenty (120) days of this Order. Any corrective action timetable that is in excess of one hundred twenty (120) days must be approved by the Examiner-in-Charge. The MERS Plan shall include, at a minimum:

(a) processes to ensure that all mortgage assignments and endorsements with respect to mortgage loans serviced or owned by the Bank out of MERS' name are executed only by a certifying officer authorized by MERS and approved by the Bank;

(b) processes to ensure that all other actions that may be taken by MERS certifying officers (with respect to mortgage loans serviced or owned by the Bank) are executed by a certifying officer authorized by MERS and approved by the Bank;

(c) processes to ensure that the Bank maintains up-to-date corporate resolutions from MERS for all Bank employees and third-parties who are certifying officers authorized by MERS, and up-to-date lists of MERS certifying officers;

(d) processes to ensure compliance with all MERS Requirements and with the requirements of the MERS Corporate Resolution Management System ("CRMS");

(e) processes to ensure the accuracy and reliability of data reported to MERSCORP and MERS, including monthly system-to-system reconciliations for all MERS

mandatory reporting fields, and daily capture of all rejects/warnings reports associated with registrations, transfers, and status updates on open-item aging reports. Unresolved items must be maintained on open-item aging reports and tracked until resolution. The Bank shall determine and report whether the foreclosures for loans serviced by the Bank that are currently pending in MERS' name are accurate and how many are listed in error, and describe how and by when the data on the MERSCORP system will be corrected; and

(f) an appropriate MERS quality assurance workplan, which clearly describes all tests, test frequency, sampling methods, responsible parties, and the expected process for open-item follow-up, and includes an annual independent test of the control structure of the system-to-system reconciliation process, the reject/warning error correction process, and adherence to the Bank's MERS Plan.

(2) The Bank shall include MERS and MERSCORP in its third-party vendor management process, which shall include a detailed analysis of potential vulnerabilities, including information security, business continuity, and vendor viability assessments.

ARTICLE VII

FORECLOSURE REVIEW

(1) Within forty-five (45) days of this Order, the Bank shall retain an independent consultant acceptable to the Deputy Comptroller and the Examiner-in-Charge to conduct an independent review of certain residential foreclosure actions regarding individual borrowers with respect to the Bank's mortgage servicing portfolio. The review shall include residential foreclosure actions or proceedings (including foreclosures that were in process or completed) for loans serviced by the Bank, whether brought in the name of the Bank, the investor, the mortgage

note holder, or any agent for the mortgage note holder (including MERS), that have been pending at any time from January 1, 2009 to December 31, 2010, as well as residential foreclosure sales that occurred during this time period ("Foreclosure Review").

(2) Within fifteen (15) days of the engagement of the independent consultant described in this Article, but prior to the commencement of the Foreclosure Review, the Bank shall submit to the Deputy Comptroller and the Examiner-in-Charge for approval an engagement letter that sets forth:

(a) the methodology for conducting the Foreclosure Review, including: (i) a description of the information systems and documents to be reviewed, including the selection of criteria for cases to be reviewed; (ii) the criteria for evaluating the reasonableness of fees and penalties; (iii) other procedures necessary to make the required determinations (such as through interviews of employees and third parties and a process for submission and review of borrower claims and complaints); and (iv) any proposed sampling techniques. In setting the scope and review methodology under clause (i) of this sub-paragraph, the independent consultant may consider any work already done by the Bank or other third-parties on behalf of the Bank. The engagement letter shall contain a full description of the statistical basis for the sampling methods chosen, as well as procedures to increase the size of the sample depending on results of the initial sampling;

(b) expertise and resources to be dedicated to the Foreclosure Review;

(c) completion of the Foreclosure Review within one hundred twenty (120) days from approval of the engagement letter; and

(d) a written commitment that any workpapers associated with the Foreclosure Review shall be made available to the OCC immediately upon request.

(3) The purpose of the Foreclosure Review shall be to determine, at a minimum:

(a) whether at the time the foreclosure action was initiated or the pleading or affidavit filed (including in bankruptcy proceedings and in defending suits brought by borrowers), the foreclosing party or agent of the party had properly documented ownership of the promissory note and mortgage (or deed of trust) under relevant state law, or was otherwise a proper party to the action as a result of agency or similar status;

(b) whether the foreclosure was in accordance with applicable state and federal law, including but not limited to the SCRA and the U.S. Bankruptcy Code;

(c) whether a foreclosure sale occurred when an application for a loan modification or other Loss Mitigation was under consideration; when the loan was performing in accordance with a trial or permanent loan modification; or when the loan had not been in default for a sufficient period of time to authorize foreclosure pursuant to the terms of the mortgage loan documents and related agreements;

(d) whether, with respect to non-judicial foreclosures, the procedures followed with respect to the foreclosure sale (including the calculation of the default period, the amounts due, and compliance with notice periods) and post-sale confirmations were in accordance with the terms of the mortgage loan and state law requirements;

(e) whether a delinquent borrower's account was only charged fees and/or penalties that were permissible under the terms of the borrower's loan documents, applicable state and federal law, and were reasonable and customary;

(f) whether the frequency that fees were assessed to any delinquent borrower's account (including broker price opinions) was excessive under the terms of the borrower's loan documents, and applicable state and federal law;

(g) whether Loss Mitigation Activities with respect to foreclosed loans were handled in accordance with the requirements of the HAMP, and consistent with the policies and procedures applicable to the Bank's proprietary loan modifications or other loss mitigation programs, such that each borrower had an adequate opportunity to apply for a Loss Mitigation option or program, any such application was handled properly, a final decision was made on a reasonable basis, and was communicated to the borrower before the foreclosure sale; and

(h) whether any errors, misrepresentations, or other deficiencies identified in the Foreclosure Review resulted in financial injury to the borrower or the mortgagee.

(4) The independent consultant shall prepare a written report detailing the findings of the Foreclosure Review ("Foreclosure Report"), which shall be completed within thirty (30) days of completion of the Foreclosure Review. Immediately upon completion, the Foreclosure Report shall be submitted to the Deputy Comptroller, Examiner-in-Charge, and the Board.

(5) Within forty-five (45) days of submission of the Foreclosure Report to the Deputy Comptroller, Examiner-in-Charge, and the Board, the Bank shall submit to the Deputy Comptroller and the Examiner-in-Charge a plan, acceptable to the OCC, to remediate all financial injury to borrowers caused by any errors, misrepresentations, or other deficiencies identified in the Foreclosure Report, by:

(a) reimbursing or otherwise appropriately remediating borrowers for impermissible or excessive penalties, fees, or expenses, or for other financial injury identified in accordance with this Article; and

(b) taking appropriate steps to remediate any foreclosure sale where the foreclosure was not authorized as described in this Article.

(6) Within sixty (60) days after the OCC provides supervisory non-objection to the plan set forth in paragraph (5) above, the Bank shall make all reimbursement and remediation payments and provide all credits required by such plan, and provide the OCC with a report detailing such payments and credits.

ARTICLE VIII

MANAGEMENT INFORMATION SYSTEMS

(1) Within sixty (60) days of this Order, the Bank shall submit to the Deputy Comptroller and the Examiner-in-Charge an acceptable plan for operation of its management information systems ("MIS") for foreclosure and Loss Mitigation or loan modification activities to ensure the timely delivery of complete and accurate information to permit effective decision-making. The MIS plan shall be implemented within one hundred twenty (120) days of this Order. Any corrective action timeframe that is in excess of one hundred twenty (120) days must be approved by the Examiner-in-Charge. The plan shall include, at a minimum:

(a) a description of the various components of MIS used by the Bank for foreclosure and Loss Mitigation or loan modification activities;

(b) a description of and timetable for any needed changes or upgrades to:

(i) monitor compliance with all applicable Legal Requirements and supervisory guidance, and the requirements of this Order;

(ii) ensure the ongoing accuracy of records for all serviced mortgages, including, but not limited to, records necessary to establish ownership and the right to foreclose by the appropriate party for all serviced mortgages, outstanding balances, and fees assessed to the borrower; and

(iii) measures to ensure that Loss Mitigation, loan foreclosure, and modification staffs have sufficient and timely access to information provided by the borrower regarding loan foreclosure and modification activities;

(c) testing the integrity and accuracy of the new or enhanced MIS to ensure that reports generated by the system provide necessary information for adequate monitoring and quality controls.

ARTICLE IX

MORTGAGE SERVICING

(1) Within sixty (60) days of this Order, the Bank shall submit to the Deputy Comptroller and the Examiner-in-Charge an acceptable plan, along with a timeline for ensuring effective coordination of communications with borrowers, both oral and written, related to Loss Mitigation or loan modification and foreclosure activities: (i) to ensure that communications are timely and effective and are designed to avoid confusion to borrowers; (ii) to ensure continuity in the handling of borrowers' loan files during the Loss Mitigation, loan modification, and foreclosure process by personnel knowledgeable about a specific borrower's situation; (iii) to ensure reasonable and good faith efforts, consistent with applicable Legal Requirements, are engaged in Loss Mitigation and foreclosure prevention for delinquent loans, where appropriate; and (iv) to ensure that decisions concerning Loss Mitigation or loan modifications continue to be made and communicated in a timely fashion. Prior to submitting the plan, the Bank shall conduct a review to determine whether processes involving past due mortgage loans or foreclosures overlap in such a way that they may impair or impede a borrower's efforts to effectively pursue a loan modification, and whether Bank employee compensation practices

discourage Loss Mitigation or loan modifications. The plan shall be implemented within one hundred twenty (120) days of this Order. Any corrective action timeframe that is in excess of one hundred twenty (120) days must be approved by the Examiner-in-Charge. The plan shall include, at a minimum:

- (a) measures to ensure that staff handling Loss Mitigation and loan modification requests routinely communicate and coordinate with staff processing the foreclosure on the borrower's property;
- (b) appropriate deadlines for responses to borrower communications and requests for consideration of Loss Mitigation, including deadlines for decision-making on Loss Mitigation Activities, with the metrics established not being less responsive than the timelines in the HAMP program;
- (c) establishment of an easily accessible and reliable single point of contact for each borrower so that the borrower has access to an employee of the Bank to obtain information throughout the Loss Mitigation, loan modification, and foreclosure processes;
- (d) a requirement that written communications with the borrower identify such single point of contact along with one or more direct means of communication with the contact;
- (e) measures to ensure that the single point of contact has access to current information and personnel (in-house or third-party) sufficient to timely, accurately, and adequately inform the borrower of the current status of the Loss Mitigation, loan modification, and foreclosure activities;
- (f) measures to ensure that staff are trained specifically in handling mortgage delinquencies, Loss Mitigation, and loan modifications;

(g) procedures and controls to ensure that a final decision regarding a borrower's loan modification request (whether on a trial or permanent basis) is made and communicated to the borrower in writing, including the reason(s) why the borrower did not qualify for the trial or permanent modification (including the net present value calculations utilized by the Bank, if applicable) by the single point of contact within a reasonable period of time before any foreclosure sale occurs;

(h) procedures and controls to ensure that when the borrower's loan has been approved for modification on a trial or permanent basis that: (i) no foreclosure or further legal action predicate to foreclosure occurs, unless the borrower is deemed in default on the terms of the trial or permanent modification; and (ii) the single point of contact remains available to the borrower and continues to be referenced on all written communications with the borrower;

(i) policies and procedures to enable borrowers to make complaints regarding the Loss Mitigation or modification process, denial of modification requests, the foreclosure process, or foreclosure activities which prevent a borrower from pursuing Loss Mitigation or modification options, and a process for making borrowers aware of the complaint procedures;

(j) procedures for the prompt review, escalation, and resolution of borrower complaints, including a process to communicate the results of the review to the borrower on a timely basis;

(k) policies and procedures to ensure that payments are credited in a prompt and timely manner; that payments, including partial payments to the extent permissible under the terms of applicable legal instruments, are applied to scheduled principal, interest, and/or escrow before fees, and that any misapplication of borrower funds is corrected in a prompt and timely manner;

(l) policies and procedures to ensure that timely information about Loss Mitigation options is sent to the borrower in the event of a delinquency or default, including plain language notices about loan modification and the pendency of foreclosure proceedings;

(m) policies and procedures to ensure that foreclosure, Loss Mitigation, and loan modification documents provided to borrowers and third parties are appropriately maintained and tracked, and that borrowers generally will not be required to resubmit the same documented information that has already been provided, and that borrowers are notified promptly of the need for additional information; and

(n) policies and procedures to consider loan modifications or other Loss Mitigation Activities with respect to junior lien loans owned by the Bank, and to factor the risks associated with such junior lien loans into loan loss reserving practices, where the Bank services the associated first lien mortgage and becomes aware that such first lien mortgage is delinquent or has been modified. Such policies and procedures shall require the ongoing maintenance of appropriate loss reserves for junior lien mortgages owned by the Bank and the charge-off of such junior lien loans in accordance with FFIEC retail credit classification guidelines.

ARTICLE X

RISK ASSESSMENT AND RISK MANAGEMENT PLAN

(1) Within ninety (90) days of this Order, the Bank shall conduct a written, comprehensive assessment of the Bank's risks in mortgage servicing operations, particularly in the areas of Loss Mitigation, foreclosure, and the administration and disposition of other real estate owned, including, but not limited to, operational, compliance, transaction, legal, and reputational risks.

(2) The Bank shall develop an acceptable plan to effectively manage or mitigate identified risks on an ongoing basis, with oversight by the Bank's senior risk managers, senior management, and the Board. The assessment and plan shall be provided to the Deputy Comptroller and the Examiner-in-Charge within one hundred twenty (120) days of this Order.

ARTICLE XI

APPROVAL, IMPLEMENTATION AND REPORTS

(1) The Bank shall submit the written plans, programs, policies, and procedures required by this Order for review and determination of no supervisory objection to the Deputy Comptroller and the Examiner-in-Charge within the applicable time periods set forth in Articles II through X. The Bank shall adopt the plans, programs, policies, and procedures required by this Order upon submission to the OCC, and shall immediately make any revisions requested by the Deputy Comptroller or the Examiner-in-Charge. Upon adoption, the Bank shall immediately implement the plans, programs, policies, and procedures required by this Order and thereafter fully comply with them.

(2) During the term of this Order, the required plans, programs, policies, and procedures shall not be amended or rescinded in any material respect without the prior written approval of the Deputy Comptroller or the Examiner-in-Charge (except as otherwise provided in this Order).

(3) During the term of this Order, the Bank shall revise the required plans, programs, policies, and procedures as necessary to incorporate new or changes to applicable Legal Requirements and supervisory guidelines.

(4) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the plans, programs, policies, and procedures required by this Order.

(5) Within thirty (30) days after the end of each calendar quarter following the date of this Order, the Bank shall submit to the OCC a written progress report detailing the form and manner of all actions taken to secure compliance with the provisions of this Order and the results thereof. The progress report shall include information sufficient to validate compliance with this Order, based on a testing program acceptable to the OCC that includes, if required by the OCC, validation by third-party independent consultants acceptable to the OCC. The OCC may, in writing, discontinue the requirement for progress reports or modify the reporting schedule.

(6) All communication regarding this Order shall be sent to:

(a) Vance S. Price
Deputy Comptroller
Large Bank Supervision
Office of the Comptroller of the Currency
250 E Street, SW
Washington, DC 20219

(b) Scott J. Wilson
Examiner-in-Charge
National Bank Examiners
343 Sansome Street, Suite 1150
MAC A0163-110
San Francisco, CA, 94163-0101

ARTICLE XII

COMPLIANCE AND EXTENSIONS OF TIME

(1) If the Bank contends that compliance with any provision of this Order would not be feasible or legally permissible for the Bank, or requires an extension of any timeframe within this Order, the Board shall submit a written request to the Deputy Comptroller asking for relief. Any

written requests submitted pursuant to this Article shall include a statement setting forth in detail the special circumstances that prevent the Bank from complying with a provision, that require the Deputy Comptroller to exempt the Bank from a provision, or that require an extension of a timeframe within this Order.

(2) All such requests shall be accompanied by relevant supporting documentation, and to the extent requested by the Deputy Comptroller, a sworn affidavit or affidavits setting forth any other facts upon which the Bank relies. The Deputy Comptroller's decision concerning a request is final and not subject to further review.

ARTICLE XIII

OTHER PROVISIONS

(1) Although this Order requires the Bank to submit certain actions, plans, programs, policies, and procedures for the review or prior written determination of no supervisory objection by the Deputy Comptroller or the Examiner-in-Charge, the Board has the ultimate responsibility for proper and sound management of the Bank.

(2) In each instance in this Order in which the Board is required to ensure adherence to, and undertake to perform certain obligations of the Bank, it is intended to mean that the Board shall:

(a) authorize and adopt such actions on behalf of the Bank as may be necessary for the Bank to perform its obligations and undertakings under the terms of this Order;

(b) require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of this Order;

(c) follow-up on any material non-compliance with such actions in a timely and appropriate manner; and

(d) require corrective action be taken in a timely manner of any material non-compliance with such actions.

(3) If, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him by the several laws of the United States to undertake any action affecting the Bank, nothing in this Order shall in any way inhibit, estop, bar, or otherwise prevent the Comptroller from so doing.

(4) This Order constitutes a settlement of the cease and desist proceeding against the Bank contemplated by the Comptroller, based on the unsafe or unsound practices described in the Comptroller's Findings set forth in Article I of this Order. Provided, however, that nothing in this Order shall prevent the Comptroller from instituting other enforcement actions against the Bank or any of its institution-affiliated parties, including, without limitation, assessment of civil money penalties, based on the findings set forth in this Order, or any other findings.

(5) This Order is and shall become effective upon its execution by the Comptroller, through his authorized representative whose hand appears below. The Order shall remain effective and enforceable, except to the extent that, and until such time as, any provision of this Order shall be amended, suspended, waived, or terminated in writing by the Comptroller.

(6) Any time limitations imposed by this Order shall begin to run from the effective date of this Order, as shown below, unless the Order specifies otherwise.

(7) The terms and provisions of this Order apply to the Bank and its subsidiaries, even though those subsidiaries are not named as parties to this Order. The Bank shall integrate any foreclosure or mortgage servicing activities done by a subsidiary into its plans, policies, programs, and processes required by this Order. The Bank shall ensure that its subsidiaries comply with all terms and provisions of this Order.

(8) This Order is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(b), and expressly does not form, and may not be construed to form, a contract binding the Comptroller or the United States. Nothing in this Order shall affect any action against the Bank or its institution-affiliated parties by a bank regulatory agency, the United States Department of Justice, or any other law enforcement agency, to the extent permitted under applicable law.

(9) The terms of this Order, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or prior arrangements between the parties, whether oral or written.

(10) Nothing in the Stipulation and Consent or this Order, express or implied, shall give to any person or entity, other than the parties hereto, and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under the Stipulation and Consent or this Order.

(11) The Bank consents to the issuance of this Order before the filing of any notices, or taking of any testimony or adjudication, and solely for the purpose of settling this matter without a formal proceeding being filed.

IT IS SO ORDERED, this 13th day of April, 2011.

/s/
Vance S. Price
Deputy Comptroller
Large Bank Supervision

**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
COMPTROLLER OF THE CURRENCY**

In the Matter of:
Wells Fargo Bank, N.A.
Sioux Falls, South Dakota

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)
) AA-EC-11-19
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)

**STIPULATION AND CONSENT TO THE ISSUANCE
OF A CONSENT ORDER**

The Comptroller of the Currency of the United States of America ("Comptroller") intends to impose a cease and desist order on Wells Fargo Bank, N.A., Sioux Falls, South Dakota ("Bank") pursuant to 12 U.S.C. § 1818(b), for unsafe or unsound banking practices relating to mortgage servicing and the initiation and handling of foreclosure proceedings.

The Bank, in the interest of compliance and cooperation, enters into this Stipulation and Consent to the Issuance of a Consent Order ("Stipulation") and consents to the issuance of a Consent Order, dated April 13, 2011 ("Consent Order");

In consideration of the above premises, the Comptroller, through his authorized representative, and the Bank, through its duly elected and acting Board of Directors, stipulate and agree to the following:

**ARTICLE I
JURISDICTION**

(1) The Bank is a national banking association chartered and examined by the Comptroller pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1 *et seq.*

(2) The Comptroller is “the appropriate Federal banking agency” regarding the Bank pursuant to 12 U.S.C. §§ 1813(q) and 1818(b).

(3) The Bank is an “insured depository institution” within the meaning of 12 U.S.C. § 1818(b)(1).

(4) For the purposes of, and within the meaning of 12 C.F.R. §§ 5.3(g)(4), 5.51(c)(6), and 24.2(e)(4), this Consent Order shall not be construed to be a “cease and desist order” or “consent order”, unless the OCC informs the Bank otherwise.

ARTICLE II AGREEMENT

(1) The Bank, without admitting or denying any wrongdoing, consents and agrees to issuance of the Consent Order by the Comptroller.

(2) The Bank consents and agrees that the Consent Order shall (a) be deemed an “order issued with the consent of the depository institution” pursuant to 12 U.S.C. § 1818(h)(2), (b) become effective upon its execution by the Comptroller through his authorized representative, and (c) be fully enforceable by the Comptroller pursuant to 12 U.S.C. § 1818(i).

(3) Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the Comptroller may enforce any of the commitments or obligations herein undertaken by the Bank under his supervisory powers, including 12 U.S.C. § 1818(i), and not as a matter of contract law. The Bank expressly acknowledges that neither the Bank nor the Comptroller has any intention to enter into a contract.

(4) The Bank declares that no separate promise or inducement of any kind has been made by the Comptroller, or by his agents or employees, to cause or induce the Bank to consent to the issuance of the Consent Order and/or execute the Consent Order.

(5) The Bank expressly acknowledges that no officer or employee of the Comptroller has statutory or other authority to bind the United States, the United States Treasury Department, the Comptroller, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the Comptroller's exercise of his supervisory responsibilities.

(6) The OCC releases and discharges the Bank from all potential liability for a cease and desist order that has been or might have been asserted by the OCC based on the banking practices described in the Comptroller's Findings set forth in Article I of the Consent Order, to the extent known to the OCC as of the effective date of the Consent Order. However, the banking practices alleged in Article I of the Consent Order may be utilized by the OCC in other future enforcement actions against the Bank or its institution-affiliated parties, including, without limitation, to assess civil money penalties or to establish a pattern or practice of violations or the continuation of a pattern or practice of violations. This release shall not preclude or affect any right of the OCC to determine and ensure compliance with the terms and provisions of this Stipulation or the Consent Order.

(7) The terms and provisions of the Stipulation and the Consent Order shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest. Nothing in this Stipulation or the Consent Order, express or implied, shall give to any person or entity, other than the parties hereto, and their successors hereunder, any

benefit or any legal or equitable right, remedy or claim under this Stipulation or the Consent Order.

ARTICLE III WAIVERS

(1) The Bank, by consenting to this Stipulation, waives:

(a) the issuance of a Notice of Charges pursuant to 12 U.S.C.

§ 1818(b);

(b) any and all procedural rights available in connection with the issuance of the Consent Order;

(c) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. §§ 1818(b) and (h), 12 C.F.R. Part 19;

(d) all rights to seek any type of administrative or judicial review of the Consent Order;

(e) any and all claims for fees, costs or expenses against the Comptroller, or any of his agents or employees, related in any way to this enforcement matter or this Consent Order, whether arising under common law or under the terms of any statute, including, but not limited to, the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412; and

(f) any and all rights to challenge or contest the validity of the Consent Order.

ARTICLE IV
OTHER PROVISIONS

(1) The provisions of this Stipulation shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Bank if, at any time, it deems it appropriate to do so to fulfill the responsibilities placed upon it by the several laws of the United States of America.

(2) Nothing in this Stipulation shall preclude any proceedings brought by the Comptroller to enforce the terms of this Consent Order, and nothing in this Stipulation constitutes, nor shall the Bank contend that it constitutes, a waiver of any right, power, or authority of any other representative of the United States or an agency thereof, including, without limitation, the United States Department of Justice, to bring other actions deemed appropriate.

(3) The terms of the Stipulation and the Consent Order are not subject to amendment or modification by any extraneous expression, prior agreements or prior arrangements between the parties, whether oral or written.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller as his representative, has hereunto set his hand on behalf of the Comptroller.

/s/

April 13, 2011

Vance S. Price
Deputy Comptroller
Large Bank Supervision

Date

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting
Board of Directors of the Bank, have hereunto set their hands on behalf of the Bank.

/s/
David A. Hoyt

3.31.11
Date

/s/
Michael J. Loughlin

3.31.11
Date

/s/
Mark C. Oman

3/31/11
Date

/s/
John G. Stumpf

Date

/s/
Carrie L. Tolstedt

3.31.11
Date

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

FILED

APR 4 2012

Clerk, U.S. District & Bankruptcy
Courts for the District of Columbia

UNITED STATES OF AMERICA,
et al.,

Plaintiffs,

v.

BANK OF AMERICA CORP. *et al.*,

Defendants.

12 0361

Civil Action No. _____

CONSENT JUDGMENT

WHEREAS, Plaintiffs, the United States of America and the States of Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, Wyoming, the Commonwealths of Kentucky, Massachusetts, Pennsylvania and Virginia, and the District of Columbia filed their complaint on March 12, 2012, alleging that Wells Fargo & Company and Wells Fargo Bank, N.A. (collectively, "Defendant") violated, among other laws, the Unfair and Deceptive Acts and Practices laws of the Plaintiff States, the False Claims Act, the Financial

Institutions Reform, Recovery, and Enforcement Act of 1989, the Servicemembers Civil Relief Act, and the Bankruptcy Code and Federal Rules of Bankruptcy Procedure;

WHEREAS, the parties have agreed to resolve their claims without the need for litigation;

WHEREAS, Defendant, by its attorneys, has consented to entry of this Consent Judgment without trial or adjudication of any issue of fact or law and to waive any appeal if the Consent Judgment is entered as submitted by the parties;

WHEREAS, Defendant, by entering into this Consent Judgment, does not admit the allegations of the Complaint other than those facts deemed necessary to the jurisdiction of this Court;

WHEREAS, the intention of the United States and the States in effecting this settlement is to remediate harms allegedly resulting from the alleged unlawful conduct of the Defendant;

AND WHEREAS, Defendant has agreed to waive service of the complaint and summons and hereby acknowledges the same;

NOW THEREFORE, without trial or adjudication of issue of fact or law, without this Consent Judgment constituting evidence against Defendant, and upon consent of Defendant, the Court finds that there is good and sufficient cause to enter this Consent Judgment, and that it is therefore ORDERED, ADJUDGED, AND DECREED:

I. JURISDICTION

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331, 1345, 1355(a), and 1367, and under 31 U.S.C. § 3732(a) and (b), and over Defendant. The Complaint states a claim upon which relief may be granted against Defendant. Venue is appropriate in this District pursuant to 28 U.S.C. § 1391(b)(2) and 31 U.S.C. § 3732(a).

II. SERVICING STANDARDS

2. Defendant shall comply with the Servicing Standards, attached hereto as Exhibit A, in accordance with their terms and Section A of Exhibit E, attached hereto.

III. FINANCIAL TERMS

3. *Payment Settlement Amounts.* Defendant shall pay into an interest bearing escrow account to be established for this purpose the sum of \$1,005,233,716, which sum shall be added to funds being paid by other institutions resolving claims in this litigation (which sum shall be known as the "Direct Payment Settlement Amount") and which sum shall be distributed in the manner and for the purposes specified in Exhibit B. Defendant's payment shall be made by electronic funds transfer no later than seven days after the Effective Date of this Consent Judgment, pursuant to written instructions to be provided by the United States Department of Justice. After Defendant has made the required payment, Defendant shall no longer have any property right, title, interest or other legal claim in any funds held in escrow. The interest bearing escrow account established by this Paragraph 3 is intended to be a Qualified Settlement Fund within the meaning of Treasury Regulation Section 1.468B-1 of the U.S. Internal Revenue Code of 1986, as amended. The Monitoring Committee established in Paragraph 8 shall, in its sole discretion, appoint an escrow agent ("Escrow Agent") who shall hold and distribute funds as provided herein. All costs and expenses of the Escrow Agent, including taxes, if any, shall be paid from the funds under its control, including any interest earned on the funds.

4. *Payments to Foreclosed Borrowers.* In accordance with written instructions from the State members of the Monitoring Committee, for the purposes set forth in Exhibit C, the Escrow Agent shall transfer from the escrow account to the Administrator appointed under

Exhibit C \$1,489,813.925.00 (the "Borrower Payment Amount") to enable the Administrator to provide cash payments to borrowers whose homes were finally sold or taken in foreclosure between and including January 1, 2008 and December 31, 2011; who submit claims for harm allegedly arising from the Covered Conduct (as that term is defined in Exhibit G hereto); and who otherwise meet criteria set forth by the State members of the Monitoring Committee. The Borrower Payment Amount and any other funds provided to the Administrator for these purposes shall be administered in accordance with the terms set forth in Exhibit C.

5. *Consumer Relief.* Defendant shall provide \$3,434,000,000 of relief to consumers who meet the eligibility criteria in the forms and amounts described in Paragraphs 1-8 of Exhibit D, and \$903,000,000 of refinancing relief to consumers who meet the eligibility criteria in the forms and amounts described in Paragraph 9 of Exhibit D, to remediate harms allegedly caused by the alleged unlawful conduct of Defendant. Defendant shall receive credit towards such obligation as described in Exhibit D.

IV. ENFORCEMENT

6. The Servicing Standards and Consumer Relief Requirements, attached as Exhibits A and D, are incorporated herein as the judgment of this Court and shall be enforced in accordance with the authorities provided in the Enforcement Terms, attached hereto as Exhibit E.

7. The Parties agree that Joseph A. Smith, Jr. shall be the Monitor and shall have the authorities and perform the duties described in the Enforcement Terms, attached hereto as Exhibit E.

8. Within fifteen (15) days of the Effective Date of this Consent Judgment, the participating state and federal agencies shall designate an Administration and Monitoring Committee (the "Monitoring Committee") as described in the Enforcement Terms. The

Monitoring Committee shall serve as the representative of the participating state and federal agencies in the administration of all aspects of this and all similar Consent Judgments and the monitoring of compliance with it by the Defendant.

V. RELEASES

9. The United States and Defendant have agreed, in consideration for the terms provided herein, for the release of certain claims, and remedies, as provided in the Federal Release, attached hereto as Exhibit F. The United States and Defendant have also agreed that certain claims, and remedies are not released, as provided in Paragraph 11 of Exhibit F. The releases contained in Exhibit F shall become effective upon payment of the Direct Payment Settlement Amount by Defendant.

10. The State Parties and Defendant have agreed, in consideration for the terms provided herein, for the release of certain claims, and remedies, as provided in the State Release, attached hereto as Exhibit G. The State Parties and Defendant have also agreed that certain claims, and remedies are not released, as provided in Part IV of Exhibit G. The releases contained in Exhibit G shall become effective upon payment of the Direct Payment Settlement Amount by Defendant.

VI. SERVICEMEMBERS CIVIL RELIEF ACT

11. The United States and Defendant have agreed to resolve certain claims arising under the Servicemembers Civil Relief Act ("SCRA") in accordance with the terms provided in Exhibit H. Any obligations undertaken pursuant to the terms provided in Exhibit H, including any obligation to provide monetary compensation to servicemembers, are in addition to the obligations undertaken pursuant to the other terms of this Consent Judgment. Only a payment to

an individual for a wrongful foreclosure pursuant to the terms of Exhibit H shall be reduced by the amount of any payment from the Borrower Payment Amount.

VII. OTHER TERMS

12. The United States and any State Party may withdraw from the Consent Judgment and declare it null and void with respect to that party if the Defendant does not make the Consumer Relief Payments (as that term is defined in Exhibit F (Federal Release)) required under this Consent Judgment and fails to cure such non-payment within thirty days of written notice by the party.

13. This Court retains jurisdiction for the duration of this Consent Judgment to enforce its terms. The parties may jointly seek to modify the terms of this Consent Judgment, subject to the approval of this Court. This Consent Judgment may be modified only by order of this Court.

14. The Effective Date of this Consent Judgment shall be the date on which the Consent Judgment has been entered by the Court and has become final and non-appealable. An order entering the Consent Judgment shall be deemed final and non-appealable for this purpose if there is no party with a right to appeal the order on the day it is entered.

15. This Consent Judgment shall remain in full force and effect for three and one-half years from the date it is entered ("the Term"), at which time the Defendants' obligations under the Consent Judgment shall expire, except that, pursuant to Exhibit E, Defendants shall submit a final Quarterly Report for the last quarter or portion thereof falling within the Term and cooperate with the Monitor's review of said report, which shall be concluded no later than six months after the end of the Term. Defendant shall have no further obligations under this Consent Judgment six months after the expiration of the Term, but the Court shall retain

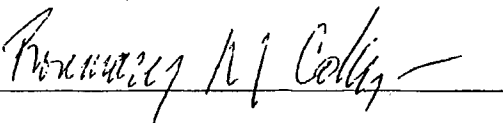
jurisdiction for purposes of enforcing or remedying any outstanding violations that are identified in the final Monitor Report and that have occurred but not been cured during the Term.

16. Except as otherwise agreed in Exhibit B, each party to this litigation will bear its own costs and attorneys' fees associated with this litigation.

17. Nothing in this Consent Judgment shall relieve Defendant of its obligation to comply with applicable state and federal law.

18. The sum and substance of the parties' agreement and of this Consent Judgment are reflected herein and in the Exhibits attached hereto. In the event of a conflict between the terms of the Exhibits and paragraphs 1-18 of this summary document, the terms of the Exhibits shall govern.

SO ORDERED this 4 day of April, 2012


UNITED STATES DISTRICT JUDGE

For the State of South Carolina:

For the South Carolina Department of
Consumer Affairs and South Carolina Board
of Financial Institutions:



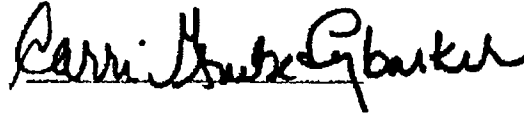
ALAN WILSON
Attorney General

JOHN W. MCINTOSH
Chief Deputy Attorney General

C. HAVIRD JONES, JR.
Assistant Deputy Attorney General

MARY FRANCES JOWERS
Assistant Attorney General

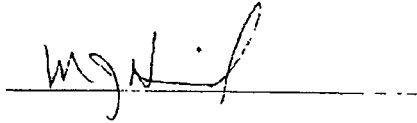
South Carolina Attorney General's
Office
1000 Assembly Street, Room 519
Columbia, SC 29201
Tel.: 803-734-3970
Fax: 803-734-3677



CARRI GRUBE LYBARKER
Administrator

SC Department of Consumer Affairs
2221 Devine Street, Suite 200
PO Box 5757
Columbia, SC 29250
Tel.: 803-734-4233
Fax: 803-734-4229

For Wells Fargo & Company and Wells Fargo Bank, N.A.:

A handwritten signature in dark ink, appearing to read 'mjh', is written over a horizontal line.

Michael J. Heid
Executive Vice President
Wells Fargo & Company
Wells Fargo Bank, N.A.
One Home Campus
Des Moines, IA 50328

#2015-067
Amends #2011-051 and #2013-132

**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
COMPTROLLER OF THE CURRENCY**

In the Matter of:

Wells Fargo Bank, N.A.
Sioux Falls, South Dakota

AMENDS AA-EC-11-19
and
#2013-132

**CONSENT ORDER AMENDING THE
2011 CONSENT ORDER and 2013 AMENDMENT TO THE 2011 CONSENT ORDER**

The Comptroller of the Currency of the United States of America ("Comptroller") and Wells Fargo Bank, National Association, Sioux Falls, South Dakota ("Bank") hereby agree to amendments of Consent Order, AA-EC-11-19, dated April 13, 2011 ("2011 Consent Order"), and the Amendment to the 2011 Consent Order, dated February 28, 2013 ("2013 ACO"), (collectively, the "Consent Order").¹ The Bank, by and through its duly elected and acting Board of Directors ("Board"), has executed a Stipulation and Consent to the Issuance of an Amendment to the Consent Order ("Amendment"), dated June 16, 2015 ("Stipulation"), which is accepted by the Comptroller and incorporated by reference herein.

WHEREAS, the Bank has failed to comply with Articles II, III, IV, VIII and IX of the Consent Order. The fifteen (15) remaining actionable items of the ninety-eight (98) actionable items in the Consent Order are included in this Amendment;

WHEREAS, the Bank is in continuing noncompliance with and in violation of the Consent Order, and continues to engage in unsafe and unsound practices;

¹ The 2011 Consent Order remains in full force and effect, as amended herein.

WHEREAS, upon execution of this Amendment, the OCC is placing the Bank under the following supervisory restrictions: (1) no execution of new contracts or the amendment or renewal of existing contracts beyond current loan volume specified in existing contracts for the acquisition, by the Bank, of residential mortgage servicing, residential mortgage servicing rights, residential mortgage loans with servicing, or residential mortgage origination business entities until termination of the Consent Order (this does not apply to originations or refinancings by the Bank, contracts for new residential mortgage loans through the Bank's broker or correspondent channels, or other contractual relationships where the Bank does not ultimately service the loans, and this is not intended to disrupt any of the Bank's existing residential mortgage servicing related contracts); (2) no execution of new contracts for the Bank to perform residential mortgage servicing for other parties until termination of the Consent Order; (3) no new residential mortgage servicing related activities may be outsourced or sub-serviced to other parties without prior OCC supervisory non-objection until termination of the Consent Order (this is not intended to disrupt any of the Bank's existing residential mortgage servicing related contracts, outsourced activities, or obligations pursuant to legal settlement, nor prohibit new contracts to outsource activities that are currently outsourced); (4) no new off-shoring of residential mortgage servicing related activities until termination of the Consent Order; and (5) no new appointments of senior officers who have responsibility for residential mortgage servicing, residential mortgage servicing operations, residential mortgage servicing risk management, and residential mortgage servicing compliance without prior OCC supervisory non-objection until termination of the Consent Order;

WHEREAS, the OCC will also take additional supervisory and/or enforcement action, including possible civil money penalties, subject to all appropriate procedural processes, in

order to address the Bank's overall noncompliance with the Consent Order, the nature and severity of which will reflect the nature, length and severity of the Bank's continued noncompliance through final termination of the Consent Order;

WHEREAS, notwithstanding this Amendment, the OCC continues to retain oversight and jurisdiction of the Independent Foreclosure Review Qualified Settlement Fund 1 ("IFR QSF1") established by the 2013 ACO for the administration of payments to borrowers of OCC regulated institutions until such time as the paying agent is directed to file a final return with the Internal Revenue Service ("IRS") for IFR QSF1 and IFR QSF1 is thereafter terminated; and

WHEREAS, the OCC has determined that uncashed payments to borrowers of OCC regulated institutions should remain available to such borrowers, or such borrowers' rightful heirs, through the states' escheatment processes, after IFR QSF1 is terminated.

ARTICLE I

COMPTROLLER'S FINDINGS

(1) The Comptroller's Findings under Article I of the Consent Order are hereby incorporated in full.

(2) The OCC has determined the Bank has failed to comply with Articles II, III, IV, VIII, and IX of the Consent Order.

(3) The OCC has determined the Bank is in continuing noncompliance with and in violation of the Consent Order, and continues to engage in unsafe and unsound practices.

(4) This Amendment includes the fifteen (15) remaining actionable items under the Consent Order and imposes business restrictions upon the Bank through termination of the Consent Order.

Pursuant to the authority vested in him by the Federal Deposit Insurance Act, as amended, 12 U.S.C. §1818(b), the Comptroller hereby ORDERS that:

ARTICLE II

COMPLIANCE COMMITTEE

The provisions of Article II of the Consent Order are hereby revised as follows:

(1) The Board shall continue to maintain a Compliance Committee of at least three (3) directors, of which at least two (2) are outside directors who are not executive officers of the Bank or its holding company as defined in 12 C.F.R. § 215.2(e)(1) of Regulation O. In the event of a change of the membership, the name of any new member shall be submitted to the Examiner-in-Charge for Large Bank Supervision at the Bank ("Examiner-in-Charge"). The Compliance Committee shall be responsible for monitoring and coordinating the Bank's compliance with the provisions of this Amendment. The Compliance Committee shall meet at least monthly and maintain minutes of its meetings.

(2) Within thirty (30) days after the end of each quarter, the Compliance Committee shall submit a written progress report to the Board setting forth in detail actions taken to comply with each remaining article of the Consent Order, and the results and status of those actions.

(3) The Board shall forward a copy of the Compliance Committee's report, with any additional comments by the Board, to the Examiner-in-Charge within ten (10) days of receiving such report.

ARTICLE III

COMPREHENSIVE ACTION PLAN

The provisions of Article III of the Consent Order are hereby revised as follows:

(1) The Bank has submitted to the Examiner-in-Charge an update to its action plan containing a complete description of the actions that are necessary and appropriate to achieve

compliance with Articles II, III, IV, VIII and IX of the Consent Order (the updated action plan and all previously accepted action plans and updates are collectively referred to as the “Revised Action Plan”). The Bank is required to execute all items contained within the Revised Action Plan. In the event the Deputy Comptroller of Large Bank Supervision (“Deputy Comptroller”) or the Examiner-in-Charge asks the Bank to further amend the Revised Action Plan, the Bank shall promptly make the requested revisions and resubmit the Revised Action Plan to the Examiner-in-Charge and the Bank shall not take any action that would constitute a significant deviation from, or material change to, the requirements of the Revised Action Plan, unless and until the Bank has received a prior written determination of no supervisory objection from the Deputy Comptroller or the Examiner-in-Charge.

(2) The Board shall ensure that the Bank achieves and thereafter maintains compliance with the Consent Order, including, without limitation, successful implementation of the Revised Action Plan. The Board shall further ensure that, upon implementation of the Revised Action Plan, the Bank achieves and maintains effective mortgage servicing, foreclosure, and Loss Mitigation activities (as defined in the 2011 Consent Order), as well as associated risk management, compliance, quality control, audit, training, staffing, and related functions. In order to comply with these requirements, the Board shall:

- (a) require the timely reporting by Bank management of such actions directed by the Board to be taken under this Amendment;
- (b) follow-up on any noncompliance with such actions in a timely and appropriate manner; and
- (c) require corrective action be taken in a timely manner for any noncompliance with such actions.

(3) The Revised Action Plan includes:

- (a) all actions required to complete the remedial activities and validation of such actions to ensure compliance with the requirements of this Amendment;
- (b) financial resources to develop and implement an adequate infrastructure to support and execute the Revised Action Plan;
- (c) organizational structure, managerial resources, and staffing to support the remedial activities required by the Revised Action Plan;
- (d) metrics to measure and assess effectiveness of remedial action required by the Revised Action Plan; and
- (e) governance and controls designed to comply with all Legal Requirements (as defined in the 2011 Consent Order), supervisory guidance, and the requirements of this Amendment.

(4) The Revised Action Plan specifies timelines for completion of each of the requirements of Articles II, III, IV, VIII, and IX of the Consent Order. The timelines in the Revised Action Plan shall be consistent with any deadlines set forth in this Amendment.

ARTICLE IV

COMPLIANCE PROGRAM

(1) The Bank has demonstrated compliance with all of the requirements of Article IV of the Consent Order except for the following provisions, which remain in noncompliance:

- (a) the Bank shall implement its Revised Action Plan and ensure its compliance program, at a minimum, includes:
 - (i) processes to ensure that all factual assertions made in pleadings, declarations, affidavits, or other sworn statements filed by or on behalf

of the Bank are accurate, complete, timely, and reliable; and that affidavits and declarations are based on personal knowledge or a review of the Bank's books and records when the affidavit or declaration so states;

(ii) processes to ensure that a clear and auditable trail exists for all factual information contained in each affidavit or declaration, in support of each of the charges that are listed, including whether the amount is chargeable to the borrower and/or claimable by the investor;

(iii) processes to ensure that all fees, expenses, and other charges imposed on the borrower are assessed in accordance with the terms of the underlying mortgage note, mortgage, or other customer authorization with respect to the imposition of fees, charges, and expenses, and designed to comply with all applicable Legal Requirements and OCC supervisory guidance;

(iv) ongoing testing for compliance with applicable Legal Requirements and OCC supervisory guidance that is completed by qualified persons with requisite knowledge and ability (which may include internal audit) who are independent of the Bank's business lines;

(v) measures to ensure that policies, procedures, and processes are updated on an ongoing basis as necessary to incorporate any changes in applicable Legal Requirements and OCC supervisory guidance;

(vi) processes to ensure that the risk management, quality control, audit, and compliance programs have the requisite authority and status within

the organization so that appropriate reviews of the Bank's mortgage servicing, Loss Mitigation, and foreclosure activities and operations may occur and deficiencies are identified and promptly remedied;
and

(vii) appropriate procedures for customers in bankruptcy, including a prohibition on collection of fees in violation of bankruptcy's automatic stay (11 U.S.C. § 362), the discharge injunction (11 U.S.C. § 524), or any applicable court order.

ARTICLE V

THIRD PARTY MANAGEMENT

(1) The OCC has determined the Bank has demonstrated compliance with Article V of the Consent Order.

ARTICLE VI

MORTGAGE ELECTRONIC REGISTRATION SYSTEM

(1) The OCC has determined the Bank has demonstrated compliance with Article VI of the Consent Order.

ARTICLE VII

FORECLOSURE REVIEW

- (1) Article VII of the 2011 Consent Order was superseded by the 2013 ACO.
- (2) The OCC has determined the Bank has demonstrated compliance with the requirements of the 2013 ACO.

ARTICLE VIII

MANAGEMENT INFORMATION SYSTEMS

(1) The Bank has demonstrated compliance with all of the requirements of Article

VIII of the Consent Order except for the following provisions, which remain in noncompliance:

- (a) the Bank shall implement its Revised Action Plan and ensure its management information systems ("MIS") for foreclosure and Loss Mitigation (as defined in the 2011 Consent Order) or loan modification activities, provide timely delivery of complete and accurate information to permit effective decision-making, and include, at a minimum: testing the integrity and accuracy of the new or enhanced MIS to ensure that reports generated by the system provide necessary information for adequate monitoring and quality controls.

ARTICLE IX

MORTGAGE SERVICING

(1) The Bank has demonstrated compliance with all of the requirements of Article IX of the Consent Order except for the following provisions, which remain in noncompliance:

- (a) the Bank shall implement its Revised Action Plan and ensure effective coordination of communications with borrowers, both oral and written, related to Loss Mitigation or loan modification and foreclosure activities, including, at a minimum:
 - (i) reasonable and good faith efforts, consistent with applicable Legal Requirements, are engaged in Loss Mitigation and foreclosure prevention for delinquent loans, where appropriate;
 - (ii) expansion of the single point of contact program so that each borrower has access to an employee of the Bank to obtain information throughout the Loss Mitigation, loan modification, and foreclosure processes; and

(iii) a requirement that written communications with the borrower identify such single point of contact along with one or more direct means of communication with the contact.

ARTICLE X

RISK ASSESSMENT AND RISK MANAGEMENT PLAN

(1) The OCC has determined the Bank has demonstrated compliance with Article X of the Consent Order.

ARTICLE XI

APPROVAL, IMPLEMENTATION AND REPORTS

The provisions of Article XI of the Consent Order are hereby revised as follows:

(1) The Bank shall submit any revised plans required by this Amendment for review to the Examiner-in-Charge determination of no supervisory objection by the Deputy Comptroller or the Examiner-in-Charge. The Bank shall adopt and implement the revised plans upon submission to the OCC, and shall immediately modify its plans in accordance with any revisions directed by the Deputy Comptroller or the Examiner-in-Charge.

(2) Any determination of no supervisory objection to the Revised Action Plan does not constitute an extension of the compliance deadlines for previously approved plans submitted pursuant to the Consent Order.

(3) Following the issuance of this Amendment, the Bank shall not amend or deviate from the revised plans in any material respect without the prior written approval of the Deputy Comptroller or the Examiner-in-Charge (except as otherwise provided in this Amendment).

(4) Following the issuance of this Amendment, the Bank shall further revise the plans as necessary to incorporate new or changes to applicable Legal Requirements and supervisory guidelines.

(5) The Board shall ensure that the Bank has processes, personnel, and control systems to ensure implementation of and adherence to the revised plans required by this Amendment.

(6) Within forty (40) days after the end of each calendar quarter following the issuance of this Amendment, the Bank shall submit to the OCC a written progress report detailing the form and manner of all actions taken to secure compliance with the provisions of this Amendment and the results thereof. The progress report shall include information sufficient to validate compliance with the Consent Order, based on a testing program acceptable to the OCC that includes, if required by the OCC, validation by third-party independent consultants acceptable to the OCC. The OCC may, in writing, discontinue the requirement for progress reports or modify the reporting schedule.

(7) All communication regarding the Consent Order shall be sent to:

Bradley Linskens
Examiner-in-Charge
National Bank Examiners
343 Sansome Street, Suite 1150
MAC A0163-110
San Francisco, CA, 94163-0101

ARTICLE XII

COMPLIANCE AND EXTENSIONS OF TIME

The provisions of Article XII of the Consent Order are hereby revised as follows:

(1) If the Bank contends that compliance with any provision of the Consent Order would not be feasible or legally permissible for the Bank, or requires an extension of any timeframe within this Amendment, the Board shall submit a written request to the Deputy Comptroller asking for relief. Any written requests submitted pursuant to this Article shall include a statement setting forth in detail the special circumstances that prevent the Bank from

complying with a provision, that require the Deputy Comptroller to exempt the Bank from a provision, or that require an extension of a timeframe within this Amendment.

(2) All such requests shall be accompanied by relevant supporting documentation, and to the extent requested by the Deputy Comptroller, a sworn affidavit or affidavits setting forth any other facts upon which the Bank relies. The Deputy Comptroller's decision concerning a request is final and not subject to further review.

ARTICLE XIII

OTHER PROVISIONS

The provisions of Article XIII of the Consent Order are hereby revised as follows:

(1) The Bank is in continuing noncompliance with and in violation of the Consent Order, and continues to engage in unsafe and unsound practices.

(2) The OCC will take additional supervisory and/or enforcement action, including possible civil money penalties, subject to all appropriate procedural processes, in order to address the Bank's overall noncompliance with the Consent Order, the nature and severity of which will reflect the nature, length and severity of the Bank's continued noncompliance through final termination of the Consent Order.

(3) By stipulating to the issuance of this Amendment, the Bank has not consented to any enforcement actions beyond those enumerated in this Amendment, and fully retains its right to contest future action.

(4) Notwithstanding any other terms of this Amendment, the Comptroller specifically reserves and does not release the following:

(a) any right to institute an enforcement action for violations of the Articles contained in the Consent Order, outside of Article VII of the 2011 Consent

Order, including the assessment of civil money penalties;

(b) any and all claims based upon acts or omissions subsequent to the effective date of the 2013 ACO;

(c) any and all claims based upon the origination of a residential mortgage loan, or the sale or transfer of a mortgage, security, or whole loan, whether legal or equitable, to, into, or for the benefit of a mortgage-backed security, trust, or special interest entity, including but not limited to mortgage loan securitizations and whole loan sales to such entities, except for any and all claims addressed in subparagraph (b) above;

(d) any liability arising under the Fair Housing Act, 42 U.S.C. §§ 3601, *et seq.*, or any other statute or law that prohibits discrimination of persons based on race, color, national origin, gender, disability, or any other protected status, including the non-discrimination provisions of the Equal Credit Opportunity Act, 15 U.S.C. §§ 1691, *et seq.*, or under the Federal Trade Commission Act, 15 U.S.C. §§ 41, *et seq.*, or any other statute or law that prohibits unfair or deceptive practices;

(e) any and all claims against individuals, including current and former employees, agents, officers, directors, or contractors of the Bank; and

(f) any and all actions to enforce the terms and conditions of this Amendment.

(5) Although this Amendment requires the Bank to submit certain action plans, programs, policies, and procedures for the review or prior written determination of no supervisory objection by the Deputy Comptroller or the Examiner-in-Charge, the Board has the ultimate responsibility for proper and sound management of the Bank.

(6) In each instance in the Consent Order in which the Board is required to ensure adherence to, and undertake to perform certain obligations of the Bank, it is intended to mean that the Board shall:

- (a) authorize and adopt such actions on behalf of the Bank as may be necessary for the Bank to perform its obligations and undertakings under the terms of the Consent Order;
- (b) require the timely reporting by Bank management of such actions directed by the Board to be taken under the terms of the Consent Order;
- (c) follow-up on any material non-compliance with such actions in a timely and appropriate manner; and
- (d) require corrective action be taken in a timely manner of any material non compliance with such actions.

(7) If, at any time, the Comptroller deems it appropriate in fulfilling the responsibilities placed upon him by the several laws of the United States to undertake any action affecting the Bank, nothing in the Consent Order or Amendment shall in any way inhibit, estop, bar, or otherwise prevent the Comptroller from so doing.

(8) This Amendment is and shall become effective upon its execution by the Comptroller, through his authorized representative whose hand appears below. The Consent Order shall remain effective and enforceable, except to the extent that, and until such time as, any provision of the Consent Order shall be amended, suspended, waived, or terminated in writing by the Comptroller.

(9) Any time limitations imposed by this Amendment shall begin to run from the

effective date of this Amendment, as shown below, unless the Amendment specifies otherwise.

(10) The terms and provisions of the Consent Order and Amendment apply to the Bank and its subsidiaries, even though those subsidiaries are not named as parties to the Consent Order or Amendment. The Bank shall integrate any foreclosure or mortgage servicing activities done by a subsidiary into its plans, policies, programs, and processes required by the Consent Order and Amendment. The Bank shall ensure that its subsidiaries comply with all terms and provisions of the Consent Order and Amendment.

(11) This Amendment is intended to be, and shall be construed to be, a final order issued pursuant to 12 U.S.C. § 1818(b), and expressly does not form, and may not be construed to form, a contract binding the Comptroller or the United States. Nothing in this Amendment shall affect any action against the Bank or its institution-affiliated parties by a bank regulatory agency, the United States Department of Justice, or any other law enforcement agency, to the extent permitted under applicable law.

(12) The terms of this Amendment, including this paragraph, are not subject to amendment or modification by any extraneous expression, prior agreements, or prior arrangements between the parties, whether oral or written.

(13) Nothing in the Stipulation to this Amendment, express or implied, shall give to any person or entity, other than the parties hereto, and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under the Stipulation to this Amendment.

(14) The Bank consents to the issuance of this Amendment before the filing of any notices, or taking of any testimony or adjudication, and solely for the purpose of settling this matter without a formal proceeding being filed.

ARTICLE XIV

BUSINESS RESTRICTIONS

(1) The Bank shall not execute any new contracts or amend or renew existing contracts beyond current loan volume specified in existing contracts for the acquisition, by the Bank, of residential mortgage servicing, residential mortgage servicing rights, residential mortgage loans with servicing, or residential mortgage origination business entities until termination of the Consent Order. This does not apply to originations or refinancings by the Bank, contracts for new residential mortgage loans through the Bank's broker or correspondent channels, or other contractual relationships where the Bank does not ultimately service the loans, and this is not intended to disrupt any of the Bank's existing residential mortgage servicing related contracts.

(2) The Bank shall not execute any new contracts for the Bank to perform residential mortgage servicing for other parties until termination of the Consent Order.

(3) The Bank shall not outsource or sub-service any new residential mortgage servicing related activities to other parties without prior OCC supervisory non-objection until termination of the Consent Order. This is not intended to disrupt any of the Bank's existing residential mortgage servicing related contracts, outsourced activities, or obligations pursuant to legal settlement, nor prohibit new contracts to outsource activities that are currently outsourced.

(4) The Bank shall not off-shore new residential mortgage servicing related activities until termination of the Consent Order.

(5) The Bank shall not appoint any new senior officers who have responsibility for residential mortgage servicing, residential mortgage servicing operations, residential mortgage servicing risk management, and residential mortgage servicing compliance without prior OCC

supervisory non-objection until termination of the Consent Order. Within twenty (20) days, the Bank shall submit a list of applicable employee titles subject to this restriction to the Examiner-In-Charge for OCC supervisory non-objection.

ARTICLE XV

ESCHEATMENT OF UNCASHED PAYMENTS

(1) The OCC continues to retain oversight and jurisdiction of IFR QSF1 for the administration of payments to borrowers of OCC regulated institutions until such time as the paying agent is directed to file a final return with the IRS for IFR QSF1 and IFR QSF1 is thereafter terminated.

(2) The OCC directs that any uncashed checks that have passed their stale date issued from IFR QSF1 to borrowers of OCC regulated institutions shall be escheated to the state of the borrower's last known domestic address so that such borrower, or their rightful heirs, will maintain their ability to claim such IFR QSF1 payment pursuant to that state's processes for collecting unclaimed funds.

IT IS SO ORDERED, this 16th day of June, 2015.

/s/
Morris R. Morgan
Deputy Comptroller
Large Bank Supervision

**UNITED STATES OF AMERICA
DEPARTMENT OF THE TREASURY
COMPTROLLER OF THE CURRENCY**

In the Matter of:	)	
	)	
	)	AMENDS AA-EC-11-19
Wells Fargo Bank, N.A.	)	and
Sioux Falls, South Dakota	)	#2013-132

**STIPULATION AND CONSENT TO THE ISSUANCE OF A
CONSENT ORDER AMENDING THE 2011 CONSENT ORDER and
2013 AMENDMENT TO THE 2011 CONSENT ORDER**

The Comptroller of the Currency of the United States of America ("Comptroller") intends to amend the April 13, 2011 Consent Order, AA-EC-11-19 ("2011 Consent Order"), and the Amendment to the 2011 Consent Order, dated February 28, 2013 ("2013 ACO"), entered into between the Comptroller and Wells Fargo Bank, N.A., Sioux Falls, South Dakota ("Bank"), (collectively, the "Consent Order"), pursuant to 12 U.S.C. § 1818(b).

The Bank, in the interest of compliance and cooperation, enters into this Stipulation and Consent to the Issuance of a Consent Order Amending the 2011 Consent Order and 2013 ACO ("Stipulation").

In consideration of the above premises, the Comptroller, through his authorized representative, and the Bank, through its duly elected and acting Board of Directors, stipulate and agree to the following:

ARTICLE I

JURISDICTION

- (1) The Bank is a national banking association chartered and examined by the Comptroller pursuant to the National Bank Act of 1864, as amended, 12 U.S.C. § 1 *et seq.*
- (2) The Comptroller is “the appropriate Federal banking agency” regarding the Bank pursuant to 12 U.S.C. §§ 1813(q) and 1818(b).
- (3) The Bank is an “insured depository institution” within the meaning of 12 U.S.C. § 1818(b)(1).
- (4) For the purposes of, and within the meaning of 12 C.F.R. §§ 5.3(g)(4), 5.51(c)(6), and 24.2(e)(4), the Consent Order Amending the 2011 Consent Order and 2013 ACO (“Amendment”) shall not be construed to be a “cease and desist order” or “consent order,” unless the OCC informs the Bank otherwise.

ARTICLE II

AGREEMENT

- (1) The Bank, without admitting or denying any wrongdoing, consents and agrees to issuance of the Amendment by the Comptroller.
- (2) The Bank consents and agrees that the Amendment shall: (a) be deemed an “order issued with the consent of the depository institution” pursuant to 12 U.S.C. § 1818(h)(2); (b) become effective upon its execution by the Comptroller through his authorized representative; and (c) be fully enforceable by the Comptroller pursuant to 12 U.S.C. § 1818(i).
- (3) Notwithstanding the absence of mutuality of obligation, or of consideration, or of a contract, the Comptroller may enforce any of the commitments or obligations herein

undertaken by the Bank under his supervisory powers, including 12 U.S.C. § 1818(i), and not as a matter of contract law. The Bank expressly acknowledges that neither the Bank nor the Comptroller has any intention to enter into a contract.

(4) The Bank declares that no separate promise or inducement of any kind has been made by the Comptroller, or by his agents or employees, to cause or induce the Bank to consent to the issuance of the Amendment and/or execute the Amendment.

(5) The Bank expressly acknowledges that no officer or employee of the Comptroller has statutory or other authority to bind the United States, the United States Treasury Department, the Comptroller, or any other federal bank regulatory agency or entity, or any officer or employee of any of those entities to a contract affecting the Comptroller's exercise of his supervisory responsibilities.

(6) The terms and provisions of this Stipulation and the Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their successors in interest. Nothing in this Stipulation or the Amendment, express or implied, shall give to any person or entity, other than the parties hereto, and their successors hereunder, any benefit or any legal or equitable right, remedy or claim under this Stipulation or the Amendment.

ARTICLE III

WAIVERS

(1) The Bank, by consenting to this Stipulation, waives:

(a) any and all procedural rights available in connection with the issuance of the Amendment;

- (b) all rights to a hearing and a final agency decision pursuant to 12 U.S.C. §§ 1818(b) and (h), 12 C.F.R. Part 19;
- (c) all rights to seek any type of administrative or judicial review of the Amendment;
- (d) any and all claims for fees, costs or expenses against the Comptroller, or any of his agents or employees, related in any way to this enforcement matter or the Amendment, whether arising under common law or under the terms of any statute, including, but not limited to, the Equal Access to Justice Act, 5 U.S.C. § 504 and 28 U.S.C. § 2412; and
- (e) any and all rights to challenge or contest the validity of the Amendment.

ARTICLE IV

OTHER PROVISIONS

- (1) The provisions of this Stipulation shall not inhibit, estop, bar, or otherwise prevent the Comptroller from taking any other action affecting the Bank if, at any time, it deems it appropriate to do so to fulfill the responsibilities placed upon it by the several laws of the United States of America.
- (2) Nothing in this Stipulation shall preclude any proceedings brought by the Comptroller to enforce the terms of the Amendment, and nothing in this Stipulation constitutes, nor shall the Bank contend that it constitutes, a waiver of any right, power, or authority of any other representative of the United States or an agency thereof, including, without limitation, the United States Department of Justice, to bring other actions deemed appropriate.

(3) The terms of this Stipulation and the Amendment are not subject to amendment or modification by any extraneous expression, prior agreements or prior arrangements between the parties, whether oral or written.

IN TESTIMONY WHEREOF, the undersigned, authorized by the Comptroller as his representative, has hereunto set his hand on behalf of the Comptroller.

/s/
Morris R. Morgan
Deputy Comptroller
Large Bank Supervision

June 16, 2015
Date

IN TESTIMONY WHEREOF, the undersigned, as the duly elected and acting Board of Directors of the Bank, have hereunto set their hands on behalf of the Bank.

/s/
John G. Stumpf (Chair)

June 8, 2015
Date

/s/
Lloyd H. Dean

June 7, 2015
Date

/s/
Enrique Hernandez, Jr.

June 9, 2015
Date

/s/
Cynthia H. Milligan

June 8, 2015
Date

/s/
James H. Quigley

June 9, 2015
Date

/s/
Judith M. Runstad

June 8, 2015
Date

/s/
Stephen W. Sanger

June 8, 2015
Date

Settlement Term Sheet

The provisions outlined below are intended to apply to loans secured by owner-occupied properties that serve as the primary residence of the borrower unless otherwise noted herein.

I. FORECLOSURE AND BANKRUPTCY INFORMATION AND DOCUMENTATION.

Unless otherwise specified, these provisions shall apply to bankruptcy and foreclosures in all jurisdictions regardless of whether the jurisdiction has a judicial, non-judicial or quasi-judicial process for foreclosures and regardless of whether a statement is submitted during the foreclosure or bankruptcy process in the form of an affidavit, sworn statement or declarations under penalty of perjury (to the extent stated to be based on personal knowledge) ("Declaration").

A. Standards for Documents Used in Foreclosure and Bankruptcy Proceedings.

1. Servicer shall ensure that factual assertions made in pleadings (complaint, counterclaim, cross-claim, answer or similar pleadings), bankruptcy proofs of claim (including any facts provided by Servicer or based on information provided by the Servicer that are included in any attachment and submitted to establish the truth of such facts) ("POC"), Declarations, affidavits, and sworn statements filed by or on behalf of Servicer in judicial foreclosures or bankruptcy proceedings and notices of default, notices of sale and similar notices submitted by or on behalf of Servicer in non-judicial foreclosures are accurate and complete and are supported by competent and reliable evidence. Before a loan is referred to non-judicial foreclosure, Servicer shall ensure that it has reviewed competent and reliable evidence to substantiate the borrower's default and the right to foreclose, including the borrower's loan status and loan information.
2. Servicer shall ensure that affidavits, sworn statements, and Declarations are based on personal knowledge, which may be based on the affiant's review of Servicer's books and records, in accordance with the evidentiary requirements of applicable state or federal law.
3. Servicer shall ensure that affidavits, sworn statements and Declarations executed by Servicer's affiants are based on the affiant's review and personal knowledge of the accuracy and completeness of the assertions in the affidavit, sworn statement or Declaration, set out facts that Servicer reasonably believes would be admissible in evidence, and show that the affiant is competent to testify on the matters stated. Affiants shall confirm that they have reviewed competent and reliable evidence to substantiate the

borrower's default and the right to foreclose, including the borrower's loan status and required loan ownership information. If an affiant relies on a review of business records for the basis of its affidavit, the referenced business record shall be attached if required by applicable state or federal law or court rule. This provision does not apply to affidavits, sworn statements and Declarations signed by counsel based solely on counsel's personal knowledge (such as affidavits of counsel relating to service of process, extensions of time, or fee petitions) that are not based on a review of Servicer's books and records. Separate affidavits, sworn statements or Declarations shall be used when one affiant does not have requisite personal knowledge of all required information.

4. Servicer shall have standards for qualifications, training and supervision of employees. Servicer shall train and supervise employees who regularly prepare or execute affidavits, sworn statements or Declarations. Each such employee shall sign a certification that he or she has received the training. Servicer shall oversee the training completion to ensure each required employee properly and timely completes such training. Servicer shall maintain written records confirming that each such employee has completed the training and the subjects covered by the training.
5. Servicer shall review and approve standardized forms of affidavits, standardized forms of sworn statements, and standardized forms of Declarations prepared by or signed by an employee or officer of Servicer, or executed by a third party using a power of attorney on behalf of Servicer, to ensure compliance with applicable law, rules, court procedure, and the terms of this Agreement ("the Agreement").
6. Affidavits, sworn statements and Declarations shall accurately identify the name of the affiant, the entity of which the affiant is an employee, and the affiant's title.
7. Affidavits, sworn statements and Declarations, including their notarization, shall fully comply with all applicable state law requirements.
8. Affidavits, sworn statements and Declarations shall not contain information that is false or unsubstantiated. This requirement shall not preclude Declarations based on information and belief where so stated.
9. Servicer shall assess and ensure that it has an adequate number of employees and that employees have reasonable time to prepare, verify, and execute pleadings, POCs, motions for relief from stay ("MRS"), affidavits, sworn statements and Declarations.

10. Servicer shall not pay volume-based or other incentives to employees or third-party providers or trustees that encourage undue haste or lack of due diligence over quality.
11. Affiants shall be individuals, not entities, and affidavits, sworn statements and Declarations shall be signed by hand signature of the affiant (except for permitted electronic filings). For such documents, except for permitted electronic filings, signature stamps and any other means of electronic or mechanical signature are prohibited.
12. At the time of execution, all information required by a form affidavit, sworn statement or Declaration shall be complete.
13. Affiants shall date their signatures on affidavits, sworn statements or Declarations.
14. Servicer shall maintain records that identify all notarizations of Servicer documents executed by each notary employed by Servicer.
15. Servicer shall not file a POC in a bankruptcy proceeding which, when filed, contained materially inaccurate information. In cases in which such a POC may have been filed, Servicer shall not rely on such POC and shall (a) in active cases, at Servicer's expense, take appropriate action, consistent with state and federal law and court procedure, to substitute such POC with an amended POC as promptly as reasonably practicable (and, in any event, not more than 30 days) after acquiring actual knowledge of such material inaccuracy and provide appropriate written notice to the borrower or borrower's counsel; and (b) in other cases, at Servicer's expense, take appropriate action after acquiring actual knowledge of such material inaccuracy.
16. Servicer shall not rely on an affidavit of indebtedness or similar affidavit, sworn statement or Declaration filed in a pending pre-judgment judicial foreclosure or bankruptcy proceeding which (a) was required to be based on the affiant's review and personal knowledge of its accuracy but was not, (b) was not, when so required, properly notarized, or (c) contained materially inaccurate information in order to obtain a judgment of foreclosure, order of sale, relief from the automatic stay or other relief in bankruptcy. In pending cases in which such affidavits, sworn statements or Declarations may have been filed, Servicer shall, at Servicer's expense, take appropriate action, consistent with state and federal law and court procedure, to substitute such affidavits with new affidavits and provide appropriate written notice to the borrower or borrower's counsel.

17. In pending post-judgment, pre-sale cases in judicial foreclosure proceedings in which an affidavit or sworn statement was filed which was required to be based on the affiant's review and personal knowledge of its accuracy but may not have been, or that may not have, when so required, been properly notarized, and such affidavit or sworn statement has not been re-filed, Servicer, unless prohibited by state or local law or court rule, will provide written notice to borrower at borrower's address of record or borrower's counsel prior to proceeding with a foreclosure sale or eviction proceeding.
18. In all states, Servicer shall send borrowers a statement setting forth facts supporting Servicer's or holder's right to foreclose and containing the information required in paragraphs I.B.6 (items available upon borrower request), I.B.10 (account statement), I.C.2 and I.C.3 (ownership statement), and IV.B.13 (loss mitigation statement) herein. Servicer shall send this statement to the borrower in one or more communications no later than 14 days prior to referral to foreclosure attorney or foreclosure trustee. Servicer shall provide the Monitoring Committee with copies of proposed form statements for review before implementation.

B. Requirements for Accuracy and Verification of Borrower's Account Information.

1. Servicer shall maintain procedures to ensure accuracy and timely updating of borrower's account information, including posting of payments and imposition of fees. Servicer shall also maintain adequate documentation of borrower account information, which may be in either electronic or paper format.
2. For any loan on which interest is calculated based on a daily accrual or daily interest method and as to which any obligor is not a debtor in a bankruptcy proceeding without reaffirmation, Servicer shall promptly accept and apply all borrower payments, including cure payments (where authorized by law or contract), trial modification payments, as well as non-conforming payments, unless such application conflicts with contract provisions or prevailing law. Servicer shall ensure that properly identified payments shall be posted no more than two business days after receipt at the address specified by Servicer and credited as of the date received to borrower's account. Each monthly payment shall be applied in the order specified in the loan documents.
3. For any loan on which interest is not calculated based on a daily accrual or daily interest method and as to which any obligor is not a debtor in a bankruptcy proceeding without reaffirmation, Servicer shall promptly accept and apply all borrower conforming

payments, including cure payments (where authorized by law or contract), unless such application conflicts with contract provisions or prevailing law. Servicer shall continue to accept trial modification payments consistent with existing payment application practices. Servicer shall ensure that properly identified payments shall be posted no more than two business days after receipt at the address specified by Servicer. Each monthly payment shall be applied in the order specified in the loan documents.

- a. Servicer shall accept and apply at least two non-conforming payments from the borrower, in accordance with this subparagraph, when the payment, whether on its own or when combined with a payment made by another source, comes within \$50.00 of the scheduled payment, including principal and interest and, where applicable, taxes and insurance.
 - b. Except for payments described in paragraph I.B.3.a, Servicer may post partial payments to a suspense or unapplied funds account, provided that Servicer (1) discloses to the borrower the existence of and any activity in the suspense or unapplied funds account; (2) credits the borrower's account with a full payment as of the date that the funds in the suspense or unapplied funds account are sufficient to cover such full payment; and (3) applies payments as required by the terms of the loan documents. Servicer shall not take funds from suspense or unapplied funds accounts to pay fees until all unpaid contractual interest, principal, and escrow amounts are paid and brought current or other final disposition of the loan.
4. Notwithstanding the provisions above, Servicer shall not be required to accept payments which are insufficient to pay the full balance due after the borrower has been provided written notice that the contract has been declared in default and the remaining payments due under the contract have been accelerated.
 5. Servicer shall provide to borrowers (other than borrowers in bankruptcy or borrowers who have been referred to or are going through foreclosure) adequate information on monthly billing or other account statements to show in clear and conspicuous language:
 - a. total amount due;
 - b. allocation of payments, including a notation if any payment has been posted to a "suspense or unapplied funds account";

- c. unpaid principal;
- d. fees and charges for the relevant time period;
- e. current escrow balance; and
- f. reasons for any payment changes, including an interest rate or escrow account adjustment, no later than 21 days before the new amount is due (except in the case of loans as to which interest accrues daily or the rate changes more frequently than once every 30 days);

Statements as described above are not required to be delivered with respect to any fixed rate residential mortgage loan as to which the borrower is provided a coupon book.

- 6. In the statements described in paragraphs I.A.18 and III.B.1.a, Servicer shall notify borrowers that they may receive, upon written request:
 - a. A copy of the borrower's payment history since the borrower was last less than 60 days past due;
 - b. A copy of the borrower's note;
 - c. If Servicer has commenced foreclosure or filed a POC, copies of any assignments of mortgage or deed of trust required to demonstrate the right to foreclose on the borrower's note under applicable state law; and
 - d. The name of the investor that holds the borrower's loan.
- 7. Servicer shall adopt enhanced billing dispute procedures, including for disputes regarding fees. These procedures will include:
 - a. Establishing readily available methods for customers to lodge complaints and pose questions, such as by providing toll-free numbers and accepting disputes by email;
 - b. Assessing and ensuring adequate and competent staff to answer and respond to consumer disputes promptly;
 - c. Establishing a process for dispute escalation;
 - d. Tracking the resolution of complaints; and
 - e. Providing a toll-free number on monthly billing statements.
- 8. Servicer shall take appropriate action to promptly remediate any inaccuracies in borrowers' account information, including:
 - a. Correcting the account information;
 - b. Providing cash refunds or account credits; and
 - c. Correcting inaccurate reports to consumer credit reporting

agencies.

9. Servicer's systems to record account information shall be periodically independently reviewed for accuracy and completeness by an independent reviewer.
10. As indicated in paragraph I.A.18, Servicer shall send the borrower an itemized plain language account summary setting forth each of the following items, to the extent applicable:
 - a. The total amount needed to reinstate or bring the account current, and the amount of the principal obligation under the mortgage;
 - b. The date through which the borrower's obligation is paid;
 - c. The date of the last full payment;
 - d. The current interest rate in effect for the loan (if the rate is effective for at least 30 days);
 - e. The date on which the interest rate may next reset or adjust (unless the rate changes more frequently than once every 30 days);
 - f. The amount of any prepayment fee to be charged, if any;
 - g. A description of any late payment fees;
 - h. A telephone number or electronic mail address that may be used by the obligor to obtain information regarding the mortgage; and
 - i. The names, addresses, telephone numbers, and Internet addresses of one or more counseling agencies or programs approved by HUD
(<http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm>).
11. In active chapter 13 cases, Servicer shall ensure that:
 - a. prompt and proper application of payments is made on account of (a) pre-petition arrearage amounts and (b) post-petition payment amounts and posting thereof as of the successful consummation of the effective confirmed plan;
 - b. the debtor is treated as being current so long as the debtor is making payments in accordance with the terms of the then-effective confirmed plan and any later effective payment change notices; and
 - c. as of the date of dismissal of a debtor's bankruptcy case, entry of an order granting Servicer relief from the stay, or entry of an order granting the debtor a discharge, there is a reconciliation of payments received with respect to the

debtor's obligations during the case and appropriately update the Servicer's systems of record. In connection with such reconciliation, Servicer shall reflect the waiver of any fee, expense or charge pursuant to paragraphs III.B.1.c.i or III.B.1.d.

C. Documentation of Note, Holder Status and Chain of Assignment.

1. Servicer shall implement processes to ensure that Servicer or the foreclosing entity has a documented enforceable interest in the promissory note and mortgage (or deed of trust) under applicable state law, or is otherwise a proper party to the foreclosure action.
2. Servicer shall include a statement in a pleading, affidavit of indebtedness or similar affidavits in court foreclosure proceedings setting forth the basis for asserting that the foreclosing party has the right to foreclose.
3. Servicer shall set forth the information establishing the party's right to foreclose as set forth in I.C.2 in a communication to be sent to the borrower as indicated in I.A.18.
4. If the original note is lost or otherwise unavailable, Servicer shall comply with applicable law in an attempt to establish ownership of the note and the right to enforcement. Servicer shall ensure good faith efforts to obtain or locate a note lost while in the possession of Servicer or Servicer's agent and shall ensure that Servicer and Servicer's agents who are expected to have possession of notes or assignments of mortgage on behalf of Servicer adopt procedures that are designed to provide assurance that the Servicer or Servicer's agent would locate a note or assignment of mortgage if it is in the possession or control of the Servicer or Servicer's agent, as the case may be. In the event that Servicer prepares or causes to be prepared a lost note or lost assignment affidavit with respect to an original note or assignment lost while in Servicer's control, Servicer shall use good faith efforts to obtain or locate the note or assignment in accordance with its procedures. In the affidavit, sworn statement or other filing documenting the lost note or assignment, Servicer shall recite that Servicer has made a good faith effort in accordance with its procedures for locating the lost note or assignment.
5. Servicer shall not intentionally destroy or dispose of original notes that are still in force.
6. Servicer shall ensure that mortgage assignments executed by or on behalf of Servicer are executed with appropriate legal authority, accurately reflective of the completed transaction and properly acknowledged.

D. Bankruptcy Documents.

1. **Proofs of Claim ("POC").** Servicer shall ensure that POCs filed on behalf of Servicer are documented in accordance with the United States Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, and any applicable local rule or order ("bankruptcy law"). Unless not permitted by statute or rule, Servicer shall ensure that each POC is documented by attaching:
 - a. The original or a duplicate of the note, including all indorsements; a copy of any mortgage or deed of trust securing the notes (including, if applicable, evidence of recordation in the applicable land records); and copies of any assignments of mortgage or deed of trust required to demonstrate the right to foreclose on the borrower's note under applicable state law (collectively, "Loan Documents"). If the note has been lost or destroyed, a lost note affidavit shall be submitted.
 - b. If, in addition to its principal amount, a claim includes interest, fees, expenses, or other charges incurred before the petition was filed, an itemized statement of the interest, fees, expenses, or charges shall be filed with the proof of claim (including any expenses or charges based on an escrow analysis as of the date of filing) at least in the detail specified in the current draft of Official Form B 10 (effective December 2011) ("Official Form B 10") Attachment A.
 - c. A statement of the amount necessary to cure any default as of the date of the petition shall be filed with the proof of claim.
 - d. If a security interest is claimed in property that is the debtor's principal residence, the attachment prescribed by the appropriate Official Form shall be filed with the proof of claim.
 - e. Servicer shall include a statement in a POC setting forth the basis for asserting that the applicable party has the right to foreclose.
 - f. The POC shall be signed (either by hand or by appropriate electronic signature) by the responsible person under penalty of perjury after reasonable investigation, stating that the information set forth in the POC is true and correct to the best of such responsible person's knowledge, information, and reasonable belief, and clearly identify the responsible person's employer and position or title with the

employer.

2. **Motions for Relief from Stay ("MRS").** Unless not permitted by bankruptcy law, Servicer shall ensure that each MRS in a chapter 13 proceeding is documented by attaching:
 - a. To the extent not previously submitted with a POC, a copy of the Loan Documents; if such documents were previously submitted with a POC, a statement to that effect. If the promissory note has been lost or destroyed, a lost note affidavit shall be submitted;
 - b. To the extent not previously submitted with a POC, Servicer shall include a statement in an MRS setting forth the basis for asserting that the applicable party has the right to foreclose.
 - c. An affidavit, sworn statement or Declaration made by Servicer or based on information provided by Servicer ("MRS affidavit" (which term includes, without limitation, any facts provided by Servicer that are included in any attachment and submitted to establish the truth of such facts) setting forth:
 - i. whether there has been a default in paying pre-petition arrearage or post-petition amounts (an "MRS delinquency");
 - ii. if there has been such a default, (a) the unpaid principal balance, (b) a description of any default with respect to the pre-petition arrearage, (c) a description of any default with respect to the post-petition amount (including, if applicable, any escrow shortage), (d) the amount of the pre-petition arrearage (if applicable), (e) the post-petition payment amount, (f) for the period since the date of the first post-petition or pre-petition default that is continuing and has not been cured, the date and amount of each payment made (including escrow payments) and the application of each such payment, and (g) the amount, date and description of each fee or charge applied to such pre-petition amount or post-petition amount since the later of the date of the petition or the preceding statement pursuant to paragraph III.B.1.a; and
 - iii. all amounts claimed, including a statement of the amount necessary to cure any default on or about the date of the MRS.

- d. All other attachments prescribed by statute, rule, or law.
 - e. Servicer shall ensure that any MRS discloses the terms of any trial period or permanent loan modification plan pending at the time of filing of a MRS or whether the debtor is being evaluated for a loss mitigation option.
- E. Quality Assurance Systems Review.
- 1. Servicer shall conduct regular reviews, not less than quarterly, of a statistically valid sample of affidavits, sworn statements, Declarations filed by or on behalf of Servicer in judicial foreclosures or bankruptcy proceedings and notices of default, notices of sale and similar notices submitted in non-judicial foreclosures to ensure that the documents are accurate and comply with prevailing law and this Agreement.
 - a. The reviews shall also verify the accuracy of the statements in affidavits, sworn statements, Declarations and documents used to foreclose in non-judicial foreclosures, the account summary described in paragraph I.B.10, the ownership statement described in paragraph I.C.2, and the loss mitigation statement described in paragraph IV.B.13 by reviewing the underlying information. Servicer shall take appropriate remedial steps if deficiencies are identified, including appropriate remediation in individual cases.
 - b. The reviews shall also verify the accuracy of the statements in affidavits, sworn statements and Declarations submitted in bankruptcy proceedings. Servicer shall take appropriate remedial steps if deficiencies are identified, including appropriate remediation in individual cases.
 - 2. The quality assurance steps set forth above shall be conducted by Servicer employees who are separate and independent of employees who prepare foreclosure or bankruptcy affidavits, sworn statements, or other foreclosure or bankruptcy documents.
 - 3. Servicer shall conduct regular pre-filing reviews of a statistically valid sample of POCs to ensure that the POCs are accurate and comply with prevailing law and this Agreement. The reviews shall also verify the accuracy of the statements in POCs. Servicer shall take appropriate remedial steps if deficiencies are identified, including appropriate remediation in individual cases. The pre-filing review shall be conducted by Servicer employees who are separate and independent of the persons who prepared the applicable POCs.

4. Servicer shall regularly review and assess the adequacy of its internal controls and procedures with respect to its obligations under this Agreement, and implement appropriate procedures to address deficiencies.

II. THIRD-PARTY PROVIDER OVERSIGHT.

A. *Oversight Duties Applicable to All Third-Party Providers.*

Servicer shall adopt policies and processes to oversee and manage foreclosure firms, law firms, foreclosure trustees, subservicers and other agents, independent contractors, entities and third parties (including subsidiaries and affiliates) retained by or on behalf of Servicer that provide foreclosure, bankruptcy or mortgage servicing activities (including loss mitigation) (collectively, such activities are "Servicing Activities" and such providers are "Third-Party Providers"), including:

1. Servicer shall perform appropriate due diligence of Third-Party Providers' qualifications, expertise, capacity, reputation, complaints, information security, document custody practices, business continuity, and financial viability.
2. Servicer shall amend agreements, engagement letters, or oversight policies, or enter into new agreements or engagement letters, with Third-Party Providers to require them to comply with Servicer's applicable policies and procedures (which will incorporate any applicable aspects of this Agreement) and applicable state and federal laws and rules.
3. Servicer shall ensure that agreements, contracts or oversight policies provide for adequate oversight, including measures to enforce Third-Party Provider contractual obligations, and to ensure timely action with respect to Third-Party Provider performance failures.
4. Servicer shall ensure that foreclosure and bankruptcy counsel and foreclosure trustees have appropriate access to information from Servicer's books and records necessary to perform their duties in preparing pleadings and other documents submitted in foreclosure and bankruptcy proceedings.
5. Servicer shall ensure that all information provided by or on behalf of Servicer to Third-Party Providers in connection with providing Servicing Activities is accurate and complete.
6. Servicer shall conduct periodic reviews of Third-Party Providers. These reviews shall include:
 - a. A review of a sample of the foreclosure and bankruptcy documents prepared by the Third-Party Provider, to provide for compliance with applicable state and federal law and

this Agreement in connection with the preparation of the documents, and the accuracy of the facts contained therein;

- b. A review of the fees and costs assessed by the Third-Party Provider to provide that only fees and costs that are lawful, reasonable and actually incurred are charged to borrowers and that no portion of any fees or charges incurred by any Third-Party Provider for technology usage, connectivity, or electronic invoice submission is charged as a cost to the borrower;
- c. A review of the Third-Party Provider's processes to provide for compliance with the Servicer's policies and procedures concerning Servicing Activities;
- d. A review of the security of original loan documents maintained by the Third-Party Provider;
- e. A requirement that the Third-Party Provider disclose to the Servicer any imposition of sanctions or professional disciplinary action taken against them for misconduct related to performance of Servicing Activities; and
- f. An assessment of whether bankruptcy attorneys comply with the best practice of determining whether a borrower has made a payment curing any MRS delinquency within two business days of the scheduled hearing date of the related MRS.

The quality assurance steps set forth above shall be conducted by Servicer employees who are separate and independent of employees who prepare foreclosure or bankruptcy affidavits, sworn documents, Declarations or other foreclosure or bankruptcy documents.

- 7. Servicer shall take appropriate remedial steps if problems are identified through this review or otherwise, including, when appropriate, terminating its relationship with the Third-Party Provider.
- 8. Servicer shall adopt processes for reviewing and appropriately addressing customer complaints it receives about Third-Party Provider services.
- 9. Servicer shall regularly review and assess the adequacy of its internal controls and procedures with respect to its obligations under this Section, and take appropriate remedial steps if deficiencies are identified, including appropriate remediation in individual cases.

B. *Additional Oversight of Activities by Third-Party Providers.*

1. Servicer shall require a certification process for law firms (and recertification of existing law firm providers) that provide residential mortgage foreclosure and bankruptcy services for Servicer, on a periodic basis, as qualified to serve as a Third-Party Provider to Servicer, including that attorneys have the experience and competence necessary to perform the services requested.
2. Servicer shall ensure that attorneys are licensed to practice in the relevant jurisdiction, have the experience and competence necessary to perform the services requested, and that their services comply with applicable rules, regulations and applicable law (including state law prohibitions on fee splitting).
3. Servicer shall ensure that foreclosure and bankruptcy counsel and foreclosure trustees have an appropriate Servicer contact to assist in legal proceedings and to facilitate loss mitigation questions on behalf of the borrower.
4. Servicer shall adopt policies requiring Third-Party Providers to maintain records that identify all notarizations of Servicer documents executed by each notary employed by the Third-Party Provider.

III. BANKRUPTCY.

A. General.

1. The provisions, conditions and obligations imposed herein are intended to be interpreted in accordance with applicable federal, state and local laws, rules and regulations. Nothing herein shall require a Servicer to do anything inconsistent with applicable state or federal law, including the applicable bankruptcy law or a court order in a bankruptcy case.
2. Servicer shall ensure that employees who are regularly engaged in servicing mortgage loans as to which the borrower or mortgagor is in bankruptcy receive training specifically addressing bankruptcy issues.

B. Chapter 13 Cases.

1. In any chapter 13 case, Servicer shall ensure that:
 - a. So long as the debtor is in a chapter 13 case, within 180 days after the date on which the fees, expenses, or charges are incurred, file and serve on the debtor, debtor's counsel, and the trustee a notice in a form consistent with Official Form B10 (Supplement 2) itemizing fees, expenses, or charges (1) that were incurred in connection with the claim

after the bankruptcy case was filed, (2) that the holder asserts are recoverable against the debtor or against the debtor's principal residence, and (3) that the holder intends to collect from the debtor.

- b. Servicer replies within time periods established under bankruptcy law to any notice that the debtor has completed all payments under the plan or otherwise paid in full the amount required to cure any pre-petition default.
- c. If the Servicer fails to provide information as required by paragraph III.B.1.a with respect to a fee, expense or charge within 180 days of the incurrence of such fee, expense, or charge, then,
 - i. Except for independent charges ("Independent charge") paid by the Servicer that is either (A) specifically authorized by the borrower or (B) consists of amounts advanced by Servicer in respect of taxes, homeowners association fees, liens or insurance, such fee, expense or charge shall be deemed waived and may not be collected from the borrower.
 - ii. In the case of an Independent charge, the court may, after notice and hearing, take either or both of the following actions:
 - (a) preclude the holder from presenting the omitted information, in any form, as evidence in any contested matter or adversary proceeding in the case, unless the court determines that the failure was substantially justified or is harmless; or
 - (b) award other appropriate relief, including reasonable expenses and attorney's fees caused by the failure.
- d. If the Servicer fails to provide information as required by paragraphs III.B.1.a or III.B.1.b and bankruptcy law with respect to a fee, expense or charge (other than an Independent Charge) incurred more than 45 days before the date of the reply referred to in paragraph III.B.1.b, then such fee, expense or charge shall be deemed waived and may not be collected from the borrower.
- e. Servicer shall file and serve on the debtor, debtor's counsel, and the trustee a notice in a form consistent with the current draft of Official Form B10 (Supplement 1) (effective

December 2011) of any change in the payment amount, including any change that results from an interest rate or escrow account adjustment, no later than 21 days before a payment in the new amount is due. Servicer shall waive and not collect any late charge or other fees imposed solely as a result of the failure of the borrower timely to make a payment attributable to the failure of Servicer to give such notice timely.

IV. LOSS MITIGATION.

These requirements are intended to apply to both government-sponsored and proprietary loss mitigation programs and shall apply to subservicers performing loss mitigation services on Servicer's behalf.

A. Loss Mitigation Requirements.

1. Servicer shall be required to notify potentially eligible borrowers of currently available loss mitigation options prior to foreclosure referral. Upon the timely receipt of a complete loan modification application, Servicer shall evaluate borrowers for all available loan modification options for which they are eligible prior to referring a borrower to foreclosure and shall facilitate the submission and review of loss mitigation applications. The foregoing notwithstanding, Servicer shall have no obligation to solicit borrowers who are in bankruptcy.
2. Servicer shall offer and facilitate loan modifications for borrowers rather than initiate foreclosure when such loan modifications for which they are eligible are net present value (NPV) positive and meet other investor, guarantor, insurer and program requirements.
3. Servicer shall allow borrowers enrolled in a trial period plan under prior HAMP guidelines (where borrowers were not pre-qualified) and who made all required trial period payments, but were later denied a permanent modification, the opportunity to reapply for a HAMP or proprietary loan modification using current financial information.
4. Servicer shall promptly send a final modification agreement to borrowers who have enrolled in a trial period plan under current HAMP guidelines (or fully underwritten proprietary modification programs with a trial payment period) and who have made the required number of timely trial period payments, where the modification is underwritten prior to the trial period and has received any necessary investor, guarantor or insurer approvals. The borrower shall then be converted by Servicer to a permanent modification upon execution of the final modification documents,

consistent with applicable program guidelines, absent evidence of fraud.

B. Dual Track Restricted.

1. If a borrower has not already been referred to foreclosure, Servicer shall not refer an eligible borrower's account to foreclosure while the borrower's complete application for any loan modification program is pending if Servicer received (a) a complete loan modification application no later than day 120 of delinquency, or (b) a substantially complete loan modification application (missing only any required documentation of hardship) no later than day 120 of delinquency and Servicer receives any required hardship documentation no later than day 130 of delinquency. Servicer shall not make a referral to foreclosure of an eligible borrower who so provided an application until:
 - a. Servicer determines (after the automatic review in paragraph IV.G.1) that the borrower is not eligible for a loan modification, or
 - b. If borrower does not accept an offered foreclosure prevention alternative within 14 days of the evaluation notice, the earlier of (i) such 14 days, and (ii) borrower's decline of the foreclosure prevention offer.
2. If borrower accepts the loan modification resulting from Servicer's evaluation of the complete loan modification application referred to in paragraph IV.B.1 (verbally, in writing (including e-mail responses) or by submitting the first trial modification payment) within 14 days of Servicer's offer of a loan modification, then the Servicer shall delay referral to foreclosure until (a) if the Servicer fails timely to receive the first trial period payment, the last day for timely receiving the first trial period payment, and (b) if the Servicer timely receives the first trial period payment, after the borrower breaches the trial plan.
3. If the loan modification requested by a borrower as described in paragraph IV.B.1 is denied, except when otherwise required by federal or state law or investor directives, if borrower is entitled to an appeal under paragraph IV.G.3, Servicer will not proceed to a foreclosure sale until the later of (if applicable):
 - a. expiration of the 30-day appeal period; and
 - b. if the borrower appeals the denial, until the later of (if applicable) (i) if Servicer denies borrower's appeal, 15 days after the letter denying the appeal, (ii) if the Servicer sends borrower a letter granting his or her appeal and offering a loan modification, 14 days after the date of such offer, (iii)

if the borrower timely accepts the loan modification offer (verbally, in writing (including e-mail responses), or by making the first trial period payment), after the Servicer fails timely to receive the first trial period payment, and (iv) if the Servicer timely receives the first trial period payment, after the borrower breaches the trial plan.

4. If, after an eligible borrower has been referred to foreclosure, the Servicer receives a complete application from the borrower within 30 days after the Post Referral to Foreclosure Solicitation Letter, then while such loan modification application is pending, Servicer shall not move for foreclosure judgment or order of sale (or, if a motion has already been filed, shall take reasonable steps to avoid a ruling on such motion), or seek a foreclosure sale. If Servicer offers the borrower a loan modification, Servicer shall not move for judgment or order of sale, (or, if a motion has already been filed, shall take reasonable steps to avoid a ruling on such motion), or seek a foreclosure sale until the earlier of (a) 14 days after the date of the related offer of a loan modification, and (b) the date the borrower declines the loan modification offer. If the borrower accepts the loan modification offer (verbally, in writing (including e-mail responses) or by submitting the first trial modification payment) within 14 days after the date of the related offer of loan modification, Servicer shall continue this delay until the later of (if applicable) (A) the failure by the Servicer timely to receive the first trial period payment, and (B) if the Servicer timely receives the first trial period payment, after the borrower breaches the trial plan.
5. If the loan modification requested by a borrower described in paragraph IV.B.4 is denied, then, except when otherwise required by federal or state law or investor directives, if borrower is entitled to an appeal under paragraph IV.G.3, Servicer will not proceed to a foreclosure sale until the later of (if applicable):
 - a. expiration of the 30-day appeal period; and
 - b. if the borrower appeals the denial, until the later of (if applicable) (i) if Servicer denies borrower's appeal, 15 days after the letter denying the appeal, (ii) if the Servicer sends borrower a letter granting his or her appeal and offering a loan modification, 14 days after the date of such offer, (iii) if the borrower timely accepts the loan modification offer (verbally, in writing (including e-mail responses), or by making the first trial period payment), after the failure of the Servicer timely to receive the first trial period payment, and (iv) if the Servicer timely receives the first trial period

payment, after the borrower breaches the trial plan.

6. If, after an eligible borrower has been referred to foreclosure, Servicer receives a complete loan modification application more than 30 days after the Post Referral to Foreclosure Solicitation Letter, but more than 37 days before a foreclosure sale is scheduled, then while such loan modification application is pending, Servicer shall not proceed with the foreclosure sale. If Servicer offers a loan modification, then Servicer shall delay the foreclosure sale until the earlier of (i) 14 days after the date of the related offer of loan modification, and (ii) the date the borrower declines the loan modification offer. If the borrower accepts the loan modification offer (verbally, in writing (including e-mail responses) or by submitting the first trial modification payment) within 14 days, Servicer shall delay the foreclosure sale until the later of (if applicable) (A) the failure by the Servicer timely to receive the first trial period payment, and (B) if the Servicer timely receives the first trial period payment, after the borrower breaches the trial plan.
7. If the loan modification requested by a borrower described in paragraph IV.B.6 is denied and it is reasonable to believe that more than 90 days remains until a scheduled foreclosure date or the first date on which a sale could reasonably be expected to be scheduled and occur, then, except when otherwise required by federal or state law or investor directives, if borrower is entitled to an appeal under paragraph IV.G.3.a, Servicer will not proceed to a foreclosure sale until the later of (if applicable):
 - a. expiration of the 30-day appeal period; and
 - b. if the borrower appeals the denial, until the later of (if applicable) (i) if Servicer denies borrower's appeal, 15 days after the letter denying the appeal, (ii) if the Servicer sends borrower a letter granting his or her appeal and offering a loan modification, 14 days after the date of such offer, (iii) if the borrower timely accepts the loan modification offer (verbally, in writing (including e-mail responses), or by making the first trial period payment), after the Servicer fails timely to receive the first trial period payment, and (iv) if the Servicer timely receives the first trial period payment, after the borrower breaches the trial plan.
8. If, after an eligible borrower has been referred to foreclosure, Servicer receives a complete loan modification application more than 30 days after the Post Referral to Foreclosure Solicitation Letter, but within 37 to 15 days before a foreclosure sale is scheduled, then Servicer shall conduct an expedited review of the

borrower and, if the borrower is extended a loan modification offer, Servicer shall postpone any foreclosure sale until the earlier of (a) 14 days after the date of the related evaluation notice, and (b) the date the borrower declines the loan modification offer. If the borrower timely accepts the loan modification offer (either in writing or by submitting the first trial modification payment), Servicer shall delay the foreclosure sale until the later of (if applicable) (A) the failure by the Servicer timely to receive the first trial period payment, and (B) if the Servicer timely receives the first trial period payment, after the borrower breaches the trial plan.

9. If, after an eligible borrower has been referred to foreclosure, the Servicer receives a complete loan modification application more than 30 days after the Post Referral to Foreclosure Solicitation Letter and less than 15 days before a scheduled foreclosure sale, Servicer must notify the borrower before the foreclosure sale date as to Servicer's determination (if its review was completed) or inability to complete its review of the loan modification application. If Servicer makes a loan modification offer to the borrower, then Servicer shall postpone any sale until the earlier of (a) 14 days after the date of the related evaluation notice, and (b) the date the borrower declines the loan modification offer. If the borrower timely accepts a loan modification offer (either in writing or by submitting the first trial modification payment), Servicer shall delay the foreclosure sale until the later of (if applicable) (A) the failure by the Servicer timely to receive the first trial period payment, and (B) if the Servicer timely receives the first trial period payment, after the borrower breaches the trial plan.
10. For purposes of this section IV.B, Servicer shall not be responsible for failing to obtain a delay in a ruling on a judgment or failing to delay a foreclosure sale if Servicer made a request for such delay, pursuant to any state or local law, court rule or customary practice, and such request was not approved.
11. Servicer shall not move to judgment or order of sale or proceed with a foreclosure sale under any of the following circumstances:
 - a. The borrower is in compliance with the terms of a trial loan modification, forbearance, or repayment plan; or
 - b. A short sale or deed-in-lieu of foreclosure has been approved by all parties (including, for example, first lien investor, junior lien holder and mortgage insurer, as applicable), and proof of funds or financing has been provided to Servicer.

12. If a foreclosure or trustee's sale is continued (rather than cancelled) to provide time to evaluate loss mitigation options, Servicer shall promptly notify borrower in writing of the new date of sale (without delaying any related foreclosure sale).
13. As indicated in paragraph I.A.18, Servicer shall send a statement to the borrower outlining loss mitigation efforts undertaken with respect to the borrower prior to foreclosure referral. If no loss mitigation efforts were offered or undertaken, Servicer shall state whether it contacted or attempted to contact the borrower and, if applicable, why the borrower was ineligible for a loan modification or other loss mitigation options.
14. Servicer shall ensure timely and accurate communication of or access to relevant loss mitigation status and changes in status to its foreclosure attorneys, bankruptcy attorneys and foreclosure trustees and, where applicable, to court-mandated mediators.

C. Single Point of Contact.

1. Servicer shall establish an easily accessible and reliable single point of contact ("SPOC") for each potentially-eligible first lien mortgage borrower so that the borrower has access to an employee of Servicer to obtain information throughout the loss mitigation, loan modification and foreclosure processes.
2. Servicer shall initially identify the SPOC to the borrower promptly after a potentially-eligible borrower requests loss mitigation assistance. Servicer shall provide one or more direct means of communication with the SPOC on loss mitigation-related correspondence with the borrower. Servicer shall promptly provide updated contact information to the borrower if the designated SPOC is reassigned, no longer employed by Servicer, or otherwise not able to act as the primary point of contact.
 - a. Servicer shall ensure that debtors in bankruptcy are assigned to a SPOC specially trained in bankruptcy issues.
3. The SPOC shall have primary responsibility for:
 - a. Communicating the options available to the borrower, the actions the borrower must take to be considered for these options and the status of Servicer's evaluation of the borrower for these options;
 - b. Coordinating receipt of all documents associated with loan modification or loss mitigation activities;
 - c. Being knowledgeable about the borrower's situation and current status in the delinquency/imminent default resolution process; and

- d. Ensuring that a borrower who is not eligible for MHA programs is considered for proprietary or other investor loss mitigation options.
4. The SPOC shall, at a minimum, provide the following services to borrowers:
 - a. Contact borrower and introduce himself/herself as the borrower's SPOC;
 - b. Explain programs for which the borrower is eligible;
 - c. Explain the requirements of the programs for which the borrower is eligible;
 - d. Explain program documentation requirements;
 - e. Provide basic information about the status of borrower's account, including pending loan modification applications, other loss mitigation alternatives, and foreclosure activity;
 - f. Notify borrower of missing documents and provide an address or electronic means for submission of documents by borrower in order to complete the loan modification application;
 - g. Communicate Servicer's decision regarding loan modification applications and other loss mitigation alternatives to borrower in writing;
 - h. Assist the borrower in pursuing alternative non-foreclosure options upon denial of a loan modification;
 - i. If a loan modification is approved, call borrower to explain the program;
 - j. Provide information regarding credit counseling where necessary;
 - k. Help to clear for borrower any internal processing requirements; and
 - l. Have access to individuals with the ability to stop foreclosure proceedings when necessary to comply with the MHA Program or this Agreement.
5. The SPOC shall remain assigned to borrower's account and available to borrower until such time as Servicer determines in good faith that all loss mitigation options have been exhausted, borrower's account becomes current or, in the case of a borrower in bankruptcy, the borrower has exhausted all loss mitigation options for which the borrower is potentially eligible and has applied.

6. Servicer shall ensure that a SPOC can refer and transfer a borrower to an appropriate supervisor upon request of the borrower.
 7. Servicer shall ensure that relevant records relating to borrower's account are promptly available to the borrower's SPOC, so that the SPOC can timely, adequately and accurately inform the borrower of the current status of loss mitigation, loan modification, and foreclosure activities.
 8. Servicer shall designate one or more management level employees to be the primary contact for the Attorneys General, state financial regulators, the Executive Office of U.S. Trustee, each regional office of the U.S. Trustee, and federal regulators for communication regarding complaints and inquiries from individual borrowers who are in default and/or have applied for loan modifications. Servicer shall provide a written acknowledgment to all such inquiries within 10 business days. Servicer shall provide a substantive written response to all such inquiries within 30 days. Servicer shall provide relevant loan information to borrower and to Attorneys General, state financial regulators, federal regulators, the Executive Office of the U.S. Trustee, and each U.S. Trustee upon written request and if properly authorized. A written complaint filed by a borrower and forwarded by a state attorney general or financial regulatory agency to Servicer shall be deemed to have proper authorization.
 9. Servicer shall establish and make available to Chapter 13 trustees a toll-free number staffed by persons trained in bankruptcy to respond to inquiries from Chapter 13 trustees.
- D. Loss Mitigation Communications with Borrowers.
1. Servicer shall commence outreach efforts to communicate loss mitigation options for first lien mortgage loans to all potentially eligible delinquent borrowers (other than those in bankruptcy) beginning on timelines that are in accordance with HAMP borrower solicitation guidelines set forth in the MHA Handbook version 3.2, Chapter II, Section 2.2, regardless of whether the borrower is eligible for a HAMP modification. Servicer shall provide borrowers with notices that include contact information for national or state foreclosure assistance hotlines and state housing counseling resources, as appropriate. The use by Servicer of nothing more than prerecorded automatic messages in loss mitigation communications with borrowers shall not be sufficient in those instances in which it fails to result in contact between the borrower and one of Servicer's loss mitigation specialists. Servicer shall conduct affirmative outreach efforts to inform delinquent second lien borrowers (other than those in bankruptcy)

about the availability of payment reduction options. The foregoing notwithstanding, Servicer shall have no obligation to solicit borrowers who are in bankruptcy.

2. Servicer shall disclose and provide accurate information to borrowers relating to the qualification process and eligibility factors for loss mitigation programs.
3. Servicer shall communicate, at the written request of the borrower, with the borrower's authorized representatives, including housing counselors. Servicer shall communicate with representatives from state attorneys general and financial regulatory agencies acting upon a written complaint filed by the borrower and forwarded by the state attorney general or financial regulatory agency to Servicer. When responding to the borrower regarding such complaint, Servicer shall include the applicable state attorney general on all correspondence with the borrower regarding such complaint.
4. Servicer shall cease all collection efforts while the borrower (i) is making timely payments under a trial loan modification or (ii) has submitted a complete loan modification application, and a modification decision is pending. Notwithstanding the above, Servicer reserves the right to contact a borrower to gather required loss mitigation documentation or to assist a borrower with performance under a trial loan modification plan.
5. Servicer shall consider partnering with third parties, including national chain retailers, and shall consider the use of select bank branches affiliated with Servicer, to set up programs to allow borrowers to copy, fax, scan, transmit by overnight delivery, or mail or email documents to Servicer free of charge.
6. Within five business days after referral to foreclosure, the Servicer (including any attorney (or trustee) conducting foreclosure proceedings at the direction of the Servicer) shall send a written communication ("Post Referral to Foreclosure Solicitation Letter") to the borrower that includes clear language that:
 - a. The Servicer may have sent to the borrower one or more borrower solicitation communications; ➔
 - b. The borrower can still be evaluated for alternatives to foreclosure even if he or she had previously shown no interest;
 - c. The borrower should contact the Servicer to obtain a loss mitigation application package;
 - d. The borrower must submit a loan modification application

to the Servicer to request consideration for available foreclosure prevention alternatives;

- e. Provides the Servicer's contact information for submitting a complete loan modification application, including the Servicer's toll-free number; and
- f. Unless the form of letter is otherwise specified by investor directive or state law or the borrower is not eligible for an appeal under paragraph IV.G.3.a, states that if the borrower is contemplating or has pending an appeal of an earlier denial of a loan modification application, that he or she may submit a loan modification application in lieu of his or her appeal within 30 days after the Post Referral to Foreclosure Solicitation Letter.

E. Development of Loan Portals.

- 1. Servicer shall develop or contract with a third-party vendor to develop an online portal linked to Servicer's primary servicing system where borrowers can check, at no cost, the status of their first lien loan modifications.
- 2. Servicer shall design portals that may, among other things:
 - a. Enable borrowers to submit documents electronically;
 - b. Provide an electronic receipt for any documents submitted;
 - c. Provide information and eligibility factors for proprietary loan modification and other loss mitigation programs; and
 - d. Permit Servicer to communicate with borrowers to satisfy any written communications required to be provided by Servicer, if borrowers submit documents electronically.
- 3. Servicer shall participate in the development and implementation of a neutral, nationwide loan portal system linked to Servicer's primary servicing system, such as Hope LoanPort to enhance communications with housing counselors, including using the technology used for the Borrower Portal, and containing similar features to the Borrower Portal.
- 4. Servicer shall update the status of each pending loan modification on these portals at least every 10 business days and ensure that each portal is updated on such a schedule as to maintain consistency.

F. Loan Modification Timelines.

- 1. Servicer shall provide written acknowledgement of the receipt of documentation submitted by the borrower in connection with a first lien loan modification application within 3 business days. In

its initial acknowledgment, Servicer shall briefly describe the loan modification process and identify deadlines and expiration dates for submitted documents.

2. Servicer shall notify borrower of any known deficiency in borrower's initial submission of information, no later than 5 business days after receipt, including any missing information or documentation required for the loan modification to be considered complete.
3. Subject to section IV.B, Servicer shall afford borrower 30 days from the date of Servicer's notification of any missing information or documentation to supplement borrower's submission of information prior to making a determination on whether or not to grant an initial loan modification.
4. Servicer shall review the complete first lien loan modification application submitted by borrower and shall determine the disposition of borrower's trial or preliminary loan modification request no later than 30 days after receipt of the complete loan modification application, absent compelling circumstances beyond Servicer's control.
5. Servicer shall implement processes to ensure that second lien loan modification requests are evaluated on a timely basis. When a borrower qualifies for a second lien loan modification after a first lien loan modification in accordance with Section 2.c.i of the General Framework for Consumer Relief Provisions, the Servicer of the second lien loan shall (absent compelling circumstances beyond Servicer's control) send loan modification documents to borrower no later than 45 days after the Servicer receives official notification of the successful completion of the related first lien loan modification and the essential terms.
6. For all proprietary first lien loan modification programs, Servicer shall allow properly submitted borrower financials to be used for 90 days from the date the documents are received, unless Servicer learns that there has been a material change in circumstances or unless investor requirements mandate a shorter time frame.
7. Servicer shall notify borrowers of the final denial of any first lien loan modification request within 10 business days of the denial decision. The notification shall be in the form of the non-approval notice required in paragraph IV.G.1 below.

G. Independent Evaluation of First Lien Loan Modification Denials.

1. Except when evaluated as provided in paragraphs IV.B.8 or IV.B.9, Servicer's initial denial of an eligible borrower's request for first lien loan modification following the submission of a

complete loan modification application shall be subject to an independent evaluation. Such evaluation shall be performed by an independent entity or a different employee who has not been involved with the particular loan modification.

2. Denial Notice.

- a. When a first lien loan modification is denied after independent review, Servicer shall send a written non-approval notice to the borrower identifying the reasons for denial and the factual information considered. The notice shall inform the borrower that he or she has 30 days from the date of the denial letter declination to provide evidence that the eligibility determination was in error.
- b. If the first lien modification is denied because disallowed by investor, Servicer shall disclose in the written non-approval notice the name of the investor and summarize the reasons for investor denial.
- c. For those cases where a first lien loan modification denial is the result of an NPV calculation, Servicer shall provide in the written non-approval notice the monthly gross income and property value used in the calculation.

3. Appeal Process.

- a. After the automatic review in paragraph IV.G.1 has been completed and Servicer has issued the written non-approval notice, in the circumstances described in the first sentences of paragraphs IV.B.3, IV.B.5 or IV.B.7, except when otherwise required by federal or state law or investor directives, borrowers shall have 30 days to request an appeal and obtain an independent review of the first lien loan modification denial in accordance with the terms of this Agreement. Servicer shall ensure that the borrower has 30 days from the date of the written non-approval notice to provide information as to why Servicer's determination of eligibility for a loan modification was in error, unless the reason for non-approval is (1) ineligible mortgage, (2) ineligible property, (3) offer not accepted by borrower or request withdrawn, or (4) the loan was previously modified.
- b. For those cases in which the first lien loan modification denial is the result of an NPV calculation, if a borrower disagrees with the property value used by Servicer in the NPV test, the borrower can request that a full appraisal be conducted of the property by an independent licensed appraiser (at borrower expense) consistent with HAMP

directive 10-15. Servicer shall comply with the process set forth in HAMP directive 10-15, including using such value in the NPV calculation.

- c. Servicer shall review the information submitted by borrower and use its best efforts to communicate the disposition of borrower's appeal to borrower no later than 30 days after receipt of the information.
- d. If Servicer denies borrower's appeal, Servicer's appeal denial letter shall include a description of other available loss mitigation, including short sales and deeds in lieu of foreclosure.

H. General Loss Mitigation Requirements.

- 1. Servicer shall maintain adequate staffing and systems for tracking borrower documents and information that are relevant to foreclosure, loss mitigation, and other Servicer operations. Servicer shall make periodic assessments to ensure that its staffing and systems are adequate.
- 2. Servicer shall maintain adequate staffing and caseload limits for SPOCs and employees responsible for handling foreclosure, loss mitigation and related communications with borrowers and housing counselors. Servicer shall make periodic assessments to ensure that its staffing and systems are adequate.
- 3. Servicer shall establish reasonable minimum experience, educational and training requirements for loss mitigation staff.
- 4. Servicer shall document electronically key actions taken on a foreclosure, loan modification, bankruptcy, or other servicing file, including communications with the borrower.
- 5. Servicer shall not adopt compensation arrangements for its employees that encourage foreclosure over loss mitigation alternatives.
- 6. Servicer shall not make inaccurate payment delinquency reports to credit reporting agencies when the borrower is making timely reduced payments pursuant to a trial or other loan modification agreement. Servicer shall provide the borrower, prior to entering into a trial loan modification, with clear and conspicuous written information that adverse credit reporting consequences may result from the borrower making reduced payments during the trial period.
- 7. Where Servicer grants a loan modification, Servicer shall provide borrower with a copy of the fully executed loan modification agreement within 45 days of receipt of the executed copy from the

borrower. If the modification is not in writing, Servicer shall provide the borrower with a written summary of its terms, as promptly as possible, within 45 days of the approval of the modification.

8. Servicer shall not instruct, advise or recommend that borrowers go into default in order to qualify for loss mitigation relief.
 9. Servicer shall not discourage borrowers from working or communicating with legitimate non-profit housing counseling services.
 10. Servicer shall not, in the ordinary course, require a borrower to waive or release claims and defenses as a condition of approval for a loan modification program or other loss mitigation relief. However, nothing herein shall preclude Servicer from requiring a waiver or release of claims and defenses with respect to a loan modification offered in connection with the resolution of a contested claim, when the borrower would not otherwise be qualified for the loan modification under existing Servicer programs.
 11. Servicer shall not charge borrower an application fee in connection with a request for a loan modification. Servicer shall provide borrower with a pre-paid overnight envelope or pre-paid address label for return of a loan modification application.
 12. Notwithstanding any other provision of this Agreement, and to minimize the risk of borrowers submitting multiple loss mitigation requests for the purpose of delay, Servicer shall not be obligated to evaluate requests for loss mitigation options from (a) borrowers who have already been evaluated or afforded a fair opportunity to be evaluated consistent with the requirements of HAMP or proprietary modification programs, or (b) borrowers who were evaluated after the date of implementation of this Agreement, consistent with this Agreement, unless there has been a material change in the borrower's financial circumstances that is documented by borrower and submitted to Servicer.
- I. Proprietary First Lien Loan Modifications.
1. Servicer shall make publicly available information on its qualification processes, all required documentation and information necessary for a complete first lien loan modification application, and key eligibility factors for all proprietary loan modifications.
 2. Servicer shall design proprietary first lien loan modification programs that are intended to produce sustainable modifications according to investor guidelines and previous results. Servicer

shall design these programs with the intent of providing affordable payments for borrowers needing longer term or permanent assistance.

3. Servicer shall track outcomes and maintain records regarding characteristics and performance of proprietary first lien loan modifications. Servicer shall provide a description of modification waterfalls, eligibility criteria, and modification terms, on a publicly-available website.
4. Servicer shall not charge any application or processing fees for proprietary first lien loan modifications.

J. Proprietary Second Lien Loan Modifications.

1. Servicer shall make publicly available information on its qualification processes, all required documentation and information necessary for a complete second lien modification application.
2. Servicer shall design second lien modification programs with the intent of providing affordable payments for borrowers needing longer term or permanent assistance.
3. Servicer shall not charge any application or processing fees for second lien modifications.
4. When an eligible borrower with a second lien submits all required information for a second lien loan modification and the modification request is denied, Servicer shall promptly send a written non-approval notice to the borrower.

K. Short Sales.

1. Servicer shall make publicly available information on general requirements for the short sale process.
2. Servicer shall consider appropriate monetary incentives to underwater borrowers to facilitate short sale options.
3. Servicer shall develop a cooperative short sale process which allows the borrower the opportunity to engage with Servicer to pursue a short sale evaluation prior to putting home on the market.
4. Servicer shall send written confirmation of the borrower's first request for a short sale to the borrower or his or her agent within 10 business days of receipt of the request and proper written authorization from the borrower allowing Servicer to communicate with the borrower's agent. The confirmation shall include basic information about the short sale process and Servicer's requirements, and will state clearly and conspicuously that the

Servicer may demand a deficiency payment if such deficiency claim is permitted by applicable law.

5. Servicer shall send borrower at borrower's address of record or to borrower's agent timely written notice of any missing required documents for consideration of short sale within 30 days of receiving borrower's request for a short sale.
6. Servicer shall review the short sale request submitted by borrower and communicate the disposition of borrower's request no later than 30 days after receipt of all required information and third-party consents.
7. If the short sale request is accepted, Servicer shall contemporaneously notify the borrower whether Servicer or investor will demand a deficiency payment or related cash contribution and the approximate amount of that deficiency, if such deficiency obligation is permitted by applicable law. If the short sale request is denied, Servicer shall provide reasons for the denial in the written notice. If Servicer waives a deficiency claim, it shall not sell or transfer such claim to a third-party debt collector or debt buyer for collection.

L. Loss Mitigation During Bankruptcy.

1. Servicer may not deny any loss mitigation option to eligible borrowers on the basis that the borrower is a debtor in bankruptcy so long as borrower and any trustee cooperates in obtaining any appropriate approvals or consents.
2. Servicer shall, to the extent reasonable, extend trial period loan modification plans as necessary to accommodate delays in obtaining bankruptcy court approvals or receiving full remittance of debtor's trial period payments that have been made to a chapter 13 trustee. In the event of a trial period extension, the debtor must make a trial period payment for each month of the trial period, including any extension month.
3. When the debtor is in compliance with a trial period or permanent loan modification plan, Servicer will not object to confirmation of the debtor's chapter 13 plan, move to dismiss the pending bankruptcy case, or file a MRS solely on the basis that the debtor paid only the amounts due under the trial period or permanent loan modification plan, as opposed to the non-modified mortgage payments.

M. Transfer of Servicing of Loans Pending for Permanent Loan Modification.

1. Ordinary Transfer of Servicing from Servicer to Successor Servicer or Subservicer.

- a. At time of transfer or sale, Servicer shall inform successor servicer (including a subservicer) whether a loan modification is pending.
 - b. Any contract for the transfer or sale of servicing rights shall obligate the successor servicer to accept and continue processing pending loan modification requests.
 - c. Any contract for the transfer or sale of servicing rights shall obligate the successor servicer to honor trial and permanent loan modification agreements entered into by prior servicer.
 - d. Any contract for transfer or sale of servicing rights shall designate that borrowers are third party beneficiaries under paragraphs IV.M.1.b and IV.M.1.c, above.
2. Transfer of Servicing to Servicer. When Servicer acquires servicing rights from another servicer, Servicer shall ensure that it will accept and continue to process pending loan modification requests from the prior servicer, and that it will honor trial and permanent loan modification agreements entered into by the prior servicer.

V. PROTECTIONS FOR MILITARY PERSONNEL.

- A. Servicer shall comply with all applicable provisions of the Servicemembers Civil Relief Act (SCRA), 50 U.S.C. Appx. § 501 *et seq.*, and any applicable state law offering protections to servicemembers, and shall engage an independent consultant whose duties shall include a review of (a) all foreclosures in which an SCRA-eligible servicemember is known to have been an obligor or mortgagor, and (b) a sample of foreclosure actions (which sample will be appropriately enlarged to the extent Servicer identifies material exceptions), from January 1, 2009 to December 31, 2010 to determine whether the foreclosures were in compliance with the SCRA. Servicer shall remediate all monetary damages in compliance with the banking regulator Consent Orders.
- B. When a borrower states that he or she is or was within the preceding 9 months (or the then applicable statutory period under the SCRA) in active military service or has received and is subject to military orders requiring him or her to commence active military service, Lender shall determine whether the borrower may be eligible for the protections of the SCRA or for the protections of the provisions of paragraph V.F. If Servicer determines the borrower is so eligible, Servicer shall, until Servicer determines that such customer is no longer protected by the SCRA,
 1. if such borrower is not entitled to a SPOC, route such customers to employees who have been specially trained about the protections of the SCRA to respond to such borrower's questions, or

2. if such borrower is entitled to a SPOC, designate as a SPOC for such borrower a person who has been specially trained about the protections of the SCRA (Servicemember SPOC).
- C. Servicer shall, in addition to any other reviews it may perform to assess eligibility under the SCRA, (i) before referring a loan for foreclosure, (ii) within seven days before a foreclosure sale, and (iii) the later of (A) promptly after a foreclosure sale and (B) within three days before the regularly scheduled end of any redemption period, determine whether the secured property is owned by a servicemember covered under SCRA by searching the Defense Manpower Data Center (DMDC) for evidence of SCRA eligibility by either (a) last name and social security number, or (b) last name and date of birth.
- D. When a servicemember provides written notice requesting protection under the SCRA relating to interest rate relief, but does not provide the documentation required by Section 207(b)(1) of the SCRA (50 USC Appx. § 527(b)(1)), Servicer shall accept, in lieu of the documentation required by Section 207(b)(1) of the SCRA, a letter on official letterhead from the servicemember's commanding officer including a contact telephone number for confirmation:
1. Addressed in such a way as to signify that the commanding officer recognizes that the letter will be relied on by creditors of the servicemember (a statement that the letter is intended to be relied upon by the Servicemember's creditors would satisfy this requirement);
 2. Setting forth the full name (including middle initial, if any), Social Security number and date of birth of the servicemember;
 3. Setting forth the home address of the servicemember; and
 4. Setting forth the date of the military orders marking the beginning of the period of military service of the servicemember and, as may be applicable, that the military service of the servicemember is continuing or the date on which the military service of the servicemember ended.
- E. Servicer shall notify customers who are 45 days delinquent that, if they are a servicemember, (a) they may be entitled to certain protections under the SCRA regarding the servicemember's interest rate and the risk of foreclosure, and (b) counseling for covered servicemembers is available at agencies such as Military OneSource, Armed Forces Legal Assistance, and a HUD-certified housing counselor. Such notice shall include a toll-free number that servicemembers may call to be connected to a person who has been specially trained about the protections of the SCRA to respond to such borrower's questions. Such telephone number shall either connect directly to such a person or afford a caller the ability to identify

him- or herself as an eligible servicemember and be routed to such persons. Servicers hereby confirm that they intend to take reasonable steps to ensure the dissemination of such toll-free number to customers who may be eligible servicemembers.

- F. Irrespective of whether a mortgage obligation was originated before or during the period of a servicemember's military service, if, based on the determination described in the last sentence and subject to Applicable Requirements, a servicemember's military orders (or any letter complying with paragraph V.D), together with any other documentation satisfactory to the Servicer, reflects that the servicemember is (a) eligible for Hostile Fire/Imminent Danger Pay and (b) serving at a location (i) more than 750 miles from the location of the secured property or (ii) outside of the United States, then to the extent consistent with Applicable Requirements, the Servicer shall not sell, foreclose, or seize a property for a breach of an obligation on real property owned by a servicemember that is secured by mortgage, deed of trust, or other security in the nature of a mortgage, during, or within 9 months after, the period in which the servicemember is eligible for Hostile Fire/Imminent Danger Pay, unless either (i) Servicer has obtained a court order granted before such sale, foreclosure, or seizure with a return made and approved by the court, or (ii) if made pursuant to an agreement as provided in section 107 of the SCRA (50 U.S.C. Appx. § 517). Unless a servicemember's eligibility for the protection under this paragraph can be fully determined by a proper search of the DMDC website, Servicer shall only be obligated under this provision if it is able to determine, based on a servicemember's military orders (or any letter complying with paragraph V.D), together with any other documentation provided by or on behalf of the servicemember that is satisfactory to the Servicer, that the servicemember is (a) eligible for Hostile Fire/Imminent Danger Pay and (b) serving at a location (i) more than 750 miles from the location of the secured property or (ii) outside of the United States.
- G. Servicer shall not require a servicemember to be delinquent to qualify for a short sale, loan modification, or other loss mitigation relief if the servicemember is suffering financial hardship and is otherwise eligible for such loss mitigation. Subject to Applicable Requirements, for purposes of assessing financial hardship in relation to (i) a short sale or deed in lieu transaction, Servicer will take into account whether the servicemember is, as a result of a permanent change of station order, required to relocate even if such servicemember's income has not been decreased, so long as the servicemember does not have sufficient liquid assets to make his or her monthly mortgage payments, or (ii) a loan modification, Servicer will take into account whether the servicemember is, as a result of his or her under military orders required to relocate to a new duty station at least seventy five mile from his or her residence/secured property or to reside at a location other than the residence/secured property, and accordingly is

unable personally to occupy the residence and (a) the residence will continue to be occupied by his or her dependents, or (b) the residence is the only residential property owned by the servicemember.

- H. Servicer shall not make inaccurate reports to credit reporting agencies when a servicemember, who has not defaulted before relocating under military orders to a new duty station, obtains a short sale, loan modification, or other loss mitigation relief.

VI. RESTRICTIONS ON SERVICING FEES.

A. General Requirements.

1. All default, foreclosure and bankruptcy-related service fees, including third-party fees, collected from the borrower by Servicer shall be bona fide, reasonable in amount, and disclosed in detail to the borrower as provided in paragraphs I.B.10 and VI.B.1.

B. Specific Fee Provisions.

1. **Schedule of Fees.** Servicer shall maintain and keep current a schedule of common non-state specific fees or ranges of fees that may be charged to borrowers by or on behalf of Servicer. Servicer shall make this schedule available on its website and to the borrower or borrower's authorized representative upon request. The schedule shall identify each fee, provide a plain language explanation of the fee, and state the maximum amount of the fee or how the fee is calculated or determined.
2. Servicer may collect a default-related fee only if the fee is for reasonable and appropriate services actually rendered and one of the following conditions is met:
- a. the fee is expressly or generally authorized by the loan instruments and not prohibited by law or this Agreement;
 - b. the fee is permitted by law and not prohibited by the loan instruments or this Agreement; or
 - c. the fee is not prohibited by law, this Agreement or the loan instruments and is a reasonable fee for a specific service requested by the borrower that is collected only after clear and conspicuous disclosure of the fee is made available to the borrower.
3. **Attorneys' Fees.** In addition to the limitations in paragraph VI.B.2 above, attorneys' fees charged in connection with a foreclosure action or bankruptcy proceeding shall only be for work actually performed and shall not exceed reasonable and customary fees for such work. In the event a foreclosure action is terminated prior to the final judgment and/or sale for a loss mitigation option, a

reinstatement, or payment in full, the borrower shall be liable only for reasonable and customary fees for work actually performed.

4. Late Fees.

- a. Servicer shall not collect any late fee or delinquency charge when the only delinquency is attributable to late fees or delinquency charges assessed on an earlier payment, and the payment is otherwise a full payment for the applicable period and is paid on or before its due date or within any applicable grace period.
- b. Servicer shall not collect late fees (i) based on an amount greater than the past due amount; (ii) collected from the escrow account or from escrow surplus without the approval of the borrower; or (iii) deducted from any regular payment.
- c. Servicer shall not collect any late fees for periods during which (i) a complete loan modification application is under consideration; (ii) the borrower is making timely trial modification payments; or (iii) a short sale offer is being evaluated by Servicer.

C. Third-Party Fees.

1. Servicer shall not impose unnecessary or duplicative property inspection, property preservation or valuation fees on the borrower, including, but not limited to, the following:
 - a. No property preservation fees shall be imposed on eligible borrowers who have a pending application with Servicer for loss mitigation relief or are performing under a loss mitigation program, unless Servicer has a reasonable basis to believe that property preservation is necessary for the maintenance of the property, such as when the property is vacant or listed on a violation notice from a local jurisdiction;
 - b. No property inspection fee shall be imposed on a borrower any more frequently than the timeframes allowed under GSE or HUD guidelines unless Servicer has identified specific circumstances supporting the need for further property inspections; and
 - c. Servicer shall be limited to imposing property valuation fees (e.g., BPO) to once every 12 months, unless other valuations are requested by the borrower to facilitate a short sale or to support a loan modification as outlined in paragraph IV.G.3.a, or required as part of the default or

foreclosure valuation process.

2. Default, foreclosure and bankruptcy-related services performed by third parties shall be at reasonable market value.
3. Servicer shall not collect any fee for default, foreclosure or bankruptcy-related services by an affiliate unless the amount of the fee does not exceed the lesser of (a) any fee limitation or allowable amount for the service under applicable state law, and (b) the market rate for the service. To determine the market rate, Servicer shall obtain annual market reviews of its affiliates' pricing for such default and foreclosure-related services; such market reviews shall be performed by a qualified, objective, independent third-party professional using procedures and standards generally accepted in the industry to yield accurate and reliable results. The independent third-party professional shall determine in its market survey the price actually charged by third-party affiliates and by independent third party vendors.
4. Servicer shall be prohibited from collecting any unearned fee, or giving or accepting referral fees in relation to third-party default or foreclosure-related services.
5. Servicer shall not impose its own mark-ups on Servicer initiated third-party default or foreclosure-related services.

D. Certain Bankruptcy Related Fees.

1. Servicer must not collect any attorney's fees or other charges with respect to the preparation or submission of a POC or MRS document that is withdrawn or denied, or any amendment thereto that is required, as a result of a substantial misstatement by Servicer of the amount due.
2. Servicer shall not collect late fees due to delays in receiving full remittance of debtor's payments, including trial period or permanent modification payments as well as post-petition conduit payments in accordance with 11 U.S.C. § 1322(b)(5), that debtor has timely (as defined by the underlying Chapter 13 plan) made to a chapter 13 trustee.

VII. FORCE-PLACED INSURANCE.

A. General Requirements for Force-Placed Insurance.

1. Servicer shall not obtain force-placed insurance unless there is a reasonable basis to believe the borrower has failed to comply with the loan contract's requirements to maintain property insurance. For escrowed accounts, Servicer shall continue to advance payments for the homeowner's existing policy, unless the borrower or insurance company cancels the existing policy.

For purposes of this section VII, the term “force-placed insurance” means hazard insurance coverage obtained by Servicer when the borrower has failed to maintain or renew hazard or wind insurance on such property as required of the borrower under the terms of the mortgage.

2. Servicer shall not be construed as having a reasonable basis for obtaining force-placed insurance unless the requirements of this section VII have been met.
3. Servicer shall not impose any charge on any borrower for force-placed insurance with respect to any property securing a federally related mortgage unless:
 - a. Servicer has sent, by first-class mail, a written notice to the borrower containing:
 - i. A reminder of the borrower’s obligation to maintain hazard insurance on the property securing the federally related mortgage;
 - ii. A statement that Servicer does not have evidence of insurance coverage of such property;
 - iii. A clear and conspicuous statement of the procedures by which the borrower may demonstrate that the borrower already has insurance coverage;
 - iv. A statement that Servicer may obtain such coverage at the borrower’s expense if the borrower does not provide such demonstration of the borrower’s existing coverage in a timely manner;
 - v. A statement that the cost of such coverage may be significantly higher than the cost of the homeowner’s current coverage;
 - vi. For first lien loans on Servicer’s primary servicing system, a statement that, if the borrower desires to maintain his or her voluntary policy, Servicer will offer an escrow account and advance the premium due on the voluntary policy if the borrower: (a) accepts the offer of the escrow account; (b) provides a copy of the invoice from the voluntary carrier; (c) agrees in writing to reimburse the escrow advances through regular escrow payments; (d) agrees to escrow to both repay the advanced premium and to pay for the future premiums necessary to maintain any required insurance policy; and (e) agrees Servicer shall manage the escrow account in

- accordance with the loan documents and with state and federal law; and
- vii. A statement, in the case of single interest coverage, that the coverage may only protect the mortgage holder's interest and not the homeowner's interest.
- b. Servicer has sent, by first-class mail, a second written notice, at least 30 days after the mailing of the notice under paragraph VII.A.3.a that contains all the information described in each clause of such paragraph.
- c. Servicer has not received from the borrower written confirmation of hazard insurance coverage for the property securing the mortgage by the end of the 15-day period beginning on the date the notice under paragraph VII.A.3.b was sent by Servicer.
4. Servicer shall accept any reasonable form of written confirmation from a borrower or the borrower's insurance agent of existing insurance coverage, which shall include the existing insurance policy number along with the identity of, and contact information for, the insurance company or agent.
5. Servicer shall not place hazard or wind insurance on a mortgaged property, or require a borrower to obtain or maintain such insurance, in excess of the greater of replacement value, last-known amount of coverage or the outstanding loan balance, unless required by Applicable Requirements, or requested by borrower in writing.
6. Within 15 days of the receipt by Servicer of evidence of a borrower's existing insurance coverage, Servicer shall:
- a. Terminate the force-placed insurance; and
- b. Refund to the consumer all force-placed insurance premiums paid by the borrower during any period during which the borrower's insurance coverage and the force placed insurance coverage were each in effect, and any related fees charged to the consumer's account with respect to the force-placed insurance during such period.
7. Servicer shall make reasonable efforts to work with the borrower to continue or reestablish the existing homeowner's policy if there is a lapse in payment and the borrower's payments are escrowed.
8. Any force-placed insurance policy must be purchased for a commercially reasonable price.

9. No provision of this section VII shall be construed as prohibiting Servicer from providing simultaneous or concurrent notice of a lack of flood insurance pursuant to section 102(e) of the Flood Disaster Protection Act of 1973.

VIII. GENERAL SERVICER DUTIES AND PROHIBITIONS.

A. Measures to Deter Community Blight.

1. Servicer shall develop and implement policies and procedures to ensure that REO properties do not become blighted.
2. Servicer shall develop and implement policies and procedures to enhance participation and coordination with state and local land bank programs, neighborhood stabilization programs, nonprofit redevelopment programs, and other anti-blight programs, including those that facilitate discount sale or donation of low-value REO properties so that they can be demolished or salvaged for productive use.
3. As indicated in I.A.18, Servicer shall (a) inform borrower that if the borrower continues to occupy the property, he or she has responsibility to maintain the property, and an obligation to continue to pay taxes owed, until a sale or other title transfer action occurs; and (b) request that if the borrower wishes to abandon the property, he or she contact Servicer to discuss alternatives to foreclosure under which borrower can surrender the property to Servicer in exchange for compensation.
4. When the Servicer makes a determination not to pursue foreclosure action on a property with respect to a first lien mortgage loan, Servicer shall:
 - a. Notify the borrower of Servicer's decision to release the lien and not pursue foreclosure, and inform borrower about his or her right to occupy the property until a sale or other title transfer action occurs; and
 - b. Notify local authorities, such as tax authorities, courts, or code enforcement departments, when Servicer decides to release the lien and not pursue foreclosure.

B. Tenants' Rights.

1. Servicer shall comply with all applicable state and federal laws governing the rights of tenants living in foreclosed residential properties.
2. Servicer shall develop and implement written policies and procedures to ensure compliance with such laws.

IX. GENERAL PROVISIONS, DEFINITIONS, AND IMPLEMENTATION.

A. Applicable Requirements.

1. The servicing standards and any modifications or other actions taken in accordance with the servicing standards are expressly subject to, and shall be interpreted in accordance with, (a) applicable federal, state and local laws, rules and regulations, including, but not limited to, any requirements of the federal banking regulators, (b) the terms of the applicable mortgage loan documents, (c) Section 201 of the Helping Families Save Their Homes Act of 2009, and (d) the terms and provisions of the Servicer Participation Agreement with the Department of Treasury, any servicing agreement, subservicing agreement under which Servicer services for others, special servicing agreement, mortgage or bond insurance policy or related agreement or requirements to which Servicer is a party and by which it or its servicing is bound pertaining to the servicing or ownership of the mortgage loans, including without limitation the requirements, binding directions, or investor guidelines of the applicable investor (such as Fannie Mae or Freddie Mac), mortgage or bond insurer, or credit enhancer (collectively, the "Applicable Requirements").
2. In the event of a conflict between the requirements of the Agreement and the Applicable Requirements with respect to any provision of this Agreement such that the Servicer cannot comply without violating Applicable Requirements or being subject to adverse action, including fines and penalties, Servicer shall document such conflicts and notify the Monitor and the Monitoring Committee that it intends to comply with the Applicable Requirements to the extent necessary to eliminate the conflict. Any associated Metric provided for in the Enforcement Terms will be adjusted accordingly.

B. Definitions.

1. In each instance in this Agreement in which Servicer is required to ensure adherence to, or undertake to perform certain obligations, it is intended to mean that Servicer shall: (a) authorize and adopt such actions on behalf of Servicer as may be necessary for Servicer to perform such obligations and undertakings; (b) follow up on any material non-compliance with such actions in a timely and appropriate manner; and (c) require corrective action be taken in a timely manner of any material non-compliance with such obligations.
2. References to Servicer shall mean Wells Fargo Bank, N.A. and Wells Fargo & Company and shall include Servicer's successors and assignees in the event of a sale of all or substantially all of the

assets of Servicer or of Servicer's division(s) or major business unit(s) that are engaged as a primary business in customer-facing servicing of residential mortgages on owner-occupied properties. The provisions of this Agreement shall not apply to those divisions or major business units of Servicer that are not engaged as a primary business in customer-facing servicing of residential mortgages on owner-occupied one-to-four family properties on its own behalf or on behalf of investors.

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON

IN THE COURT OF COMMON PLEAS
NINTH JUDICIAL CIRCUIT
11-CP-10-2946

BRENT BENTRIM,

Plaintiff,

v.

LOST NOTE AFFIDAVIT

WELLS FARGO BANK, N.A.,

Defendant.

PERSONALLY appeared before me, Troy M. Thomas (the "Affiant"), who, upon being duly sworn, states on his/her oath as follows:

1. Affiant is a Bank officer employed by Wells Fargo Bank N.A. ("Wells Fargo"), Defendant in the above-captioned matter.

2. I am authorized to make this Affidavit on behalf of Wells Fargo. In the regular performance of my job functions, I am familiar with business records maintained by Wells Fargo for the purpose of servicing mortgage loans and I have personal knowledge of the operation of and the circumstances surrounding the preparation, maintenance, and retrieval of records in Wells Fargo's record keeping systems. These records (which include data compilations, electronically imaged documents, and others) are made at or near the time by, or from information provided by, persons with knowledge of the activity and transactions reflected in such records, and are kept in the course of business activity conducted regularly by Wells Fargo. It is the regular practice of Wells Fargo's mortgage servicing business to make these records. In connection with making this affidavit, I have acquired personal knowledge of the matters stated herein by personally examining these business records.

3. On March 12, 2002, Brent Bentrin executed and delivered to First Union National Bank a certain Note subject to the following terms:

Maker of the Note: **First Union National Bank**

Payee of the Note **First Union National Bank**

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Original Principal Amount:	\$182,700.00
Term of the Note:	30 Years
First Payment Date of the Note:	May 11, 2002
Date of Default on the Note:	October 11, 2008
Original Interest Rate:	4.99%
Original Monthly Payment:	\$984.21
Current Interest Rate:	3.49%
Currently Monthly Payment:	\$1,230.26
Maturity Date:	August 11, 2032
Principal Balance at Default:	\$176,879.20
Late Fees:	\$83.02

4. The Note was secured by a Mortgage executed by Brent Bentrim, the record owner of the property located at 10 Nicholson Street, Charleston, SC 29407, dated March 12, 2002, and recorded on April 3, 2002 in the Charleston County Registry of Deeds in Book 402, Page 182.

5. The subject Note has been inadvertently lost, misplaced or destroyed. Affiant states that Wells Fargo Bank, N.A. as successor by merger to Wachovia Bank, N.A., successor by merger to First Union National Bank (hereinafter "Wells Fargo"), has not pledged, assigned, transferred, hypothecated or otherwise disposed of the Note. Wells Fargo has not lost or destroyed the original Note in bad faith.

6. Wells Fargo has made a diligent and extensive search of its records in an effort to discover the lost Note, without success.

- a. Affiant has personal knowledge that the original Note has been lost and a good faith effort to search for it has been made in all files and records relating to this matter.
- b. The following areas were searched for lost documents:
 - i. Reviewed origination file

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- ii. Checked vault
- iii. For the purposes of executing this Affidavit on this 7th day of February, 2012, I personally searched the foreclosure file. The original Note was not in the foreclosure file.
- iv. For the purposes of executing this Affidavit on this 7th day of February, 2012, I personally searched the foreclosure area where original documents are kept, but could not locate the original Note.
- c. Affiant has personal knowledge that the Plaintiff is the present owner and holder of the Note, even though it has been lost.
- d. Affiant has personal knowledge that the Note and Mortgage have not been sold or transferred and the Plaintiff has not relinquished their right, title, and interest in them to any person or entity.
- e. Affiant has personal knowledge that the time and manner of the loss is some unknown time from the date of the receipt thereof to the date of this Affidavit.
- f. Affiant has personal knowledge that the mortgage filed with the Court is a true and correct copy of that lost or destroyed document.

7. Pursuant to S.C. Code § 36-3-309, Wells Fargo is entitled to enforce the lost Note because Wells Fargo was in possession of the instrument and entitled to enforce it when loss of possession occurred or has directly or indirectly acquired ownership of the instrument from a person who was entitled to enforce the instrument when loss of possession occurred, the loss of possession was not the result of a transfer by the Wells Fargo or a lawful seizure, and the Wells Fargo cannot reasonably obtain possession of the instrument because the instrument was destroyed, its whereabouts cannot be determined, or it is in the wrongful possession of an unknown person or a person that cannot be found or is not amenable to service of process.

8. A copy of subject Note is attached as Exhibit "A." This copy is a true, correct and substantial copy of the lost or destroyed Note.

9. Wells Fargo hereby agrees to indemnify and hold harmless Brent Bentrim and his heirs, successors and/or assigns, from and against any and all demands, actions, causes of action, suits, controversies, claims, losses, liabilities, costs and expenses (including, without limitation,

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reasonable attorney's fees and costs) which may be suffered or incurred as a result of such breach or failure to deliver the original Note.

FURTHER AFFIANT SAYETH NAUGHT.

Sign: Tracy M. Thomas
Date: February 7th, 2012

State Florida

County Duval

Sworn to and subscribed before me on this 7th day of February, 2012.



SARAH TAYLOR
NOTARY PUBLIC
STATE OF FLORIDA
Comm# EE082397
Expires 4/10/2015

Sarah Taylor
Notary Public for the State of Florida

Commission Expires: 4/10/15

NEGOTIABLE PROMISSORY NOTE
(Fixed or Variable Interest Rate)



BK: 41 LOC: LN TP: 39
RC: 0006774 0180000/00

Ref. No. 0205200092

Date: 03/12/02

Acct. No.

\$ 182700.00

CREDITOR: FIRST UNION NATIONAL BANK,

301 SOUTH TRYON STREET, NCS434
CHARLOTTE, NC 28288-5434

BORROWER(S): BRENT E. BENTRIM

10 NICHOLSON STREET
CHARLESTON, SC 29407

FOR VALUE RECEIVED, I the Borrower (which means everyone who signs below as a borrower, jointly and severally), promise to pay FIRST UNION NATIONAL BANK, or order, the principal amount of this loan as stated above (the Amount Financed, plus the prepaid finance charge, if any, as disclosed in the Itemization of Amount Financed), together with interest from the date of this Note on the unpaid principal balance at the interest rate for a fixed or variable rate loan disclosed below until fully paid. "I," "me," and "my" refer to Borrower(s) while "you" and "your" refer to FIRST UNION NATIONAL BANK.

___ If indicated, this is a fixed rate loan and my interest rate is

X If indicated, this is a variable rate loan and my initial interest rate is 4.89 which is tied to the Wall Street Journal (WSJ) "Prime Rate."

The initial interest rate is computed as follows: Prime Rate of 4.76 % Plus .24 Percentage Points.

ANNUAL PERCENTAGE RATE: The cost of my credit as a yearly rate.	FINANCE CHARGE: The dollar amount the credit will cost me.	Amount Financed. The amount of credit provided to me or on my behalf.	Total of Payments. The amount I will have paid after I have made all payments as scheduled.
5.13 %	\$ 1743.15.80	\$ 180000.00	\$ 354315.80

I have the right to receive at this time an itemization of the Amount Financed: () I want an itemization. () I do not want an itemization.
(initials) (initials)

My payment schedule will be:

No. of Payments	Payment Amount	Frequency	Due Date	No. of Payments	Payment Amount	Frequency	Due Date
360	\$884.21	M	05/11/02		\$		
	\$				\$		

Variable Rate.

If my loan, as indicated above, has a variable rate, my interest rate may increase during the term of my loan based on movement of the WSJ Prime Rate. My interest rate will not increase more than once each month. If my loan is secured by a principal dwelling for a term greater than one year, disclosures about the variable rate have been provided to me earlier.

X If indicated, my loan has multiple payments for a term of more than 60 months. Any increase in my interest rate will increase the number of payments and may increase the payment amounts. If my loan were for \$10,000 for 144 months at 12% and the interest rate increased to 12.50% in three months, my regular payment would increase by \$7.30 beginning with my Sixty-First payment.

X **MAXIMUM RATE.**
If indicated, the maximum interest rate will not exceed: ~~15.00~~
18.00

___ If indicated, my loan has multiple payments for a term of 60 months or less. Any increase in my interest rate will increase the number of payments. If my loan were for \$10,000 for 60 months at 12% and the interest rate increased to 12.50% in three months I would have to make one additional payment of \$196.56.

___ If indicated, my loan has a single payment. Any increase in my interest rate will increase the amount due at maturity. If my loan were for \$10,000 at 12% for 90 days, and my interest rate increased to 12.25% in 20 days, then my final payment would increase by \$4.80.

Security. I am giving a security interest in:

___ the goods or property being purchased. X other (describe): REAL ESTATE

Collateral securing other loans with you may also secure this loan, except my principal dwelling or household goods.

Filing Reca. \$ Prepayment. If I pay off early, I will not have to pay a penalty and I may be entitled to a refund of part of any prepaid finance charge.

Late charges. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment.

___ If indicated, this loan is for the purchase of property used as my principal dwelling and someone buying my principal dwelling cannot assume the remainder of my loan on the original terms.

___ If indicated, the Annual Percentage Rate does not take into account my required deposit.

I may see my contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled due date, and prepayment refunds and penalties.

INSURANCE DISCLOSURES

I understand that credit life and credit disability insurance are not required to get this loan. You will not provide it unless I sign this credit insurance section and agree to pay the cost. If I want any of these insurance coverages, I must be sure that the insurance coverage I want is indicated, that the amount of the premium is filled in, and that I have signed below. If I request credit life insurance or credit disability insurance, I have the right to rescind the insurance policy or certificate of insurance by giving written notice to the insurance company within 30 days from the date I received the policy or certificate. The term and amount of any insurance I request is for the stated term/amount of this loan unless otherwise indicated below.

INSURED #1	INSURED #2	TYPE	PREMIUM	TERM IN MOS.	AMT. OF COVERAGE	DISABILITY MONTHLY BENEFIT
		Credit Life	\$		\$	
		Credit Disability	\$		\$	\$

If this loan is secured, I may obtain property insurance from any insurer I choose.

I request coverage(s) checked
for the premiums shown above

Signature of Insured #1

I request coverage(s) checked
for the premiums shown above

Signature of Insured #2

PROPERTY AS SECURITY

To secure payment of this Note I grant you a security interest in the collateral described below, or in the Mortgage as indicated by the date below or on Schedule A, plus all additions, replacements or accessions to, and proceeds of the collateral. This collateral will secure any other loans with you, now or in the future unless the collateral is used as a principal dwelling or household goods. Any additional collateral is listed on the attached Schedule A.

Real property located at
10 NICHOLSON STREET
CHARLESTON

SC 29407

As more fully described on mortgage dated 03/12/02

If indicated, I (we) authorize you to draft all amounts due from my (our) deposit account as provided in my (our) application.

INTEREST RATE CHANGES: VARIABLE RATE: If my loan is a variable rate loan, I understand and agree that you will adjust the number and amount of my payments, the interest rate, the term to maturity and other relevant terms of my loan in accordance with your variable rate consumer lending procedures and programs, as they may change from time to time, the terms of which are described herein. My interest rate will change in an amount equal to the change in the WSJ Prime Rate. WSJ Prime Rate is announced and changed, from time to time. I understand that this rate is not represented or intended to be the lowest or most favorable rate of interest offered by you to any of your borrowers. My interest rate will be the sum of the number of percentage points, as indicated on the front of this Note, plus WSJ Prime Rate, as it may change from time to time. My interest rate may not change more than once each month during the term of my loan which will occur on the first day of each calendar month and will be based on WSJ "Prime Rate" published in the Charlotte, N.C. edition on the 25th day of the prior calendar month. If more than one rate is published, you will use the higher rate as the WSJ Prime Rate. If the 25th falls on a day when the WSJ Prime Rate is not published, the WSJ Prime Rate will be the rate published the last day prior to the 25th. Changes in the interest rate will be subject to any maximum rate stated in this Note. If no maximum interest rate is indicated, my interest rate will not exceed the highest interest rate permitted by applicable law. If the amount of any payment does not pay all interest due, you will collect the unpaid interest from future payments.

PAYMENT ADD PROVISIONS: If my loan has an original term of 60 months or less, you will extend the number of my payments if on the date of my final scheduled payment the amount of the scheduled payment will not pay the outstanding principal balance and unpaid interest. You will continue to bill me for my payment as long as any balance remains unpaid on my loan.

VARIABLE RATE PAYMENT CHANGES: If my loan is a variable rate loan with an original term of more than 60 months, the amount of my payment may change in the 61st calendar month and every 60th calendar month thereafter. Prior to each payment change date, you will calculate a payment estimated to pay the outstanding principal balance and any unpaid interest at the then current interest rate during the remaining term of the loan. My payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. At the final payment change, if necessary, you will increase my payment up to 25% of my previous payment and you will continue to bill me for my payment as long as any balance remains unpaid on my loan.

BALLOON NOTE PROVISIONS: If my payment schedule on this Promissory Note indicates a balloon payment (a single payment scheduled at the end of the loan term which is larger than any of the earlier scheduled payments) as a final payment, the following provisions apply: If my loan has a fixed interest rate, my payment habits and any loan extensions may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of 60 months or less, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment. If my loan has a variable interest rate with a term of more than 60 months, the amount of my regular payment may change in the 61st calendar month and every 60th calendar month thereafter. My regular payment will never increase more than 25% of the previously calculated payment. If on any payment change date, 60 months or less remain on my loan, said payment change will be considered as the final payment change. However, after the final payment change, my payment habits and any loan extensions or interest rate changes may change the amount of my finance charge which will be reflected in my final balloon payment.

BCEB

INSURANCE: If I have given you a security interest in my property, I agree to keep physical damage insurance covering loss or damage to any collateral for the term of this loan. My insurance must cover any physical damage, including damage caused by flood(s). If you require such coverage, My insurance shall be maintained in the amounts and for the periods that you require. If I fail to maintain adequate coverage as described above, you may, at either your option or as required by law, obtain coverage to protect your rights in accordance with other provisions of this Note. If collateral is lost, damaged or destroyed, I agree that you may use any insurance settlement either to repair the collateral or to apply it to my debt. I agree to assign the proceeds of any insurance to you to the extent of the debt I owe and agree that the insurance company may pay you directly. I agree that you have an irrevocable power of attorney to file proofs of loss and anything else necessary to obtain the insurance proceeds in my name. Loss, damage or destruction of collateral will not release me from any liability under this Note.

SECURITY AGREEMENT: If I have given you a security interest in any collateral, I pledge as security for repayment of this loan the collateral which includes any accessories, equipment, replacement parts installed in the collateral, any accessions to the collateral, and the proceeds of collateral. This security interest also covers (1) insurance premiums and other similar charges, (2) proceeds of any insurance policies or similar coverage on the collateral, and (3) proceeds of any insurance policies on my life or health which are financed in this Note. In addition, I give you a security interest in any collateral (other than household goods or principal dwelling) which secures any other loans I have with you, now or in the future. You expressly waive as collateral for this loan any security interest in collateral I use as my principal dwelling and household goods for any other existing or future transactions between us.

If I grant you a security interest in securities as collateral, I agree to deliver immediately to you, fully endorsed, any certificates for shares representing any stock dividend, and stock split-up, or a right to subscribe. I further pledge and agree to deliver to you, upon demand, additional collateral satisfactory to you and in accordance with all margin requirements.

EVENTS OF DEFAULT: I will be in default under this Note if any of the following events occur: (1) I fail to make a payment as required under this Note; (2) The prospect of payment, performance, or realization by you on my collateral is significantly impaired; or (3) If I fail to perform any term(s) of any Mortgage which secures payment of the Note.

REMEDIES ON DEFAULT: If this is a consumer credit transaction which is payable in two or more installments and I fail to make any payment within 10 days of its due date, you will give me one opportunity to cure the payment default by making the payment, if (1) I do not cure the default within 20 days, (2) I am ever late with payment again, or (3) the prospect of payment or realization of collateral is significantly impaired, you may demand that this loan be paid immediately.

ATTORNEY'S FEES: If you hire an attorney to collect what I owe, I agree to pay your reasonable attorney's fees, up to 15% of the unpaid debt.

OTHER PROVISIONS: Each borrower, including co-maker, co-signer, surety, endorser or guarantor, individually and jointly, waive presentment, demand, protest or notice of protest and any notice that you are demanding payment in full of the entire outstanding balance because of default or for any other reason. You may accept late or partial payments, even if they are marked "payment in full," without losing any of your rights. If you receive any payment 15 days or more after the due date, I agree to pay you a late charge of 5% of my payment. You may exercise your right to setoff against any funds I have on deposit with you. The information in my credit application is true and complete. This note contains the entire agreement between us except, to the extent it becomes necessary, reference, for further details, is made to your variable rate consumer lending procedures and programs, as may change from time to time. Any waiver or change in the terms of this Note must be in writing and signed by you. No oral changes are binding. This Note is governed by the laws of the United States and South Carolina. Your failure to insist upon prompt payment or to enforce any other right shall not be deemed a waiver of any such right or privilege. I understand that my payment habits and any loan extensions may also change the amount of finance charge and total payments disclosed on the front of this Note. This loan cannot be assumed by any other party. If I make a payment by check and a check is returned unpaid for any reason, I agree to pay a charge of \$20 for each returned payment check. Said returned check fee may be added to my outstanding principal balance hereunder, and accrue interest at the rate provided in this note, without notice.

ARBITRATION: At my, Guarantor or your request, any controversy arising out of or relating to this loan shall be decided by binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. Any controversy that is related to a class action or is part of a class action shall, at my, Guarantor or your request, be referred for decision by arbitration as provided herein. A judgment upon award may be entered by any court having jurisdiction.

Notwithstanding the preceding binding arbitration provisions, I, Guarantor or you may employ or exercise freely, either alone, in conjunction with or during an arbitration proceeding, any provisional or ancillary remedies including foreclosure and sale of any collateral by judicial or non-judicial foreclosure, self help, set-off, attachment, garnishment and sequestration. Preservation of these remedies does not limit the power of the arbitrator to grant similar remedies.

ASSUMPTION NOTICE: The debt secured hereby is subject to call in full or the terms thereof being modified in the event the real estate securing the debt is sold, conveyed or otherwise transferred.

DRUGS AND LIQUOR: I promise you that I do not have a reputation for the unlawful use of drugs or liquor, I also promise you that I have never been arrested, nor convicted, for any violation of the drug or of the liquor laws of any State or of the United States.

INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: Under the Fair Credit Reporting Act, I have the right to notify you if I believe you have reported inaccurate information about my account to any Consumer Reporting Agency. Such notices should be sent in writing and include my complete name, current address, Social Security number, telephone number, account number, type of account, specific item of dispute and the reason why I believe the information reported is in error. I must send my notice to: First Union, P.O. Box 560726, Charlotte, NC 28256-0726.

SHARING INFORMATION REGARDING MY FIRST UNION RELATIONSHIPS. I understand that from time to time you may share and use with any First Union Corporate Affiliates (e.g. First Union National Bank, First Union Brokerage Services, Inc., First Union Mortgage Corporation, etc.) my account and "other information" as you in your sole discretion consider necessary or appropriate. I have the right to direct you not to share my "other information" by notifying you in writing. I must send my name, address, Social Security number, telephone number and account type and number to: First Union, P.O. Box 11726, Roanoke, VA 24022-1726.

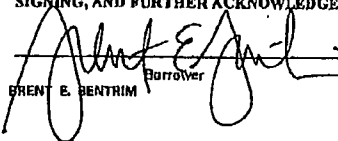
GUARANTY OF THIRD PERSONS: The undersigned jointly and severally guarantee the payment, when due, to any holder hereof of all amounts from time to time owing on this Note. The undersigned jointly and severally waive notice of acceptance of this guaranty, of any extensions in time of payment, of sale of any collateral, and of all other notices to which the undersigned would otherwise be entitled by law and agree to pay all amounts owing hereunder upon demand, without requiring any prior action or proceedings against the borrowers. The undersigned further agrees that the failure by the holder of this instrument to perfect any security interest granted by the foregoing Note shall not affect in any manner the liability of any guarantor hereon. The undersigned acknowledges receipt and execution of the Co-Signers Notice before signing this guaranty.

Guarantor - Co-Signer (SEAL) _____
Guarantor - Co-Signer (SEAL)

THIRD PARTY OWNER(S) AGREEMENT: The undersigned, as owner(s) or co-owner(s) of the collateral, grant you a security interest in the collateral and agree that the terms and conditions of this Note shall apply to the collateral.

Owner or Co-Owner (SEAL) _____
Owner or Co-Owner (SEAL)

EACH BORROWER ACKNOWLEDGES RECEIPT OF A COPY OF THIS NOTE, FULLY COMPLETED PRIOR TO SIGNING, AND FURTHER ACKNOWLEDGES THAT THIS IS A SEALED INSTRUMENT.

 _____
Brent E. Benthim Borrower (SEAL) _____
Borrower (SEAL)

Principal	\$176,879.20	
Interest	\$23,549.92	
Unpaid Late Charges	\$83.02	
Appraisals	\$492.00	
Property Preservation	\$70.00	
Hazard Insurance	\$606.13	
TOTAL	\$201,188.27	(They came up with: \$201,680.27)

These figures are good until. 12/4/2011

Additional Interest will accrue at \$16.91255 per day until funds are received.

THIS DEMAND MAY BE CONSIDERED NULL AND VOID AFTER 12/4/2011

WF 227

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

BRENT E. BENTRIM

Plaintiff,

vs.

WELLS FARGO BANK, N.A.

Defendant.

) IN THE COURT OF COMMON PLEAS

) NINTH JUDICIAL CIRCUIT

) C/A No.: 2011-CP-10-2946

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**AFFIDAVIT OF MATTHEW
WAKEFIELD**

The undersigned, being duly sworn, states as follows:

1. He is a Vice President at Wells Fargo Bank, N.A. ("Wells Fargo"), and as such has access to business records and information which pertain to the facts set forth in this Affidavit.
2. The loan at issue in this case was made by First Union National Bank ("First Union") pursuant to a Negotiable Promissory Note dated March 12, 2002 executed in favor of First Union by Brent E. Bentrin the ("Bentrin Loan.")
3. The beneficial interest of the Bentrin loan was sold to The Money Store Service Corporation for fair market value on or about November 29, 2006. On or about May 1, 2010, The Money Store Service Corporation was merged into The Money Store, LLC. Also, on May 1, 2010, The Money Store, LLC was dissolved and distributed to Wells Fargo.
4. As evidenced by the attached record which is publicly available and maintained by the Federal Reserve ("Exhibit 1"), The Money Store Service Corporation was a subsidiary of The Money Store, LLC which was a subsidiary of Wells Fargo Bank, N.A.

FURTHER AFFIANT SAYETH NOT

By: Matthew Wakefield

Name: Matthew Wakefield

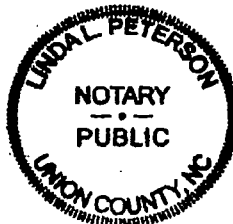
Title: Vice President

Company: Wells Fargo Bank, N.A.

SWORN to before me this 14 day of June, 2014.

Linda Peterson
Notary Public for the State of North Carolina

My commission expires: 4-22-2017



Report created: 6/3/2014

WACHOVIA BANK, NATIONAL ASSOCIATION (484422)

as of 11/29/2006

Hierarchy report with the following Institution types: Commercial Bank, Cooperative Bank, Credit Union, Edge/Agreement Corporation, Financial Holding Company, Holding Company, Industrial Bank, Insurance Co. Broker/Agent/Underwriter, Nondepository Trust Company, Other Company, Savings Bank, Savings and Loan Association, and the Securities Broker/Dealer/Underwriter

Seq Num	Name (RSSD ID)	Parent Seq	City	State or Country	Entity Type
1	* WACHOVIA BANK, NATIONAL ASSOCIATION (484422)		CHARLOTTE	NC	National Bank
2	-* WACHOVIA INTERNATIONAL BANKING CORPORATION (24837)	1	CHARLOTTE	NC	Edge Corporation - Investment
3	-* PHILADELPHIA INTERNATIONAL EQUITIES, INC. (1188156)	2	WILMINGTON	DE	Domestic Entity Other
4	---* + PHILADELPHIA NATIONAL LIMITED (1181915)	3	LONDON	ENGLAND	International Nonbank Sub of Domestic Entities
5	---* WACHOVIA SERVICES PTE. LTD. (2448827)	3	SINGAPORE	SINGAPORE	International Nonbank Sub of Domestic Entities
6	---* WACHOVIA CAPITAL FINANCE CORPORATION (CANADA) (2324803)	2	TORONTO	CANADA	Finance Company
7	---* WACHOVIA SECURITIES INTERNATIONAL LIMITED (2715063)	2	LONDON	ENGLAND	International Nonbank Sub of Domestic Entities
8	---* EVERGREEN WORLDWIDE DISTRIBUTORS, LTD. (2823632)	2	HAMILTON	BERMUDA	International Nonbank Sub of Domestic Entities
9	---* CONGRESS FINANCIAL CAPITAL (US) CORPORATION (3088830)	2	CHARLOTTE	NC	Domestic Entity Other
10	---* CONGRESS FINANCIAL CAPITAL COMPANY (3088885)	9	HALIFAX	CANADA	Finance Company
11	---* CONGRESS FINANCIAL CAPITAL CORPORATION (CANADA) (3088894)	10	TORONTO	CANADA	International Nonbank Sub of Domestic Entities
12	---* + CONGRESS FINANCIAL CAPITAL CORPORATION (CANADA) (3088894)	9	TORONTO	CANADA	International Nonbank Sub of Domestic Entities
13	---* WIBC ARUBA N.V. (3469167)	2	ORANJESTAD	ARUBA	International Nonbank Sub of Domestic Entities
14	-* FIRST NATIONAL PROPERTIES, INC. (1308945)	1	COLUMBIA	SC	Domestic Entity Other
15	-* WB LOAN FUNDING 3, LLC (3302992)	1	CHARLOTTE	NC	Domestic Entity Other
16	-* CALIBRE ADVISORY SERVICES, INC. (3308323)	1	WALTHAM	MA	Domestic Entity Other

* Institutions Matching Selection Rule.

+ For purposes of Regulation Y, the top-tier reporter's ownership level in this banking organization does not meet the definition of "control"; however, the ownership level does meet the FY Y-10/10F reportability criteria as this banking relationship is regulated by the Federal Reserve.

* Although this relationship is not governed by U.S. banking statutes, it is included because it is of interest to the Federal Reserve.



Report created: 6/3/2014

WACHOVIA BANK, NATIONAL ASSOCIATION (484422)

as of 11/29/2006

Hierarchy report with the following institution types: Commercial Bank, Cooperative Bank, Credit Union, Edge/Agreement Corporation, Financial Holding Company, Holding Company, Industrial Bank, Insurance Co. Broker/Agent/Underwriter, Nondepository Trust Company, Other Company, Savings Bank, Savings and Loan Association, and the Securities Broker/Dealer/Underwriter

Seq Num Name (RSSD ID)	Parent Seq	City	State or Country	Entity Type
1294 -* POOLED AUTO SECURITIES SHELF LLC (2924557)	1	CHARLOTTE	NC	Domestic Entity Other
1295 -* WACHOVIA AUTO OWNER TRUST 2004-A (3287129)	1294	CHARLOTTE	NC	Domestic Entity Other
1296 -* WACHOVIA AUTO OWNER TRUST 2004-B (3291984)	1294	CHARLOTTE	NC	Domestic Entity Other
1297 -* WACHOVIA AUTO OWNER TRUST 2005-A (3308556)	1294	CHARLOTTE	NC	Domestic Entity Other
1298 -* WACHOVIA AUTO OWNER TRUST 2005-B (3388297)	1294	CHARLOTTE	NC	Domestic Entity Other
1299 -* WACHOVIA AUTO OWNER TRUST 2006-A (3384943)	1294	CHARLOTTE	NC	Domestic Entity Other
1300 -* WACHOVIA EXCHANGE SERVICES, LLC (2944274)	1	CHARLOTTE	NC	Domestic Entity Other
1301 -* TQI EXCHANGE, LLC (3302910)	1300	CHARLOTTE	NC	Domestic Entity Other
1302 -* HNB AUTO EXCHANGE, LLC (3379640)	1300	CHARLOTTE	NC	Domestic Entity Other
1303 -* RYDER EXCHANGE, LLC (3411214)	1300	CHARLOTTE	NC	Domestic Entity Other
1304 -* PHH FUNDING, LLC (3437214)	1300	CHARLOTTE	NC	Domestic Entity Other
1305 -* WACHOVIA CAPITAL FINANCE CORPORATION (WESTERN) (1149296)	1	PASADENA	CA	Domestic Entity Other
1308 -* WACHOVIA EMPLOYER SOLUTIONS, LLC (3039458)	1	TAMPA	FL	Domestic Entity Other
1307 -* SOUTHTRUST INTERNATIONAL, INC. (3088979)	1	BIRMINGHAM	AL	Agreement Corporation - Investment
1308 -* SOUTHTRUST HONG KONG, LIMITED (3121483)	1307	CENTRAL	HONG KONG	Finance Company
1309 -* SUMMITT PELS FUNDING LLC (3147054)	1	CHARLOTTE	NC	Domestic Entity Other
1310 -* MW1-2002, LLC (3149937)	1	CHARLOTTE	NC	Domestic Entity Other
1311 -* SPFE, INC. (3151127)	1	CHARLOTTE	NC	Domestic Entity Other
1312 -* WACHOVIA LARGE LOAN, INC. (3157914)	1	CHARLOTTE	NC	Domestic Entity Other
1313 -* UNIVERSAL MASTER SERVICING, LLC (3165898)	1	CHARLOTTE	NC	Domestic Entity Other
1314 -* MONEY STORE, LLC, THE (3168538)	1	ROSEVILLE	CA	Domestic Entity Other
1315 -* WACHOVIA SBA LENDING, INC. (1675683)	1314	ROSEVILLE	CA	Domestic Entity Other
1318 -* WACHOVIA SBA HOLDINGS, INC. (2722799)	1315	ROSEVILLE	CA	Domestic Entity Other
1317 -* MONEY STORE/SERVICE CORP., THE (2722306)	1314	ROSEVILLE	CA	Domestic Entity Other

* Institutions Matching Selection Rule.

+ For purposes of Regulation Y, the top-tier reporter's ownership level in this banking organization does not meet the definition of "control"; however, the ownership level does meet the FY Y-10/10F reportability criteria as this banking relationship is regulated by the Federal Reserve.

^ Although this relationship is not governed by U.S. banking statutes, it is included because it is of interest to the Federal Reserve.

Report created: 8/3/2014

WELLS FARGO BANK, NATIONAL ASSOCIATION (451965)

as of 05/01/2010

Hierarchy report with the following institution types: Commercial Bank, Cooperative Bank, Credit Union, Edge/Agreement Corporation, Financial Holding Company, Holding Company, Industrial Bank, Insurance Co. Broker/Agent/Underwriter, Nondepository Trust Company, Other Company, Savings Bank, Savings and Loan Association, and the Securities Broker/Dealer/Underwriter

Seq Num	Name (RSSD ID)	Parent Seq	City	State or Country	Entity Type
1	* WELLS FARGO BANK, NATIONAL ASSOCIATION (451965)		SIOUX FALLS	SD	National Bank
2	-* WACHOVIA INTERNATIONAL BANKING CORPORATION (24837)	1	CHARLOTTE	NC	Edge Corporation - Investment
3	-* PHILADELPHIA INTERNATIONAL EQUITIES, INC. (1188156)	2	WILMINGTON	DE	Domestic Entity Other
4	-* PHILADELPHIA NATIONAL LIMITED (1181915)	3	LONDON	ENGLAND	International Nonbank Sub of Domestic Entities
6	-* WELLS FARGO CAPITAL FINANCE CORPORATION CANADA (2324803)	2	TORONTO	CANADA	Finance Company
6	-* WELLS FARGO SECURITIES INTERNATIONAL LIMITED (2716063)	2	LONDON	ENGLAND	International Nonbank Sub of Domestic Entities
7	-* EVERGREEN WORLDWIDE DISTRIBUTORS, LTD. (2823632)	2	HAMILTON	BERMUDA	International Nonbank Sub of Domestic Entities
8	-* CONGRESS FINANCIAL CAPITAL (US) CORPORATION (3088830)	2	CHARLOTTE	NC	Domestic Entity Other
9	-* CONGRESS FINANCIAL CAPITAL COMPANY (3088885)	8	HALIFAX	CANADA	Finance Company
10	-* CONGRESS FINANCIAL CAPITAL CORPORATION (CANADA) (3088894)	9	TORONTO	CANADA	International Nonbank Sub of Domestic Entities
11	-* + CONGRESS FINANCIAL CAPITAL CORPORATION (CANADA) (3088894)	8	TORONTO	CANADA	International Nonbank Sub of Domestic Entities
12	-* WBC ARUBA N.V. (3489167)	2	ORANJESTAD	ARUBA	International Nonbank Sub of Domestic Entities
13	-* WACHOVIA REAL ESTATE KOREA, INC. (3558273)	2	SEOUL	KOREA, SOUTH	International Nonbank Sub of Domestic Entities
14	-* WACHOVIA MORTGAGE CORPORATION (1073580)	1	CHARLOTTE	NC	Domestic Entity Other
15	-* RELS, L.L.C. (2724010)	14	DES MOINES	IA	Domestic Entity Other
16	-* RELS REPORTING SERVICES, L.L.C. (2377340)	15	DES MOINES	IA	Domestic Entity Other

* Institutions Matching Selection Rule.

+ For purposes of Regulation Y, the top-tier reporter's ownership level in this banking organization does not meet the definition of "control"; however, the ownership level does meet the FY Y-10/10F reportability criteria as this banking relationship is regulated by the Federal Reserve.

^ Although this relationship is not governed by U.S. banking statutes, it is included because it is of interest to the Federal Reserve.

Report created: 6/3/2014

WELLS FARGO BANK NATIONAL ASSOCIATION (451985)

as of 05/01/2010

Hierarchy report with the following Institution types: Commercial Bank, Cooperative Bank, Credit Union, Edge/Agreement Corporation, Financial Holding Company, Holding Company, Industrial Bank, Insurance Co. Broker/Agent/Underwriter, Nondepository Trust Company, Other Company, Savings Bank, Savings and Loan Association, and the Securities Broker/Dealer/Underwriter

Seq Num	Name (RSSD ID)	Parent Seq	City	State or Country	Entity Type
54	-* J.L. KAPLAN ASSOCIATES, LLC (3153505)	1	BOSTON	MA	Domestic Entity Other
55	-* WACHOVIA PREFERRED REALTY, LLC (3163918)	1	ROSEVILLE	CA	Domestic Entity Other
56	-* WACHOVIA LARGE LOAN, INC. (3157914)	1	CHARLOTTE	NC	Domestic Entity Other
57	-* UNIVERSAL MASTER SERVICING, LLC (3165898)	1	CHARLOTTE	NC	Domestic Entity Other
58	-* SOUTHTRUST MORTGAGE CORPORATION (1079544)	1	MARIETTA	GA	Domestic Entity Other
59	-* MONEY STORE, LLC, THE (3168538)	1	ROSEVILLE	CA	Domestic Entity Other
60	-* WES HOLDING CORPORATION (3538537)	59	CHARLOTTE	NC	Domestic Entity Other
61	-* EQUITY INSURANCE AGENCY, INC. (2722696)	60	ROSEVILLE	CA	Domestic Entity Other
62	-* MONEY STORE/SERVICE CORP., THE (2722306)	59	ROSEVILLE	CA	Domestic Entity Other
63	-* TMS SPECIAL HOLDINGS, INC. (2722753)	62	ROSEVILLE	CA	Domestic Entity Other
64	-* WELLS FARGO EDUCATION FINANCE INC. (2722856)	59	RANCHO CORDOVA	CA	Finance Company
65	-* TMS STUDENT HOLDINGS INC. (2722865)	64	RANCHO CORDOVA	CA	Domestic Entity Other
66	-* WACHOVIA EDUCATION LOAN FUNDING LLC (3368309)	64	CHARLOTTE	NC	Finance Company
67	-* WACHOVIA STUDENT LOAN TRUST 2005-1 (3402641)	66	CHARLOTTE	NC	Domestic Entity Other
68	-* WACHOVIA STUDENT LOAN TRUST 2006-1 (3451984)	66	CHARLOTTE	NC	Domestic Entity Other
69	-* WACHOVIA ENCRYPTION TECHNOLOGIES, LLC (3175422)	1	CHARLOTTE	NC	Data Processing Services
70	-* WPFC ASSET FUNDING LLC (3182608)	1	CHARLOTTE	NC	Domestic Entity Other
71	-* WELLS FARGO CREDIT CARD FUNDING, LLC (3195532)	1	LAS VEGAS	NV	Finance Company
72	-* WELLS FARGO CREDIT CARD MASTER NOTE TRUST (3207798)	71	LAS VEGAS	NV	Domestic Entity Other
73	-* WELLS FARGO CAPITAL FINANCE, LLC (3197200)	1	SANTA MONICA	CA	Finance Company
74	-* WELLS FARGO DISTRIBUTION FINANCE, LLC (3801994)	73	SANTA MONICA	CA	Finance Company
75	-* OMNIPLUS CAPITAL CORPORATION (3221730)	1	NASHVILLE	TN	Domestic Entity Other

* Institutions Matching Selection Rule.

+ For purposes of Regulation Y, the top-tier reporter's ownership level in this banking organization does not meet the definition of "control"; however, the ownership level does meet the FY Y-10/10F reportability criteria as this banking relationship is regulated by the Federal Reserve.

^ Although this relationship is not governed by U.S. banking statutes, it is included because it is of interest to the Federal Reserve.

Paying Agent - Rust Consulting, Inc.
P.O. Box 8066
Faribault, MN 55021-9466

**An important message directed by Federal Banking Regulators-
the Office of the Comptroller of the Currency and
the Board of Governors of the Federal Reserve System**

W



100W0691243-0317-537-00
BRENT E BENTRIM
49 ARCHDALE ST STE 2E
CHARLESTON, SC 29401-6952

PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE
PAID
Rust Consulting, Inc.

Attention

You are eligible for compensation pursuant to orders issued by
Federal Banking Regulators.

Atención:

Usted es elegible para obtener una compensación según órdenes emitidas
por los reguladores federales de la banca.



CU2691011-188-952-9105

You are eligible to receive a payment as the result of an agreement between Wells Fargo and federal banking regulators—the Office of the Comptroller of the Currency and the Federal Reserve Board—announced in January. This payment is related to an enforcement action regarding deficiencies in the mortgage servicing and foreclosure processes of Wells Fargo. Payment will be made by the paying agent—Rust Consulting, Inc.

You will receive a check or additional information about your payment from Rust Consulting within approximately four to eight weeks. Please watch your mail.

Only Rust Consulting will contact you regarding your check or to request additional information if required to process your payment. Always use caution when providing personal information.

If you have questions, you may call toll free at 1-888-952-9105 or visit

www.independentforeclosurereview.com

www.occ.treas.gov

www.federalreserve.gov

Si tiene preguntas, puede llamar al número de teléfono 1-888-952-9105 para hablar con un representante.

Assistance is also available from the toll-free number in more than 200 languages, including Chinese, Korean, Vietnamese, Tagalog, Hmong, and Russian.

한국어 서비스

한국어 서비스

For more information, visit the OIG web site.

Available and taking as well as 1-888-952-9105

For more information, visit the OIG web site.

Available and taking as well as 1-888-952-9105

Paying Agent - Rust Consulting, Inc.
P.O. Box 8055
Faribault, MN 55021-9455



Independent Foreclosure Review

April 19, 2013

IMPORTANT PAYMENT AGREEMENT INFORMATION ENCLOSED



Your payment is enclosed.

BRENT E BENTRIM
49 ARCHDALE ST STE 2E
CHARLESTON, SC 29401-6952



Reference Number: 1400234293

Property Address:

10 NICHOLSON STREET

CHARLESTON SC 29407

Si usted habla español, tenemos representantes que
pueden asistirle en su idioma.



Dear Brent E Bentrim,

You were recently sent a notice that you are eligible to receive a payment as a result of an agreement between federal banking regulators and Wells Fargo in connection with an enforcement action related to deficient mortgage servicing and foreclosure processes.

This letter includes your check. It also explains the amount of the payment, why you are receiving a payment, how to cash the check, and other important information and disclosures.

Your payment is: \$600.00.

Why you are receiving a payment

Earlier this year, Wells Fargo entered into an agreement with federal banking regulators—the Office of Comptroller of the Currency and the Board of Governors of the Federal Reserve System. This agreement resolved the Independent Foreclosure Review required by the regulators. Additional information about this agreement can be found at www.occ.gov and www.federalreserve.gov.

Regulators determined your payment amount based on the stage of your foreclosure process and other considerations related to your foreclosure.

How to cash the check

You must cash or deposit the check within 90 days, or the check will be void. All borrowers listed on the check must sign it to cash it.

**The payment amount is final.
There is no process to appeal the payment.**

Continued on reverse side

OCC2013

A 12W1 000052395

Fund 1 Independent Foreclosure Review Payment GSP		
Loan Servicer: Wells Fargo		
P.O. Box 8055		
Faribault, MN 55021-9455		
The Huntington National Bank		
Westerville, OH 43081		
Check No. 5528774		
DATE	CLAIM NUMBER	AMOUNT
APR 19 2013	1400234293	\$600.00
VOID AFTER NINETY (90) DAYS		
NOT VALID FOR AMOUNT OTHER THAN \$600.00		
Payee's Signature Required on Back in order for the instrument to be valid		
SIX HUNDRED DOLLARS AND NO CENTS		
Pay to the order of BRENT E BENTRIM		
Paul Bentrim		
Authorized Signature		

⑈5528774⑈ ⑆044115126⑆ 01893001257⑈

Important information

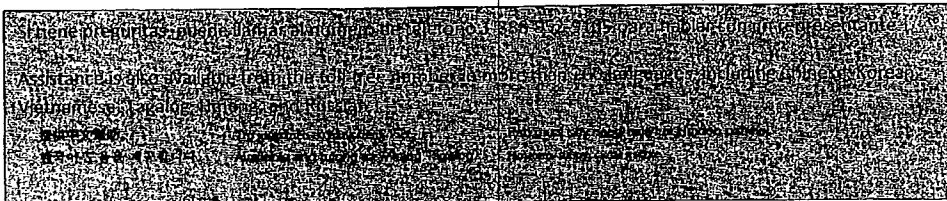
- By cashing or depositing the check, you do not waive any legal claims against your servicer and you may pursue additional actions related to your foreclosure.
- Cashing or depositing the check may affect your taxes or public assistance benefits. Neither the paying agent—Rust Consulting, Inc., nor the regulators can advise you on tax liability or any effect on public assistance. If you have questions, you may consult a tax advisor or qualified individual or organization. You may also visit www.independentforeclosurereview.com/taxinfo for information about potentially taxable components of your payment. If required, tax documentation, such as a Form 1099, will be sent to you in January 2014.
- You may be eligible for foreclosure prevention assistance. To explore your options, contact a Wells Fargo specialist at 1-877-813-7718.
- If you need additional help with foreclosure prevention, please contact the Homeowner's HOPE Hotline at 1-888-995-HOPE (4673) (or at www.makinghomeaffordable.gov) and they can put you in touch with a U.S. Department of Housing and Urban Development approved nonprofit organization that can provide **free** assistance.
- Please refer this letter to your attorney or authorized representative, if you are represented by an attorney or other authorized third-party representative regarding a foreclosure, bankruptcy case involving this mortgage loan, or the Independent Foreclosure Review.
- This payment does not mean that you necessarily suffered financial injury or harm.

Other disclosures

This letter is not an attempt to collect a debt or to impose personal liability for any obligation, including, without limitation, any obligation that was discharged, or is subject to an automatic stay in bankruptcy under Title 11 of the United States Code.

Information you provided as part of the Independent Foreclosure Review may not be used for any other purpose. If you would like Wells Fargo's internal records to include updated contact or personal information for future correspondence or notices, then you must separately provide your new contact or personal information directly to the servicer by calling 1-877-813-7718.

If you have any questions, please call the paying agent—Rust Consulting, Inc.—at 1-888-952-9105, Monday through Friday, 8 a.m. - 10 p.m. ET or Saturday, 8 a.m. - 5 p.m. ET.



Sincerely,

Paying Agent—Rust Consulting, Inc.

A 12W1 000052395

FOR DEPOSIT ONLY - FRONT END ONLY

X

Financial institutions may call
1-855-460-1528 to verify this check.

POSITIVE I.D. REQUIRED

Bentrim v. Wells Fargo, N.A.
Civil Action No.: 2011-CP-10-2946
Statement of Damages:

- A. Causes(s) 1, 2, 3, 4, 6, 7, 15.
- i. \$99,658.12 difference between BOA loan and current loan as of Aug. 2013
 - ii. \$25,000.00 failure to release lien – pursuant to S.C. Code. § 29-3-320
 - iii. \$38,500.00 payments made to Wachovia Bank, N.A. Dec. 2006 to Nov. 2008
- Sub-Total: \$163,158.12
- B. Causes(s) 5, 10
- \$38,500.00 (see A.iii above)
- C. Causes(s) 8, 14
- \$489,474.36 (see A.i through A.iii, trebled)
- D. Cause(s) 9
- To be determined by trier of fact but no less than \$100,000.00
- E. Cause(s) 11
- To be determined by trier of fact but no less than \$100,000.00
- F. Causes(s) 13
- \$15,000.00 One Thousand (\$1,000.00) Dollars per incident x 15 incidents
- G. Cause(s) 14
- \$99,658.12 (see A.iii above)

(cont'd)



H.	Cause(s)	16
	Mail Fraud 2007	\$300,000.00
	Mail Fraud 2009	\$250,000.00

Plaintiff would crave reference to all documents produced so far in discovery, including but not limited to Plaintiff's documents "A," through "PP" in Plaintiff's Answer to Interrogatory number 2 of Wells Fargo's First Set of Interrogatories, and Wells Fargo documents ## 150-153, 159-218, 2299-2304.

Plaintiff reserves the right to supplement these damages at a later time in accordance with the rules and scheduling order(s) applicable in this case.

17
X

EX L 412PG295

State of South Carolina
County of Charleston

Prepared by:
Liz Injaychock
Bank of America
475 CrossPoint Pkwy, Gletzville NY 14068
Loan Number: 6497088796

When recorded mail to:
Brent E Benbrin

10 Nicholson Street
Charleston, SC 29407

**Satisfaction
(with Lost Mortgage Affidavit)**

The debt secured by that certain mortgage of real estate executed by Brent E Benbrin to BANK OF AMERICA NA dated 09/29/2000, recorded on 09/29/2000 in Mortgage Book B 356 Page 683 has been paid in full.

Dated 06/21/2002.

Bank of America, N.A., a national banking association

Witness Sandra Boyce
Sandra Boyce

By: Susan A.D. Corrigan
Susan A.D. Corrigan,
Vice President

Witness Veronica Garrison
Veronica Garrison

STATE OF New York
COUNTY OF Erie

Personally appeared before me Sandra Boyce and made oath that he/she saw the within named Susan A.D. Corrigan, Vice President sign, seal and as his/her Act and Deed, deliver the within written Deed; and that he/she with Veronica Garrison witnessed the execution thereof.
Sworn before me on 06/21/2002.

Marla J Naab
Marla J Naab
Notary Public, State of New York
Qualified in Erie County
Commission Expires July 16, 2003

Sandra Boyce
Sandra Boyce

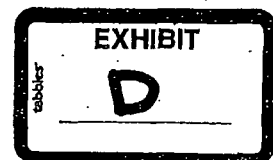
STATE OF New York
COUNTY OF Erie

Personally appeared before me Susan A.D. Corrigan, Vice President who being duly sworn deposes and says that he/she is the bona fide owner and holder of the within Bond/Note and Mortgage, that the same has not been assigned hypothecated or otherwise disposed of, and that the same has been lost or destroyed, and after diligent search cannot be found. That deponent has full authority to mark the Mortgage satisfied and canceled of record.

Sworn before me on 06/21/2002.

Marla J Naab
Marla J Naab
Notary Public, State of New York
Qualified in Erie County
Commission Expires July 16, 2003

By: Susan A.D. Corrigan
Susan A.D. Corrigan,
Vice President



A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT SETTLEMENT STATEMENT	B. TYPE OF LOAN:				
	1. ☐ FHA	2. ☐ FmHA	3. ☒ CONV. UNINS.	4. ☐ VA	5. ☐ CONV. INS.
	6. FILE NUMBER: MP01-0352		7. LOAN NUMBER: 0205200092		
	8. MORTGAGE INS CASE NUMBER:				

C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "POC" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

L.O. 3/98 (MP02-0243.PFD/MP02-0243/4)

D. NAME AND ADDRESS OF BORROWER: Brent E. Bentlrm 10 Nicholson Street Charleston, SC 29407	E. NAME AND ADDRESS OF SELLER: Davidson, Bennell & Wigger PLACE OF SETTLEMENT 1002 Anna Knapp Boulevard Mt. Pleasant, SC 29464	F. NAME AND ADDRESS OF LENDER: First Union National Bank 301 South Tryon Street, NC5434 Charlotte, NC 28288-5434
G. PROPERTY LOCATION: 10 Nicholson Street Charleston, SC 29407 Charleston County, South Carolina Lot 62, Block I Byrnes Downs S/D TMS# 421-02-00-107	H. SETTLEMENT AGENT: 57-0866880 Davidson, Bennell & Wigger I. SETTLEMENT DATE: March 12, 2002 Disburse: 03/18/02	

J. SUMMARY OF BORROWER'S TRANSACTION		K. SUMMARY OF SELLER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BORROWER:		400. GROSS AMOUNT DUE TO SELLER:	
101. Contract Sales Price		401. Contract Sales Price	
102. Personal Property		402. Personal Property	
103. Settlement Charges to Borrower (Line 1400)	3,297.00	403.	
104. Mortgage Loan Payoff to Bank of America	150,920.44	404.	
105. Loan Paydown to First Union National Bank	25,782.58	405.	
<i>Adjustments For Items Paid By Seller in advance</i>		<i>Adjustments For Items Paid By Seller in advance</i>	
106. City/Town Taxes to		406. City/Town Taxes to	
107. County Taxes to		407. County Taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. GROSS AMOUNT DUE FROM BORROWER	180,000.00	420. GROSS AMOUNT DUE TO SELLER	
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:		500. REDUCTIONS IN AMOUNT DUE TO SELLER:	
201. Deposit or earnest money		501. Excess Deposit (See Instructions)	
202. Principal Amount of New Loan(s)	180,000.00	502. Settlement Charges to Seller (Line 1400)	
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff of first Mortgage	
205.		505. Payoff of second Mortgage	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
<i>Adjustments For Items Unpaid By Seller</i>		<i>Adjustments For Items Unpaid By Seller</i>	
210. City/Town Taxes to		510. City/Town Taxes to	
211. County Taxes to		511. County Taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. TOTAL PAID BY/FOR BORROWER	180,000.00	520. TOTAL REDUCTION AMOUNT DUE SELLER	
300. CASH AT SETTLEMENT FROM/TO BORROWER:		600. CASH AT SETTLEMENT TO/FROM SELLER:	
301. Gross Amount Due From Borrower (Line 120)	180,000.00	601. Gross Amount Due To Seller (Line 420)	
302. Less Amount Paid By/FOR Borrower (Line 220)	(180,000.00)	602. Less Reductions Due Seller (Line 520)	(
303. CASH (FROM) (TO) BORROWER	0.00	603. CASH (TO) (FROM) SELLER	0.00

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.

Borrower

Seller

WF 002446

L. SETTLEMENT CHARGES				PAID FROM BORROWER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. TOTAL COMMISSION Based on Price \$ @ %					
Division of Commission (line 700) as Follows:					
701. \$	to				
702. \$	to				
703. Commission Paid at Settlement					
704.	to				
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801. Loan Origination Fee	1.5000 %	to	First Union National Bank	2,700.00	
802. Loan Discount	%	to			
803. Appraisal Fee		to			
804. Credit Report		to			
805. Lender's Inspection Fee		to			
806. Mortgage Ins. App. Fee		to			
807. Assumption Fee		to			
808.					
809.					
810.					
811.					
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901. Interest From	03/18/02	to	04/01/02 @ \$ /day (14 days %)		
902. Mortgage Insurance Premium for		months to			
903. Hazard Insurance Premium for	1.0	years to			
904.					
905.					
1000. RESERVES DEPOSITED WITH LENDER					
1001. Hazard Insurance	months @ \$		per month		
1002. Mortgage Insurance	months @ \$		per month		
1003. City/Town Taxes	months @ \$		per month		
1004. County Taxes	months @ \$		per month		
1005. Assessments	months @ \$		per month		
1006.	months @ \$		per month		
1007.	months @ \$		per month		
1008. Aggregate Adjustment	months @ \$		per month		
1100. TITLE CHARGES					
1101. Settlement or Closing Fee	to	Davidson, Bennett & Wigger		200.00	
1102. Abstract or Title Search	to	Davidson, Bennett & Wigger		75.00	
1103. Title Examination	to				
1104. Title Insurance Binder	to				
1105. Document Preparation	to	Davidson, Bennett & Wigger			
1106. Notary Fees	to				
1107. Courier/Express Fees	to	Davidson, Bennett & Wigger		25.00	
(includes above item numbers:)					
1108. Title Insurance	to	Lowcountry Title Agency	Reissue Rate	263.00	
(includes above item numbers:)					
1109. Lender's Coverage	\$	180,000.00	263.00		
1110. Owner's Coverage	\$				
1111.					
1112.					
1113.					
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201. Recording Fees: Deed \$		Mortgage \$ 12.00	Releases \$ 15.00	27.00	
1202. City/County Tax/Stamp: Deed			Mortgage		
1203. State Tax/Stamp: Revenue Stamps			Mortgage		
1204. Modification Recording	to	Charleston County RMC Office		7.00	
1205.					
1300. ADDITIONAL SETTLEMENT CHARGES					
1301. Survey	to		Not Required		
1302. Pest Inspection	to		Not Required		
1303.					
1304.					
1305.					
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)				3,297.00	

By signing page 1 of this statement, the signatories acknowledge receipt of a completed copy of page 2 of this two page statement.

Certified to be a true copy.

Davidson, Bennett & Wigger
Settlement Agent

(MP01-0352 / MP02-0243 / 4)

WF 002447

WOMBLE
CARLYLE
SANDRIDGE
& RICE
A LIMITED LIABILITY
PARTNERSHIP

5 Exchange Street
Charleston, SC 29401

Mailing Address:
Post Office Box 999
Charleston, SC 29402
Telephone: (843) 722-3400
Fax: (843) 723-7398
WWW.WCSR.COM

S. Sterling Laney, III
Direct Dial: (864) 255-5429
Direct Fax: (864) 239-5863
E-mail: slaney@wcsr.com

May 7, 2014

Via Hand Delivery

The Honorable Mikell R. Scarborough
Master in Equity, Charleston County
100 Broad St., Ste. 266
Charleston, SC 29401

Re: *Brent E. Bentrin vs. Wells Fargo Bank, N.A.*
Case Number: 2011-CP-10-2946

Dear Judge Scarborough:

Attached for your consideration please find a proposed Order relating to the hearing which took place on April 28, 2014. Despite several attempts, we have been unable to agree with Rob Varnado on the wording of the Order. It is our understanding that Mr. Varnado will submit a competing order for the Court's consideration.

Please note that, as to *Section 4* of the Order, addressing Wells Fargo's Motion to Compel, you granted the motion, but we did not discuss a deadline for Plaintiff to respond to discovery. Accordingly, we have inserted a deadline of 10 days from the date of the Order for Plaintiff to comply with the Court's ruling as a suggestion for the Court. However, if the Court prefers a different deadline for Plaintiff's compliance we have no issues with inserting a new timeframe into the Order.

Pursuant to your instructions at the hearing, please find enclosed documentation reflecting the payment and transaction history of the subject loan produced by Wells Fargo Bank, N.A. to Plaintiff. The documentation includes a CRIS Statement (WF 150-153), an ACLS History Card Report (WF 159-218), a Wachovia Consumer Loan Payment History (WF 297-300), and a Wachovia Transaction Statement (WF 306-309).

Also pursuant to your instructions, please find enclosed an unredacted version of Wells Fargo's vault records (WF 2089-2097). It is our understanding that the bank's vault management system did not come into effect until the merger of Wells Fargo and Wachovia Bank in late 2008, and therefore there are no vault records which pre-date the merger. The unredacted vault records are being produced solely for your *in camera* review.

Additionally, we have provided Plaintiff with the name of the individual who will testify regarding the sale of the participation interest in Mr. Bentrims subject loan from Wachovia Bank to its wholly-owned subsidiary, The Money Store.

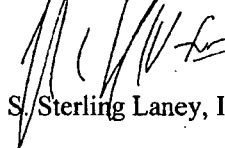
At the hearing, you requested that Wells Fargo produce any HUD-1 statements in its possession. Wells Fargo has searched its records and cannot locate any other HUD-1 than the document dated March 12, 2002 which was handed up at the hearing. We have discussed the issue with Mr. Varnado, and so far he has not been able to locate any additional HUD-1 statements either. For the Court's convenience we are enclosing the HUD-1 dated March 12, 2002

Finally, we are respectfully requesting guidance from the Court regarding issues surrounding The Money Store. Shortly after the hearing on the 28th, Mr. Varnado sent a letter, a copy of which is attached, requesting "copies of records memorializing the sale/transfer of a participation interest in the subject loan from Wachovia Bank, N.A. to The Money Store." As you are aware, the Court's March 5 Order (the "Order") requires Wells Fargo to produce records relating to the "sale, repurchase, transfer, assignment, delivery or hypothecation of the Notes or Mortgages." Wells Fargo believes that the referenced documents related to The Money Store are not responsive to the Order because they do not evidence a sale, repurchase, transfer, assignment, delivery or hypothecation of the Note and Mortgage. Further, Wells Fargo takes the position that based on *Horvath* and its progeny, the referenced documents are not relevant to the Plaintiff's case nor could they lead to the discovery of admissible evidence. In an effort to maintain complete transparency, however, the requested documents are being produced *in camera* with the respectful request that Your Honor please instruct Wells Fargo as to whether these documents must be produced to Plaintiff at this time.

Thank you for your consideration of these matters. If you have any questions or need anything further at this time, please let us know and we will be happy to address the same.

Sincerely yours,

WOMBLE CARLYLE SANDRIDGE & RICE, LLP



S. Sterling Laney, III

SSL/kmp
Attachments

cc: Rob Varnado, Esq.
Charles Baker, Esq.
John Hawk, Esq.
Spencer Craig, Esq.

IN THE COURT OF COMMON PLEAS
NINTH JUDICIAL CIRCUIT
CASE NO.: 2011-CP-10-2946

ORDER

56-1948921. The Court concludes there is no good cause to reverse its prior rulings. Plaintiff's Motion to Reconsider is *denied*.

**2. WELLS FARGO'S MOTION TO ALTER OR AMEND MARCH 11, 2014
DISCOVERY ORDER, OR IN THE ALTERNATIVE, FOR PROTECTIVE
ORDER, FILED MARCH 20, 2014**

Wells Fargo moved the Court to alter or amend its Discovery Order of March 11, 2014. Specifically, Wells Fargo requested that the Court reconsider its order requiring production of the "general ledger with account number 157906" for "calendar year 2002" and amend the order so that Wells Fargo would not have to produce any further information from its general ledger. Based on the affidavit of Wells Fargo representative Annette Evans, the Court finds that production of the requested ledger would be exceptionally expensive, burdensome and onerous. Further, the Court finds that its prior rulings (including a Master's Report and Judgment of Foreclosure and Sale, filed August 16, 2006, in Case No. 05-CP-10-4814), Mr. Bentrims' stipulations during prior court proceedings (including a stipulation executed by Plaintiff on April 28, 2006), and his answer to a previous complaint involving the same property (Case No. 09-CP-10-4700, filed August 27, 2009) establish that Wells Fargo's predecessors in interest were the owners and holders of the Note, Bentrims received value for the Note, and Wells Fargo and its predecessors were legally entitled to foreclose the Mortgage. Therefore, the Court concludes that any additional discovery related to funding of the subject loan cannot lead to admissible evidence and is therefore irrelevant. As such, Wells Fargo's motion is *granted*. Wells Fargo shall, however, produce to the Court all HUD-1s executed by Plaintiff in relation to the subject loan, as well as the records Wells Fargo has produced to Mr. Bentrims in this matter relating to payments made by Mr. Bentrims, how such payments were credited, and the assessment of interest, late fees and any other charges relating to the subject loan.

**3. PLAINTIFF'S SECOND MOTION FOR RULE TO SHOW CAUSE, FILED
MARCH 24, 2014**

Next, Plaintiff moved that Wells Fargo be held in contempt and sanctioned based on a disagreement between the parties as to when document production was due under this Court's Discovery Orders of March 4, 2014 and March 11, 2014. The Court *denies* Plaintiff's motion in its entirety.

4. WELLS FARGO'S MOTION TO COMPEL, FILED MARCH 25, 2014

On December 12, 2013, Wells Fargo served Supplemental Interrogatories and Requests for Production on the Plaintiff. These requests related to the causes of action found in Plaintiff's Amended Complaint, including his claims for damages. Plaintiff failed to respond to Wells Fargo's requests, and Wells Fargo filed a motion to compel. Immediately prior to a hearing on February 10, 2014, Plaintiff agreed to respond to Wells Fargo's discovery in full, and that agreement was put on the record. However, Wells Fargo contends that Plaintiff's subsequent responses were incomplete. The Court agrees and orders that Plaintiff shall, within 10 days of this Order, set forth an itemized statement of all damages under each remaining cause of action. Plaintiff shall include specific references to any documents supporting his claims, and, to the extent not already produced, shall produce such documents to support his damages claims.

**5. WELLS FARGO'S MOTION FOR A PROTECTIVE ORDER, FILED MARCH
25, 2014**

Wells Fargo moved for protection as to Plaintiff's Third Set of Requests for Production to Defendant, which consists of seventy-three (73) requests for production. As to Request No. 1, the Court finds that Wells Fargo has already produced the servicing records in its possession, including a Unicar servicing record. This request is therefore duplicative, and Wells Fargo's request for protection as to Request No. 1 is *granted*. Further, the Court finds in regards to

Requests Nos. 2- 14 that Wells Fargo need not produce further documentation regarding the ACLS system, and, therefore, the Motion as to these Requests is *granted*. Wells Fargo, as previously set forth in the Court's Discovery Order dated March 5, 2014, is instructed to produce a witness to testify as to the alleged sale noted on the ACLS History card. The Court finds that the deposition satisfies Request No. 15, and Wells Fargo's Motion as to this Request is therefore *granted*. Next, the Court finds that the documents sought by Plaintiff in Requests Nos. 16-73, related to receipt of payment, an alleged securitization, and property addresses held in various trusts, are not relevant to this litigation and could not lead to the discovery of admissible evidence. Wells Fargo holds the original Note, and the Note is made payable to its predecessor in interest, First Union Nation Bank. The Court finds that Plaintiff lacks standing to challenge the validity of any securitization (which Wells Fargo denies occurred) or to request a judicial determination that any loan assignment is invalid or improper. See Horvath v. Bank of New York, 641 F.3d 617 (4th Cir. 2011); Scheider v. Deutsche Bank National Trust Company, et al., 2009:11-cv-395 (D.S.C.); In re Kain, 2012 WL 1098465 (Bankruptcy No. 08-08404). As such, Wells Fargo's Motion as to Requests Nos. 16-73 is also *granted*.

6. PLAINTIFF'S MOTION TO RENEW FIRST MOTION FOR RULE TO SHOW CAUSE, FILED MARCH 28, 2014

Plaintiff moves that the Court hold Wells Fargo in contempt based on Wells Fargo's alleged failure to comply with the Court's directive to inquire with the IRS regarding the assignment of EIN # 56-1948921, and Wells Fargo's alleged failure to furnish information explaining the relationship of EIN # 56-1948921 to Wells Fargo. The Court finds that Wells Fargo provided Plaintiff with a verified answer to the Court's interrogatory explaining the EIN's relationship to Wells Fargo and has produced 147C letters from the IRS dated February 12, 2014 and April 8, 2014 indicating that the EIN number in question was assigned to First Union

National Bank. Therefore, the Court concludes that Wells Fargo complied with the Court's previous orders. Accordingly, Plaintiff's motion is *denied*.

7. WELLS FARGO'S MOTION FOR PROTECTIVE ORDER, FILED APRIL 16, 2014

Wells Fargo moved for protection from discovery of additional categories of documents. The Court concludes that good cause exists to prohibit further discovery on certain issues and *grants* Wells Fargo's Motion as follows:

1. The Court denies Plaintiff's request to take the depositions of Paul R. Buck and Joann G. Buck;
2. The Court finds that further discovery related to "general ledger" bank information prior to August 16, 2006 is irrelevant, cannot lead to the discovery of admissible evidence and is therefore barred;
3. The Court holds that further discovery related to EIN # 56-1948921 is irrelevant, cannot lead to the discovery of admissible evidence and is therefore barred;
4. The Court holds that any discovery related to "First Union National Bank in Greensboro, EIN 56-1948921" is irrelevant, cannot lead to the discovery of admissible evidence and is therefore barred.

The Court's ruling as to Plaintiff's Third Set of Request for Production was already addressed above in Wells Fargo's previous Motion for Protective order which was *granted*.

8. OTHER MATTERS

Within a reasonable time, Wells Fargo must produce a 30(b)(6) witness on the topic of the servicing of Plaintiff's loan. In addition, Wells Fargo shall produce for the Court's inspection the vault records produced to Plaintiff in this matter. Unredacted vault records shall be produced *in camera*.

The parties have established good cause for their inability to meet the deadlines set forth in the Amended Scheduling Order, filed February 14, 2014. The parties shall return to Court for a status conference and motions hearing on June 9, 2014, at 3:00PM, and a new scheduling order will be addressed at that time. The parties shall schedule a mediation with Dawes Cooke for a date convenient to both parties in July 2014.

AND IT IS SO ORDERED.

Mikell R. Scarborough
Master in Equity

May __, 2014
Charleston, South Carolina

BROWN & VARNADO^{LLC}

ATTORNEYS AT LAW

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ALEXIS M. WIMBERLY
DIRECT: (843) 737-7305
EMAIL: awimberly@brown-varnado.com

October 22, 2015

VIA U.S. MAIL & E-MAIL

Richardson, Plowden & Robinson, P.A.
Marian Scalise, Esquire
Lydia L. Magee, Esquire
Post Office Box 3646
Myrtle Beach, SC 29578

Re: Janet Parrott v. QHG of South Carolina, Inc.
Case No.: 2014-CP-21-3204
Our File No.: 5207-1

Dear Marian and Lydia:

I've had an opportunity to re-review your responses to our first set of discovery requests in the above-referenced matter and have noted several deficiencies. I'd like to lay out my concerns in hopes that you will modify/supplement your answers without the need to involve the court.

First, there seems to be some discrepancy as to where Ms. Parrott actually fell. From your responses, it seems to indicate you believe she fell inside, while Ms. Parrott has continuously maintained she fell outside while entering the hospital. As such, the photographs and purported safety directives you provided are not germane to the case at hand. Please update your responses with relevant information to where my client alleges she fell.

Second, several of your responses promised supplementation once more information is obtained. At this time, I'd request you supplement your responses specifically taking into account Ms. Parrott's deposition testimony and any additional information you have obtained since the responses were produced. Specifically, I ask that you fully answer and/or supplement the following discovery responses:

With regards to Interrogatory No. 6 and Interrogatory No. 7, I ask that you please send us any photographs, films, videotapes, diagrams, drawings, blueprints or the like depicting the area Ms. Parrott fell. Your answers provide four (4) photographs from the area of the hospital where you believe Ms. Parrott to have fallen. However, as you now know Ms. Parrott fell outside of the hospital entrance, please supplement this answer accordingly.

With regards to Interrogatory No. 8 and Interrogatory 9, as you now know the exact location of the Ms. Parrott's fall, please supplement your answer accordingly. Please also provide the name(s) of the persons responsible for the maintenance on the day of the incident.

With regards to Interrogatory No. 11 and Interrogatory No. 12, please supplement as your understanding of where Ms. Parrott fell has changed.

With regards to Interrogatory No. 13, you reference an "Advanced Learning Center" – please supplement this response accordingly.

With regards to Interrogatory No. 14, 15 and 22, please supplement as your understanding of where Ms. Parrott fell has changed.

With regards to Requests for Production No. 1, 5, 7, 10, 12, 13, 15, 16, and 23, these requests contemplate the Ms. Parrott falling inside in a different location than where the incident actually occurred. As such, please supplement accordingly.

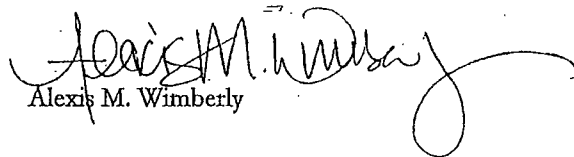
With regards to Request for Production No. 6 and 14, you have indicated that the information was requested and was to be supplemented. Please supplement accordingly.

Additionally, we request that you provide us with the email that was sent from Candace James to Lisa Stone on the day of the incident. You have indicated that this is protected as it was written in anticipation of litigation. While we do not agree with this contention, even if it was sent in anticipation of litigation, we are entitled to the same. Rule 26(b)(3) allows a party to obtain discovery "prepared in anticipation of litigation or for the trial by or for another party or by or for that other party's representative (including his attorney, consultant, surety, indemnitor, insurer, or agent) only upon showing that the party seeking discovery has substantial need . . . [or] hardship . . ." We have a substantial need for this information for several reasons, including but not limited to the discrepancy regarding the exact location of Ms. Parrott's fall and the fact that Candace James did not appear at her deposition to be questioned about the incident.

Please provide the above-requested information within ten (10) days of this letter. If you would like to discuss this matter with me further, please give me a call at your convenience. As always, I am hopeful we can move this matter forward amicably, however, if I have not heard from you by November 2nd, I will have no alternative but to file a Motion to Compel.

Sincerely,

BROWN & VARNADO LLC


Alexis M. Wimberly

AMW/

cc: Ms. Janet Parrott

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February 12, 2015

VIA EMAIL and HAND DELIVERY

Robert B. Varnado, Esquire
Brown & Varnado, LLC
103 Church St.
Mount Pleasant SC 29464

RE: ***Brent E. Bentrim vs. Wells Fargo Bank, N.A.***
Case Number: 2011-CP-10-2946

Dear Rob:

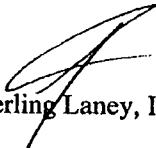
Enclosed for service upon you, please find Wells Fargo's supplemental discovery production of The Money Store documents bates-stamped **WF002341 to WF002370**.

This production is subject to the terms of the Confidentiality Order currently in place and is being made subject to Wells Fargo's prior objections, as well as Wells Fargo's right to move to alter/amend for reconsideration of, or to appeal, the Court's discovery Orders. Wells Fargo does not waive any rights.

Should you have any questions or concerns, please do not hesitate to contact me.

Yours very truly,

WOMBLE CARLYLE SANDRIDGE & RICE, LLP


S. Sterling Laney, III

SSL/cpt
Enclosures (as stated)

cc: Charles Baker, Esquire
John C. Hawk, Esquire

WCSR 33656122v1

CALIFORNIA / DELAWARE / GEORGIA / MARYLAND / NORTH CAROLINA / SOUTH CAROLINA / VIRGINIA / WASHINGTON D.C.

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Direct Fax: (864) 239-5863
E-mail: slaney@wcsr.com

May 7, 2014

Via Hand Delivery

The Honorable Mikell R. Scarborough
Master in Equity, Charleston County
100 Broad St., Ste. 266
Charleston, SC 29401

Re: *Brent E. Bentrin vs. Wells Fargo Bank, N.A.*
Case Number: 2011-CP-10-2946

Dear Judge Scarborough:

Attached for your consideration please find a proposed Order relating to the hearing which took place on April 28, 2014. Despite several attempts, we have been unable to agree with Rob Varnado on the wording of the Order. It is our understanding that Mr. Varnado will submit a competing order for the Court's consideration.

Please note that, as to *Section 4* of the Order, addressing Wells Fargo's Motion to Compel, you granted the motion, but we did not discuss a deadline for Plaintiff to respond to discovery. Accordingly, we have inserted a deadline of 10 days from the date of the Order for Plaintiff to comply with the Court's ruling as a suggestion for the Court. However, if the Court prefers a different deadline for Plaintiff's compliance we have no issues with inserting a new timeframe into the Order.

Pursuant to your instructions at the hearing, please find enclosed documentation reflecting the payment and transaction history of the subject loan produced by Wells Fargo Bank, N.A. to Plaintiff. The documentation includes a CRIS Statement (WF 150-153), an ACLS History Card Report (WF 159-218), a Wachovia Consumer Loan Payment History (WF 297-300), and a Wachovia Transaction Statement (WF 306-309).

Also pursuant to your instructions, please find enclosed an unredacted version of Wells Fargo's vault records (WF 2089-2097). It is our understanding that the bank's vault management system did not come into effect until the merger of Wells Fargo and Wachovia Bank in late 2008, and therefore there are no vault records which pre-date the merger. The unredacted vault records are being produced solely for your *in camera* review.

Additionally, we have provided Plaintiff with the name of the individual who will testify regarding the sale of the participation interest in Mr. Bentrim's subject loan from Wachovia Bank to its wholly-owned subsidiary, The Money Store.

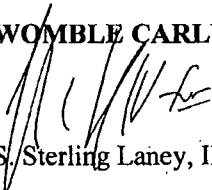
At the hearing, you requested that Wells Fargo produce any HUD-1 statements in its possession. Wells Fargo has searched its records and cannot locate any other HUD-1 than the document dated March 12, 2002 which was handed up at the hearing. We have discussed the issue with Mr. Varnado, and so far he has not been able to locate any additional HUD-1 statements either. For the Court's convenience we are enclosing the HUD-1 dated March 12, 2002

Finally, we are respectfully requesting guidance from the Court regarding issues surrounding The Money Store. Shortly after the hearing on the 28th, Mr. Varnado sent a letter, a copy of which is attached, requesting "copies of records memorializing the sale/transfer of a participation interest in the subject loan from Wachovia Bank, N.A. to The Money Store." As you are aware, the Court's March 5 Order (the "Order") requires Wells Fargo to produce records relating to the "sale, repurchase, transfer, assignment, delivery or hypothecation of the Notes or Mortgages." Wells Fargo believes that the referenced documents related to The Money Store are not responsive to the Order because they do not evidence a sale, repurchase, transfer, assignment, delivery or hypothecation of the Note and Mortgage. Further, Wells Fargo takes the position that based on *Horvath* and its progeny, the referenced documents are not relevant to the Plaintiff's case nor could they lead to the discovery of admissible evidence. In an effort to maintain complete transparency, however, the requested documents are being produced *in camera* with the respectful request that Your Honor please instruct Wells Fargo as to whether these documents must be produced to Plaintiff at this time.

Thank you for your consideration of these matters. If you have any questions or need anything further at this time, please let us know and we will be happy to address the same.

Sincerely yours,

WOMBLE CARLYLE SANDRIDGE & RICE, LLP


S. Sterling Laney, III

SSL/kmp
Attachments

cc: Rob Varnado, Esq.
Charles Baker, Esq.
John Hawk, Esq.
Spencer Craig, Esq.

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February 20, 2015

VIA Email and U.S.P.S.

The Honorable Mikell R. Scarborough
Charleston County Master in Equity
100 Broad Street, Suite 266
Charleston, SC 29401

Re: *Brent E. Bentrin v. Wells Fargo Bank, N.A.*
Case No. 2011-CP-10--2946

Dear Judge Scarborough:

We are in receipt of Mr. Varnado's letter and Rule 60(b) motion of today's date in which he is requesting an emergency hearing by next Wednesday, February 25, 2015. Please allow this letter to serve as our response to the same.

First and foremost, contrary to Mr. Varnado and Mr. Bodiford's assertions, Wells Fargo never made a false statement to the Court. To reach that conclusion, Mr. Varnado and his "banking expert" both misinterpreted my letter to the Court dated May 7, 2014. The letter is attached hereto, and states in pertinent part:

Wells Fargo believes that the referenced documents related to The Money Store are not responsive to the Order because they do not evidence a sale, repurchase, transfer, assignment, delivery or hypothecation of the Note and Mortgage. Further, Wells Fargo takes the position that based on *Horvath* and its progeny, the referenced documents are not relevant to the Plaintiff's case nor could they lead to the discovery of admissible evidence. In an effort to maintain complete transparency, however, the requested documents are being produced *in camera* with the respectful request that Your Honor please instruct Wells Fargo as to whether these documents must be produced to Plaintiff at this time.

Accordingly, the May 7, 2014 letter stated our position concerning the documents and was coupled with a request for instruction from the Court. Mr. Varnado and Mr. Bodiford may disagree with Wells Fargo as to the legal import of these documents. However, no false statement was made.

Further, Wells Fargo has provided Mr. Varnado with dates upon which a 30(b)(6) deposition for a witness to testify on the limited topic of, "the alleged sale noted on the ACLS history card" which is set forth in the Court's May 16, 2014 Order at Section V, page 3. Wells Fargo believes this deposition should go forward prior to any hearing on this motion so that the record will be complete.

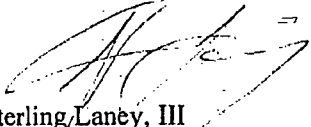
Pursuant to Rule 54(b) and the procedural facts of this case, Wells Fargo is informed and believes there is no need for an emergency hearing in this matter. Mr. Varnado is apparently concerned that he will miss his deadline to appeal the Order Granting in Part and Denying in Part, Plaintiff's Motion to Reconsider, filed January 26, 2015. First and foremost, this order is an interlocutory ruling which Plaintiff could appeal at the conclusion of this matter. Additionally, pursuant to Rule 54(b), the Court may, regardless of whether Mr. Varnado files an appeal, revise any of its prior rulings or orders, including the one in question, "at any time before the entry of judgment adjudicating all the claims and the rights and liabilities of all the parties." Further, as Mr. Varnado was aware, the Court was in possession of the subject documents on May 7, 2014, more than five months before it issued the rulings on October 28, 2014 which Plaintiff is now seeking to overturn. For each of these reasons, it is not believed that an "emergency hearing" is required in this matter to hear Plaintiff's subject motion.

Finally, we wish to advise the Court that if an "emergency hearing" must be held before February 25, Mr. Baker will be out of state from midday on Monday, February 23 through the end of next week, and both Mr. Hawk and I currently have various professional obligations planned for next week requiring our presence outside of our respective offices. Of course, if the Court believes a hearing is necessary before February 25, we will make ourselves available as the Court directs.

If the Court has any questions or would like us to address any further issues raised by Mr. Varnado in his letter and/or motion, we are more than happy to do so.

Sincerely,

WOMBLE CARLYLE SANDRIDGE & RICE
A Limited Liability Partnership



S. Sterling Laney, III

SSL:kmp
Enclosure

cc: ✓ Rob Varnado
Charles Baker
John Hawk

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	***** TRANSACTION HISTORY *****									
					CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION			
					0.00	01/30/03	01/31/03		64000	1,000.00	10 PAYMENT			
									64810	538.05	PAYMENT INTEREST			
									64820	451.95	PRINCIPAL PAYMENT			
									64830	10.00	PAYMENT LATE CHRG			
					0.00	01/31/03	02/12/03		63100	1,000.00	21 PAYMENT REVERSAL			
									63810	538.05	PAY REV INTEREST			
									63820	451.95	PAY REV PRINCIPAL			
									63830	10.00	PAY REV LATE CHRG			
					0.00	02/26/03	02/26/03		61030	10.00	30 LATE CHRG ASSMT-BATCH			
						02/27/03	02/27/03		34170	0.00	97 EMPLOYER NAME			
						03/12/03	03/12/03		35715	0.00	97 NO TIMES 60 DAYS			
						03/13/03	03/13/03		35705	0.00	97 NO TIMES 30 DAYS			
						03/19/03	03/19/03		99998	0.00	97 WATCH ACCT FLG			
						03/19/03	03/19/03		34170	0.00	97 EMPLOYER NAME			
						03/19/03	03/19/03		99998	0.00	97 BUSINESS PH NO 2			
						03/21/03	03/21/03		34170	0.00	97 EMPLOYER NAME			
						03/21/03	03/21/03		34175	0.00	97 BUSINESS PH NO			
						03/21/03	03/21/03		99998	0.00	97 BUSINESS PH NO 2			
					0.00	03/26/03	03/26/03		61030	10.00	30 LATE CHRG ASSMT-BATCH			
					0.00	04/01/03	04/01/03		64000	3,077.63	10 PAYMENT			
									64810	1,905.61	PAYMENT INTEREST			
									64820	1,142.02	PRINCIPAL PAYMENT			
									64830	30.00	PAYMENT LATE CHRG			
					0.00	04/10/03	04/11/03		64000	984.21	10 PAYMENT			
									64810	200.50	PAYMENT INTEREST			
									64820	783.71	PRINCIPAL PAYMENT			
					0.00	05/26/03	05/26/03		61030	10.00	30 LATE CHRG ASSMT-BATCH			
					0.00	06/06/03	06/09/03		64000	994.21	10 PAYMENT			
									64810	994.21	PAYMENT INTEREST			
					0.00	06/26/03	06/26/03		61030	10.00	30 LATE CHRG ASSMT-BATCH			
					0.00	06/27/03	07/03/03		64000	1,000.00	10 PAYMENT			
									64810	735.99	PAYMENT INTEREST			
									64820	244.01	PRINCIPAL PAYMENT			
									64830	20.00	PAYMENT LATE CHRG			
						06/30/03	06/30/03		34170	0.00	97 EMPLOYER NAME			
					0.00	07/14/03	07/14/03		64000	883.42	10 PAYMENT			
									64810	376.58	PAYMENT INTEREST			
									64820	506.84	PRINCIPAL PAYMENT			
						08/01/03	08/01/03		35220	0.00	86 INTEREST RATE CHANGE			

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
						08/01/03	08/01/03				OLD RATE = .04490
						08/01/03	08/01/03				NEW RATE = .04240
						08/24/03	08/24/03	99998		0.00	88 RATE CHANGE LETTER
					0.00	08/26/03	08/26/03	61030		10.00	30 LATE CHRG ASSMT-BATCH
						09/02/03	09/02/03	36500		0.00	A0325-TIK-REF-NUM
						09/02/03	09/02/03	36505		0.00	A0325-TIK-DAT
						09/02/03	09/02/03	36510		0.00	A0325-TIK-REA-COD
						09/02/03	09/02/03	36515		0.00	A0325-TIK-DES-LIN-1
						09/02/03	09/02/03	36520		0.00	A0325-TIK-DES-LIN-2
						09/02/03	09/02/03	36525		0.00	A0325-TIK-DES-LIN-3
						09/02/03	09/02/03	36530		0.00	A0325-TIK-DES-LIN-4
						09/02/03	09/02/03	36535		0.00	A0325-TIK-DES-LIN-5
						09/02/03	09/02/03	36540		0.00	A0325-TIK-PRD-IND
						09/02/03	09/02/03	36545		0.00	A0325-TIK-PRD-NUM-TIM
						09/02/03	09/02/03	36550		0.00	A0325-TIK-REQ-NAM
						09/02/03	09/02/03	36555		0.00	A0325-TIK-REQ-LOC
					179,576.34	09/02/03	09/02/03	64000		1,000.00	PAYMENT
								64810		984.21	PAYMENT INTEREST
								64810		15.79	PAYMENT INTEREST
					179,576.34	09/02/03	09/02/03	94800		20.86	ACCRUAL - ACTIVITY
								41810		20.86	INTEREST DR
						09/03/03	09/03/03	35761		0.00	NOW INACTIVE IN CACS
						09/17/03	09/17/03	35761		0.00	NOW ACTIVE IN CACS
					179,576.34	09/26/03	09/26/03	61830		10.00	LATE CHARGE ASSESSED
					179,576.34	09/26/03	09/26/03	93800		521.50	ACCRUAL - DAILY SWEEP
								41810		521.50	INTEREST DR
						09/26/03	09/26/03	95800		0.00	SCHEDULED BILLING DATE
					179,576.34	10/27/03	10/27/03	61830		10.00	LATE CHARGE ASSESSED
					179,576.34	10/29/03	10/29/03	93800		688.40	ACCRUAL - DAILY SWEEP
								41810		688.40	INTEREST DR
						10/29/03	10/29/03	95800		0.00	SCHEDULED BILLING DATE
					179,576.34	11/26/03	11/26/03	61830		10.00	LATE CHARGE ASSESSED
					179,576.34	11/28/03	11/28/03	93800		625.81	ACCRUAL - DAILY SWEEP
								41810		625.81	INTEREST DR
						11/28/03	11/28/03	95800		0.00	SCHEDULED BILLING DATE
					178,599.39	12/03/03	12/03/03	64000		3,000.00	PAYMENT
								64810		1,983.05	PAYMENT INTEREST
								64820		953.79	PRINCIPAL PAYMENT
								64830		40.00	PAYMENT LATE CHRG

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									64820	23.16	PRINCIPAL PAYMENT
					179,576.34	12/03/03	12/03/03		94800	83.44	ACCRUAL - ACTIVITY
									41810	83.44	INTEREST DR
						12/04/03	12/04/03		35761	0.00	NOW INACTIVE IN CACS
						12/15/03	12/15/03		36500	0.00	A0325-TIK-RFE-NUM
						12/15/03	12/15/03		36505	0.00	A0325-TIK-DAT
						12/15/03	12/15/03		36510	0.00	A0325-TIK-REA-COD
						12/15/03	12/15/03		36515	0.00	A0325-TIK-DES-LIN-1
						12/15/03	12/15/03		36520	0.00	A0325-TIK-DES-LIN-2
						12/15/03	12/15/03		36525	0.00	A0325-TIK-DES-LIN-3
						12/15/03	12/15/03		36530	0.00	A0325-TIK-DES-LIN-4
						12/15/03	12/15/03		36535	0.00	A0325-TIK-DES-LIN-5
						12/15/03	12/15/03		36540	0.00	A0325-TIK-PRD-IND
						12/15/03	12/15/03		36545	0.00	A0325-TIK-PRD-NUM-TIM
						12/15/03	12/15/03		36550	0.00	A0325-TIK-REQ-NAM
						12/15/03	12/15/03		36555	0.00	A0325-TIK-REQ-LOC
					177,864.14	12/15/03	12/15/03		64000	984.21	PAYMENT
									64810	248.96	PAYMENT INTEREST
									64820	672.09	PRINCIPAL PAYMENT
									64820	63.16	PRINCIPAL PAYMENT
					178,599.39	12/15/03	12/15/03		94800	248.96	ACCRUAL - ACTIVITY
									41810	248.96	INTEREST DR
					177,848.35	12/15/03	12/15/03		64020	15.79	PRINCIPAL ONLY PAYMENT
						12/18/03	12/18/03		35235	0.00	C0182-DR-BIL-COD
						12/18/03	12/18/03		35240	0.00	C0182-DDA-SAV-COD
						12/18/03	12/18/03		35245	0.00	C0182-DEP-ACT-NUM
						12/18/03	12/18/03		35250	0.00	C0182-ACH-NUM
						12/18/03	12/18/03		36500	0.00	A0325-TIK-REF-NUM
						12/18/03	12/18/03		36505	0.00	A0325-TIK-DAT
						12/18/03	12/18/03		36510	0.00	A0325-TIK-REA-COD
						12/18/03	12/18/03		36515	0.00	A0325-TIK-DES-LIN-1
						12/18/03	12/18/03		36520	0.00	A0325-TIK-DES-LIN-2
						12/18/03	12/18/03		36525	0.00	A0325-TIK-DES-LIN-3
						12/18/03	12/18/03		36530	0.00	A0325-TIK-DES-LIN-4
						12/18/03	12/18/03		36535	0.00	A0325-TIK-DES-LIN-5
						12/18/03	12/18/03		36540	0.00	A0325-TIK-PRD-IND
						12/18/03	12/18/03		36545	0.00	A0325-TIK-PRD-NUM-TIM
						12/18/03	12/18/03		36550	0.00	A0325-TIK-REQ-NAM
						12/18/03	12/18/03		36555	0.00	A0325-TIK-REQ-LOC

***** TRANSACTION HISTORY *****			
BANK	APP	LOAN NUM	TYP ST SHORT NAME
CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE
		TRANSACTION AMOUNT	HISTORY DESCRIPTION
177,848.35	12/29/03	12/29/03	93800 309.89 ACCRUAL - DAILY SWEEP
			41810 309.89 INTEREST DR
	12/29/03	12/29/03	95800 0.00 STATEMENT PRODUCED
177,421.33	01/11/04	01/12/04	64800 984.21 DDA/ACH PAYMENT TRANS
			64810 557.19 PAYMENT INTEREST
			64820 363.86 PRINCIPAL PAYMENT
			64820 63.16 PRINCIPAL PAYMENT
177,848.35	01/11/04	01/12/04	94800 247.30 ACCRUAL - ACTIVITY
			41810 247.30 INTEREST DR
177,848.35	01/11/04	01/15/04	63100 984.21 FMR - INSUFFICIENT FUNDS
			63810 557.19 PAY REV INTEREST
			63820 363.86 PAY REV PRINCIPAL
			63820 63.16 PAY REV PRINCIPAL
	01/15/04	01/15/04	36500 0.00 A0325-TIK-REF-NUM
	01/15/04	01/15/04	36505 0.00 A0325-TIK-DAT
	01/15/04	01/15/04	36510 0.00 A0325-TIK-REA-COD
	01/15/04	01/15/04	36515 0.00 A0325-TIK-DES-LIN-1
	01/15/04	01/15/04	36520 0.00 A0325-TIK-DES-LIN-2
	01/15/04	01/15/04	36525 0.00 A0325-TIK-DES-LIN-3
	01/15/04	01/15/04	36530 0.00 A0325-TIK-DES-LIN-4
	01/15/04	01/15/04	36535 0.00 A0325-TIK-DES-LIN-5
	01/15/04	01/15/04	36540 0.00 A0325-TIK-PRD-IND
	01/15/04	01/15/04	36545 0.00 A0325-TIK-PRD-NUM-TIM
	01/15/04	01/15/04	36550 0.00 A0325-TIK-REQ-NAM
	01/15/04	01/15/04	36555 0.00 A0325-TIK-REQ-LOC
	01/20/04	01/20/04	35761 0.00 NOW ACTIVE IN CACS
177,848.35	01/29/04	01/29/04	93800 391.46 ACCRUAL - DAILY SWEEP
			41810 391.46 INTEREST DR
	01/29/04	01/29/04	95800 0.00 STATEMENT PRODUCED
	02/02/04	02/02/04	36500 0.00 A0325-TIK-REF-NUM
	02/02/04	02/02/04	36505 0.00 A0325-TIK-DAT
	02/02/04	02/02/04	36510 0.00 A0325-TIK-REA-COD
	02/02/04	02/02/04	36515 0.00 A0325-TIK-DES-LIN-1
	02/02/04	02/02/04	36520 0.00 A0325-TIK-DES-LIN-2
	02/02/04	02/02/04	36525 0.00 A0325-TIK-DES-LIN-3
	02/02/04	02/02/04	36530 0.00 A0325-TIK-DES-LIN-4
	02/02/04	02/02/04	36535 0.00 A0325-TIK-DES-LIN-5
	02/02/04	02/02/04	36540 0.00 A0325-TIK-PRD-IND
	02/02/04	02/02/04	36545 0.00 A0325-TIK-PRD-NUM-TIM

				***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					02/02/04	02/02/04	36550	0.00	A0325-TIK-REQ-NAM
					02/02/04	02/02/04	36555	0.00	A0325-TIK-REQ-LOC
		177,848.35			02/02/04	02/02/04	64000	921.05	PAYMENT
							64810	921.05	PAYMENT INTEREST
		177,848.35			02/02/04	02/02/04	94800	61.81	ACCRUAL - ACTIVITY
							41810	61.81	INTEREST DR
					02/03/04	02/03/04	35761	0.00	NOW INACTIVE IN CACS
		177,138.97			02/11/04	02/11/04	64800	984.21	DDA/ACH PAYMENT TRANS
							64810	274.83	PAYMENT INTEREST
							64820	709.38	PRINCIPAL PAYMENT
		177,848.35			02/11/04	02/11/04	94800	185.42	ACCRUAL - ACTIVITY
							41810	185.42	INTEREST DR
		177,138.97			02/27/04	02/27/04	93800	348.86	ACCRUAL - DAILY SWEEP
							41810	348.86	INTEREST DR
					02/27/04	02/27/04	95800	0.00	STATEMENT PRODUCED
		176,749.87			03/11/04	03/11/04	64800	984.21	DDA/ACH PAYMENT TRANS
							64810	595.11	PAYMENT INTEREST
							64820	389.10	PRINCIPAL PAYMENT
		177,138.97			03/11/04	03/11/04	94800	246.25	ACCRUAL - ACTIVITY
							41810	246.25	INTEREST DR
		176,749.87			03/29/04	03/29/04	93800	389.05	ACCRUAL - DAILY SWEEP
							41810	389.05	INTEREST DR
					03/29/04	03/29/04	95800	0.00	STATEMENT PRODUCED
		176,400.42			04/11/04	04/12/04	64800	984.21	DDA/ACH PAYMENT TRANS
							64810	634.76	PAYMENT INTEREST
							64820	349.45	PRINCIPAL PAYMENT
		176,749.87			04/11/04	04/12/04	94800	245.71	ACCRUAL - ACTIVITY
							41810	245.71	INTEREST DR
		176,400.42			04/28/04	04/28/04	93800	367.83	ACCRUAL - DAILY SWEEP
							41810	367.83	INTEREST DR
					04/28/04	04/28/04	95800	0.00	STATEMENT PRODUCED
		176,029.27			05/11/04	05/11/04	64800	984.21	DDA/ACH PAYMENT TRANS
							64810	613.06	PAYMENT INTEREST
							64820	371.15	PRINCIPAL PAYMENT
		176,400.42			05/11/04	05/11/04	94800	245.23	ACCRUAL - ACTIVITY
							41810	245.23	INTEREST DR
		176,029.27			05/28/04	05/28/04	93800	367.06	ACCRUAL - DAILY SWEEP
							41810	367.06	INTEREST DR
					05/28/04	05/28/04	95800	0.00	STATEMENT PRODUCED

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
						06/07/04	06/07/04		35761	0.00	NO LONGER IN CACS
					175,677.22	06/11/04	06/11/04		64800	984.21	DDA/ACH PAYMENT TRANS
									64810	632.16	PAYMENT INTEREST
									64820	352.05	PRINCIPAL PAYMENT
					176,029.27	06/11/04	06/11/04		94800	265.10	ACCRUAL - ACTIVITY
									41810	265.10	INTEREST DR
					175,677.22	06/28/04	06/28/04		93800	366.33	ACCRUAL - DAILY SWEEP
									41810	366.33	INTEREST DR
						06/28/04	06/28/04		95800	0.00	STATEMENT PRODUCED
					175,303.56	07/11/04	07/12/04		64800	984.21	DDA/ACH PAYMENT TRANS
									64810	610.55	PAYMENT INTEREST
									64820	373.66	PRINCIPAL PAYMENT
					175,677.22	07/11/04	07/12/04		94800	244.22	ACCRUAL - ACTIVITY
									41810	244.22	INTEREST DR
					175,303.56	07/29/04	07/29/04		93800	385.86	ACCRUAL - DAILY SWEEP
									41810	385.86	INTEREST DR
						07/29/04	07/29/04		95800	0.00	STATEMENT PRODUCED
					175,303.56	07/31/04	08/02/04		94800	20.31	ACCRUAL - ACTIVITY
									41810	20.31	INTEREST DR
					175,303.56	07/31/04	08/02/04		94800	40.61	ACCRUAL - ACTIVITY
									42810	40.61	INTEREST CR
					0.00	08/01/04	08/02/04		35220	0.00	RATE CHANGE OCCURRED
					0.00	08/01/04	08/02/04				OLD RATE = .04240
					0.00	08/01/04	08/02/04				NEW RATE = .04490
					175,303.56	08/02/04	08/02/04		93800	40.62	ACCRUAL - ACTIVITY
									41810	40.62	INTEREST DR
					175,303.56	08/02/04	08/02/04		93800	21.50	ACCRUAL - ACTIVITY
									41810	21.50	INTEREST DR
					174,962.08	08/11/04	08/11/04		64800	984.21	DDA/ACH PAYMENT TRANS
									64810	642.73	PAYMENT INTEREST
									64820	341.48	PRINCIPAL PAYMENT
					175,303.56	08/11/04	08/11/04		94800	215.05	ACCRUAL - ACTIVITY
									41810	215.05	INTEREST DR
					174,962.08	08/27/04	08/27/04		93800	364.89	ACCRUAL - DAILY SWEEP
									41810	364.89	INTEREST DR
						08/27/04	08/27/04		95800	0.00	STATEMENT PRODUCED
					174,962.08	08/31/04	09/01/04		94800	64.40	ACCRUAL - ACTIVITY
									41810	64.40	INTEREST DR
					174,962.08	08/31/04	09/01/04		94800	21.46	ACCRUAL - ACTIVITY

				***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
							42810	21.46	INTEREST CR
				0.00	09/01/04	09/01/04	35220	0.00	RATE CHANGE OCCURRED
				0.00	09/01/04	09/01/04			OLD RATE = .04490
				0.00	09/01/04	09/01/04			NEW RATE = .04740
				174,962.08	09/01/04	09/01/04	93800	21.46	ACCRUAL - ACTIVITY
							41810	21.46	INTEREST DR
				174,962.08	09/01/04	09/01/04	93800	22.65	ACCRUAL - ACTIVITY
							41810	22.65	INTEREST DR
				174,656.41	09/11/04	09/13/04	64800	984.21	DDA/ACH PAYMENT TRANS
							64810	678.54	PAYMENT INTEREST
							64820	305.67	PRINCIPAL PAYMENT
				174,962.08	09/11/04	09/13/04	94800	226.60	ACCRUAL - ACTIVITY
							41810	226.60	INTEREST DR
				174,962.08	09/11/04	09/16/04	63100	984.21	PMR - INSUFFICIENT FUNDS
							63810	678.54	PAY REV INTEREST
							63820	305.67	PAY REV PRINCIPAL
					09/16/04	09/16/04	36500	0.00	A0325-TIK-REF-NUM
					09/16/04	09/16/04	36505	0.00	A0325-TIK-DAT
					09/16/04	09/16/04	36510	0.00	A0325-TIK-REA-COD
					09/16/04	09/16/04	36515	0.00	A0325-TIK-DES-LIN-1
					09/16/04	09/16/04	36520	0.00	A0325-TIK-DES-LIN-2
					09/16/04	09/16/04	36525	0.00	A0325-TIK-DES-LIN-3
					09/16/04	09/16/04	36530	0.00	A0325-TIK-DES-LIN-4
					09/16/04	09/16/04	36535	0.00	A0325-TIK-DES-LIN-5
					09/16/04	09/16/04	36540	0.00	A0325-TIK-PRD-IND
					09/16/04	09/16/04	36545	0.00	A0325-TIK-PRD-NUM-TIM
					09/16/04	09/16/04	36550	0.00	A0325-TIK-REQ-NAM
					09/16/04	09/16/04	36555	0.00	A0325-TIK-REQ-LOC
					09/17/04	09/17/04	35761	0.00	NOW ACTIVE IN CACS
				174,962.08	09/28/04	09/28/04	93800	407.85	ACCRUAL - DAILY SWEEP
							41810	407.85	INTEREST DR
					09/28/04	09/28/04	95800	0.00	STATEMENT PRODUCED
				174,962.08	09/30/04	10/01/04	94800	22.66	ACCRUAL - ACTIVITY
							41810	22.66	INTEREST DR
				174,962.08	09/30/04	10/01/04	94800	22.65	ACCRUAL - ACTIVITY
							42810	22.65	INTEREST CR
				0.00	10/01/04	10/01/04	35220	0.00	RATE CHANGE OCCURRED
				0.00	10/01/04	10/01/04			OLD RATE = .04740
				0.00	10/01/04	10/01/04			NEW RATE = .04990

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					174,962.08	10/01/04	10/01/04		93800	22.66	ACCRUAL - ACTIVITY
									41810	22.66	INTEREST DR
					174,962.08	10/01/04	10/01/04		93800	23.85	ACCRUAL - ACTIVITY
									41810	23.85	INTEREST DR
					174,962.08	10/26/04	10/26/04		61830	10.00	LATE CHARGE ASSESSED
					174,962.08	10/29/04	10/29/04		93800	691.76	ACCRUAL - DAILY SWEEP
									41810	691.76	INTEREST DR
						10/29/04	10/29/04		95800	0.00	STATEMENT PRODUCED
						11/18/04	11/18/04		35577	0.00	PAYOFF QUOTE
					174,962.08	11/26/04	11/26/04		61830	10.00	LATE CHARGE ASSESSED
					174,962.08	11/26/04	11/26/04		93800	667.92	ACCRUAL - DAILY SWEEP
									41810	667.92	INTEREST DR
						11/26/04	11/26/04		95800	0.00	STATEMENT PRODUCED
					174,962.08	11/30/04	12/01/04		94800	71.57	ACCRUAL - ACTIVITY
									41810	71.57	INTEREST DR
					174,962.08	11/30/04	12/01/04		94800	23.85	ACCRUAL - ACTIVITY
									42810	23.85	INTEREST CR
					0.00	12/01/04	12/01/04		35220	0.00	RATE CHANGE OCCURRED
					0.00	12/01/04	12/01/04				OLD RATE = .04990
					0.00	12/01/04	12/01/04				NEW RATE = .05240
					174,962.08	12/01/04	12/01/04		93800	23.85	ACCRUAL - ACTIVITY
									41810	23.85	INTEREST DR
					174,962.08	12/01/04	12/01/04		93800	25.04	ACCRUAL - ACTIVITY
									41810	25.04	INTEREST DR
						12/13/04	12/13/04		35759	0.00	C0182-BYP-AUT-COF-IND
						12/13/04	12/13/04		35544	0.00	A0197-EXP-ADD-DAT
						12/13/04	12/13/04		35545	0.00	A0197-EXP-PYF-IND
						12/13/04	12/13/04		35546	0.00	A0197-EXP-BAL
						12/13/04	12/13/04		35547	0.00	A0197-EXP-REF-NUM
					174,962.08	12/13/04	12/13/04	E03	65080	100.00	HORIZON 526298 DPS
					174,962.08	12/13/04	12/13/04		93800	300.59	ACCRUAL - ACTIVITY
									41810	300.59	INTEREST DR
					174,962.08	12/16/04	12/16/04		64000	984.21	PAYMENT
									64810	984.21	PAYMENT INTEREST
					174,962.08	12/16/04	12/16/04		94800	75.15	ACCRUAL - ACTIVITY
									41810	75.15	INTEREST DR
					174,962.08	12/29/04	12/29/04		93800	350.69	ACCRUAL - DAILY SWEEP
									41810	350.69	INTEREST DR
						12/29/04	12/29/04		95800	0.00	STATEMENT PRODUCED

***** TRANSACTION HISTORY *****			
BANK	APP	LOAN NUM	TYP ST SHORT NAME
CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE
TRANSACTION AMOUNT	HISTORY DESCRIPTION		
174,962.08	12/31/04	01/03/05	94800
			41810
174,962.08	12/31/04	01/03/05	94800
			42810
0.00	01/01/05	01/03/05	35220
0.00	01/01/05	01/03/05	
0.00	01/01/05	01/03/05	
174,962.08	01/03/05	01/03/05	93800
			41810
174,962.08	01/03/05	01/03/05	93800
			41810
174,962.08	01/14/05	01/14/05	64000
			64810
174,962.08	01/14/05	01/14/05	94800
			41810
174,962.08	01/26/05	01/26/05	E03 65080
174,962.08	01/26/05	01/26/05	93800
			41810
174,962.08	01/28/05	01/28/05	93800
			41810
	01/28/05	01/28/05	95800
174,962.08	02/24/05	02/24/05	64000
			64810
			64810
174,962.08	02/24/05	02/24/05	94800
			41810
174,962.08	02/25/05	02/25/05	93800
			41810
	02/25/05	02/25/05	95800
174,962.08	02/28/05	02/28/05	61830
174,962.08	02/28/05	03/01/05	94800
			41810
174,962.08	02/28/05	03/01/05	94800
			42810
0.00	03/01/05	03/01/05	35220
0.00	03/01/05	03/01/05	
0.00	03/01/05	03/01/05	
174,962.08	03/01/05	03/01/05	93800
			41810

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,962.08			03/01/05	03/01/05			93800	27.51	ACCRUAL - ACTIVITY
									41810	27.51	INTEREST DR
		174,962.08			03/16/05	03/16/05			64000	400.00	PAYMENT
									64810	400.00	PAYMENT INTEREST
		174,962.08			03/16/05	03/16/05			94800	412.71	ACCRUAL - ACTIVITY
									41810	412.71	INTEREST DR
		174,962.08			03/16/05	03/16/05			64000	655.93	PAYMENT
									64810	449.62	PAYMENT INTEREST
									64810	206.31	PAYMENT INTEREST
		174,962.08			03/29/05	03/29/05			93800	385.21	ACCRUAL - DAILY SWEEP
									41810	385.21	INTEREST DR
					03/29/05	03/29/05			95800	0.00	STATEMENT PRODUCED
		174,962.08			03/31/05	04/01/05			94800	27.52	ACCRUAL - ACTIVITY
									41810	27.52	INTEREST DR
		174,962.08			03/31/05	04/01/05			94800	27.51	ACCRUAL - ACTIVITY
									42810	27.51	INTEREST CR
		0.00			04/01/05	04/01/05			35220	0.00	RATE CHANGE OCCURRED
		0.00			04/01/05	04/01/05					OLD RATE = .05740
		0.00			04/01/05	04/01/05					NEW RATE = .05990
		174,962.08			04/01/05	04/01/05			93800	27.51	ACCRUAL - ACTIVITY
									41810	27.51	INTEREST DR
		174,962.08			04/01/05	04/01/05			93800	28.71	ACCRUAL - ACTIVITY
									41810	28.71	INTEREST DR
		174,962.08			04/14/05	04/14/05			64000	1,762.11	PAYMENT
									64810	1,762.11	PAYMENT INTEREST
		174,962.08			04/14/05	04/14/05			94800	373.26	ACCRUAL - ACTIVITY
									41810	373.26	INTEREST DR
					04/18/05	04/18/05			35761	0.00	NOW ACTIVE IN CACS
		174,962.08			04/28/05	04/28/05			93800	430.70	ACCRUAL - DAILY SWEEP
									41810	430.70	INTEREST DR
					04/28/05	04/28/05			95800	0.00	STATEMENT PRODUCED
		174,962.08			05/26/05	05/26/05			61830	10.00	LATE CHARGE ASSESSED
		174,962.08			05/27/05	05/27/05			93800	832.67	ACCRUAL - DAILY SWEEP
									41810	832.67	INTEREST DR
					05/27/05	05/27/05			95800	0.00	STATEMENT PRODUCED
		174,962.08			05/31/05	05/31/05			64000	984.21	PAYMENT
									64810	984.21	PAYMENT INTEREST
		174,962.08			05/31/05	05/31/05			94800	86.14	ACCRUAL - ACTIVITY
									41810	86.14	INTEREST DR

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					174,962.08	05/31/05	06/01/05		94800	28.71	ACCRUAL - ACTIVITY
									42810	28.71	INTEREST CR
					0.00	06/01/05	06/01/05		35220	0.00	RATE CHANGE OCCURRED
					0.00	06/01/05	06/01/05				OLD RATE = .05990
					0.00	06/01/05	06/01/05				NEW RATE = .06240
					174,962.08	06/01/05	06/01/05		93800	28.71	ACCRUAL - ACTIVITY
									41810	28.71	INTEREST DR
					174,962.08	06/01/05	06/01/05		93800	29.91	ACCRUAL - ACTIVITY
									41810	29.91	INTEREST DR
						06/13/05	06/13/05		35761	0.00	NOW ACTIVE IN CACS
					174,962.08	06/14/05	06/14/05		64000	984.21	PAYMENT
									64810	984.21	PAYMENT INTEREST
					174,962.08	06/14/05	06/14/05		94800	388.85	ACCRUAL - ACTIVITY
									41810	388.85	INTEREST DR
					174,962.08	06/28/05	06/28/05		93800	448.67	ACCRUAL - DAILY SWEEP
									41810	448.67	INTEREST DR
						06/28/05	06/28/05		95800	0.00	STATEMENT PRODUCED
					174,459.30	06/30/05	06/30/05		64000	1,024.21	PAYMENT
									64810	521.43	PAYMENT INTEREST
									64820	462.78	PRINCIPAL PAYMENT
									64820	40.00	PRINCIPAL PAYMENT
					174,962.08	06/30/05	06/30/05		94800	29.91	ACCRUAL - ACTIVITY
									41810	29.91	INTEREST DR
					174,962.08	06/30/05	07/01/05		63000	1,024.21	PER JULIE HICKS
									63810	521.43	PAY REV INTEREST
									63820	462.78	PAY REV PRINCIPAL
									63820	40.00	PAY REV PRINCIPAL
						07/01/05	07/01/05		35577	0.00	PAYOFF QUOTE
						07/01/05	07/01/05		35577	0.00	PAYOFF QUOTE
						07/01/05	07/01/05		36500	0.00	A0325-TIK-REF-NUM
						07/01/05	07/01/05		36505	0.00	A0325-TIK-DAT
						07/01/05	07/01/05		36510	0.00	A0325-TIK-REA-COD
						07/01/05	07/01/05		36515	0.00	A0325-TIK-DES-LIN-1
						07/01/05	07/01/05		36520	0.00	A0325-TIK-DES-LIN-2
						07/01/05	07/01/05		36525	0.00	A0325-TIK-DES-LIN-3
						07/01/05	07/01/05		36530	0.00	A0325-TIK-DES-LIN-4
						07/01/05	07/01/05		36535	0.00	A0325-TIK-DES-LIN-5
						07/01/05	07/01/05		36540	0.00	A0325-TIK-PRD-IND
						07/01/05	07/01/05		36545	0.00	A0325-TIK-PRD-NUM-TIM

					***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
						07/01/05	07/01/05	36550	0.00	A0325-TIK-REQ-NAM
						07/01/05	07/01/05	36555	0.00	A0325-TIK-REQ-LOC
		174,962.08				07/26/05	07/26/05	61830	10.00	LATE CHARGE ASSESSED
		174,962.08				07/29/05	07/29/05	93800	897.34	ACCRUAL - DAILY SWEEP
								41810	897.34	INTEREST DR
						07/29/05	07/29/05	95800	0.00	STATEMENT PRODUCED
		174,962.08				07/31/05	08/01/05	94800	29.92	ACCRUAL - ACTIVITY
								41810	29.92	INTEREST DR
		174,962.08				07/31/05	08/01/05	94800	29.91	ACCRUAL - ACTIVITY
								42810	29.91	INTEREST CR
		0.00				08/01/05	08/01/05	35220	0.00	RATE CHANGE OCCURRED
		0.00				08/01/05	08/01/05			OLD RATE = .06240
		0.00				08/01/05	08/01/05			NEW RATE = .06490
		174,962.08				08/01/05	08/01/05	93800	29.91	ACCRUAL - ACTIVITY
								41810	29.91	INTEREST DR
		174,962.08				08/01/05	08/01/05	93800	31.10	ACCRUAL - ACTIVITY
								41810	31.10	INTEREST DR
						08/22/05	08/22/05	35577	0.00	PAYOFF QUOTE
						08/22/05	08/22/05	35577	0.00	PAYOFF QUOTE
		174,962.08				08/22/05	08/22/05	64000	1,458.00	PAYMENT
								64810	984.21	PAYMENT INTEREST
								64810	473.79	PAYMENT INTEREST
		174,962.08				08/22/05	08/22/05	94800	653.30	ACCRUAL - ACTIVITY
								41810	653.30	INTEREST DR
		174,962.08				08/29/05	08/29/05	93800	248.88	ACCRUAL - DAILY SWEEP
								41810	248.88	INTEREST DR
						08/29/05	08/29/05	95800	0.00	STATEMENT PRODUCED
		174,962.08				08/31/05	09/01/05	94800	31.12	ACCRUAL - ACTIVITY
								41810	31.12	INTEREST DR
		174,962.08				08/31/05	09/01/05	94800	31.10	ACCRUAL - ACTIVITY
								42810	31.10	INTEREST CR
		0.00				09/01/05	09/01/05	35220	0.00	RATE CHANGE OCCURRED
		0.00				09/01/05	09/01/05			OLD RATE = .06490
		0.00				09/01/05	09/01/05			NEW RATE = .06740
		174,962.08				09/01/05	09/01/05	93800	31.10	ACCRUAL - ACTIVITY
								41810	31.10	INTEREST DR
		174,962.08				09/01/05	09/01/05	93800	32.30	ACCRUAL - ACTIVITY
								41810	32.30	INTEREST DR
						09/26/05	09/26/05	35785	0.00	FREEZE ACCOUNT, REASON:

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
						09/26/05	09/26/05		35771	0.00	PLACE IN FORECLOSURE
		174,962.08				09/28/05	09/28/05		93800	904.62	ACCRUAL - DAILY SWEEP
									41810	904.62	INTEREST DR
		174,962.08				09/29/05	09/29/05		93800	32.31	ACCRUAL - DAILY SWEEP
									41810	32.31	INTEREST DR
		174,962.08				09/30/05	09/30/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
		174,962.08				09/30/05	10/03/05		94800	33.49	ACCRUAL - ACTIVITY
									42810	33.49	INTEREST CR
		174,962.08				09/30/05	10/03/05		94800	96.92	ACCRUAL - ACTIVITY
									42810	96.92	INTEREST CR
					0.00	10/01/05	10/03/05		35220	0.00	RATE CHANGE OCCURRED
					0.00	10/01/05	10/03/05				OLD RATE = .06740
					0.00	10/01/05	10/03/05				NEW RATE = .06990
		174,962.08				10/03/05	10/03/05		93800	96.92	ACCRUAL - ACTIVITY
									41810	96.92	INTEREST DR
		174,962.08				10/03/05	10/03/05		93800	33.50	ACCRUAL - ACTIVITY
									41810	33.50	INTEREST DR
		174,962.08				10/03/05	10/03/05		93800	100.51	ACCRUAL - DAILY SWEEP
									41810	100.51	INTEREST DR
		174,962.08				10/04/05	10/04/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
		174,962.08				10/05/05	10/05/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
		174,962.08				10/06/05	10/06/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
		174,962.08				10/07/05	10/07/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
		174,962.08				10/11/05	10/11/05		93800	134.03	ACCRUAL - DAILY SWEEP
									41810	134.03	INTEREST DR
		174,962.08				10/12/05	10/12/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
		174,962.08				10/13/05	10/13/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
		174,962.08				10/14/05	10/14/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
		174,962.08				10/17/05	10/17/05		93800	100.52	ACCRUAL - DAILY SWEEP
									41810	100.52	INTEREST DR
		174,962.08				10/18/05	10/18/05		93800	33.51	ACCRUAL - DAILY SWEEP

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									41810	33.51	INTEREST DR
					174,962.08	10/19/05	10/19/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	10/20/05	10/20/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
					174,962.08	10/21/05	10/21/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	10/24/05	10/24/05		93800	100.52	ACCRUAL - DAILY SWEEP
									41810	100.52	INTEREST DR
					174,962.08	10/25/05	10/25/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
					174,962.08	10/26/05	10/26/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	10/27/05	10/27/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	10/28/05	10/28/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
					174,962.08	10/31/05	10/31/05		93800	100.52	ACCRUAL - DAILY SWEEP
									41810	100.52	INTEREST DR
					174,962.08	11/01/05	11/01/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	11/02/05	11/02/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	11/03/05	11/03/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
					174,962.08	11/04/05	11/04/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	11/07/05	11/07/05		93800	100.52	ACCRUAL - DAILY SWEEP
									41810	100.52	INTEREST DR
					174,962.08	11/08/05	11/08/05		93800	33.50	ACCRUAL - DAILY SWEEP
									41810	33.50	INTEREST DR
					174,962.08	11/09/05	11/09/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	11/10/05	11/10/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR
					174,962.08	11/14/05	11/14/05		93800	134.02	ACCRUAL - DAILY SWEEP
									41810	134.02	INTEREST DR
					174,962.08	11/15/05	11/15/05		93800	33.51	ACCRUAL - DAILY SWEEP
									41810	33.51	INTEREST DR

				***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
				174,962.08	11/16/05	11/16/05	93800	33.51	ACCRUAL - DAILY SWEEP
							41810	33.51	INTEREST DR
				174,962.08	11/17/05	11/17/05	93800	33.50	ACCRUAL - DAILY SWEEP
							41810	33.50	INTEREST DR
				174,962.08	11/18/05	11/18/05	93800	33.51	ACCRUAL - DAILY SWEEP
							41810	33.51	INTEREST DR
				174,962.08	11/21/05	11/21/05	93800	100.52	ACCRUAL - DAILY SWEEP
							41810	100.52	INTEREST DR
				174,962.08	11/22/05	11/22/05	93800	33.50	ACCRUAL - DAILY SWEEP
							41810	33.50	INTEREST DR
				174,962.08	11/23/05	11/23/05	93800	33.51	ACCRUAL - DAILY SWEEP
							41810	33.51	INTEREST DR
				174,962.08	11/25/05	11/25/05	93800	67.01	ACCRUAL - DAILY SWEEP
							41810	67.01	INTEREST DR
				174,962.08	11/28/05	11/28/05	93800	100.52	ACCRUAL - DAILY SWEEP
							41810	100.52	INTEREST DR
				174,962.08	11/29/05	11/29/05	93800	33.51	ACCRUAL - DAILY SWEEP
							41810	33.51	INTEREST DR
				174,962.08	11/30/05	11/30/05	93800	34.70	ACCRUAL - DAILY SWEEP
							41810	34.70	INTEREST DR
				174,962.08	11/30/05	12/01/05	94800	34.70	ACCRUAL - ACTIVITY
							42810	34.70	INTEREST CR
				174,962.08	11/30/05	12/01/05	94800	33.50	ACCRUAL - ACTIVITY
							42810	33.50	INTEREST CR
				0.00	12/01/05	12/01/05	35220	0.00	RATE CHANGE OCCURRED
				0.00	12/01/05	12/01/05			OLD RATE = .06990
				0.00	12/01/05	12/01/05			NEW RATE = .07240
				174,962.08	12/01/05	12/01/05	93800	33.51	ACCRUAL - ACTIVITY
							41810	33.51	INTEREST DR
				174,962.08	12/01/05	12/01/05	93800	34.70	ACCRUAL - ACTIVITY
							41810	34.70	INTEREST DR
				174,962.08	12/01/05	12/01/05	93800	34.70	ACCRUAL - DAILY SWEEP
							41810	34.70	INTEREST DR
				174,962.08	12/02/05	12/02/05	93800	34.70	ACCRUAL - DAILY SWEEP
							41810	34.70	INTEREST DR
				174,962.08	12/05/05	12/05/05	93800	104.12	ACCRUAL - DAILY SWEEP
							41810	104.12	INTEREST DR
				174,962.08	12/06/05	12/06/05	93800	34.70	ACCRUAL - DAILY SWEEP
							41810	34.70	INTEREST DR

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					174,962.08	12/07/05	12/07/05		93800	34.71	ACCRUAL - DAILY SWEEP
									41810	34.71	INTEREST DR
					174,962.08	12/08/05	12/08/05		93800	34.70	ACCRUAL - DAILY SWEEP
									41710	34.70	INTEREST DR STOP
					174,962.08	12/09/05	12/09/05		93800	34.71	ACCRUAL - DAILY SWEEP
									41710	34.71	INTEREST DR STOP
					174,962.08	12/12/05	12/12/05		93800	104.11	ACCRUAL - DAILY SWEEP
									41710	104.11	INTEREST DR STOP
					174,962.08	12/13/05	12/13/05		93800	34.71	ACCRUAL - DAILY SWEEP
									41710	34.71	INTEREST DR STOP
					174,962.08	12/14/05	12/14/05		93800	34.70	ACCRUAL - DAILY SWEEP
									41710	34.70	INTEREST DR STOP
					174,962.08	12/15/05	12/15/05		93800	34.71	ACCRUAL - DAILY SWEEP
									41710	34.71	INTEREST DR STOP
					174,962.08	12/16/05	12/16/05		93800	34.70	ACCRUAL - DAILY SWEEP
									41710	34.70	INTEREST DR STOP
					174,962.08	12/19/05	12/19/05		93800	104.11	ACCRUAL - DAILY SWEEP
									41710	104.11	INTEREST DR STOP
					174,962.08	12/20/05	12/20/05		93800	34.71	ACCRUAL - DAILY SWEEP
									41710	34.71	INTEREST DR STOP
					174,962.08	12/21/05	12/21/05		93800	34.70	ACCRUAL - DAILY SWEEP
									41710	34.70	INTEREST DR STOP
					174,962.08	12/22/05	12/22/05		93800	34.71	ACCRUAL - DAILY SWEEP
									41710	34.71	INTEREST DR STOP
					174,962.08	12/23/05	12/23/05		93800	34.70	ACCRUAL - DAILY SWEEP
									41710	34.70	INTEREST DR STOP
					174,962.08	12/27/05	12/27/05		93800	138.82	ACCRUAL - DAILY SWEEP
									41710	138.82	INTEREST DR STOP
					174,962.08	12/28/05	12/28/05		93800	34.71	ACCRUAL - DAILY SWEEP
									41710	34.71	INTEREST DR STOP
					174,962.08	12/29/05	12/29/05		93800	34.70	ACCRUAL - DAILY SWEEP
									41710	34.70	INTEREST DR STOP
					174,962.08	12/30/05	12/30/05		93800	34.71	ACCRUAL - DAILY SWEEP
									41710	34.71	INTEREST DR STOP
					174,962.08	12/31/05	01/03/06		94800	0.01	ACCRUAL - ACTIVITY
									41710	0.01	INTEREST DR STOP
					174,962.08	12/31/05	01/03/06		94800	104.11	ACCRUAL - ACTIVITY
									42710	104.11	INTEREST CR STOP
					0.00	01/01/06	01/03/06		35220	0.00	RATE CHANGE OCCURRED

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					0.00	01/01/06	01/03/06				OLD RATE = .07240
					0.00	01/01/06	01/03/06				NEW RATE = .07490
		174,962.08			01/03/06	01/03/06		93800		104.11	ACCRUAL - ACTIVITY
								41710		104.11	INTEREST DR STOP
		174,962.08			01/03/06	01/03/06		93800		35.90	ACCRUAL - ACTIVITY
								41710		35.90	INTEREST DR STOP
		174,962.08			01/03/06	01/03/06		93800		107.70	ACCRUAL - DAILY SWEEP
								41710		107.70	INTEREST DR STOP
		174,962.08			01/04/06	01/04/06		93800		35.90	ACCRUAL - DAILY SWEEP
								41710		35.90	INTEREST DR STOP
		174,962.08			01/05/06	01/05/06		93800		35.91	ACCRUAL - DAILY SWEEP
								41710		35.91	INTEREST DR STOP
		174,962.08			01/06/06	01/06/06		93800		35.90	ACCRUAL - DAILY SWEEP
								41710		35.90	INTEREST DR STOP
		174,962.08			01/09/06	01/09/06		93800		107.71	ACCRUAL - DAILY SWEEP
								41710		107.71	INTEREST DR STOP
		174,962.08			01/10/06	01/10/06		93800		35.90	ACCRUAL - DAILY SWEEP
								41710		35.90	INTEREST DR STOP
		174,962.08			01/11/06	01/11/06		93800		35.90	ACCRUAL - DAILY SWEEP
								41710		35.90	INTEREST DR STOP
		174,962.08			01/12/06	01/12/06		93800		35.91	ACCRUAL - DAILY SWEEP
								41710		35.91	INTEREST DR STOP
		174,962.08			01/13/06	01/13/06		93800		35.90	ACCRUAL - DAILY SWEEP
								41710		35.90	INTEREST DR STOP
		174,962.08			01/17/06	01/17/06		93800		143.61	ACCRUAL - DAILY SWEEP
								41710		143.61	INTEREST DR STOP
		174,962.08			01/18/06	01/18/06		93800		35.91	ACCRUAL - DAILY SWEEP
								41710		35.91	INTEREST DR STOP
		174,962.08			01/19/06	01/19/06		93800		35.90	ACCRUAL - DAILY SWEEP
								41710		35.90	INTEREST DR STOP
		174,962.08			01/20/06	01/20/06		93800		35.90	ACCRUAL - DAILY SWEEP
								41710		35.90	INTEREST DR STOP
		174,962.08			01/23/06	01/23/06		93800		107.71	ACCRUAL - DAILY SWEEP
								41710		107.71	INTEREST DR STOP
		174,962.08			01/24/06	01/24/06		93800		35.91	ACCRUAL - DAILY SWEEP
								41710		35.91	INTEREST DR STOP
		174,962.08			01/25/06	01/25/06		93800		35.90	ACCRUAL - DAILY SWEEP
								41710		35.90	INTEREST DR STOP
		174,962.08			01/26/06	01/26/06		93800		35.90	ACCRUAL - DAILY SWEEP

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	***** TRANSACTION HISTORY *****						
					CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									41710	35.90	INTEREST DR STOP
		174,962.08	01/27/06	01/27/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	01/30/06	01/30/06					93800	107.71	ACCRUAL - DAILY SWEEP
									41710	107.71	INTEREST DR STOP
		174,962.08	01/31/06	01/31/06					93800	35.91	ACCRUAL - DAILY SWEEP
									41710	35.91	INTEREST DR STOP
		174,962.08	02/01/06	02/01/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/02/06	02/02/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/03/06	02/03/06					93800	35.91	ACCRUAL - DAILY SWEEP
									41710	35.91	INTEREST DR STOP
		174,962.08	02/06/06	02/06/06					93800	107.71	ACCRUAL - DAILY SWEEP
									41710	107.71	INTEREST DR STOP
		174,962.08	02/07/06	02/07/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/08/06	02/08/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/09/06	02/09/06					93800	35.91	ACCRUAL - DAILY SWEEP
									41710	35.91	INTEREST DR STOP
		174,962.08	02/10/06	02/10/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/13/06	02/13/06					93800	107.71	ACCRUAL - DAILY SWEEP
									41710	107.71	INTEREST DR STOP
		174,962.08	02/14/06	02/14/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/15/06	02/15/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/16/06	02/16/06					93800	35.91	ACCRUAL - DAILY SWEEP
									41710	35.91	INTEREST DR STOP
		174,962.08	02/17/06	02/17/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/21/06	02/21/06					93800	143.61	ACCRUAL - DAILY SWEEP
									41710	143.61	INTEREST DR STOP
		174,962.08	02/22/06	02/22/06					93800	35.91	ACCRUAL - DAILY SWEEP
									41710	35.91	INTEREST DR STOP
		174,962.08	02/23/06	02/23/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,962.08	02/24/06	02/24/06					93800	35.90	ACCRUAL - DAILY SWEEP
									41710	35.90	INTEREST DR STOP
		174,962.08	02/27/06	02/27/06					93800	107.71	ACCRUAL - DAILY SWEEP
									41710	107.71	INTEREST DR STOP
		174,962.08	02/28/06	02/28/06					93800	37.10	ACCRUAL - DAILY SWEEP
									41710	37.10	INTEREST DR STOP
		174,962.08	02/28/06	03/01/06					94800	37.10	ACCRUAL - ACTIVITY
									42710	37.10	INTEREST CR STOP
		174,962.08	02/28/06	03/01/06					94800	35.90	ACCRUAL - ACTIVITY
									42710	35.90	INTEREST CR STOP
		0.00	03/01/06	03/01/06					35220	0.00	RATE CHANGE OCCURRED
		0.00	03/01/06	03/01/06							OLD RATE = .07490
		0.00	03/01/06	03/01/06							NEW RATE = .07740
		174,962.08	03/01/06	03/01/06					93800	35.90	ACCRUAL - ACTIVITY
									41710	35.90	INTEREST DR STOP
		174,962.08	03/01/06	03/01/06					93800	37.10	ACCRUAL - ACTIVITY
									41710	37.10	INTEREST DR STOP
		174,962.08	03/01/06	03/01/06					93800	37.10	ACCRUAL - DAILY SWEEP
									41710	37.10	INTEREST DR STOP
		174,962.08	03/02/06	03/02/06					93800	37.11	ACCRUAL - DAILY SWEEP
									41710	37.11	INTEREST DR STOP
		174,962.08	03/03/06	03/03/06					93800	37.10	ACCRUAL - DAILY SWEEP
									41710	37.10	INTEREST DR STOP
		174,962.08	03/06/06	03/06/06					93800	111.30	ACCRUAL - DAILY SWEEP
									41710	111.30	INTEREST DR STOP
		174,962.08	03/07/06	03/07/06					93800	37.10	ACCRUAL - DAILY SWEEP
									41710	37.10	INTEREST DR STOP
		174,962.08	03/08/06	03/08/06					93800	37.10	ACCRUAL - DAILY SWEEP
									41710	37.10	INTEREST DR STOP
		174,962.08	03/09/06	03/09/06					93800	37.11	ACCRUAL - DAILY SWEEP
									41710	37.11	INTEREST DR STOP
		174,962.08	03/10/06	03/10/06					93800	37.10	ACCRUAL - DAILY SWEEP
									41710	37.10	INTEREST DR STOP
		174,962.08	03/13/06	03/13/06					93800	111.30	ACCRUAL - DAILY SWEEP
									41710	111.30	INTEREST DR STOP
		174,962.08	03/14/06	03/14/06					93800	37.10	ACCRUAL - DAILY SWEEP
									41710	37.10	INTEREST DR STOP
		174,962.08	03/15/06	03/15/06					93800	37.11	ACCRUAL - DAILY SWEEP
									41710	37.11	INTEREST DR STOP

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	***** TRANSACTION HISTORY *****									
					CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION			
					174,962.08	03/16/06	03/16/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	03/17/06	03/17/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	03/20/06	03/20/06		93800	111.30	ACCRUAL - DAILY SWEEP			
									41710	111.30	INTEREST DR STOP			
					174,962.08	03/21/06	03/21/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	03/22/06	03/22/06		93800	37.11	ACCRUAL - DAILY SWEEP			
									41710	37.11	INTEREST DR STOP			
					174,962.08	03/23/06	03/23/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	03/24/06	03/24/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	03/27/06	03/27/06		93800	111.30	ACCRUAL - DAILY SWEEP			
									41710	111.30	INTEREST DR STOP			
					174,962.08	03/28/06	03/28/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	03/29/06	03/29/06		93800	37.11	ACCRUAL - DAILY SWEEP			
									41710	37.11	INTEREST DR STOP			
					174,962.08	03/30/06	03/30/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	03/31/06	03/31/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	04/03/06	04/03/06		93800	111.30	ACCRUAL - DAILY SWEEP			
									41710	111.30	INTEREST DR STOP			
					174,962.08	04/04/06	04/04/06		93800	37.11	ACCRUAL - DAILY SWEEP			
									41710	37.11	INTEREST DR STOP			
					174,962.08	04/05/06	04/05/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	04/06/06	04/06/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	04/07/06	04/07/06		93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
					174,962.08	04/10/06	04/10/06		93800	111.30	ACCRUAL - DAILY SWEEP			
									41710	111.30	INTEREST DR STOP			
					174,962.08	04/11/06	04/11/06		93800	37.11	ACCRUAL - DAILY SWEEP			
									41710	37.11	INTEREST DR STOP			
					174,962.08	04/12/06	04/12/06		93800	37.10	ACCRUAL - DAILY SWEEP			

					***** TRANSACTION HISTORY *****									
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/13/06	04/13/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/14/06	04/14/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/17/06	04/17/06					93800	111.30	ACCRUAL - DAILY SWEEP			
									41710	111.30	INTEREST DR STOP			
		174,962.08	04/18/06	04/18/06					93800	37.11	ACCRUAL - DAILY SWEEP			
									41710	37.11	INTEREST DR STOP			
		174,962.08	04/19/06	04/19/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/20/06	04/20/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/21/06	04/21/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/24/06	04/24/06					93800	111.31	ACCRUAL - DAILY SWEEP			
									41710	111.31	INTEREST DR STOP			
		174,962.08	04/25/06	04/25/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/26/06	04/26/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/27/06	04/27/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/28/06	04/28/06					93800	37.10	ACCRUAL - DAILY SWEEP			
									41710	37.10	INTEREST DR STOP			
		174,962.08	04/30/06	05/01/06					94800	37.11	ACCRUAL - ACTIVITY			
									41710	37.11	INTEREST DR STOP			
		174,962.08	04/30/06	05/01/06					94800	37.10	ACCRUAL - ACTIVITY			
									42710	37.10	INTEREST CR STOP			
		0.00	05/01/06	05/01/06					35220	0.00	RATE CHANGE OCCURRED			
		0.00	05/01/06	05/01/06							OLD RATE = .07740			
		0.00	05/01/06	05/01/06							NEW RATE = .07990			
		174,962.08	05/01/06	05/01/06					93800	37.10	ACCRUAL - ACTIVITY			
									41710	37.10	INTEREST DR STOP			
		174,962.08	05/01/06	05/01/06					93800	38.29	ACCRUAL - ACTIVITY			
									41710	38.29	INTEREST DR STOP			
		174,962.08	05/01/06	05/01/06					93800	38.30	ACCRUAL - DAILY SWEEP			
									41710	38.30	INTEREST DR STOP			
		174,962.08	05/02/06	05/02/06					93800	38.30	ACCRUAL - DAILY SWEEP			

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									41710	38.30	INTEREST DR STOP
					174,962.08	05/03/06	05/03/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/04/06	05/04/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/05/06	05/05/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/08/06	05/08/06		93800	114.90	ACCRUAL - DAILY SWEEP
									41710	114.90	INTEREST DR STOP
					174,962.08	05/09/06	05/09/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/10/06	05/10/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/11/06	05/11/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/12/06	05/12/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/15/06	05/15/06		93800	114.90	ACCRUAL - DAILY SWEEP
									41710	114.90	INTEREST DR STOP
					174,962.08	05/15/06	05/26/06		60030	50.00	FORECLOSURE L/C PMT
					174,962.08	05/15/06	05/26/06		64000	1,947.31	FORECLOSURE PAYMENT
									64810	1,494.63	PAYMENT INTEREST
									64810	452.68	PAYMENT INTEREST
					174,962.08	05/15/06	05/26/06		94800	421.29	ACCRUAL - ACTIVITY
									42810	421.29	INTEREST CR
					174,962.08	05/16/06	05/16/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/17/06	05/17/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/18/06	05/18/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/19/06	05/19/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/22/06	05/22/06		93800	114.90	ACCRUAL - DAILY SWEEP
									41710	114.90	INTEREST DR STOP
					174,962.08	05/23/06	05/23/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
					174,962.08	05/24/06	05/24/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,962.08				05/25/06	05/25/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
						05/26/06	05/26/06		35775	0.00	REMOVE BLOCK OR FREEZE
						05/26/06	05/26/06		35228	0.00	C0182-STP-ACR-ATY-COD
						05/26/06	05/26/06		35782	0.00	MEMO STOP ACCRUALS
						05/26/06	05/26/06		35228	0.00	C0182-STP-ACR-ATY-COD
						05/26/06	05/26/06		35781	0.00	REINSTATE MEMO ACCRUALS
		174,962.08				05/26/06	05/26/06		42710	6,175.48	REINSTATE MEMO ACCRUALS
									42710	6,175.48	INTEREST CR STOP
									41810	6,175.48	INTEREST DR
						05/26/06	05/26/06		35785	0.00	FREEZE ACCOUNT, REASON:
						05/26/06	05/26/06		35228	0.00	C0182-STP-ACR-ATY-COD
						05/26/06	05/26/06		35782	0.00	MEMO STOP ACCRUALS
		174,962.08				05/26/06	05/26/06		94800	421.29	ACCRUAL - ACTIVITY
									41810	421.29	INTEREST DR
						05/26/06	05/26/06		36500	0.00	A0325-TIK-REF-NUM
		174,962.08				05/26/06	05/26/06		99900	842.60	BACKDATING ADJUSTMENT
									41910	421.30	BACKDATING INTEREST DR ST
									42911	421.30	BACKDATING INTEREST CR
		174,962.08				05/26/06	05/26/06		93800	38.30	ACCRUAL - DAILY SWEEP
									41710	38.30	INTEREST DR STOP
						05/26/06	05/26/06		95800	0.00	STATEMENT PRODUCED
						05/26/06	09/13/06		35781	0.00	REINSTATE MEMO ACCRUALS
		174,962.08				05/30/06	05/30/06		93800	153.20	ACCRUAL - DAILY SWEEP
									41710	153.20	INTEREST DR STOP
		174,962.08				05/31/06	05/31/06		93800	39.50	ACCRUAL - DAILY SWEEP
									41710	39.50	INTEREST DR STOP
		174,962.08				05/31/06	06/01/06		94800	39.49	ACCRUAL - ACTIVITY
									42710	39.49	INTEREST CR STOP
		174,962.08				05/31/06	06/01/06		94800	38.29	ACCRUAL - ACTIVITY
									42710	38.29	INTEREST CR STOP
						06/01/06	06/01/06		35220	0.00	RATE CHANGE OCCURRED
						06/01/06	06/01/06				OLD RATE = .07990
						06/01/06	06/01/06				NEW RATE = .08240
		174,962.08				06/01/06	06/01/06		93800	38.29	ACCRUAL - ACTIVITY
									41710	38.29	INTEREST DR STOP
		174,962.08				06/01/06	06/01/06		93800	39.49	ACCRUAL - ACTIVITY
									41710	39.49	INTEREST DR STOP
		174,962.08				06/01/06	06/01/06		93800	39.50	ACCRUAL - DAILY SWEEP

					***** TRANSACTION HISTORY *****				
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE
									TRANSACTION AMOUNT
									HISTORY DESCRIPTION
									41710 39.50 INTEREST DR STOP
					174,962.08	06/02/06	06/02/06		93800 39.49 ACCRUAL - DAILY SWEEP
									41710 39.49 INTEREST DR STOP
					174,962.08	06/05/06	06/05/06		93800 118.50 ACCRUAL - DAILY SWEEP
									41710 118.50 INTEREST DR STOP
					174,962.08	06/06/06	06/06/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/07/06	06/07/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/08/06	06/08/06		93800 39.49 ACCRUAL - DAILY SWEEP
									41710 39.49 INTEREST DR STOP
					174,962.08	06/09/06	06/09/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/12/06	06/12/06		93800 118.50 ACCRUAL - DAILY SWEEP
									41710 118.50 INTEREST DR STOP
					174,962.08	06/13/06	06/13/06		93800 39.49 ACCRUAL - DAILY SWEEP
									41710 39.49 INTEREST DR STOP
					174,962.08	06/14/06	06/14/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/15/06	06/15/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/16/06	06/16/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/19/06	06/19/06		93800 118.49 ACCRUAL - DAILY SWEEP
									41710 118.49 INTEREST DR STOP
					174,962.08	06/20/06	06/20/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/21/06	06/21/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/22/06	06/22/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/23/06	06/23/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/26/06	06/26/06		93800 118.49 ACCRUAL - DAILY SWEEP
									41710 118.49 INTEREST DR STOP
					174,962.08	06/27/06	06/27/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP
					174,962.08	06/28/06	06/28/06		93800 39.50 ACCRUAL - DAILY SWEEP
									41710 39.50 INTEREST DR STOP

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,962.08	06/29/06	06/29/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	06/30/06	06/30/06	93800					39.49	ACCRUAL - DAILY SWEEP
					41710					39.49	INTEREST DR STOP
		174,962.08	07/03/06	07/03/06	93800					118.50	ACCRUAL - DAILY SWEEP
					41710					118.50	INTEREST DR STOP
		174,962.08	07/05/06	07/05/06	93800					79.00	ACCRUAL - DAILY SWEEP
					41710					79.00	INTEREST DR STOP
		174,962.08	07/06/06	07/06/06	93800					39.49	ACCRUAL - DAILY SWEEP
					41710					39.49	INTEREST DR STOP
		174,962.08	07/07/06	07/07/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/10/06	07/10/06	93800					118.50	ACCRUAL - DAILY SWEEP
					41710					118.50	INTEREST DR STOP
		174,962.08	07/11/06	07/11/06	93800					39.49	ACCRUAL - DAILY SWEEP
					41710					39.49	INTEREST DR STOP
		174,962.08	07/12/06	07/12/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/13/06	07/13/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/14/06	07/14/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/17/06	07/17/06	93800					118.49	ACCRUAL - DAILY SWEEP
					41710					118.49	INTEREST DR STOP
		174,962.08	07/18/06	07/18/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/19/06	07/19/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/20/06	07/20/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/21/06	07/21/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/24/06	07/24/06	93800					118.49	ACCRUAL - DAILY SWEEP
					41710					118.49	INTEREST DR STOP
		174,962.08	07/25/06	07/25/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/26/06	07/26/06	93800					39.50	ACCRUAL - DAILY SWEEP
					41710					39.50	INTEREST DR STOP
		174,962.08	07/27/06	07/27/06	93800					39.50	ACCRUAL - DAILY SWEEP

					***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
								41710	39.50	INTEREST DR STOP
					174,962.08	07/28/06	07/28/06	93800	39.49	ACCRUAL - DAILY SWEEP
								41710	39.49	INTEREST DR STOP
					174,962.08	07/31/06	07/31/06	93800	119.70	ACCRUAL - DAILY SWEEP
								41710	119.70	INTEREST DR STOP
					174,962.08	07/31/06	08/01/06	94800	40.69	ACCRUAL - ACTIVITY
								42710	40.69	INTEREST CR STOP
					174,962.08	07/31/06	08/01/06	94800	39.49	ACCRUAL - ACTIVITY
								42710	39.49	INTEREST CR STOP
					0.00	08/01/06	08/01/06	35220	0.00	RATE CHANGE OCCURRED
					0.00	08/01/06	08/01/06			OLD RATE = .08240
					0.00	08/01/06	08/01/06			NEW RATE = .08490
					174,962.08	08/01/06	08/01/06	93800	39.49	ACCRUAL - ACTIVITY
								41710	39.49	INTEREST DR STOP
					174,962.08	08/01/06	08/01/06	93800	40.69	ACCRUAL - ACTIVITY
								41710	40.69	INTEREST DR STOP
					174,962.08	08/01/06	08/01/06	93800	40.69	ACCRUAL - DAILY SWEEP
								41710	40.69	INTEREST DR STOP
					174,962.08	08/02/06	08/02/06	93800	40.70	ACCRUAL - DAILY SWEEP
								41710	40.70	INTEREST DR STOP
					174,962.08	08/03/06	08/03/06	93800	40.70	ACCRUAL - DAILY SWEEP
								41710	40.70	INTEREST DR STOP
					174,962.08	08/04/06	08/04/06	93800	40.69	ACCRUAL - DAILY SWEEP
								41710	40.69	INTEREST DR STOP
					174,962.08	08/07/06	08/07/06	93800	122.09	ACCRUAL - DAILY SWEEP
								41710	122.09	INTEREST DR STOP
					174,962.08	08/08/06	08/08/06	93800	40.70	ACCRUAL - DAILY SWEEP
								41710	40.70	INTEREST DR STOP
					174,962.08	08/09/06	08/09/06	93800	40.70	ACCRUAL - DAILY SWEEP
								41710	40.70	INTEREST DR STOP
					174,962.08	08/10/06	08/10/06	93800	40.69	ACCRUAL - DAILY SWEEP
								41710	40.69	INTEREST DR STOP
					174,962.08	08/11/06	08/11/06	93800	40.70	ACCRUAL - DAILY SWEEP
								41710	40.70	INTEREST DR STOP
					174,962.08	08/14/06	08/14/06	93800	122.09	ACCRUAL - DAILY SWEEP
								41710	122.09	INTEREST DR STOP
					174,962.08	08/15/06	08/15/06	93800	40.70	ACCRUAL - DAILY SWEEP
								41710	40.70	INTEREST DR STOP
					174,962.08	08/16/06	08/16/06	93800	40.69	ACCRUAL - DAILY SWEEP

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									41710	40.69	INTEREST DR STOP
		174,962.08	08/17/06	08/17/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	08/18/06	08/18/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	08/21/06	08/21/06					93800	122.09	ACCRUAL - DAILY SWEEP
									41710	122.09	INTEREST DR STOP
		174,962.08	08/22/06	08/22/06					93800	40.69	ACCRUAL - DAILY SWEEP
									41710	40.69	INTEREST DR STOP
		174,962.08	08/23/06	08/23/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	08/24/06	08/24/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	08/25/06	08/25/06					93800	40.69	ACCRUAL - DAILY SWEEP
									41710	40.69	INTEREST DR STOP
		174,962.08	08/28/06	08/28/06					93800	122.09	ACCRUAL - DAILY SWEEP
									41710	122.09	INTEREST DR STOP
		174,962.08	08/29/06	08/29/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	08/30/06	08/30/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	08/31/06	08/31/06					93800	40.69	ACCRUAL - DAILY SWEEP
									41710	40.69	INTEREST DR STOP
		174,962.08	09/01/06	09/01/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	09/05/06	09/05/06					93800	162.79	ACCRUAL - DAILY SWEEP
									41710	162.79	INTEREST DR STOP
		174,962.08	09/06/06	09/06/06					93800	40.69	ACCRUAL - DAILY SWEEP
									41710	40.69	INTEREST DR STOP
		174,962.08	09/07/06	09/07/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	09/08/06	09/08/06					93800	40.70	ACCRUAL - DAILY SWEEP
									41710	40.70	INTEREST DR STOP
		174,962.08	09/11/06	09/11/06					93800	122.09	ACCRUAL - DAILY SWEEP
									41710	122.09	INTEREST DR STOP
		174,504.20	09/11/06	09/13/06					64000	13,242.05	FORECLOSURE PAYMENT
									64810	12,784.17	PAYMENT INTEREST
									64820	457.88	PRINCIPAL PAYMENT
		174,962.08	09/11/06	09/13/06					94800	81.39	ACCRUAL - ACTIVITY

				***** TRANSACTION HISTORY *****									
BANK	APP	LOAN NUM	TYPE	ST	SHORT	CURRENT	EFFECT	POST	REF	TRAN	TRANSACTION	HISTORY	
					NAME	BALANCE	DATE	DATE	NUM	CODE	AMOUNT	DESCRIPTION	
										42810	81.39	INTEREST CR.	
		174,962.08	09/12/06	09/12/06		93800				41710	40.69	ACCRUAL - DAILY SWEEP	
			09/13/06	09/13/06		35775				35228	40.69	INTEREST DR STOP	
			09/13/06	09/13/06		42710				42710	0.00	REMOVE BLOCK OR FREEZE	
		174,962.08	09/13/06	09/13/06		42710				41810	0.00	C0182-STP-ACR-ATY-COD	
						42710				41810	4,812.84	REINSTATE MEMO ACCRUALS	
						42710				41810	4,812.84	INTEREST CR STOP	
			09/13/06	09/13/06		35785				35785	4,812.84	INTEREST DR	
			09/13/06	09/13/06		36500				93800	0.00	FREEZE ACCOUNT, REASON:	
		174,504.20	09/13/06	09/13/06		93800				41810	0.00	A0325-TIK-REF-NUM	
						41810				35761	81.18	ACCRUAL - ACTIVITY	
			09/18/06	09/18/06		35761				35772	81.18	INTEREST DR	
			09/19/06	09/19/06		35772				35775	0.00	NOW INACTIVE IN CACS	
			09/19/06	09/19/06		35775				93800	0.00	REMOVE FROM FORECLOSURE	
		174,504.20	09/22/06	09/22/06		93800				41810	0.00	REMOVE BLOCK OR FREEZE	
						41810				95800	405.90	ACCRUAL - DAILY SWEEP	
			09/22/06	09/22/06		95800				35761	405.90	INTEREST DR	
			10/17/06	10/17/06		35761				93800	0.00	STATEMENT PRODUCED	
		174,504.20	10/24/06	10/24/06		93800				41810	0.00	NOW ACTIVE IN CACS	
						41810				93800	1,298.88	ACCRUAL - DAILY SWEEP	
			10/24/06	10/24/06		95800				61830	1,298.88	INTEREST DR	
		174,504.20	10/26/06	10/26/06		61830				93800	0.00	STATEMENT PRODUCED	
		174,504.20	11/22/06	11/22/06		93800				41810	10.00	LATE CHARGE ASSESSED	
						41810				93800	1,177.12	ACCRUAL - DAILY SWEEP	
			11/22/06	11/22/06		95800				35868	1,177.12	INTEREST DR	
			11/27/06	11/27/06		35868				61830	0.00	STATEMENT PRODUCED	
		174,504.20	11/27/06	11/27/06		61830				35995	0.00	C0182-SID-LN-POO-NUM	
		174,504.20	11/29/06	11/29/06		35995				65080	10.00	LATE CHARGE ASSESSED	
		174,504.20	12/18/06	12/18/06	E03	65080				93800	174,504.20	LOAN SOLD TO POOL	
		174,504.20	12/18/06	12/18/06		93800				41810	225.00	PEAK 508976-1	
						41810				93800	1,014.75	ACCRUAL - ACTIVITY	
		174,504.20	12/22/06	12/22/06		93800				41810	1,014.75	INTEREST DR	
						41810				95800	202.95	ACCRUAL - DAILY SWEEP	
			12/22/06	12/22/06		95800				61830	202.95	INTEREST DR	
		174,504.20	12/26/06	12/26/06		61830				35577	0.00	STATEMENT PRODUCED	
			01/10/07	01/10/07		35577				64000	10.00	LATE CHARGE ASSESSED	
		174,504.20	01/10/07	01/10/07		64000				64810	0.00	PAYOFF QUOTE	
						64810					1,500.00	PAYMENT	
											1,068.42	PAYMENT INTEREST	

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									64810	431.58	PAYMENT INTEREST
		174,504.20			01/10/07	01/10/07			94800	730.62	ACCRUAL - ACTIVITY
									41810	730.62	INTEREST DR
		174,504.20			01/24/07	01/24/07			93800	608.85	ACCRUAL - DAILY SWEEP
									41810	608.85	INTEREST DR
					01/24/07	01/24/07			95800	0.00	STATEMENT PRODUCED
		174,504.20			01/26/07	01/26/07			61830	10.00	LATE CHARGE ASSESSED
		174,504.20			02/21/07	02/21/07			93800	1,136.53	ACCRUAL - DAILY SWEEP
									41810	1,136.53	INTEREST DR
					02/21/07	02/21/07			95800	0.00	STATEMENT PRODUCED
					02/22/07	02/22/07			35577	0.00	PAYOFF QUOTE
		174,504.20			02/22/07	02/22/07			64000	1,500.00	PAYMENT
									64810	1,500.00	PAYMENT INTEREST
					03/22/07	03/22/07			35577	0.00	PAYOFF QUOTE
		174,504.20			03/22/07	03/22/07			64000	1,000.00	PAYMENT
									64810	1,000.00	PAYMENT INTEREST
		174,504.20			03/22/07	03/22/07			94800	1,136.52	ACCRUAL - ACTIVITY
									41810	1,136.52	INTEREST DR
		174,504.20			03/23/07	03/23/07			93800	81.18	ACCRUAL - DAILY SWEEP
									41810	81.18	INTEREST DR
					03/23/07	03/23/07			95800	0.00	STATEMENT PRODUCED
		174,504.20			03/29/07	03/29/07			64000	984.21	PAYMENT
									64810	984.21	PAYMENT INTEREST
		174,504.20			03/29/07	03/29/07			94800	202.95	ACCRUAL - ACTIVITY
									41810	202.95	INTEREST DR
		174,504.20			03/29/07	03/30/07			63000	984.21	PAYMENT REVERSAL
									63810	984.21	PAY REV INTEREST
					03/30/07	03/30/07			35577	0.00	PAYOFF QUOTE
					03/30/07	03/30/07			36500	0.00	A0325-TIK-REF-NUM
		174,504.20			04/23/07	04/23/07			93800	1,055.34	ACCRUAL - DAILY SWEEP
									41810	1,055.34	INTEREST DR
					04/23/07	04/23/07			95800	0.00	STATEMENT PRODUCED
					04/25/07	04/25/07			35577	0.00	PAYOFF QUOTE
		174,504.20			04/25/07	04/25/07			64000	1,200.00	PAYMENT
									64810	1,005.26	PAYMENT INTEREST
									64810	194.74	PAYMENT INTEREST
		174,504.20			04/25/07	04/25/07			94800	40.59	ACCRUAL - ACTIVITY
									41810	40.59	INTEREST DR
					04/26/07	04/26/07			35577	0.00	PAYOFF QUOTE

***** TRANSACTION HISTORY *****				
BANK	APP	LOAN NUM	TYP ST	SHORT NAME
				CURRENT EFFECT POST REF TRAN TRANSACTION HISTORY
				BALANCE DATE DATE NUM CODE AMOUNT DESCRIPTION
				0.00 04/30/07 04/30/07 58050 0.00 EXTENSION
				04/30/07 04/30/07 36500 0.00 A0325-TIK-REF-NUM
		174,504.20		04/30/07 04/30/07 93800 202.96 ACCRUAL - ACTIVITY
				41810 202.96 INTEREST DR
				05/01/07 05/01/07 36500 0.00 A0325-TIK-REF-NUM
				05/01/07 05/01/07 35761 0.00 NOW INACTIVE IN CACS
		174,504.20		05/11/07 05/11/07 64800 984.21 DDA/ACH PAYMENT TRANS
				64810 789.47 PAYMENT INTEREST
				64810 194.74 PAYMENT INTEREST
		174,504.20		05/11/07 05/11/07 94800 446.49 ACCRUAL - ACTIVITY
				41810 446.49 INTEREST DR
		174,504.20		05/11/07 05/15/07 63000 984.21 PMR - NO ACCT/CANNOT LOC
				63810 789.47 PAY REV INTEREST
				63810 194.74 PAY REV INTEREST
				05/15/07 05/15/07 35235 0.00 C0182-DR-BIL-COD
				05/15/07 05/15/07 35240 0.00 C0182-DDA-SAV-COD
				05/15/07 05/15/07 35245 0.00 C0182-DEP-ACT-NUM
				05/15/07 05/15/07 35250 0.00 C0182-ACH-NUM
				05/15/07 05/15/07 36500 0.00 A0325-TIK-REF-NUM
				05/17/07 05/17/07 35761 0.00 NOW ACTIVE IN CACS
		174,504.20		05/24/07 05/24/07 93800 568.26 ACCRUAL - DAILY SWEEP
				41810 568.26 INTEREST DR
				05/24/07 05/24/07 95800 0.00 STATEMENT PRODUCED
				05/25/07 05/25/07 35577 0.00 PAYOFF QUOTE
		174,504.20		05/25/07 05/25/07 64000 1,000.00 PAYMENT
				64810 789.47 PAYMENT INTEREST
				64810 210.53 PAYMENT INTEREST
				05/29/07 05/29/07 35761 0.00 NOW INACTIVE IN CACS
				06/19/07 06/19/07 35761 0.00 NOW ACTIVE IN CACS
		174,504.20		06/22/07 06/22/07 93800 1,177.11 ACCRUAL - DAILY SWEEP
				41810 1,177.11 INTEREST DR
				06/22/07 06/22/07 95800 0.00 STATEMENT PRODUCED
		174,504.20		06/26/07 06/26/07 61830 10.00 LATE CHARGE ASSESSED
				07/19/07 07/19/07 35785 0.00 FREEZE ACCOUNT, REASON: G
				07/19/07 07/19/07 35771 0.00 PLACE IN FORECLOSURE
				07/24/07 07/24/07 35577 0.00 PAYOFF QUOTE
		174,504.20		07/24/07 07/24/07 93800 1,298.89 ACCRUAL - DAILY SWEEP
				41810 1,298.89 INTEREST DR
				07/24/07 07/24/07 95800 0.00 STATEMENT PRODUCED

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
						07/25/07	07/25/07		36500	0.00	A0325-TIK-REF-NUM
		174,504.20				08/24/07	08/24/07		93800	1,258.29	ACCRUAL - DAILY SWEEP
									41810	1,258.29	INTEREST DR
		174,504.20				08/27/07	08/27/07		93800	121.77	ACCRUAL - DAILY SWEEP
									41810	121.77	INTEREST DR
		174,504.20				08/28/07	08/28/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				08/29/07	08/29/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				08/30/07	08/30/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				08/31/07	08/31/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/04/07	09/04/07		93800	162.36	ACCRUAL - DAILY SWEEP
									41810	162.36	INTEREST DR
		174,504.20				09/05/07	09/05/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/06/07	09/06/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/07/07	09/07/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/10/07	09/10/07		93800	121.77	ACCRUAL - DAILY SWEEP
									41810	121.77	INTEREST DR
		174,504.20				09/11/07	09/11/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/12/07	09/12/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/13/07	09/13/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/14/07	09/14/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/17/07	09/17/07		93800	121.77	ACCRUAL - DAILY SWEEP
									41810	121.77	INTEREST DR
		174,504.20				09/18/07	09/18/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/19/07	09/19/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
		174,504.20				09/20/07	09/20/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					174,504.20	09/21/07	09/21/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
					174,504.20	09/24/07	09/24/07		93800	121.77	ACCRUAL - DAILY SWEEP
									41810	121.77	INTEREST DR
					174,504.20	09/25/07	09/25/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
					174,504.20	09/26/07	09/26/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
					174,504.20	09/27/07	09/27/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
					174,504.20	09/28/07	09/28/07		93800	40.59	ACCRUAL - DAILY SWEEP
									41810	40.59	INTEREST DR
					174,504.20	09/30/07	10/01/07		94800	40.60	ACCRUAL - ACTIVITY
									41810	40.60	INTEREST DR
					174,504.20	09/30/07	10/01/07		94800	40.59	ACCRUAL - ACTIVITY
									42810	40.59	INTEREST CR
					0.00	10/01/07	10/01/07		35220	0.00	RATE CHANGE OCCURRED
					0.00	10/01/07	10/01/07				OLD RATE = .08490
					0.00	10/01/07	10/01/07				NEW RATE = .07990
					174,504.20	10/01/07	10/01/07		93800	40.59	ACCRUAL - ACTIVITY
									41810	40.59	INTEREST DR
					174,504.20	10/01/07	10/01/07		93800	38.19	ACCRUAL - ACTIVITY
									41810	38.19	INTEREST DR
					174,504.20	10/01/07	10/01/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/02/07	10/02/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/03/07	10/03/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/04/07	10/04/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/05/07	10/05/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/09/07	10/09/07		93800	152.80	ACCRUAL - DAILY SWEEP
									41810	152.80	INTEREST DR
					174,504.20	10/10/07	10/10/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/11/07	10/11/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					174,504.20	10/12/07	10/12/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
						10/15/07	10/15/07		36500	0.00	A0325-TIK-REF-NUM
					174,504.20	10/15/07	10/15/07		93800	114.60	ACCRUAL - DAILY SWEEP
									41810	114.60	INTEREST DR
					174,504.20	10/16/07	10/16/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/17/07	10/17/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/18/07	10/18/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/19/07	10/19/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/22/07	10/22/07		93800	114.59	ACCRUAL - DAILY SWEEP
									41810	114.59	INTEREST DR
					174,504.20	10/23/07	10/23/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/24/07	10/24/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/25/07	10/25/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/26/07	10/26/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/29/07	10/29/07		93800	114.60	ACCRUAL - DAILY SWEEP
									41810	114.60	INTEREST DR
					174,504.20	10/30/07	10/30/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	10/31/07	10/31/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	11/01/07	11/01/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	11/02/07	11/02/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	11/05/07	11/05/07		93800	114.60	ACCRUAL - DAILY SWEEP
									41810	114.60	INTEREST DR
					174,504.20	11/06/07	11/06/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR
					174,504.20	11/07/07	11/07/07		93800	38.20	ACCRUAL - DAILY SWEEP
									41810	38.20	INTEREST DR

***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	
CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	
				TRANSACTION AMOUNT	
				HISTORY DESCRIPTION	
174,504.20	11/08/07	11/08/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/09/07	11/09/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/13/07	11/13/07		93800	152.80 ACCRUAL - DAILY SWEEP
				41810	152.80 INTEREST DR
174,504.20	11/14/07	11/14/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/15/07	11/15/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/16/07	11/16/07		93800	38.19 ACCRUAL - DAILY SWEEP
				41810	38.19 INTEREST DR
174,504.20	11/19/07	11/19/07		93800	114.60 ACCRUAL - DAILY SWEEP
				41810	114.60 INTEREST DR
174,504.20	11/20/07	11/20/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/21/07	11/21/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/23/07	11/23/07		93800	76.40 ACCRUAL - DAILY SWEEP
				41810	76.40 INTEREST DR
174,504.20	11/26/07	11/26/07		93800	114.60 ACCRUAL - DAILY SWEEP
				41810	114.60 INTEREST DR
174,504.20	11/27/07	11/27/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/28/07	11/28/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/29/07	11/29/07		93800	38.20 ACCRUAL - DAILY SWEEP
				41810	38.20 INTEREST DR
174,504.20	11/30/07	11/30/07		93800	37.00 ACCRUAL - DAILY SWEEP
				41810	37.00 INTEREST DR
174,504.20	11/30/07	12/03/07		94800	37.00 ACCRUAL - ACTIVITY
				42810	37.00 INTEREST CR
174,504.20	11/30/07	12/03/07		94800	114.59 ACCRUAL - ACTIVITY
				42810	114.59 INTEREST CR
0.00	12/01/07	12/03/07		35220	0.00 RATE CHANGE OCCURRED
0.00	12/01/07	12/03/07			OLD RATE = .07990
0.00	12/01/07	12/03/07			NEW RATE = .07740
174,504.20	12/03/07	12/03/07		93800	114.60 ACCRUAL - ACTIVITY
				41810	114.60 INTEREST DR

***** TRANSACTION HISTORY *****								
BANK	APP	LOAN NUM	TYP ST	SHORT NAME				
		CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,504.20	12/03/07	12/03/07		93800	37.00	ACCRUAL - ACTIVITY
						41810	37.00	INTEREST DR
		174,504.20	12/03/07	12/03/07		93800	111.01	ACCRUAL - DAILY SWEEP
						41810	111.01	INTEREST DR
		174,504.20	12/04/07	12/04/07		93800	37.00	ACCRUAL - DAILY SWEEP
						41810	37.00	INTEREST DR
		174,504.20	12/05/07	12/05/07		93800	37.01	ACCRUAL - DAILY SWEEP
						41810	37.01	INTEREST DR
		174,504.20	12/05/07	12/13/07		60030	50.00	FORECLOSURE L/C PMT
		174,504.20	12/05/07	12/13/07		64000	7,135.51	FORECLOSURE PAYMENT
						64810	6,924.98	PAYMENT INTEREST
						64810	210.53	PAYMENT INTEREST
		174,504.20	12/05/07	12/13/07		94800	296.03	ACCRUAL - ACTIVITY
						42810	296.03	INTEREST CR
		174,504.20	12/06/07	12/06/07		93800	37.00	ACCRUAL - DAILY SWEEP
						41810	37.00	INTEREST DR
		174,504.20	12/07/07	12/07/07		93800	37.00	ACCRUAL - DAILY SWEEP
						41810	37.00	INTEREST DR
		174,504.20	12/10/07	12/10/07		93800	74.01	ACCRUAL - ACTIVITY
						41810	74.01	INTEREST DR
		174,504.20	12/10/07	12/10/07		93800	37.01	ACCRUAL - DAILY SWEEP
						41710	37.01	INTEREST DR STOP
		174,504.20	12/11/07	12/11/07		93800	37.00	ACCRUAL - DAILY SWEEP
						41710	37.00	INTEREST DR STOP
		174,504.20	12/12/07	12/12/07		93800	37.01	ACCRUAL - DAILY SWEEP
						41710	37.01	INTEREST DR STOP
			12/13/07	12/13/07		35775	0.00	REMOVE BLOCK OR FREEZE
			12/13/07	12/13/07		35228	0.00	C0182-STP-ACR-ATY-COD
			12/13/07	12/13/07		35782	0.00	MEMO STOP ACCRUALS
			12/13/07	12/13/07		35228	0.00	C0182-STP-ACR-ATY-COD
			12/13/07	12/13/07		35781	0.00	REINSTATE MEMO ACCRUALS
		174,504.20	12/13/07	12/13/07		42710	111.02	REINSTATE MEMO ACCRUALS
						42710	111.02	INTEREST CR STOP
						41810	111.02	INTEREST DR
			12/13/07	12/13/07		35785	0.00	FREEZE ACCOUNT, REASON:
			12/13/07	12/13/07		36500	0.00	A0325-TIK-REF-NUM
		174,504.20	12/13/07	12/13/07		93800	296.03	ACCRUAL - ACTIVITY
						41810	296.03	INTEREST DR
		174,504.20	12/13/07	12/13/07		93800	37.00	ACCRUAL - DAILY SWEEP

***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	
CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	
TRANSACTION AMOUNT	HISTORY DESCRIPTION				
	12/13/07	12/13/07		41810	37.00 INTEREST DR
	12/19/07	12/19/07		95800	0.00 STATEMENT PRODUCED
	12/19/07	12/19/07		35775	0.00 REMOVE BLOCK OR FREEZE
	12/19/07	12/19/07		35772	0.00 REMOVE FROM FORECLOSURE
174,504.20	12/24/07	12/24/07		93800	407.05 ACCRUAL - DAILY SWEEP
				41810	407.05 INTEREST DR
	12/24/07	12/24/07		95800	0.00 STATEMENT PRODUCED
	12/26/07	12/26/07		35577	0.00 PAYOFF QUOTE
174,504.20	12/26/07	12/26/07		64000	1,020.00 PAYMENT
				64810	1,019.73 PAYMENT INTEREST
				64810	0.27 PAYMENT INTEREST
174,504.20	12/26/07	12/26/07		94800	37.00 ACCRUAL - ACTIVITY
				41810	37.00 INTEREST DR
	12/27/07	12/27/07		35761	0.00 NOW INACTIVE IN CACS
174,504.20	12/31/07	01/02/08		94800	185.03 ACCRUAL - ACTIVITY
				41810	185.03 INTEREST DR
174,504.20	12/31/07	01/02/08		94800	73.80 ACCRUAL - ACTIVITY
				42810	73.80 INTEREST CR
0.00	01/01/08	01/02/08		35220	0.00 RATE CHANGE OCCURRED
0.00	01/01/08	01/02/08			OLD RATE = .07740
0.00	01/01/08	01/02/08			NEW RATE = .07490
174,504.20	01/02/08	01/02/08		93800	73.80 ACCRUAL - ACTIVITY
				41810	73.80 INTEREST DR
174,504.20	01/02/08	01/02/08		93800	35.71 ACCRUAL - ACTIVITY
				41810	35.71 INTEREST DR
	01/17/08	01/17/08		35761	0.00 NOW ACTIVE IN CACS
174,504.20	01/24/08	01/24/08		93800	857.07 ACCRUAL - DAILY SWEEP
				41810	857.07 INTEREST DR
	01/24/08	01/24/08		95800	0.00 STATEMENT PRODUCED
174,504.20	01/28/08	01/28/08		61830	10.00 LATE CHARGE ASSESSED
174,504.20	01/31/08	02/01/08		94800	214.27 ACCRUAL - ACTIVITY
				41810	214.27 INTEREST DR
174,504.20	01/31/08	02/01/08		94800	35.71 ACCRUAL - ACTIVITY
				42810	35.71 INTEREST CR
0.00	02/01/08	02/01/08		35220	0.00 RATE CHANGE OCCURRED
0.00	02/01/08	02/01/08			OLD RATE = .07490
0.00	02/01/08	02/01/08			NEW RATE = .06740
174,504.20	02/01/08	02/01/08		93800	35.71 ACCRUAL - ACTIVITY
				41810	35.71 INTEREST DR

***** TRANSACTION HISTORY *****								
BANK	APP	LOAN NUM	TYP ST	SHORT NAME				
		CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,504.20	02/01/08	02/01/08		93800	32.13	ACCRUAL - ACTIVITY
						41810	32.13	INTEREST DR
			02/21/08	02/21/08		35577	0.00	PAYOFF QUOTE
		174,504.20	02/21/08	02/21/08		64000	1,200.00	PAYMENT
						64810	1,200.00	PAYMENT INTEREST
		174,504.20	02/21/08	02/21/08		94800	642.71	ACCRUAL - ACTIVITY
						41810	642.71	INTEREST DR
		174,504.20	02/22/08	02/22/08		93800	64.27	ACCRUAL - DAILY SWEEP
						41810	64.27	INTEREST DR
			02/22/08	02/22/08		95800	0.00	STATEMENT PRODUCED
		174,504.20	02/26/08	02/26/08		61830	1.51	LATE CHARGE ASSESSED
		174,504.20	02/29/08	03/03/08		94800	192.82	ACCRUAL - ACTIVITY
						41810	192.82	INTEREST DR
		174,504.20	02/29/08	03/03/08		94800	96.40	ACCRUAL - ACTIVITY
						42810	96.40	INTEREST CR
		0.00	03/01/08	03/03/08		35220	0.00	RATE CHANGE OCCURRED
		0.00	03/01/08	03/03/08				OLD RATE = .06740
		0.00	03/01/08	03/03/08				NEW RATE = .06240
		174,504.20	03/03/08	03/03/08		93800	96.40	ACCRUAL - ACTIVITY
						41810	96.40	INTEREST DR
		174,504.20	03/03/08	03/03/08		93800	29.75	ACCRUAL - ACTIVITY
						41810	29.75	INTEREST DR
		174,504.20	03/24/08	03/24/08		93800	714.03	ACCRUAL - DAILY SWEEP
						41810	714.03	INTEREST DR
			03/24/08	03/24/08		95800	0.00	STATEMENT PRODUCED
			03/25/08	03/25/08		35577	0.00	PAYOFF QUOTE
		174,504.20	03/25/08	03/25/08		64000	1,200.00	PAYMENT
						64810	1,200.00	PAYMENT INTEREST
		174,504.20	03/26/08	03/26/08		61830	1.51	LATE CHARGE ASSESSED
		174,504.20	03/31/08	04/01/08		94800	178.52	ACCRUAL - ACTIVITY
						41810	178.52	INTEREST DR
		174,504.20	03/31/08	04/01/08		94800	29.75	ACCRUAL - ACTIVITY
						42810	29.75	INTEREST CR
		0.00	04/01/08	04/01/08		35220	0.00	RATE CHANGE OCCURRED
		0.00	04/01/08	04/01/08				OLD RATE = .06240
		0.00	04/01/08	04/01/08				NEW RATE = .05490
		174,504.20	04/01/08	04/01/08		93800	29.75	ACCRUAL - ACTIVITY
						41810	29.75	INTEREST DR
		174,504.20	04/01/08	04/01/08		93800	26.17	ACCRUAL - ACTIVITY

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									41810	26.17	INTEREST DR
		174,504.20	04/11/08	04/11/08					64000	1,303.53	PAYMENT
									64810	1,290.51	PAYMENT INTEREST
									64810	13.02	PAYMENT INTEREST
		174,504.20	04/11/08	04/11/08					94800	261.75	ACCRUAL - ACTIVITY
									41810	261.75	INTEREST DR
		174,504.20	04/11/08	04/16/08					63000	1,303.53	PAYMENT REVERSAL
									63810	1,290.51	PAY REV INTEREST
									63810	13.02	PAY REV INTEREST
		174,504.20	04/11/08	04/16/08					94800	0.01	ACCRUAL - ACTIVITY
									41810	0.01	INTEREST DR
			04/14/08	04/14/08					35761	0.00	NOW INACTIVE IN CACS
			04/15/08	04/15/08					35761	0.00	NOW INACTIVE IN CACS
			04/16/08	04/16/08					36500	0.00	A0325-TIK-REF-NUM
			04/16/08	04/16/08					35761	0.00	NOW INACTIVE IN CACS
		174,504.20	04/23/08	04/23/08					93800	340.28	ACCRUAL - DAILY SWEEP
									41810	340.28	INTEREST DR
			04/23/08	04/23/08					95800	0.00	STATEMENT PRODUCED
		174,504.20	04/28/08	04/28/08					61830	10.00	LATE CHARGE ASSESSED
			05/14/08	05/14/08					36500	0.00	A0325-TIK-REF-NUM
		174,504.20	05/23/08	05/23/08					93800	785.26	ACCRUAL - DAILY SWEEP
									41810	785.26	INTEREST DR
			05/23/08	05/23/08					95800	0.00	STATEMENT PRODUCED
		174,504.20	05/27/08	05/27/08					61830	10.00	LATE CHARGE ASSESSED
		174,504.20	05/31/08	06/02/08					94800	183.24	ACCRUAL - ACTIVITY
									41810	183.24	INTEREST DR
		174,504.20	05/31/08	06/02/08					94800	52.35	ACCRUAL - ACTIVITY
									42810	52.35	INTEREST CR
			06/01/08	06/02/08					35220	0.00	RATE CHANGE OCCURRED
			06/01/08	06/02/08							OLD RATE = .05490
			06/01/08	06/02/08							NEW RATE = .05240
		174,504.20	06/02/08	06/02/08					93800	52.35	ACCRUAL - ACTIVITY
									41810	52.35	INTEREST DR
		174,504.20	06/02/08	06/02/08					93800	24.98	ACCRUAL - ACTIVITY
									41810	24.98	INTEREST DR
		174,504.20	06/09/08	06/09/08					64000	1,230.26	PAYMENT
									64810	1,230.26	PAYMENT INTEREST
		174,504.20	06/09/08	06/09/08					94800	199.87	ACCRUAL - ACTIVITY
									41810	199.87	INTEREST DR

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,504.20			06/17/08	06/17/08		64000		1,290.51	PAYMENT
								64810		1,290.51	PAYMENT INTEREST
		174,504.20			06/17/08	06/17/08		94800		199.86	ACCRUAL - ACTIVITY
								41810		199.86	INTEREST DR
		174,504.20			06/17/08	06/19/08		63000		1,290.51	PAYMENT REVERSAL
								63810		1,290.51	PAY REV INTEREST
		174,504.20			06/17/08	06/19/08		94800		24.98	ACCRUAL - ACTIVITY
								42810		24.98	INTEREST CR
		0.00			06/18/08	06/18/08		58050		0.00	EXTENSION
					06/18/08	06/18/08		36500		0.00	A0325-TIK-REF-NUM
		174,504.20			06/18/08	06/18/08		93800		24.99	ACCRUAL - ACTIVITY
								41810		24.99	INTEREST DR
		174,504.20			06/18/08	06/18/08		99900		10.00	BACKDATING ADJUSTMENT
								62930		10.00	BACKDT LTE CHARGE ASSESS
					06/19/08	06/19/08		36500		0.00	A0325-TIK-REF-NUM
		174,504.20			06/19/08	06/19/08		93800		49.96	ACCRUAL - ACTIVITY
								41810		49.96	INTEREST DR
		174,504.20			06/19/08	06/19/08		99900		10.00	BACKDATING ADJUSTMENT
								62930		10.00	BACKDT LTE CHARGE ASSESS
		174,504.20			06/23/08	06/23/08		93800		124.92	ACCRUAL - DAILY SWEEP
								41810		124.92	INTEREST DR
					06/23/08	06/23/08		95800		0.00	STATEMENT PRODUCED
		174,504.20			06/26/08	06/26/08		61830		10.00	LATE CHARGE ASSESSED
					07/01/08	07/01/08		35577		0.00	PAYOFF QUOTE
		174,504.20			07/01/08	07/01/08		64000		1,225.00	PAYMENT
								64810		1,225.00	PAYMENT INTEREST
		174,504.20			07/01/08	07/01/08		94800		174.89	ACCRUAL - ACTIVITY
								41810		174.89	INTEREST DR
					07/10/08	07/10/08		35753		0.00	C0182-CEC-OVD-IND
					07/14/08	07/14/08		35753		0.00	C0182-CEC-OVD-IND
					07/14/08	07/14/08		35761		0.00	NOW ACTIVE IN CACS
					07/15/08	07/15/08		35761		0.00	NOW INACTIVE IN CACS
					07/16/08	07/16/08		35761		0.00	NOW ACTIVE IN CACS
		174,504.20			07/24/08	07/24/08		93800		599.60	ACCRUAL - DAILY SWEEP
								41810		599.60	INTEREST DR
					07/24/08	07/24/08		95800		0.00	STATEMENT PRODUCED
		174,504.20			07/28/08	07/28/08		61830		10.00	LATE CHARGE ASSESSED
					08/01/08	08/01/08		35577		0.00	PAYOFF QUOTE
		174,504.20			08/01/08	08/01/08		64000		1,300.00	PAYMENT

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									64810	1,295.77	PAYMENT INTEREST
									64810	4.23	PAYMENT INTEREST
		174,504.20	08/01/08	08/01/08					94800	174.89	ACCRUAL - ACTIVITY
									41810	174.89	INTEREST DR
			08/04/08	08/04/08					35761	0.00	NOW INACTIVE IN CACS
			08/15/08	08/15/08					35761	0.00	NOW ACTIVE IN CACS
		174,504.20	08/22/08	08/22/08					93800	549.64	ACCRUAL - DAILY SWEEP
									41810	549.64	INTEREST DR
			08/22/08	08/22/08					95800	0.00	STATEMENT PRODUCED
		174,504.20	08/26/08	08/26/08					61830	10.00	LATE CHARGE ASSESSED
		174,504.20	09/23/08	09/23/08					93800	799.47	ACCRUAL - DAILY SWEEP
									41810	799.47	INTEREST DR
			09/23/08	09/23/08					95800	0.00	STATEMENT PRODUCED
		174,504.20	09/26/08	09/26/08					61830	10.00	LATE CHARGE ASSESSED
			09/29/08	09/29/08					35577	0.00	PAYOFF QUOTE
		174,504.20	09/29/08	09/29/08					64000	1,300.00	PAYMENT
									64810	1,226.03	PAYMENT INTEREST
									64810	73.97	PAYMENT INTEREST
		174,504.20	09/29/08	09/29/08					94800	124.92	ACCRUAL - ACTIVITY
									41810	124.92	INTEREST DR
		174,504.20	10/24/08	10/24/08					93800	649.57	ACCRUAL - DAILY SWEEP
									41810	649.57	INTEREST DR
			10/24/08	10/24/08					95800	0.00	STATEMENT PRODUCED
		174,504.20	10/27/08	10/27/08					61830	10.00	LATE CHARGE ASSESSED
		174,504.20	10/31/08	11/03/08					94800	149.92	ACCRUAL - ACTIVITY
									41810	149.92	INTEREST DR
		174,504.20	10/31/08	11/03/08					94800	74.95	ACCRUAL - ACTIVITY
									42810	74.95	INTEREST CR
			0.00	11/01/08	11/03/08				35220	0.00	RATE CHANGE OCCURRED
			0.00	11/01/08	11/03/08						OLD RATE = .05240
			0.00	11/01/08	11/03/08						NEW RATE = .04740
		174,504.20	11/03/08	11/03/08					93800	74.95	ACCRUAL - ACTIVITY
									41810	74.95	INTEREST DR
		174,504.20	11/03/08	11/03/08					93800	22.59	ACCRUAL - ACTIVITY
									41810	22.59	INTEREST DR
			11/14/08	11/14/08					35577	0.00	PAYOFF QUOTE
		174,504.20	11/14/08	11/14/08					64000	1,400.00	PAYMENT
									64810	1,156.29	PAYMENT INTEREST
									64810	243.71	PAYMENT INTEREST

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,504.20				11/14/08	11/14/08		94800	293.79	ACCRUAL - ACTIVITY
									41810	293.79	INTEREST DR
		174,504.20				11/21/08	11/21/08		93800	180.80	ACCRUAL - DAILY SWEEP
									41810	180.80	INTEREST DR
						11/21/08	11/21/08		95800	0.00	STATEMENT PRODUCED
		174,504.20				11/30/08	12/01/08		94800	180.80	ACCRUAL - ACTIVITY
									41810	180.80	INTEREST DR
		174,504.20				11/30/08	12/01/08		94800	22.59	ACCRUAL - ACTIVITY
									42810	22.59	INTEREST CR
					0.00	12/01/08	12/01/08		35220	0.00	RATE CHANGE OCCURRED
					0.00	12/01/08	12/01/08				OLD RATE = .04740
					0.00	12/01/08	12/01/08				NEW RATE = .04240
		174,504.20				12/01/08	12/01/08		93800	22.60	ACCRUAL - ACTIVITY
									41810	22.60	INTEREST DR
		174,504.20				12/01/08	12/01/08		93800	20.21	ACCRUAL - ACTIVITY
									41810	20.21	INTEREST DR
						12/19/08	12/19/08		36500	0.00	A0325-TIK-REF-NUM
		174,504.20				12/24/08	12/24/08		93800	485.17	ACCRUAL - DAILY SWEEP
									41810	485.17	INTEREST DR
						12/24/08	12/24/08		95800	0.00	STATEMENT PRODUCED
		174,504.20				12/26/08	12/26/08		61830	10.00	LATE CHARGE ASSESSED
		174,504.20				12/31/08	01/02/09		94800	121.30	ACCRUAL - ACTIVITY
									41810	121.30	INTEREST DR
		174,504.20				12/31/08	01/02/09		94800	40.54	ACCRUAL - ACTIVITY
									42810	40.54	INTEREST CR
					0.00	01/01/09	01/02/09		35220	0.00	RATE CHANGE OCCURRED
					0.00	01/01/09	01/02/09				OLD RATE = .04240
					0.00	01/01/09	01/02/09				NEW RATE = .03490
		174,504.20				01/02/09	01/02/09		93800	40.54	ACCRUAL - ACTIVITY
									41810	40.54	INTEREST DR
		174,504.20				01/02/09	01/02/09		93800	16.68	ACCRUAL - ACTIVITY
									41810	16.68	INTEREST DR
		174,504.20				01/23/09	01/23/09		93800	383.76	ACCRUAL - DAILY SWEEP
									41810	383.76	INTEREST DR
						01/23/09	01/23/09		95800	0.00	STATEMENT PRODUCED
		174,504.20				01/26/09	01/26/09		61830	10.00	LATE CHARGE ASSESSED
						01/29/09	01/29/09		35577	0.00	PAYOFF QUOTE
						02/03/09	02/03/09		35785	0.00	FREEZE ACCOUNT, REASON: G
						02/03/09	02/03/09		35771	0.00	PLACE IN FORECLOSURE

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP	ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
						174,504.20	02/09/09	02/09/09	93800	266.97	ACCRUAL - ACTIVITY
									41810	266.97	INTEREST DR
						174,504.20	02/20/09	02/20/09	93800	200.23	ACCRUAL - DAILY SWEEP
									41710	200.23	INTEREST DR STOP
							02/20/09	02/20/09	95800	0.00	STATEMENT PRODUCED
							02/24/09	02/24/09	36410	0.00	C0582-ADA-FLG
						174,504.20	03/24/09	03/24/09	93800	533.93	ACCRUAL - DAILY SWEEP
									41710	533.93	INTEREST DR STOP
						174,504.20	03/25/09	03/25/09	93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
						174,504.20	03/26/09	03/26/09	93800	16.68	ACCRUAL - DAILY SWEEP
									41710	16.68	INTEREST DR STOP
							03/27/09	03/27/09	35265	0.00	C0182-LN-CAT
						174,504.20	03/27/09	03/27/09	93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
							03/27/09	03/27/09	95800	0.00	STATEMENT PRODUCED
						174,504.20	04/23/09	04/23/09	93800	450.50	ACCRUAL - DAILY SWEEP
									41710	450.50	INTEREST DR STOP
						174,504.20	04/24/09	04/24/09	93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
						174,504.20	04/27/09	04/27/09	93800	50.05	ACCRUAL - DAILY SWEEP
									41710	50.05	INTEREST DR STOP
						174,504.20	04/28/09	04/28/09	93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
						174,504.20	04/29/09	04/29/09	93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
						174,504.20	04/30/09	04/30/09	93800	16.68	ACCRUAL - DAILY SWEEP
									41710	16.68	INTEREST DR STOP
						174,504.20	05/01/09	05/01/09	93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
							05/04/09	05/04/09	35577	0.00	PAYOFF QUOTE
						174,504.20	05/04/09	05/04/09	93800	50.05	ACCRUAL - DAILY SWEEP
									41710	50.05	INTEREST DR STOP
						174,504.20	05/05/09	05/05/09	93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
						174,504.20	05/06/09	05/06/09	93800	16.68	ACCRUAL - DAILY SWEEP
									41710	16.68	INTEREST DR STOP
						174,504.20	05/07/09	05/07/09	93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		174,504.20			05/08/09	05/08/09		93800		16.68	ACCRUAL - DAILY SWEEP
								41710		16.68	INTEREST DR STOP
		174,504.20			05/11/09	05/11/09		93800		50.06	ACCRUAL - DAILY SWEEP
								41710		50.06	INTEREST DR STOP
		174,504.20			05/12/09	05/12/09		93800		16.69	ACCRUAL - DAILY SWEEP
								41710		16.69	INTEREST DR STOP
		174,504.20			05/13/09	05/13/09		93800		16.68	ACCRUAL - DAILY SWEEP
								41710		16.68	INTEREST DR STOP
		174,504.20			05/14/09	05/14/09		93800		16.69	ACCRUAL - DAILY SWEEP
								41710		16.69	INTEREST DR STOP
		174,504.20			05/15/09	05/15/09		93800		16.68	ACCRUAL - DAILY SWEEP
								41710		16.68	INTEREST DR STOP
		174,504.20			05/18/09	05/18/09		93800		50.06	ACCRUAL - DAILY SWEEP
								41710		50.06	INTEREST DR STOP
		174,504.20			05/19/09	05/19/09		93800		16.68	ACCRUAL - DAILY SWEEP
								41710		16.68	INTEREST DR STOP
		174,504.20			05/20/09	05/20/09		93800		16.69	ACCRUAL - DAILY SWEEP
								41710		16.69	INTEREST DR STOP
		174,504.20			05/21/09	05/21/09		93800		16.68	ACCRUAL - DAILY SWEEP
								41710		16.68	INTEREST DR STOP
		174,504.20			05/22/09	05/22/09		93800		16.69	ACCRUAL - DAILY SWEEP
								41710		16.69	INTEREST DR STOP
		174,504.20			05/26/09	05/26/09		93800		66.74	ACCRUAL - DAILY SWEEP
								41710		66.74	INTEREST DR STOP
		174,504.20			05/27/09	05/27/09		93800		16.69	ACCRUAL - DAILY SWEEP
								41710		16.69	INTEREST DR STOP
		174,504.20			05/28/09	05/28/09		93800		16.68	ACCRUAL - DAILY SWEEP
								41710		16.68	INTEREST DR STOP
		174,504.20			05/29/09	05/29/09		93800		16.69	ACCRUAL - DAILY SWEEP
								41710		16.69	INTEREST DR STOP
					05/30/09	06/11/09		35415		0.00	A0195-INS-TYP-COD.
					05/30/09	06/11/09		35416		0.00	A0195-REL-RBT-REF-NUM
					05/30/09	06/11/09		35417		0.00	A0195-INS-REF-NUM
					05/30/09	06/11/09		35418		0.00	A0195-BAS-INS-REF-NUM
					05/30/09	06/11/09		35420		0.00	A0195-INS-POL-NUM
					05/30/09	06/11/09		35421		0.00	A0195-INS-CAN-DAT
					05/30/09	06/11/09		35422		0.00	A0195-INS-COV-AMT
					05/30/09	06/11/09		35423		0.00	A0195-MAX-ACR-BAL
					05/30/09	06/11/09		35425		0.00	A0195-INS-COV-COD

					***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
						05/30/09	06/11/09	35426	0.00	A0195-INS-ACR-FCT
						05/30/09	06/11/09	35427	0.00	A0195-INS-UGL-FCT
						05/30/09	06/11/09	35428	0.00	A0195-INS-ST-COD
						05/30/09	06/11/09	35429	0.00	A0195-INS-COV-TYP
						05/30/09	06/11/09	35430	0.00	A0195-INS-CO-COD
						05/30/09	06/11/09	35431	0.00	A0195-INS-PUM-UGL
						05/30/09	06/11/09	35432	0.00	A0195-INS-UGL-TRM
						05/30/09	06/11/09	35433	0.00	A0195-INS-ACR-MTH
						05/30/09	06/11/09	35434	0.00	A0195-INS-ALT-RBT-COD
						05/30/09	06/11/09	35435	0.00	A0195-INS-XPR-DAT
						05/30/09	06/11/09	35436	0.00	A0195-INS-ACR-RT
						05/30/09	06/11/09			OLD RATE = .00000
						05/30/09	06/11/09			NEW RATE = .00000
						05/30/09	06/11/09	35437	0.00	A0195-INS-REN-COD
						05/30/09	06/11/09	35438	0.00	A0195-INS-STA-COD
						05/30/09	06/11/09	35439	0.00	A0195-INS-CHG-DAT
						05/30/09	06/11/09	35440	0.00	A0195-INS-AGE
						05/30/09	06/11/09	35441	0.00	A0195-INS-ADD-DAT
						05/30/09	06/11/09	35443	0.00	A0195-DAT-BIR-JT-INS
						05/30/09	06/11/09	35445	0.00	A0195-INS-NM-OF-ISR
						05/30/09	06/11/09	35447	0.00	A0195-DAT-OF-BIR-INS
						05/30/09	06/11/09	35448	0.00	A0195-DPD-TO-CAN
						05/30/09	06/11/09	35449	0.00	A0195-DPD-TO-RIN
						05/30/09	06/11/09	35450	0.00	A0195-INS-JT-ISR-NM
						05/30/09	06/11/09	35453	0.00	A0195-DLR-REF-NUM
						05/30/09	06/11/09	35455	0.00	A0195-INS-CO-NM
					176,879.20	05/30/09	06/11/09	44020	2,375.00	FLOOD INSURANCE
								55820	2,375.00	PRINCIPAL ADJ DR
								FLO 44840	2,375.00	INSURANCE CR
					174,504.20	05/30/09	06/11/09	94800	200.22	ACCRUAL - ACTIVITY
								42710	200.22	INTEREST CR STOP
					174,504.20	06/01/09	06/01/09	93800	50.05	ACCRUAL - DAILY SWEEP
								41710	50.05	INTEREST DR STOP
					174,504.20	06/02/09	06/02/09	93800	16.69	ACCRUAL - DAILY SWEEP
								41710	16.69	INTEREST DR STOP
						06/03/09	06/03/09	36500	0.00	A0325-TIK-REF-NUM
					174,504.20	06/03/09	06/03/09	93800	16.69	ACCRUAL - DAILY SWEEP
								41710	16.69	INTEREST DR STOP
					174,504.20	06/04/09	06/04/09	93800	16.68	ACCRUAL - DAILY SWEEP

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	***** TRANSACTION HISTORY *****						
					CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									41710	16.68	INTEREST DR STOP
					174,504.20	06/05/09	06/05/09		93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
					174,504.20	06/08/09	06/08/09		93800	50.05	ACCRUAL - DAILY SWEEP
									41710	50.05	INTEREST DR STOP
					174,504.20	06/09/09	06/09/09		93800	16.69	ACCRUAL - DAILY SWEEP
									41710	16.69	INTEREST DR STOP
					174,504.20	06/10/09	06/10/09		93800	16.68	ACCRUAL - DAILY SWEEP
									41710	16.68	INTEREST DR STOP
						06/11/09	06/11/09		35775	0.00	REMOVE BLOCK OR FREEZE
						06/11/09	06/11/09		36500	0.00	A0325-TIK-REF-NUM
						06/11/09	06/11/09		35785	0.00	FREEZE ACCOUNT, REASON:
					176,879.20	06/11/09	06/11/09		93800	202.95	ACCRUAL - ACTIVITY
									41710	202.95	INTEREST DR STOP
					176,879.20	06/11/09	06/11/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
						06/11/09	06/11/09		95800	0.00	STATEMENT PRODUCED
					176,879.20	06/12/09	06/12/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	06/15/09	06/15/09		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	06/16/09	06/16/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	06/17/09	06/17/09		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	06/18/09	06/18/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	06/19/09	06/19/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	06/22/09	06/22/09		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	06/23/09	06/23/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	06/24/09	06/24/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	06/25/09	06/25/09		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	06/26/09	06/26/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					176,879.20	06/29/09	06/29/09		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	06/30/09	06/30/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/01/09	07/01/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/02/09	07/02/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/03/09	07/03/09		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	07/06/09	07/06/09		93800	50.73	ACCRUAL - DAILY SWEEP
									41710	50.73	INTEREST DR STOP
					176,879.20	07/07/09	07/07/09		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	07/08/09	07/08/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/09/09	07/09/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/10/09	07/10/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/13/09	07/13/09		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	07/14/09	07/14/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
						07/15/09	07/15/09		35761	0.00	NOW ACTIVE IN CACS
					176,879.20	07/15/09	07/15/09		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	07/16/09	07/16/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/17/09	07/17/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/20/09	07/20/09		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	07/21/09	07/21/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/22/09	07/22/09		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	07/23/09	07/23/09		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP

***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	HISTORY DESCRIPTION
CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT
176,879.20	07/24/09	07/24/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	07/27/09	07/27/09		93800	50.74 ACCRUAL - DAILY SWEEP
				41710	50.74 INTEREST DR STOP
176,879.20	07/28/09	07/28/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	07/29/09	07/29/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	07/30/09	07/30/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	07/31/09	07/31/09		93800	16.92 ACCRUAL - DAILY SWEEP
				41710	16.92 INTEREST DR STOP
176,879.20	08/03/09	08/03/09		93800	50.73 ACCRUAL - DAILY SWEEP
				41710	50.73 INTEREST DR STOP
176,879.20	08/04/09	08/04/09		93800	16.92 ACCRUAL - DAILY SWEEP
				41710	16.92 INTEREST DR STOP
176,879.20	08/05/09	08/05/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	08/06/09	08/06/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	08/07/09	08/07/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	08/10/09	08/10/09		93800	50.74 ACCRUAL - DAILY SWEEP
				41710	50.74 INTEREST DR STOP
176,879.20	08/11/09	08/11/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	08/12/09	08/12/09		93800	16.92 ACCRUAL - DAILY SWEEP
				41710	16.92 INTEREST DR STOP
176,879.20	08/13/09	08/13/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	08/14/09	08/14/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	08/17/09	08/17/09		93800	50.74 ACCRUAL - DAILY SWEEP
				41710	50.74 INTEREST DR STOP
176,879.20	08/18/09	08/18/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	08/19/09	08/19/09		93800	16.91 ACCRUAL - DAILY SWEEP
				41710	16.91 INTEREST DR STOP
176,879.20	08/20/09	08/20/09		93800	16.92 ACCRUAL - DAILY SWEEP

					***** TRANSACTION HISTORY *****					
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF TRAN NUM CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
								41710	16.92	INTEREST DR STOP
					176,879.20	08/21/09	08/21/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	08/24/09	08/24/09	93800	50.74	ACCRUAL - DAILY SWEEP
								41710	50.74	INTEREST DR STOP
					176,879.20	08/25/09	08/25/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	08/26/09	08/26/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	08/27/09	08/27/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	08/28/09	08/28/09	93800	16.92	ACCRUAL - DAILY SWEEP
								41710	16.92	INTEREST DR STOP
					176,879.20	08/31/09	08/31/09	93800	50.73	ACCRUAL - DAILY SWEEP
								41710	50.73	INTEREST DR STOP
					176,879.20	09/01/09	09/01/09	93800	16.92	ACCRUAL - DAILY SWEEP
								41710	16.92	INTEREST DR STOP
					176,879.20	09/02/09	09/02/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	09/03/09	09/03/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	09/04/09	09/04/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	09/08/09	09/08/09	93800	67.66	ACCRUAL - DAILY SWEEP
								41710	67.66	INTEREST DR STOP
					176,879.20	09/09/09	09/09/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	09/10/09	09/10/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	09/11/09	09/11/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	09/14/09	09/14/09	93800	50.74	ACCRUAL - DAILY SWEEP
								41710	50.74	INTEREST DR STOP
					176,879.20	09/15/09	09/15/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP
					176,879.20	09/16/09	09/16/09	93800	16.92	ACCRUAL - DAILY SWEEP
								41710	16.92	INTEREST DR STOP
					176,879.20	09/17/09	09/17/09	93800	16.91	ACCRUAL - DAILY SWEEP
								41710	16.91	INTEREST DR STOP

***** TRANSACTION HISTORY *****				
BANK	APP	LOAN NUM	TYP ST	SHORT NAME
CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE
				TRANSACTION AMOUNT
				HISTORY DESCRIPTION
176,879.20	09/18/09	09/18/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	09/21/09	09/21/09	93800	50.74 ACCRUAL - DAILY SWEEP
			41710	50.74 INTEREST DR STOP
176,879.20	09/22/09	09/22/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	09/23/09	09/23/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	09/24/09	09/24/09	93800	16.92 ACCRUAL - DAILY SWEEP
			41710	16.92 INTEREST DR STOP
176,879.20	09/25/09	09/25/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	09/28/09	09/28/09	93800	50.74 ACCRUAL - DAILY SWEEP
			41710	50.74 INTEREST DR STOP
176,879.20	09/29/09	09/29/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	09/30/09	09/30/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	10/01/09	10/01/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	10/02/09	10/02/09	93800	16.92 ACCRUAL - DAILY SWEEP
			41710	16.92 INTEREST DR STOP
176,879.20	10/05/09	10/05/09	93800	50.73 ACCRUAL - DAILY SWEEP
			41710	50.73 INTEREST DR STOP
176,879.20	10/06/09	10/06/09	93800	16.92 ACCRUAL - DAILY SWEEP
			41710	16.92 INTEREST DR STOP
176,879.20	10/07/09	10/07/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	10/08/09	10/08/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	10/09/09	10/09/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	10/13/09	10/13/09	93800	67.65 ACCRUAL - DAILY SWEEP
			41710	67.65 INTEREST DR STOP
176,879.20	10/14/09	10/14/09	93800	16.92 ACCRUAL - DAILY SWEEP
			41710	16.92 INTEREST DR STOP
176,879.20	10/15/09	10/15/09	93800	16.91 ACCRUAL - DAILY SWEEP
			41710	16.91 INTEREST DR STOP
176,879.20	10/16/09	10/16/09	93800	16.91 ACCRUAL - DAILY SWEEP

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									41710	16.91	INTEREST DR STOP
		176,879.20	10/19/09	10/19/09					93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
		176,879.20	10/20/09	10/20/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	10/21/09	10/21/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	10/22/09	10/22/09					93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
			10/23/09	10/23/09					35265	0.00	C0182-LN-CAT
		176,879.20	10/23/09	10/23/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
			10/23/09	10/23/09					95800	0.00	STATEMENT PRODUCED
		176,879.20	10/26/09	10/26/09					93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
		176,879.20	10/27/09	10/27/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	10/28/09	10/28/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	10/29/09	10/29/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	10/30/09	10/30/09					93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
		176,879.20	11/02/09	11/02/09					93800	50.73	ACCRUAL - DAILY SWEEP
									41710	50.73	INTEREST DR STOP
		176,879.20	11/03/09	11/03/09					93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
		176,879.20	11/04/09	11/04/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	11/05/09	11/05/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	11/06/09	11/06/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	11/09/09	11/09/09					93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
		176,879.20	11/10/09	11/10/09					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
			11/12/09	11/12/09					35011	0.00	C0182-PCH-LN-BK-ID
		176,879.20	11/12/09	11/12/09					93800	33.83	ACCRUAL - DAILY SWEEP

***** TRANSACTION HISTORY *****				
BANK	APP	LOAN NUM	TYP ST	SHORT NAME
CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE
				TRANSACTION AMOUNT
				HISTORY DESCRIPTION
				41710 33.83 INTEREST DR STOP
176,879.20	11/13/09	11/13/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	11/16/09	11/16/09		93800 50.74 ACCRUAL - DAILY SWEEP
				41710 50.74 INTEREST DR STOP
176,879.20	11/17/09	11/17/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	11/18/09	11/18/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	11/19/09	11/19/09		93800 16.92 ACCRUAL - DAILY SWEEP
				41710 16.92 INTEREST DR STOP
176,879.20	11/20/09	11/20/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	11/23/09	11/23/09		93800 50.74 ACCRUAL - DAILY SWEEP
				41710 50.74 INTEREST DR STOP
	11/24/09	11/24/09		36428 0.00 C0582-RNE-MTG-PER
176,879.20	11/24/09	11/24/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	11/25/09	11/25/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	11/27/09	11/27/09		93800 33.83 ACCRUAL - DAILY SWEEP
				41710 33.83 INTEREST DR STOP
176,879.20	11/30/09	11/30/09		93800 50.73 ACCRUAL - DAILY SWEEP
				41710 50.73 INTEREST DR STOP
176,879.20	12/01/09	12/01/09		93800 16.92 ACCRUAL - DAILY SWEEP
				41710 16.92 INTEREST DR STOP
176,879.20	12/02/09	12/02/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	12/03/09	12/03/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	12/04/09	12/04/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	12/07/09	12/07/09		93800 50.74 ACCRUAL - DAILY SWEEP
				41710 50.74 INTEREST DR STOP
176,879.20	12/08/09	12/08/09		93800 16.91 ACCRUAL - DAILY SWEEP
				41710 16.91 INTEREST DR STOP
176,879.20	12/09/09	12/09/09		93800 16.92 ACCRUAL - DAILY SWEEP
				41710 16.92 INTEREST DR STOP
176,879.20	12/10/09	12/10/09		93800 16.91 ACCRUAL - DAILY SWEEP

					***** TRANSACTION HISTORY *****				
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE
									TRANSACTION AMOUNT
									HISTORY DESCRIPTION
									41710 16.91 INTEREST DR STOP
					176,879.20	12/11/09	12/11/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	12/14/09	12/14/09	93800	50.74 ACCRUAL - DAILY SWEEP
								41710	50.74 INTEREST DR STOP
					176,879.20	12/15/09	12/15/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	12/16/09	12/16/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	12/17/09	12/17/09	93800	16.92 ACCRUAL - DAILY SWEEP
								41710	16.92 INTEREST DR STOP
					176,879.20	12/18/09	12/18/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	12/21/09	12/21/09	93800	50.74 ACCRUAL - DAILY SWEEP
								41710	50.74 INTEREST DR STOP
					176,879.20	12/22/09	12/22/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	12/23/09	12/23/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	12/24/09	12/24/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	12/28/09	12/28/09	93800	67.65 ACCRUAL - DAILY SWEEP
								41710	67.65 INTEREST DR STOP
					176,879.20	12/29/09	12/29/09	93800	16.92 ACCRUAL - DAILY SWEEP
								41710	16.92 INTEREST DR STOP
					176,879.20	12/30/09	12/30/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	12/31/09	12/31/09	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	01/04/10	01/04/10	93800	67.65 ACCRUAL - DAILY SWEEP
								41710	67.65 INTEREST DR STOP
					176,879.20	01/05/10	01/05/10	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	01/06/10	01/06/10	93800	16.92 ACCRUAL - DAILY SWEEP
								41710	16.92 INTEREST DR STOP
					176,879.20	01/07/10	01/07/10	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP
					176,879.20	01/08/10	01/08/10	93800	16.91 ACCRUAL - DAILY SWEEP
								41710	16.91 INTEREST DR STOP

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
					176,879.20	01/11/10	01/11/10		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	01/12/10	01/12/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	01/13/10	01/13/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	01/14/10	01/14/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	01/15/10	01/15/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	01/19/10	01/19/10		93800	67.65	ACCRUAL - DAILY SWEEP
									41710	67.65	INTEREST DR STOP
					176,879.20	01/20/10	01/20/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	01/21/10	01/21/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	01/22/10	01/22/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	01/25/10	01/25/10		93800	50.73	ACCRUAL - DAILY SWEEP
									41710	50.73	INTEREST DR STOP
					176,879.20	01/26/10	01/26/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	01/27/10	01/27/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	01/28/10	01/28/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	01/29/10	01/29/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	02/01/10	02/01/10		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	02/02/10	02/02/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	02/03/10	02/03/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
						02/04/10	02/04/10		36500	0.00	A0325-TIK-REF-NUM
					176,879.20	02/04/10	02/04/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	02/05/10	02/05/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP

***** TRANSACTION HISTORY *****											
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		176,879.20	02/08/10	02/08/10					93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
		176,879.20	02/09/10	02/09/10					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	02/10/10	02/10/10					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
		176,879.20	02/11/10	02/11/10					93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
		176,879.20	02/12/10	02/12/10					93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
			02/15/10	04/21/10					35415	0.00	A0195-INS-TYP-COD
			02/15/10	04/21/10					35416	0.00	A0195-REL-RBT-REF-NUM
			02/15/10	04/21/10					35417	0.00	A0195-INS-REF-NUM
			02/15/10	04/21/10					35418	0.00	A0195-BAS-INS-REF-NUM
			02/15/10	04/21/10					35420	0.00	A0195-INS-FOL-NUM
			02/15/10	04/21/10					35421	0.00	A0195-INS-CAN-DAT
			02/15/10	04/21/10					35422	0.00	A0195-INS-COV-AMT
			02/15/10	04/21/10					35423	0.00	A0195-MAX-ACR-BAL
			02/15/10	04/21/10					35425	0.00	A0195-INS-COV-COD
			02/15/10	04/21/10					35426	0.00	A0195-INS-ACR-FCT
			02/15/10	04/21/10					35427	0.00	A0195-INS-UGL-FCT
			02/15/10	04/21/10					35428	0.00	A0195-INS-ST-COD
			02/15/10	04/21/10					35429	0.00	A0195-INS-COV-TYP
			02/15/10	04/21/10					35430	0.00	A0195-INS-CO-COD
			02/15/10	04/21/10					35431	0.00	A0195-INS-FUM-UGL
			02/15/10	04/21/10					35432	0.00	A0195-INS-UGL-TRM
			02/15/10	04/21/10					35433	0.00	A0195-INS-ACR-MTH
			02/15/10	04/21/10					35434	0.00	A0195-INS-ALT-RBT-COD
			02/15/10	04/21/10					35435	0.00	A0195-INS-XPR-DAT
			02/15/10	04/21/10					35436	0.00	A0195-INS-ACR-RT
			02/15/10	04/21/10						OLD RATE = .00000	
			02/15/10	04/21/10						NEW RATE = .00000	
			02/15/10	04/21/10					35437	0.00	A0195-INS-REN-COD
			02/15/10	04/21/10					35438	0.00	A0195-INS-STA-COD
			02/15/10	04/21/10					35439	0.00	A0195-INS-CHG-DAT
			02/15/10	04/21/10					35440	0.00	A0195-INS-AGE
			02/15/10	04/21/10					35441	0.00	A0195-INS-ADD-DAT
			02/15/10	04/21/10					35443	0.00	A0195-DAT-BIR-JT-INS
			02/15/10	04/21/10					35445	0.00	A0195-INS-NM-OF-ISR

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
						02/15/10	04/21/10		35447	0.00	A0195-DAT-OF-BIR-INS
						02/15/10	04/21/10		35448	0.00	A0195-DPD-TO-CAN
						02/15/10	04/21/10		35449	0.00	A0195-DPD-TO-RIN
						02/15/10	04/21/10		35450	0.00	A0195-INS-JT-ISR-NM
						02/15/10	04/21/10		35453	0.00	A0195-DLR-REF-NUM
						02/15/10	04/21/10		35455	0.00	A0195-INS-CO-NM
					179,001.74	02/15/10	04/21/10		44020	2,122.54	HAZARD INSURANCE
									55820	2,122.54	PRINCIPAL ADJ DR
									H20 44840	2,122.54	INSURANCE CR
					176,879.20	02/15/10	04/21/10		94800	1,099.31	ACCRUAL - ACTIVITY
									42710	1,099.31	INTEREST CR STOP
					176,879.20	02/15/10	04/21/10		56020	2,122.54	DECREASE TO PRINCIPAL
					179,001.74	02/15/10	04/21/10		94800	1,112.50	ACCRUAL - ACTIVITY
									42710	1,112.50	INTEREST CR STOP
					176,879.20	02/16/10	02/16/10		93800	67.65	ACCRUAL - DAILY SWEEP
									41710	67.65	INTEREST DR STOP
					176,879.20	02/17/10	02/17/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	02/18/10	02/18/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	02/19/10	02/19/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	02/22/10	02/22/10		93800	50.73	ACCRUAL - DAILY SWEEP
									41710	50.73	INTEREST DR STOP
					176,879.20	02/23/10	02/23/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	02/24/10	02/24/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	02/25/10	02/25/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	02/26/10	02/26/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/01/10	03/01/10		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	03/02/10	03/02/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/03/10	03/03/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	03/04/10	03/04/10		93800	16.91	ACCRUAL - DAILY SWEEP

					***** TRANSACTION HISTORY *****						
BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									41710	16.91	INTEREST DR STOP
					176,879.20	03/05/10	03/05/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/08/10	03/08/10		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	03/09/10	03/09/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/10/10	03/10/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	03/11/10	03/11/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/12/10	03/12/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/15/10	03/15/10		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	03/16/10	03/16/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/17/10	03/17/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/18/10	03/18/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	03/19/10	03/19/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/22/10	03/22/10		93800	50.74	ACCRUAL - DAILY SWEEP
									41710	50.74	INTEREST DR STOP
					176,879.20	03/23/10	03/23/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/24/10	03/24/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/25/10	03/25/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP
					176,879.20	03/26/10	03/26/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	03/29/10	03/29/10		93800	50.73	ACCRUAL - DAILY SWEEP
									41710	50.73	INTEREST DR STOP
					176,879.20	03/30/10	03/30/10		93800	16.92	ACCRUAL - DAILY SWEEP
									41710	16.92	INTEREST DR STOP
					176,879.20	03/31/10	03/31/10		93800	16.91	ACCRUAL - DAILY SWEEP
									41710	16.91	INTEREST DR STOP

DATE 6/05/2010
AS OF 6/04/2010

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	***** TRANSACTION HISTORY *****									
					CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION			
					176,879.20	04/01/10	04/01/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	04/02/10	04/02/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	04/05/10	04/05/10		93800	50.74	ACCRUAL - DAILY SWEEP			
									41710	50.74	INTEREST DR STOP			
					176,879.20	04/06/10	04/06/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	04/07/10	04/07/10		93800	16.92	ACCRUAL - DAILY SWEEP			
									41710	16.92	INTEREST DR STOP			
					176,879.20	04/08/10	04/08/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	04/09/10	04/09/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	04/12/10	04/12/10		93800	50.74	ACCRUAL - DAILY SWEEP			
									41710	50.74	INTEREST DR STOP			
					176,879.20	04/13/10	04/13/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	04/14/10	04/14/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	04/15/10	04/15/10		93800	16.92	ACCRUAL - DAILY SWEEP			
									41710	16.92	INTEREST DR STOP			
					176,879.20	04/16/10	04/16/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
						04/19/10	04/19/10		35256	0.00	C0182-PYF-COF-REA-COD			
					176,879.20	04/19/10	04/19/10		93800	50.74	ACCRUAL - DAILY SWEEP			
									41710	50.74	INTEREST DR STOP			
					176,879.20	04/20/10	04/20/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
						04/21/10	04/21/10		35775	0.00	REMOVE BLOCK OR FREEZE			
						04/21/10	04/21/10		35543	0.00	A0197-ICL-CRG-IN-RCL			
						04/21/10	04/21/10		35544	0.00	A0197-EXP-ADD-DAT			
						04/21/10	04/21/10		35545	0.00	A0197-EXP-PYF-IND			
						04/21/10	04/21/10		35546	0.00	A0197-EXP-BAL			
						04/21/10	04/21/10		35547	0.00	A0197-EXP-REF-NUM			
					179,001.74	04/21/10	04/21/10	H2D	65080	2,122.54	HAZARD EXPENSES			
					179,001.74	04/21/10	04/21/10		93800	1,112.50	ACCRUAL - ACTIVITY			
									41710	1,112.50	INTEREST DR STOP			
						04/21/10	04/21/10		35785	0.00	FREEZE ACCOUNT, REASON:			

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
		176,879.20			04/21/10	04/21/10		93800		1,099.31	ACCRUAL - ACTIVITY
								41710		1,099.31	INTEREST DR STOP
		176,879.20			04/21/10	04/21/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
					04/21/10	04/21/10		95800		0.00	STATEMENT PRODUCED
					04/22/10	04/22/10		36500		0.00	A0325-TIK-REF-NUM
		176,879.20			04/22/10	04/22/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
		176,879.20			04/23/10	04/23/10		93800		16.92	ACCRUAL - DAILY SWEEP
								41710		16.92	INTEREST DR STOP
		176,879.20			04/26/10	04/26/10		93800		50.73	ACCRUAL - DAILY SWEEP
								41710		50.73	INTEREST DR STOP
		176,879.20			04/27/10	04/27/10		93800		16.92	ACCRUAL - DAILY SWEEP
								41710		16.92	INTEREST DR STOP
		176,879.20			04/28/10	04/28/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
		176,879.20			04/29/10	04/29/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
		176,879.20			04/30/10	04/30/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
		176,879.20			05/03/10	05/03/10		93800		50.74	ACCRUAL - DAILY SWEEP
								41710		50.74	INTEREST DR STOP
		176,879.20			05/04/10	05/04/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
		176,879.20			05/05/10	05/05/10		93800		16.92	ACCRUAL - DAILY SWEEP
								41710		16.92	INTEREST DR STOP
		176,879.20			05/06/10	05/06/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
		176,879.20			05/07/10	05/07/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
		176,879.20			05/10/10	05/10/10		93800		50.74	ACCRUAL - DAILY SWEEP
								41710		50.74	INTEREST DR STOP
		176,879.20			05/11/10	05/11/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
		176,879.20			05/12/10	05/12/10		93800		16.91	ACCRUAL - DAILY SWEEP
								41710		16.91	INTEREST DR STOP
					05/13/10	05/13/10		35775		0.00	REMOVE BLOCK OR FREEZE
		176,879.20			05/13/10	05/13/10		55220		176,879.20	REPURCHASE PRINCIPAL DR
					05/13/10	05/13/10		35785		0.00	FREEZE ACCOUNT, REASON:

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	***** TRANSACTION HISTORY *****									
					CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION			
					176,879.20	05/13/10	05/13/10		93800	16.92	ACCRUAL - DAILY SWEEP			
									41710	16.92	INTEREST DR STOP			
						05/13/10	05/13/10		95800	0.00	STATEMENT PRODUCED			
					176,879.20	05/14/10	05/14/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	05/17/10	05/17/10		93800	50.74	ACCRUAL - DAILY SWEEP			
									41710	50.74	INTEREST DR STOP			
					176,879.20	05/18/10	05/18/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	05/19/10	05/19/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	05/20/10	05/20/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	05/21/10	05/21/10		93800	16.92	ACCRUAL - DAILY SWEEP			
									41710	16.92	INTEREST DR STOP			
					176,879.20	05/24/10	05/24/10		93800	50.73	ACCRUAL - DAILY SWEEP			
									41710	50.73	INTEREST DR STOP			
					176,879.20	05/25/10	05/25/10		93800	16.92	ACCRUAL - DAILY SWEEP			
									41710	16.92	INTEREST DR STOP			
					176,879.20	05/26/10	05/26/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	05/27/10	05/27/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	05/28/10	05/28/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	06/01/10	06/01/10		93800	67.65	ACCRUAL - DAILY SWEEP			
									41710	67.65	INTEREST DR STOP			
					176,879.20	06/02/10	06/02/10		93800	16.92	ACCRUAL - DAILY SWEEP			
									41710	16.92	INTEREST DR STOP			
					176,879.20	06/03/10	06/03/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			
					176,879.20	06/04/10	06/04/10		93800	16.91	ACCRUAL - DAILY SWEEP			
									41710	16.91	INTEREST DR STOP			

BANK	APP	LOAN NUM	TYP ST	SHORT NAME	CURRENT BALANCE	EFFECT DATE	POST DATE	REF NUM	TRAN CODE	TRANSACTION AMOUNT	HISTORY DESCRIPTION
									42810	81.39	INTEREST CR.
		174,962.08			09/12/06	09/12/06			93800	40.69	ACCRUAL - DAILY SWEEP
									41710	40.69	INTEREST DR STOP
					09/13/06	09/13/06			35775	0.00	REMOVE BLOCK OR FREEZE
					09/13/06	09/13/06			35228	0.00	C0182-STP-ACR-ATY-COD
		174,962.08			09/13/06	09/13/06			42710	4,812.84	REINSTATE MEMO ACCRUALS
									42710	4,812.84	INTEREST CR STOP
									41810	4,812.84	INTEREST DR
					09/13/06	09/13/06			35785	0.00	FREEZE ACCOUNT, REASON:
					09/13/06	09/13/06			36500	0.00	A0325-TIK-REF-NUM
		174,504.20			09/13/06	09/13/06			93800	81.18	ACCRUAL - ACTIVITY
									41810	81.18	INTEREST DR
					09/18/06	09/18/06			35761	0.00	NOW INACTIVE IN CACS
					09/19/06	09/19/06			35772	0.00	REMOVE FROM FORECLOSURE
					09/19/06	09/19/06			35775	0.00	REMOVE BLOCK OR FREEZE
		174,504.20			09/22/06	09/22/06			93800	405.90	ACCRUAL - DAILY SWEEP
									41810	405.90	INTEREST DR
					09/22/06	09/22/06			95800	0.00	STATEMENT PRODUCED
					10/17/06	10/17/06			35761	0.00	NOW ACTIVE IN CACS
		174,504.20			10/24/06	10/24/06			93800	1,298.88	ACCRUAL - DAILY SWEEP
									41810	1,298.88	INTEREST DR
					10/24/06	10/24/06			95800	0.00	STATEMENT PRODUCED
		174,504.20			10/26/06	10/26/06			61830	10.00	LATE CHARGE ASSESSED
		174,504.20			11/22/06	11/22/06			93800	1,177.12	ACCRUAL - DAILY SWEEP
									41810	1,177.12	INTEREST DR
					11/22/06	11/22/06			95800	0.00	STATEMENT PRODUCED
					11/27/06	11/27/06			35868	0.00	C0182-SLD-LN-POO-NUM
		174,504.20			11/27/06	11/27/06			61830	10.00	LATE CHARGE ASSESSED
		174,504.20			11/29/06	11/29/06			35995	174,504.20	LOAN SOLD TO POOL
		174,504.20			12/18/06	12/18/06	E03		65080	225.00	PEAK 508976-1
		174,504.20			12/18/06	12/18/06			93800	1,014.75	ACCRUAL - ACTIVITY
									41810	1,014.75	INTEREST DR
		174,504.20			12/22/06	12/22/06			93800	202.95	ACCRUAL - DAILY SWEEP
									41810	202.95	INTEREST DR
					12/22/06	12/22/06			95800	0.00	STATEMENT PRODUCED
		174,504.20			12/26/06	12/26/06			61830	10.00	LATE CHARGE ASSESSED
					01/10/07	01/10/07			35577	0.00	PAYOFF QUOTE
		174,504.20			01/10/07	01/10/07			64000	1,500.00	PAYMENT
									64810	1,068.42	PAYMENT INTEREST



Transaction Statement

Wachovia Account Number: 41200213089

Wells Fargo Account Number: 68068004199310001

BRENT E BENTRIM
10 NICHOLSON ST
CHARLESTON, SC 29407-7318

Statement Period: 05/30/2010 - 01/27/2011

STATEMENT SUMMARY

Original Balance \$182,700.00
Current Balance \$176,879.20
Note Date: 03/12/2002
Product ILA

AUX Number: 41200213089
Statement Date: August 11, 2011

TRANSACTIONS

Proc Date	Eff Date	Tran Code	Action	Interest	Principal	Misc 1	Misc 2	Misc 3	Total Pmt	Prin Bal
10/06/2010	05/30/2010	38 2	Fee Waiver	\$0.00	\$0.00	(\$1,518.41)	\$0.00	\$0.00	\$0.00	\$176,879.20
10/08/2010	08/05/2010	38 2	Fee Waiver	\$0.00	\$0.00	(\$2,376.00)	\$0.00	\$0.00	\$0.00	\$176,879.20
04/25/2011	01/27/2011	38 2	Fee Waiver	\$0.00	\$0.00	(\$128.70)	\$0.00	\$0.00	\$0.00	\$176,879.20
07/28/2011	01/27/2011	38 2	Fee Waiver	\$0.00	\$0.00	(\$95.90)	\$0.00	\$0.00	\$0.00	\$176,879.20

Active History

Statement Period: 05/26/2002 - 04/21/2010

STATEMENT SUMMARY

Acct No: 68004199310001 Name: BRENT E BENTRIM Note Date: 03/12/2002
Original Rate: 4.990% Loan Amount: \$179,578.34 Date Prepared: August 11, 2011

TRANSACTIONS

Date	Interest Rate	Description	Transaction Amount	Other Charge	Other Paid	Expense Paid	Life Insurance	AH Insurance	Principal Paid	Interest Paid	Principal Balance
05/26/2002	4.490	Ltch Assess	\$10.00	\$10.00							\$182,700.00
05/28/2002	4.490	Payment	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$984.21	\$182,700.00
06/28/2002	4.490	Ltch Assess	\$10.00	\$10.00							\$182,700.00
07/03/2002	4.490	Payment	\$2,068.42		\$20.00	\$0.00	\$0.00	\$0.00	\$185.27	\$1,863.15	\$182,514.73
08/28/2002	4.490	Ltch Assess	\$10.00	\$10.00							\$182,514.73
09/13/2002	4.490	Payment	\$984.21		\$10.00	\$0.00	\$0.00	\$0.00	\$171.80	\$812.31	\$182,342.83
09/13/2002	4.490	Payment	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$984.21	\$182,342.83
10/28/2002	4.490	Ltch Assess	\$10.00	\$10.00							\$182,342.83

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11/26/2002	4.490	Ltch Assess	\$10.00	\$10.00								\$182,342.83
12/09/2002	4.490	Payment	\$1,900.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,900.00		\$182,342.83
12/26/2002	4.490	Ltch Assess	\$10.00	\$10.00								\$182,342.83
01/06/2003	4.490	Payment	\$994.21		\$30.00	\$0.00	\$0.00	\$0.00	\$89.91	\$874.30		\$182,262.92
01/26/2003	4.490	Ltch Assess	\$10.00	\$10.00								\$182,262.92
01/30/2003	4.490	Payment	\$1,000.00		\$10.00	\$0.00	\$0.00	\$0.00	\$451.95	\$538.05		\$181,800.97
01/31/2003	4.490	Pay Rev NSF	\$1,000.00	(\$10.00)		\$0.00	\$0.00	\$0.00	(\$451.95)	(\$538.05)		\$182,262.92
02/26/2003	4.490	Ltch Assess	\$10.00	\$10.00								\$182,262.92
03/26/2003	4.490	Ltch Assess	\$10.00	\$10.00								\$182,262.92
04/01/2003	4.490	Payment	\$3,077.63		\$30.00	\$0.00	\$0.00	\$0.00	\$1,142.02	\$1,905.61		\$181,110.90
04/10/2003	4.490	Payment	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$783.71	\$200.60		\$180,327.19
05/26/2003	4.490	Ltch Assess	\$10.00	\$10.00								\$180,327.19
06/06/2003	4.490	Payment	\$994.21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$994.21		\$180,327.19
06/26/2003	4.490	Ltch Assess	\$10.00	\$10.00								\$180,327.19
06/27/2003	4.490	Payment	\$1,000.00		\$20.00	\$0.00	\$0.00	\$0.00	\$244.01	\$735.99		\$180,083.18
07/14/2003	4.490	Payment	\$883.42		\$0.00	\$0.00	\$0.00	\$0.00	\$508.84	\$378.68		\$179,676.34
08/01/2003	4.240	Int Rate Change										\$0.00
08/26/2003	4.240	Ltch Assess	\$10.00	\$10.00								\$179,676.34
09/02/2003	4.240	Payment	\$1,000.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00		\$179,676.34
09/26/2003	4.240	Ltch Assess	\$10.00	\$10.00								\$179,676.34
10/27/2003	4.240	Ltch Assess	\$10.00	\$10.00								\$179,676.34
11/26/2003	4.240	Ltch Assess	\$10.00	\$10.00								\$179,676.34
12/03/2003	4.240	Payment	\$3,000.00		\$40.00	\$0.00	\$0.00	\$0.00	\$978.95	\$1,983.05		\$178,699.39
12/15/2003	4.240	Payment	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$735.25	\$248.96		\$177,864.14
12/15/2003	4.240	Prino Only Pay	\$15.79						\$15.79			\$177,848.35
01/11/2004	4.240	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$427.02	\$557.19		\$177,421.33
01/11/2004	4.240	Pay Rev NSF	\$984.21	\$0.00		\$0.00	\$0.00	\$0.00	(\$427.02)	(\$557.19)		\$177,848.35
02/02/2004	4.240	Payment	\$921.05		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$921.05		\$177,848.35
02/11/2004	4.240	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$709.38	\$274.83		\$177,138.97
03/11/2004	4.240	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$389.10	\$595.11		\$176,749.87
04/11/2004	4.240	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$349.45	\$634.76		\$176,400.42
05/11/2004	4.240	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$371.16	\$613.06		\$176,028.27
06/11/2004	4.240	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$352.05	\$632.16		\$175,677.22
07/11/2004	4.240	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$373.68	\$610.65		\$175,303.58
08/01/2004	4.490	Int Rate Change										\$0.00
08/11/2004	4.490	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$341.48	\$642.73		\$174,982.08
09/01/2004	4.740	Int Rate Change										\$0.00
09/11/2004	4.740	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$305.87	\$678.64		\$174,656.41
09/11/2004	4.740	Pay Rev NSF	\$984.21	\$0.00		\$0.00	\$0.00	\$0.00	(\$305.87)	(\$678.64)		\$174,982.08
10/01/2004	4.990	Int Rate Change										\$0.00
10/26/2004	4.990	Ltch Assess	\$10.00	\$10.00								\$174,982.08
11/26/2004	4.990	Ltch Assess	\$10.00	\$10.00								\$174,982.08
12/01/2004	5.240	Int Rate Change										\$0.00
12/13/2004	5.240	Exp Debt	\$100.00						\$100.00			\$174,982.08
12/15/2004	5.240	Payment	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$984.21		\$174,982.08
01/01/2005	5.490	Int Rate Change										\$0.00
01/14/2005	5.490	Payment	\$1,900.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,900.00		\$174,982.08
01/26/2005	5.490	Exp Debt	\$75.00						\$75.00			\$174,982.08
02/24/2005	5.490	Payment	\$203.01		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$203.01		\$174,982.08
02/28/2005	5.490	Ltch Assess	\$10.00	\$10.00								\$174,982.08
03/01/2005	5.740	Int Rate Change										\$0.00
03/16/2005	5.740	Payment	\$400.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$400.00		\$174,982.08

03/16/2006	6.740	Payment	\$655.93		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$655.93	\$174,962.08
04/01/2005	6.990	Int Rate Change									\$0.00
04/14/2005	6.990	Payment	\$1,782.11		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,782.11	\$174,962.08
05/28/2005	6.990	Ltch Assess	\$10.00	\$10.00							\$174,962.08
05/31/2005	6.990	Payment	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$984.21	\$174,962.08
06/01/2005	6.240	Int Rate Change									\$0.00
06/14/2005	6.240	Payment	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$984.21	\$174,962.08
06/30/2005	6.240	Payment	\$1,024.21		\$0.00	\$0.00	\$0.00	\$0.00	\$502.78	\$521.43	\$174,459.30
06/30/2005	6.240	Pay Rev	\$1,024.21	\$0.00		\$0.00	\$0.00	\$0.00	(\$502.78)	(\$521.43)	\$174,962.08
07/28/2005	6.240	Ltch Assess	\$10.00	\$10.00							\$174,962.08
08/01/2005	6.490	Int Rate Change									\$0.00
08/22/2005	6.490	Payment	\$1,458.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,458.00	\$174,962.08
08/01/2005	6.740	Int Rate Change									\$0.00
09/26/2005	6.740	Foreclosure									\$174,962.08
10/01/2005	6.990	Int Rate Change									\$0.00
12/01/2005	7.240	Int Rate Change									\$0.00
01/01/2006	7.490	Int Rate Change									\$0.00
03/01/2006	7.740	Int Rate Change									\$0.00
05/01/2006	7.990	Int Rate Change									\$0.00
05/16/2006	7.990	Late Charge Payment	\$50.00		\$50.00						\$174,962.08
05/15/2006	7.990	Payment	\$1,947.31		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,947.31	\$174,962.08
05/28/2006	7.990	Place In Memo Stop									\$174,962.08
05/28/2006	7.990	Remove from Memo Stop									\$174,962.08
05/26/2006	7.990	Place In Memo Stop									\$174,962.08
05/28/2006	7.990	Remove from Memo Stop									\$174,962.08
08/01/2006	8.240	Int Rate Change									\$0.00
08/01/2006	8.490	Int Rate Change									\$0.00
09/11/2006	8.490	Payment	\$13,242.05		\$0.00	\$0.00	\$0.00	\$0.00	\$457.88	\$12,784.17	\$174,504.20
09/19/2006	8.490	Remove from Foreclosure									\$174,504.20
10/28/2006	8.490	Ltch Assess	\$10.00	\$10.00							\$174,504.20
11/27/2006	8.490	Ltch Assess	\$10.00	\$10.00							\$174,504.20
12/18/2006	8.490	Exp Debit	\$226.00						\$226.00		\$174,504.20
12/28/2006	8.490	Ltch Assess	\$10.00	\$10.00							\$174,504.20
01/10/2007	8.490	Payment	\$1,500.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$174,504.20
01/26/2007	8.490	Ltch Assess	\$10.00	\$10.00							\$174,504.20
02/22/2007	8.490	Payment	\$1,500.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$174,504.20
03/22/2007	8.490	Payment	\$1,000.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$174,504.20
03/29/2007	8.490	Payment	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$984.21	\$174,504.20
03/29/2007	8.490	Pay Rev	\$984.21	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	(\$984.21)	\$174,504.20
04/26/2007	8.490	Payment	\$1,200.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,200.00	\$174,504.20
04/30/2007	8.490	Extension									\$0.00
05/11/2007	8.490	Auto Draft Pay	\$984.21		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$984.21	\$174,504.20
05/11/2007	8.490	Pay Rev	\$984.21	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	(\$984.21)	\$174,504.20
05/26/2007	8.490	Payment	\$1,000.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$174,504.20
06/28/2007	8.490	Ltch Assess	\$10.00	\$10.00							\$174,504.20
07/19/2007	8.490	Foreclosure									\$174,504.20
10/01/2007	7.990	Int Rate Change									\$0.00
12/01/2007	7.740	Int Rate Change									\$0.00
12/05/2007	7.740	Late Charge Payment	\$50.00		\$50.00						\$174,504.20

12/05/2007	7.740	Payment	\$7,135.51		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,135.51	\$174,504.20
12/13/2007	7.740	Place In Memo Stop									\$174,504.20
12/13/2007	7.740	Remove from Memo Stop									\$174,504.20
12/19/2007	7.740	Remove from Foreclosure									\$174,504.20
12/26/2007	7.740	Payment	\$1,020.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,020.00	\$174,504.20
01/01/2008	7.490	Int Rate Change									\$0.00
01/28/2008	7.490	Lich Assess	\$10.00	\$10.00							\$174,504.20
02/01/2008	6.740	Int Rate Change									\$0.00
02/21/2008	6.740	Payment	\$1,200.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,200.00	\$174,504.20
02/26/2008	6.740	Lich Assess	\$1.51	\$1.51							\$174,504.20
03/01/2008	6.240	Int Rate Change									\$0.00
03/26/2008	6.240	Payment	\$1,200.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,200.00	\$174,504.20
03/28/2008	6.240	Lich Assess	\$1.51	\$1.51							\$174,504.20
04/01/2008	5.490	Int Rate Change									\$0.00
04/11/2008	5.490	Payment	\$1,303.53		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,303.53	\$174,504.20
04/11/2008	5.490	Pay Rev	\$1,303.53	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	(\$1,303.53)	\$174,504.20
04/28/2008	5.490	Lich Assess	\$10.00	\$10.00							\$174,504.20
05/27/2008	5.490	Lich Assess	\$10.00	\$10.00							\$174,504.20
06/01/2008	5.240	Int Rate Change									\$0.00
06/09/2008	5.240	Payment	\$1,230.26		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,230.26	\$174,504.20
06/17/2008	5.240	Payment	\$1,290.51		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,290.51	\$174,504.20
06/17/2008	5.240	Pay Rev	\$1,290.51	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	(\$1,290.51)	\$174,504.20
06/18/2008	5.240	Extension									\$0.00
06/26/2008	5.240	Lich Assess	\$10.00	\$10.00							\$174,504.20
07/01/2008	5.240	Payment	\$1,225.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,225.00	\$174,504.20
07/28/2008	5.240	Lich Assess	\$10.00	\$10.00							\$174,504.20
08/01/2008	5.240	Payment	\$1,300.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,300.00	\$174,504.20
08/26/2008	5.240	Lich Assess	\$10.00	\$10.00							\$174,504.20
09/26/2008	5.240	Lich Assess	\$10.00	\$10.00							\$174,504.20
09/29/2008	5.240	Payment	\$1,300.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,300.00	\$174,504.20
10/27/2008	5.240	Lich Assess	\$10.00	\$10.00							\$174,504.20
11/01/2008	4.740	Int Rate Change									\$0.00
11/14/2008	4.740	Payment	\$1,400.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,400.00	\$174,504.20
12/01/2008	4.240	Int Rate Change									\$0.00
12/26/2008	4.240	Lich Assess	\$10.00	\$10.00							\$174,504.20
01/01/2009	3.490	Int Rate Change									\$0.00
01/28/2009	3.490	Lich Assess	\$10.00	\$10.00							\$174,504.20
02/03/2009	3.490	Foreclosure									\$174,504.20
05/30/2009	3.490	Flood Ins CR	\$2,375.00						\$2,375.00		\$176,879.20
02/15/2010	3.490	Flood Ins CR	\$2,122.54						\$2,122.54		\$179,001.74
02/15/2010	3.490	Princ CR	\$2,122.54						(\$2,122.54)		\$176,879.20
04/21/2010	3.490	Exp Debit	\$2,122.54						\$2,122.54		\$179,001.74

Toggle View

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CONFIDENTIAL

Lender Placed Policy Browse

Page 1 of 1

Loan	Notes/Diaries	Lender Placed Insurance	Best Code	Flood Determination	Escrow Functions	General Information	Print	Help

Client:

Lender Placed Policy Details

Loan Key: RC-00-0000-000041200213089-0000

Property Details: 10 NICHOLSON STREET
CHARLESTON SC
29407

Location: 001
Number of records: 5

Policy Type Filter: All

	Status	Policy Type	Policy No	Eff Date	Exp Date	Earned Premium	Cancel Amount	Deductible
☒	ISSUED	FL	FLR611209534	05/30/09	05/30/10	\$2,375.00		\$750
☒	CAN-P	FI	LRE780044921	02/15/10	05/30/10	\$606.13	\$1,516.41	\$250
☒	CAN-F	FL	FLR780083710	05/30/10	05/30/10		\$2,375.00	\$750
☒	CAN-F	FL	FLR780184893	05/30/10	05/30/10		\$2,375.00	\$750
☒	CAN-F	FI	LRE780184894	05/30/10	05/30/10		\$721.68	\$250

1

Policy Details: FLR611209534

Carrier: EMPIRE FIRE AND MARINE
INSURANCE COMPANY
Method: ITV
Prop State: SC
Coverage: 250000
Type: RESIDENTIAL
Status: FORECLOSURE
Loan Investor: 794

Total Premium Issued: 2375.00
LP Premium 2375.00
Policy Fee
State Tax
State Surcharge
State Other Fee
Optional Premium

Loss Date:

Cancel Date:

Cancel Reason:
01 - (Other Insurance Coverage Provider)

Transaction List

Balance: \$0.00

Trans Date	Transaction	Trans Amt	Reference	Invoice #	Item	Can Date	C
06/01/09	12-PREM - Policy Billed	2375.00					
06/12/09	31-CASH - Payment Received	-2375.00	61109				

1

QRE

Redacted

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REDACTED

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CODED HISTORY SEGMENT

HIST SEQ NUM	HIST PAY AMT	HIST LETTER CODE	HIST ACTV DATE	TIME OF ACTV	COLL ACTV CODE	PRTY CONT CODE	LOC CAL LED	PROM AMT ONE	PROM DATE ONE	PROM AMT TWO	PROM DATE TWO	NON PAY EXC	CACS FUNC CODE	CACS ST NUM	HST TXT IND	HIST USER ID	USER DEFINED SEVEN
98721	.00		080609	06:09	SP				000000		000000		M	03			8 0 0
98722	.00		080609	06:09	ST				000000		000000		M	03			8 0 0
98723	1,230.26		080609	06:09	PY				000000		000000		M	05			8 0 0
98724	.00		080609	19:35	RV				000000		000000		H	05			8 0 0
98725	.00		080609	11:04	LR			1,230	080609		000000		H	05			8 0 0
98726	.00	QBILL	080609	11:04	LN				000000		000000		H	01			8 0 0
98727	.00		080609	11:03	DE				000000		000000		H	01	*		8 0 0

HISTORY TEXT SEGMENT

SEGMENT LENGTH 189

QUICKBILL - PTT #000300677778 - EFF DATE 060908 - AMOUNT \$1230.26 -
ROUTING #053207766 - ACCT [REDACTED] TYPE 0

98728	.00		080609	11:03	LN				000000		000000		H	01	*		8 0 0

HISTORY TEXT SEGMENT

SEGMENT LENGTH 347

98729	.00	DDA BAL	080609	11:01	LN				000000		000000		H	01	*		8 0 0

HISTORY TEXT SEGMENT

SEGMENT LENGTH 110

		004	DDA						BSCK	S	OP	04052002	N		1531.38+		
98730	.00		080607	08:46	OC	L	H		000000			000000		H	01		8 0 0
98731	.00		080606	06:19	ST				000000			000000		H	01		8 0 0
98732	.00		080606	12:02	OC	N	H		000000			000000		H	01		8 0 0
98733	.00		080605	06:16	ST				000000			000000		H	01		8 0 0

WF002144

1424

Batch Number 4643483 submitted at 12:10:11 PM on 12/1/2006

USER SOURCE	BATCH TOTAL	CPA	EFFECTIVE DATE	NAME	EMPLOYEE TO	DATE	PHC
JB2Q	\$3,010,422,167.80	0	12/1/2006	MASON JR, JAMES ERRICK	Redacted	12/1/2006	Redacted
Batch ID	REVERSING ENTRY EFFECTIVE DATE	RECURRING ENTRY PURGE DATE	APPROVED BY:	fpa 12/1/06 4643702 / 4643703			
4643483							

COMPLETE DESCRIPTION: RECORD PURCHASE OF POOL 794 (HELS) BY TMS FROM THE BANK
 DOCUMENTATION LOCATION: TREASURY/FIN
 CURRENCY CODE: USD

Co.	Account	Center	Subaccount	Debit Amount	Credit Amount	Description	Description 2	Description 3	Description 4	Description 5
0101	0103009	0000005	0000000	\$1,492,416,789.69		CASH RECEIVED FROM T	TREASURY/FI POOL 794			
						04643483				
0101	0157208	0001000	0000000		\$1,505,211,083.90	SALE	TREASURY/FI POOL 794			
						LOANS TO TMS SE				
						04643483				
0101	0737109	0001000	0000000	\$12,794,294.21		LOSS ON LOAN SALE	TREASURY/FI POOL 794			
						04643483				
6513	0157208	0001000	0000000	\$1,505,211,083.90		PURCHASE	TREASURY/FI POOL 794			
						LOANS FROM				
						04643483				
6513	0103009	0000005	0000000	\$1,492,416,789.69		CASH PAID TO WBNA	TREASURY/FI POOL 794			
						04643483				
6513	0157209	0001000	0000000	\$12,794,294.21		DISCOUNT ON LOANS	TREASURY/FI POOL 794			
						04643483				

have to RC 0113326

DOTS

CONTROL #		WIRE TYPE:	
CALLER:		TODAY'S DATE: 01-Dec-06	
SOURCE (DEPT/BRANCH)	CORPORATE ACCOUNTING CONT-2-0201	LINE/TIME:	
DESCRIP. 2#:			
EXECUTION DATE:	01-Dec-06	AMOUNT:	\$1,492,416,789.69
DEBIT PARTY:	The Money Store Service Corporation	BANK #/LOCAT #/ABA#	053000219
		ACCOUNT#:	5000000015113
DEBIT PARTY ADDRESS:	CHARLOTTE, NC		
RECEIVE BANK/ PARTY:	Wachovia Bank, N. A.	RECEIVE BANK/ ABA#	053000219
RECEIVE BANK/ PARTY ADDRESS:			
CREDIT PARTY:	Wachovia Bank	CREDIT PARTY ACCOUNT#:	5000000004331
CREDIT PARTY ADDRESS:		ADVICE:	
BY ORDER OF:	Corporate Loan Accounting		
CREDIT PARTY INFO/ PAYMENT DETAIL TEXT:			
LINE 1:	PEL Purchase		
LINE 2:			
LINE 3:			
LINE 4:			
LINE 5:			
LINE 6:			
ADDITIONAL TEXT (N/A FOR FEDWIRE):		FEE METHOD:	
Contact:		☐ SPECIAL CHARGE OF:	
SIGNATURE OF PERSON PREPARING THE FORM		NO ACCOUNT	
SIGNATURE OF OFFICER APPROVING THE FORM:			
TEST:			
TO IN:	CALL BACK:		

WF002300

Preliminary Gain On Sale Results

Loan Sale to TMS - Sale Date: 12/01/2008

Effective 12/01/08						
Sale of Loans to TMS Service Corp						
Bank 0101						
0101	0103009	0000005	Angela GL	Cash received from TMS Servicing Corp	1,482,416,790	
0101	0157208	0001000	Angela GL	Sale Loans to TMS Servicing Corp		1,505,211,084
0101	0737109	0001000	Angela GL	Loss on Loan Sale	12,794,294	
TMS Servicing Corporation 6513						
6513	0157208	0001000	Angela GL	Purchase Loans from WBNA	1,505,211,084	
6513	0103009	0000005	Angela GL	Cash paid to WBNA		1,482,416,790
6513	0197209	0001000	Angela GL	Discount on Loans		12,794,294
Note: This entry is not posted, this happens automatically through the zba process the night of 12/05 as a result of the journal entry above.						
TMS Servicing Corporation 6813 (Draws down on note with WBNA)						
6813	0103009	0000005	ZBA process	Cash borrowed from WBNA	1,482,416,790	
6813	0374109	0001000	ZBA process	Draw down on Note with Bank		1,482,416,790
Bank 0101 (Bank sends cash to TMS Servicing Corp)						
0101	0144009	0001000	ZBA process	Draw down on Note with Bank	1,482,416,790	
0101	0103009	0000005	ZBA process	Cash borrowed from WBNA		1,482,416,790
Wire forms will be completed by Complex Transactions						

WF002301

Valuation Summary



TMS Pool 794

(A) Portfolio Segment	(B) UPS (\$000)	(C) W UPS	(D) Gross WAC	(E) Avg UPS (\$000)	(F) Market Price	(G) Market Price less SR	(H) Market Value Yield	(I) Current FICO	(J) WA CLTV	(K) WALA (\$000)	(L) ModSed Duration	(M) WAL	(N) Fast. WA CPR	(O) Fast. Losses (\$ UPS)	(P) Fast. Severity
Securitizable:															
Senior & Junior Lien	1,037,608	67.88%	7.09%	82.0	100.88%	100.15%	6.60%	701	72.0	12	3.3	4.3	18%	0.38%	72%
Securitizable Subtotal:	1,037,608	67.88%	7.09%	82.0	100.88%	100.15%	6.60%	701	72.0	12	3.3	4.3	18%	0.38%	72%
30-day Delinq. & Repdefaults	10,142	0.66%	7.17%	85.3	92.30%	92.30%	7.81%	586	73.9	31	1.7	2.3	28%	6.94%	72%
60-day Delinq. & Bankruptcies	127,051	8.32%	7.77%	53.1	96.85%	96.85%	7.29%	622	75.7	56	2.8	3.8	18%	3.54%	72%
Loan Issues	351,828	23.04%	7.16%	76.0	97.24%	97.24%	7.80%	740	57.9	7	2.6	3.4	17%	1.24%	72%
Non-Securitizable	488,801	32.02%	7.32%	70.3	97.04%	97.04%	7.52%	705	63	20	3	3.5	15%	1.95%	72%
Total	1,526,407	100.00%	7.18%	78.2	99.60%	99.15%	6.90%	702	69.1	15	3.1	4.1	18%	0.88%	72%

Note: Non-securitizable portions of the portfolio are priced using a discounted cash flow methodology, with a discount rate based on the securitizable market value yield.

$$BV \times \text{discount} = FV \text{ and/or cash}$$

$$\$1,505,211,083.90 \times 99.15\% = \$1,492,416,790$$

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WF002303

Structure



TMS 794

Valuation (\$000)

Tranche	Rating	Balance (\$000)	% of Deal	Gross WAC/ Coupon	Type	Principal Window	WAL	Duration	Yield	Spread (bp)	Price (%)	Market Value (\$000)	Loss Coverage Requirement
COLLAT		1,037,606	100.00%	7.09	FIX		3.89	3.13					
AAA	AAA	912,160	87.91%	6.50	FIX	11/06-05/16	3.58	2.94	6.19	164	101.16	922,778	12.09
J0	AAA	1,037,606		Excess			3.89	2.43	15.48		0.94	9,702	
B1	AA	40,363	3.89%	6.50	FIX	11/06-05/16	6.15	4.83	6.15	165	102.13	41,224	8.20
B2	A	24,591	2.37%	6.50	FIX	11/06-05/16	6.15	4.81	6.35	185	101.15	24,875	5.83
B3	BBB	17,951	1.73%	6.50	FIX	11/06-05/16	6.15	4.68	8.00	350	93.55	16,792	4.10
B4	BB	19,196	1.85%	6.50	FIX	11/06-05/16	6.15	4.24	12.90	800	75.24	14,443	2.25
B5	B	5,398	0.52%	6.50	FIX	11/06-05/16	6.15	3.71	19.64	1450	57.58	3,107	1.73
B6	NR	17,951	1.73%	6.50	FIX	11/06-05/16	6.15	2.98	28.34		39.45	7,081	
Gross Price (Sec.)											100.23	1,040,002	
SR Asset											0.50	5,233	
Deal Expenses											(0.08)	(830)	
Net Price (Sec.)											100.65	1,044,404	
Treasury Curve (11/28/06)				3MO	6MO	1YR	2YR	3YR	5YR	7YR	10YR	20YR	
				5.04	5.13	4.98	4.67	4.57	4.50	4.50	4.51	4.70	

Notes:

1. Tranche sizing based on WASI 2005-HEMM1 shadow ratings.
2. Spreads and FNMA price obtained from Countrywide, Lehman and CSFB.
3. Service Fee of 25 bps stripped out of structure. Trustee Fee of 2 bps assumed.
4. Pricing speed from STAR, Forecasting & Pricing.

WF002304

TMS Pool 794 Valuation

Presentation Date: November, 2006
Collateral as of: October 31, 2006
Market Conditions as of: November 28, 2006

Structured Transactions & Analytical Research (STAR)



WACHOVIA BANK, N.A.

ADVANCED CONSUMER LOAN SYSTEM
SECURIZATION TRIAL BALANCE
AS OF DATE: 03/07/2007

#A7SC0601

PAGE: 8,235

DATE: 03/08/2007

INVESTOR	BANK	APP	LOAN NUMBER	ACCT STAT	PURCHASE DATE	CURRENT INT RTE	CURRENT LOAN BALANCE	INTEREST DOE	INTEREST ACCR MTD	NSF FEES MTD	LATE CHARGE MTD	INTEREST PAID YTD	D C
794	30	3	323001000005778	0	10/13/2006	8.130	85,083.43	38.18	133.97				
794	30	3	323001000005885	0	10/16/2006	7.840	43,899.65	84.86	66.00				
794	30	3	323001000005893	0	10/12/2006	9.190	42,700.00	535.15	75.26				
794	30	3	323001000005919	0	10/13/2006	9.190	21,783.70	113.18	38.39				
794	30	3	323001000005984	0	10/17/2006	7.370	101,227.50	813.92	143.08				
794	30	3	323001000005992	0	10/18/2006	8.540	43,523.62	61.10	71.34				
794	30	3	323001000006040	0	10/30/2006	8.690	344,374.06	2,548.16	573.92				
794	41	3	000041016123445	0	10/23/1992	12.750	6,018.25	6.30	15.09				
794	41	3	000041100187387	0	11/04/1997	9.000	6,204.55	186.64	10.70				
794	41	3	000041100198540	0	05/18/1999	10.000	9,004.42	71.54	17.27		5.61		
794	41	3	000041100212438	0	01/18/2002	7.740	8,986.48	43.82	13.34				
794	41	3	000041100214045	0	07/02/2002	7.490	18,255.59	191.06	26.23				
794	41	3	000041100215695	0	01/28/2003	7.240	8,637.64	30.84	11.99				
794	41	3	000041100216102	0	03/20/2003	6.490	94,487.59	268.81	117.60				
794	41	3	000041100216388	0	04/22/2003	6.740	33,428.14	166.67	43.21				
794	41	3	000041100218168	0	07/08/2003	6.240	20,225.98	34.58	24.21				
794	41	3	000041100218591	0	07/15/2003	6.490	10,739.87	59.20	13.37				
794	41	3	000041100218647	0	07/28/2003	6.490	63,310.81	348.97	78.80				
794	41	3	000041200205635	0	07/19/2000	10.140	43,939.40	244.13	85.44				
794	41	3	000041200213034	0	03/15/2002	7.740	47,701.44	313.57	70.81		10.00		
794	41	3	000041200213089	0	03/12/2002	8.490	174,504.20	4,225.04	284.13				
794	41	3	000041200213584	0	05/03/2002	7.740	48,752.68	124.34	72.37				
794	41	3	000041200213799	0	06/11/2002	7.490	19,644.58	36.28	28.22				
794	41	3	000041200214121	2	07/24/2002	8.790	16,434.61	2,165.74	142.76				
794	41	3	000041200215087	0	11/11/2002	6.490	114,703.46	550.67	250.68				
794	41	3	000041200215481	0	01/02/2003	6.490	201,401.14	1,267.56	133.24				
794	41	3	000041200215625	0	01/21/2003	8.740	79,492.70	33.63	78.59				
794	41	3	000041200215944	0	03/05/2003	6.990	58,538.45	602.16	113.29				
794	41	3	000041200216060	0	03/19/2003	6.490	91,026.38	172.58	92.93				
794	41	3	000041200216090	0	03/21/2003	6.350	76,308.17	3.26	1.76				
794	41	3	000041200216103	0	03/21/2003	5.740	1,596.04	14.20	49.75				
794	41	3	000041200216594	0	05/07/2003	6.490	39,924.97	228.44	123.01				
794	41	3	000041200217001	0	05/24/2003	5.990	107,075.57	58,098.51	208.58				
794	41	3	000041200217388	0	05/27/2003	6.240	74,121.27	197.69	92.25				
794	41	3	000041200218101	0	07/02/2003	6.490	34,041.54	96.84	42.37				
794	41	3	000041200218619	0	07/23/2003	6.490	57,528.98	314.44	104.82				
794	41	3	000041300186159	0	08/25/1997	9.500	12,011.59	20.73	24.20				
794	41	3	000041300207230	0	10/25/2000	10.500	42,353.27	1,579.86	65.71				
794	41	3	000041300207546	0	11/22/2000	8.090	118,350.24	158.65	120.49				
794	41	3	000041300212603	0	01/30/2002	6.990	96,694.92	17.20	112.24				
794	41	3	000041300215479	0	01/06/2003	6.490	93,672.06	32.03	62.70				
794	41	3	000041300215743	0	02/05/2003	6.240	54,575.25	579.89	184.51				
794	41	3	000041300216045	0	03/11/2003	5.990	148,240.87	35,989.44	46.52				
794	41	3	000041300216159	0	03/27/2003	6.490	67,441.92	343.73	89.11				
794	41	3	000041300216755	0	05/08/2003	6.740	88,652.82	524.62	153.02				
794	41	3	000041300217510	0	05/30/2003	6.890	21,415.64	14.53	34.03		10.00		
794	41	3	000041400174856	0	06/21/1996	9.000	76,838.86	362.50	145.00				
794	41	3	000041400194171	0	09/22/1998	8.250	75,190.20	27.85	122.43				
794	41	3	000041400207954	0	12/29/2000	9.840	4,680.18	53,881.31	85.15				
794	41	3	000041400211605	0	10/29/2001	8.490	88,522.52	112.63	131.43				
794	41	3	000041400212330	0	12/31/2001	7.240	5,380.35	3.09	7.27				
794	41	3	000041400213850	0	06/20/2002	8.240	112,926.24	261.03	140.55				
794	41	3	000041400214181	0	07/26/2002	7.740	59,242.66	162.05	70.90				
794	41	3	000041400214660	0	09/24/2002	6.990							
794	41	3	000041400215861	0	02/24/2003	6.490							
794	41	3	000041400216248	0	04/01/2003	6.240							

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WF002293

WACHOVIA BANK, N.A.

ADVANCED CONSUMER LOAN SYSTEM
SECURIZATION TRIAL BALANCE
AS OF DATE: 05/29/2009

#A7SC0601

PAGE: 6,539

DATE: 05/30/2009

INVESTOR	BANK	APP	LOAN NUMBER	ACCT STAT	PURCHASE DATE	CURRENT INT RATE	CURRENT LOAN BALANCE	INTEREST DUE	INTEREST ACCR MTD	NSF FEES MTD	LATE CHARGE MTD	INTEREST PAID YTD	D C
794	28	3	3228010000572300	0	11/01/2006	6.940	68,300.10	1,447.57	402.57				
794	28	3	3228010000572318	0	10/27/2006	7.690	53,476.33	157.73	349.42				
794	28	3	3228010000572326	0	10/27/2006	8.190	50,634.31	159.06	352.25				
794	28	3	3228010000572649	0	11/02/2006	7.340	149,913.43	5,059.45	934.56				
794	28	3	3228010000572772	0	10/30/2006	1.500	447,091.22	9,464.51	569.58		52.28		
794	28	3	3228010000572789	0	11/03/2006	8.440	80,650.98	249.23	578.12				
794	28	3	3228010000573250	0	11/02/2006	7.040	44,130.21	34.05	264.91				
794	28	3	3228010000573308	0	11/02/2006	6.250	281,434.54	674.67	1,497.01				
794	28	3	3228010000573340	0	11/02/2006	6.250	207,068.25	496.39	1,101.54				
794	28	3	3228010000573530	0	10/27/2006	8.440	30,383.50	175.64	217.68				
794	28	3	3228010000573696	0	11/01/2006	7.190	5,357.22	17.94	33.17				
794	30	3	3230010240004192	0	03/15/2000	9.250	28,473.79	129.88	224.50				
794	30	3	3230010000001694	0	12/08/2005	8.190	20,180.45	58.86	141.31				
794	30	3	3230010000001793	0	12/21/2005	6.500	44,319.97	94.71	244.76				
794	30	3	3230010000003088	0	04/19/2006	6.790	29,980.77	167.43	200.11				
794	30	3	3230010000003278	0	05/04/2006	6.790	132,466.43	517.49	765.13				
794	30	3	3230010000004003	0	06/19/2006	6.390	129,453.16	408.06	703.07				
794	30	3	3230010000004029	0	06/24/2006	7.840	151,374.78	422.69	1,012.81				
794	30	3	3230010000004367	0	07/19/2006	9.740	17,302.80	55.41	143.81				
794	30	3	3230010000004458	0	07/22/2006	7.940	3,586.47	12.48	24.93				
794	30	3	3230010000004524	0	07/14/2006	8.840	84,259.74	632.61	632.61				
794	30	3	3230010000004532	0	07/24/2006	6.790	26,387.09	83.73	153.78				
794	30	3	3230010000004821	0	08/04/2006	8.590	12,408.40	84.68	90.53				
794	30	3	3230010000004946	0	08/08/2006	8.590	11,614.05	74.66	85.76				
794	30	3	3230010000005117	0	09/18/2006	7.990	41,789.83	283.58	283.58				
794	30	3	3230010000005125	0	08/25/2006	9.440	69,772.56	505.27	559.43				
794	30	3	3230010000005265	0	08/30/2006	7.590	29,008.55	102.55	187.63				
794	30	3	3230010000005604	0	10/04/2006	8.790	9,137.53	61.62	68.35				
794	30	3	3230010000005612	0	09/28/2006	9.100	33,635.55	190.70	259.96				
794	30	3	3230010000005679	0	09/27/2006	7.790	6,277.04	5.36	41.89				
794	30	3	3230010000005778	0	10/13/2006	8.190	78,009.48	455.11	542.93				
794	30	3	3230010000005885	0	10/16/2006	7.840	43,010.47	323.34	286.39				
794	30	3	3230010000005893	8	10/12/2006	9.190			31.95				
794	30	3	3230010000005919	0	10/13/2006	9.190	20,938.53	105.44	163.55			1,593.57 05/04/2009	
794	41	3	0000411001986640	0	05/18/1999	5.000	7,431.88	6.10	32.47		5.61		
794	41	3	000041100215695	0	01/28/2003	7.240	5,832.51	16.20	36.25				
794	41	3	000041100216102	0	03/20/2003	6.490	91,094.84	194.37	502.43				
794	41	3	000041100216388	0	04/22/2003	6.740	26,310.86	48.58	151.65				
794	41	3	000041100218168	0	07/08/2003	6.240	18,399.31	62.91	97.81				
794	41	3	000041100218647	0	07/28/2003	6.490	61,146.04	228.31	337.14				
794	41	3	000041200205635	0	07/19/2000	10.140	37,128.26	123.77	320.98				
794	41	3	000041200213034	0	03/15/2002	7.740	43,370.44	303.50	285.11				
794	41	3	000041200213089	2	03/12/2002	3.490	174,504.20	6,205.72	10.00				
794	41	3	000041200213584	0	05/03/2002	7.740	47,879.19	60.92	315.21				
794	41	3	000041200213799	0	06/11/2002	7.490	14,252.05	29.24	91.81				
794	41	3	000041200215087	0	11/11/2002	6.490	104,721.10	242.06	578.05				
794	41	3	000041200215944	0	03/05/2003	6.990	56,761.00	184.79	337.18				
794	41	3	000041200216060	0	03/19/2003	6.490	88,056.79	219.20	485.88				
794	41	3	000041200216099	0	03/21/2003	6.350	73,506.73	127.88	396.80				
794	41	3	000041200217001	0	05/24/2003	5.990	102,944.15	202.73	524.23				
794	41	3	000041200217388	0	05/27/2003	6.240	55,966.19	105.25	296.88				
794	41	3	000041200218101	0	07/02/2003	6.490	66,271.48	200.32	366.15				
794	41	3	000041200218619	0	07/23/2003	6.490	31,137.31	132.87	171.78				
794	41	3	000041300207230	0	08/25/1997	9.500	47,261.01	159.91	383.38				
794	41	3	000041300207546	0	10/26/2000	10.500	9,420.07	27.10	84.39				
794	41	3	000041300207546	0	11/22/2000	3.090	41,739.40	49.47	109.77				

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THE STATE OF SOUTH CAROLINA
In the Court of Appeals

APPEAL FROM CHARLESTON COUNTY
Court of Common Pleas

The Honorable Mikell R. Scarborough
Charleston County Master in Equity

APPELLATE CASE NO. 2014-002590

RECEIVED

FEB 22 2016

SC Court of Appeals

BRENT E. BENTRIM, ...Appellant

v.

WELLS FARGO BANK, N.A., ... Respondent

CERTIFICATE OF COUNSEL

The undersigned hereby certifies that the *Record on Appeal* contains all material proposed to be included by any of the parties not any other material.



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February 22, 2016