

EXHIBIT A

IN THE CIRCUIT COURT OF DEKALB COUNTY ALABAMA
CIVIL ACTION NO.: 08-183

LARRY DAVID WOOD, JR., and
KAREN WILBORN WOOD,
Individuals,

Plaintiffs,

vs.

OPTION ONE MORTGAGE CORPORATION,
WELLS FARGO BANK, N.A.,
FIDELITY NATIONAL FORECLOSURE &
BANKRUPTCY SOLUTIONS,
Defendants.

VIDEOTAPED DEPOSITION OF
BILL NEWLAND

Taken on behalf of the Plaintiffs

DATE TAKEN:	Tuesday, June 16, 2009
TIME:	9:10 a.m. - 5:30 p.m.
PLACE:	Fidelity National 601 Riverside Avenue Jacksonville, Florida
REPORTED BY:	Cindy D. McClary, RPR, CRR

1 Q Okay. So you were a fact witness to that
2 specific case?

3 A Yes.

4 Q I understand that you've played some role in
5 this case up to this point with respect to answering
6 interrogatories and propounding affidavits; is that
7 correct?

8 A Yes, it is.

9 Q So I take it from that that you have
10 personally made yourself familiar with this litigation
11 and the allegations that have been made; is that
12 correct?

13 A Yes, it is.

14 Q If you will, sir, please tell me how long
15 you've been an employee of Fidelity National
16 Foreclosure Services.

17 A Approximately five years.

18 Q Okay. How long have you been employed as a
19 vice president?

20 A Approximately four years.

21 Q The position that you currently hold,
22 exactly what is your title?

23 A I'm first vice president of operations.

24 Q What are your responsibilities with that
25 title, please, sir?

1 A I have primary oversight for the
2 Jacksonville facility and also manage our attorney
3 management area and special assets for our foreclosure
4 department.

5 Q What is a special asset in the foreclosure
6 department?

7 A Basically, we handle title resolution,
8 assist in correspondence with title resolution,
9 probates, things of that nature.

10 Q Have you held any other titles as an
11 employee of Fidelity?

12 A I held a title primarily when I was hired on
13 here as assistant vice president.

14 Q Okay.

15 MR. CASH: Just for the record to be clear,
16 can we make an agreement that when we use the
17 term Fidelity, we're talking about the defendant
18 Fidelity National Foreclosure & Bankruptcy
19 Solutions? Then we just don't have to repeat it
20 every time.

21 MR. WOOTEN: It'll probably save my tongue,
22 so, frankly, that'll be fine with me.

23 MR. CASH: Okay.

24 BY MR. WOOTEN:

25 Q I think that's what the industry more or

1 A Uh-huh.

2 Q Is that a vehicle by which you provide data
3 to your clients?

4 A Yes.

5 Q Tell me what screens you are aware of Fiserv
6 updates.

7 A I do not know.

8 Q Who in your employ would be the person with
9 the most knowledge about that?

10 A Probably our securities area.

11 Q Who is that person?

12 A I don't know off the top of my head.

13 Q Would Fiserv also be the vehicle by which
14 your firm delivered bills to its customers?

15 A No.

16 Q Is Fiserv the vehicle by which your company
17 would add fee charges to customer accounts?

18 A We do not add --

19 MR. CASH: Objection to the form.

20 Q You can answer if you know.

21 A We do not add fees.

22 Q Okay. When LPS provides services to its
23 clients, does it charge fees?

24 A No.

25 Q I'm sorry?

1 A To our clients, no.

2 Q Okay. Let me ask it another way. When you
3 provide services to the mortgage servicers which hire
4 you to do foreclosure work, do you charge fees for
5 that work?

6 A No, we don't.

7 Q Okay. Tell me what you charge, how you get
8 paid for the work that you do, please, sir.

9 MR. CASH: I'm going to object to that
10 question. That's proprietary, and there's no
11 reason to go into it based upon the allegations
12 set forth in this lawsuit. There's no relevance
13 based upon any claim being made in this lawsuit.
14 Unless, Nick, you can point me to one of the
15 allegations in here that supports that question.

16 MR. WOOTEN: Well, let's do this, Mr. Cash.
17 We'll come back to that question in a few
18 minutes. I don't want to get too far out of
19 order.

20 MR. CASH: Okay. The objection will be the
21 same later, but --

22 MR. WOOTEN: That'll be fine. You'll be
23 welcome to make it.

24 BY MR. WOOTEN:

25 Q Make sure I understand this, Mr. Newland.

1 off of Process Management, yes.

2 Q Sure. Are there any attorneys who are not
3 members of the Fidelity -- or the LPS attorney network
4 who can access your Process Management system?

5 A Not that I'm aware of.

6 Q And is it a fact that the only attorneys who
7 are using Process Management are attorneys who have
8 signed a referral agreement with LPS?

9 A That would be correct.

10 Q So, while your clients are free to choose
11 whomever as a foreclosing attorney, if they are an MSP
12 user and they are an LPS -- they have an LPS agreement
13 with you for Default Solutions, the only attorneys
14 available on LPS system are attorneys who have signed
15 a contract with LPS?

16 A That have signed a contract with LPS, yes.

17 Q So when you say that your servicing clients
18 are free to choose whomever, with respect to referring
19 it through LPS, that is illusory, isn't it?

20 A I don't understand what you mean by
21 illusory.

22 Q Well, there are 14,000 lawyers in the state
23 of Alabama approximately.

24 A Uh-huh.

25 Q And your testimony is, is that Option One

1 could've chosen any lawyer to foreclose on this loan
2 if they wanted to, but if they have a contract with
3 LPS to provide default solutions, does that contract
4 not require them to make a referral through LPS?

5 A Not necessarily.

6 Q Have you -- well, never mind.

7 A Clients -- clients can choose to refer any
8 way they'd like.

9 Q If they want the loan to stay on the MSP and
10 LPS system, don't they have to go through LPS and use
11 an attorney network member?

12 A The clients? Yes. They need to use our
13 system at their choice.

14 Q So, again, while you say that they can
15 choose whomever, if they keep the loan on your system,
16 they can only choose attorneys in your network?

17 A No. They can -- they can choose to use an
18 attorney outside the network and be able to update
19 that information through the client. The client has
20 the ability to be able to update the system just like
21 an attorney. If the attorney chooses not to sign the
22 agreement, then basically the updates can be provided
23 through the client into our LPS system.

24 Q Well, let me ask you this. Do you have any
25 statistics on whether or not any foreclosures which

1 were referred to LPS or sent to an attorney who was
2 not a member of LPS's attorney network?

3 A No, I do not have statistics on that.

4 Q Is it because the number would be zero?

5 A No.

6 Q And there are no reporting functions in your
7 software that will give you that information?

8 A I don't know.

9 Q And you've never asked that question?

10 A No, I have not.

11 THE VIDEOGRAPHER: Excuse me. May I change
12 videotape?

13 MR. WOOTEN: Sure.

14 THE VIDEOGRAPHER: Off record at 11:07.

15 (Brief recess.)

16 THE VIDEOGRAPHER: Back on record at 11:19,
17 beginning of Videotape No. 3.

18 MR. WOOTEN: I need to go ahead and tell
19 y'all, I've got a 2:30 that I'm going to have to
20 take a short break, 2:30 local time. I've got to
21 call in a federal case that I've got to deal
22 with. So --

23 MR. CASH: Okay, whatever works for you.

24 MR. WOOTEN: -- we'll try to structure
25 breaks around that, so -- but I wanted to give

1 regarding plaintiffs' mortgage loan.

2 A That is correct.

3 Q Now, are you speaking generally about any
4 payment at all from Option One, are you talking about
5 specifically the services provided regarding this
6 foreclosure that took place?

7 A Specifically.

8 Q Okay. So we're dealing with -- your
9 testimony is that for the support and services that
10 you provide regarding a foreclosure, that Option One
11 does not pay you any money?

12 A That is correct.

13 Q Now, with respect to Scott Humphrey, he pays
14 you a referral fee for having this loan come to him
15 through the referral network of LPS Default Solutions?

16 A He does not pay a referral fee, he pays an
17 administrative support fee.

18 Q Okay. Tell me what the administrative
19 support fee is.

20 A Basically to help maintain the information
21 within the system of record.

22 Q Okay. And what is the fee?

23 A I don't know off the top of my head what
24 the -- you're talking about the exact amount of the
25 fee?

1 Q Well, how is that fee derived? I mean, is
2 it a percentage or is it a set dollar amount, or how
3 do you arrive at that fee?

4 A It's a dollar amount that's determined by
5 our executives, I believe.

6 Q Okay. Is it based on the dollar value of
7 the loan or is it --

8 A No.

9 Q -- based on the service to be provided?

10 A It's -- it's a flat fee.

11 Q Okay. Do you know if Mr. Humphrey would
12 have added the amount of that support fee to the
13 attorney fees which he billed to Option One?

14 A I don't know.

15 Q Do you know if your agreement with
16 Mr. Humphrey's firm required him to perform the
17 foreclosure services for a set fee?

18 A Yes. I mean, it's all basically relative to
19 the fees that are incurred, that are set forth by the
20 client.

21 Q All right. And when you say they're set
22 forth by the client, there actually is a fee structure
23 for these types of services. And this is a
24 generalization, Mike, but even with respect to
25 bankruptcies and foreclosures, most of those

1 uploaded, but I do not know if those -- if there was
2 copies of anything behind those.

3 Q Is it your testimony that LPS Default
4 Solutions does not increase the amount billed to any
5 consumer for any charge or service provided during the
6 time that it manages the foreclosure process?

7 A That's correct, we do not.

8 Q Does LPS Default Solutions have any
9 agreement with any provider of services who does
10 charge a fee to a consumer in the foreclosure process
11 whereby that fee is shared with LPS Default Solutions?

12 A No.

13 Q And your testimony is that never happens,
14 not with respect to any fee, including any attorney's
15 fee?

16 A No.

17 Q Does Fidelity charge to Option One -- I'm
18 sorry.

19 Does LPS Default Solutions charge to Option
20 One any amount of money at any time for referring a
21 foreclosure file for foreclosure services through the
22 LPS Default Solutions platform?

23 A No.

24 Q Does it receive any remuneration of any type
25 from any source for Option One uploading a foreclosure

1 to LPS Default Solutions?

2 A No.

3 Q So I just want to be sure. What you're
4 testifying to is that there is no compensation ever
5 paid by the servicer to LPS Default Solutions for all
6 this work that it does on behalf of the servicer with
7 respect to the foreclosure?

8 A No.

9 Q There is compensation or there is not
10 compensation?

11 A No, there's no compensation.

12 Q Is it your testimony then that the only fees
13 which LPS Default Solutions collects with respect to
14 the foreclosure of any given loan is the
15 administrative support fee charged to the network
16 attorneys?

17 A Yes.

18 Q And the division of LPS Default Solutions
19 which we are here about today and which you are
20 testifying as a 30(b)(6) representative, the only
21 source of income it derives for its work with respect
22 to foreclosure is the administrative support fee?

23 A That's my understanding.

24 Q Other than the administrative support fee,
25 does it charge a fee for accessing documents on the

1 new document system?

2 A No.

3 Q So your testimony today is that the only
4 compensation of any type, of any nature, paid to LPS
5 Default Solutions is the administrative support fee,
6 and it funds all of the activities and makes all the
7 profit, pays all the overhead of LPS Default
8 Solutions?

9 A That's my understanding, for the third time.

10 Q Paragraph 11 of your affidavit says that LPS
11 Default Solutions has no record of receiving any
12 portion of funds received from any foreclosure of
13 plaintiffs' mortgage?

14 A That is correct.

15 Q And is that comment based upon the contents
16 of the Process Management system?

17 A Yes.

18 Q And it is your testimony that your employees
19 do have access to MSP as a portion of the work that
20 they do, correct?

21 A They have access to certain screens within
22 MSP, correct.

23 Q Would that be the foreclosure screens within
24 MSP?

25 A It would be access to limited amounts of the

1 asked Ann Russo if her office had any info regarding a
2 possible insurance claim or action on this property?

3 A That's correct.

4 Q What is the APR score or ranking with
5 respect to your foreclosure attorneys?

6 A What is the APR ranking?

7 Q Or score, attorney performance review or
8 attorney performance ranking, APR?

9 A Uh-huh.

10 Q What is that?

11 A It's a scoring mechanism we utilize to show
12 where the attorneys are performing in relation to the
13 other attorneys within the state.

14 Q Within the state?

15 A Yes.

16 Q Does that extend at all beyond the state to
17 the region or to the country?

18 A Well, there are service levels that are also
19 in the national.

20 Q And how is that APR measured?

21 MR. CASH: I have a better question. How is
22 that relevant to this lawsuit?

23 MR. WOOTEN: It's relevant to this lawsuit,
24 Mike, because what you will learn about the APR
25 ranking is that it requires the attorneys to

1 other attorneys within a state.

2 So is that to be assumed from that response
3 that a higher APR ranking means that that attorney, by
4 your measure, is doing better than a lower APR
5 ranking?

6 A They could be performing better, yes.

7 Q Okay. And how do you determine the APR
8 ranking of a given attorney?

9 A The APR ranking is based off of the
10 completion of events that are within the APR scoring
11 module. These events are based off the data that's
12 inputted by the attorneys, then it's compared against
13 their peers within that state, based off of days to
14 complete the actions.

15 Q So, for instance, there is a recommended
16 time frame from delivery of a foreclosure referral to
17 completion of the foreclosure sale, correct?

18 A There is a time frame, yes.

19 Q What is that time frame, sir?

20 A Time frame for the state of Alabama?

21 Q Uh-huh.

22 A I believe it's 90 days.

23 Q And that is from, in this case, June 1st of
24 2007, which -- when it was opened and sent to Scott
25 Humphrey, until the sale is complete?

1 A That's correct.

2 Q And your APR measures how the attorney does
3 in completing these events within those time frames,
4 correct?

5 A That's correct.

6 Q And so, that is based entirely upon the data
7 which is entered in the Process Management system,
8 correct?

9 A Yes.

10 Q And I'm assuming that there is a reporting
11 function within the Process Management system which
12 tracks these key events for each of these attorneys?

13 A Yes, there is.

14 Q Other than the time to complete the
15 foreclosure sale from beginning to end, what other
16 measures does your firm employ with respect to your
17 network attorneys who are engaged in foreclosure
18 practice?

19 A What other measurements as far as the APR?
20 We also measure service levels.

21 Q When you indicate service levels, can you
22 explain that for me?

23 A Sure. How often do they complete their
24 re-projections on time.

25 Q A re-projection is when a date has to be