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7 **IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON**  
8 **FOR THE COUNTY OF SNOHOMISH**

9 Deutsche Bank National Trust Company, as  
10 Indenture Trustee, for New Century Home  
11 Equity Loan Trust 2006-1

12 Plaintiffs,

13 v.

14 Thomas E. Bergeron et al.

15 Defendants.

16 \_\_\_\_\_  
17 Thomas E. Bergeron; Carmen A. Bergeron;

18 Defendants, Counter-Cross Claimants,

19 v.

20 Deutsche Bank National Trust Company, as  
21 Indenture Trustee, for New Century Home  
22 Equity Loan Trust 2006-1

23 Plaintiffs and Counter Defendants;

24 Mortgage Electronic Registration systems,  
25 Inc. et al.

26 Cross-Defendants.  
27  
28

Case No.: 20-2-00225-31

**DECLARATION OF RONALD J.  
O'DONNELL IN SUPPORT OF  
DEFENDANT BERGERONS'  
OPPOSITION TO THE MOTION  
FOR SUMMARY JUDGMENT  
PURPORTEDLY FILED ON  
BEHALF OF NAMED  
PLAINTIFF DEUTSCHE BANK,  
AS INDENTURE TRUSTEE,  
FOR NEW CENTURY HOME  
EQUITY LOAN TRUST 2006-1**

**Declaration of Ronald J. O'Donnell in Support of  
Bergerons' Opposition to Plaintiff's Motion  
for Summary Judgement, page 1**

*Stafne Law Advocacy & Consulting*  
239 North Olympic Avenue  
Arlington, WA 98223  
360 403 8700

My name is Ronald J. O'Donnell and I am making this **DECLARATION**, under penalty of Perjury and if called upon, I would testify in this court, as to the following facts:

( A copy of my curriculum vitae is attached hereto as **Exhibit 1.**)

1. I have been asked by the Bergerons' attorney whether based on my education, training, and experience I have an opinion based on the summary judgment materials submitted to this Court and those which appear on the docket of the New Century debtors' bankruptcy case what entity, if any, owns the Bergerons' loan.
2. Bergerons' attorney also asked me if I have an opinion on a more likely than not basis based on the summary judgment materials submitted to this Court and those which appear on the docket of the New Century debtors' bankruptcy case what entity, if any, presently possesses the Bergerons' original wet ink signed note. The attorney also asked if I had an opinion as to what entity, if any, possessed the original wet ink note at the time this case was filed. presently and also at the time this case was filed.
3. The filings in this case which I was provided and which I have reviewed for purposes of complying with the Bergerons' attorneys' above stated requests include: the Complaint in this action, as well as the Motion for Summary Judgment filed by the named Plaintiff, *i.e.* Deutsche Bank as an Indenture Trustee for New Century Home Equity Loan Trust 2006-1, against the Bergerons as defendants in this action, as well as the declarations of Janine

McFarland and Joseph McCormick in support of that Motion for Summary Judgment, as well as Janine McFarland's subsequent deposition testimony about, among other things, the assertions in her declaration.

4. I have also reviewed the docket in the New Century debtors' bankruptcy proceedings, a copy of which is attached hereto as Exhibit 2. I download this docket through my PACER account. I have also reviewed several filings within that docket, including:

The sale of the worthless residue assets is to somebody else named Alltech Corporation. **Exhibit 2.**

The destruction of materials motion by trustee. **Exhibit 3.**

5. Based on my education, training, and experience as well the court documents I reference above it is my opinion on a more likely than not basis that it cannot be determined what entity, if any, owns the Bergerons' loan. Furthermore, it is also my opinion based on this same expertise that I am unable to determine on a more likely than not basis what entity, if any, presently possesses the Bergerons' original Note with New Century or possessed that Note at the time this case against the Bergerons was filed.
6. For purposes of rendering this opinion I have relied on the totality of my education, training, and experience as set forth in Exhibit 1, including my experience in helping numerous petitioners obtain relief from numerous federal bankruptcy courts. I have also relied on that education and training which is reflected in my teaching credentials, which have been issued to me since 1978 by

the State of California, to teach courses related to: 1. Real Estate Law; 2. Real Estate Finance; 3. Real Estate Economics; 4. Real Estate Appraisal; 5. Real Estate Principles; and 6. Real Estate Practices.

7. With regard to my opinion that it cannot be determined from the summary judgment filings what entity, if any, owns the Bergerons' loan and/or possesses the Bergerons' original note, I would direct the finder to Ms. McFarland's deposition where she testified multiple times under oath that Carrington Mortgage Services LLC actually purchased Bergeron's loan through the New Century debtors' bankruptcy proceedings. *See* McFarland Deposition, Ex 5 at: 16:5-18:13; 19:1-10; 21:8-24:11; 68:18-24; 71:4-72:6; 74:23-4; 76:4-20; 103:17-104:9. However, nowhere in declaration testimony does she provide a simple receipt showing that this claim is true.
8. This is problematic because if her testimony in this regard were true you would expect to see some documentation of this claim in the bankruptcy court docket. Indeed, it is my experience that bankruptcy trustees are required by Bankruptcy law to provide receipts for any sale of Bankruptcy Estate property. And furthermore, it is my experience that such receipts for such sales are reflected in the bankruptcy court docket. I searched the 23,000 plus docket entries in the New Century to the best of my ability and could not find any entry which reflected the purchase of the Bergeron loan by any person or company, including Carrington Mortgage. If there is such an entry I would have expected that it would have been provided to this court.

9. In my opinion if Carrington Mortgage, LLC., actually bought the Bergeron's loan through the bankruptcy proceedings as McFarland testifies is so, then Carrington Mortgage, LLC., is not likely acting as the servicer and attorney in fact for the Plaintiff "Deutsche Bank as Indenture Trustee for New Century Home Equity Loan Trust 2006-1" as the owner of the loan because that Trust does not own the loan. Instead, Carrington owns the loan.
10. My search of the New Century Bankruptcy did not show any sale of any assets of the New Century Bankruptcy Estate to Carrington Mortgage Services LLC or to Deutsche Bank as a Trustee for the Trust. Instead, the bankruptcy docket reflects New Century's files were sold to Alltech Corporation for about \$18,000.00. I have attached as **Exhibit 2** hereto, a copy of the bankruptcy court order to this effect.
11. The \$18,000 sale price for these files is significant because it is my experience that bankruptcy courts do not generally approve the sale of assets having significant value for such a deeply discounted price.
12. At page 21, line 3 through page 25, line 18 of her deposition McFarland appears to testify that Carrington Mortgage Services LLC, may have bought the trust, i.e. New Century Home Equity Loan Trust 2006-1 which owns the loan from the bankruptcy court. But McFarland does not explain how the New Century bankruptcy court obtained this trust and could sell it to Carrington Mortgage Services LLC.

13. Accordingly based on Ms. McFarland's testimony I cannot determine on a more likely than not basis what entity, if any, including Carrington, Ms. McFarland's employer, or Deutsche Bank on behalf of the New Century Home Equity Loan Trust 2006-1 owns the Bergerons' loan. I likely would be able to do so for purposes of forming an opinion regarding this standing issue if I had access to and could review those documents Ms. McFarland is relying on for her factual testimony that Carrington owns the Bergerons' loan.

14. While I was teaching the above listed subjects, around 1977-1980, I became fascinated over the subject of forming syndications and capital formation, , which is nothing more than the process of a new or existing business organization's attempt to raise capital in order to finance a future business Venture or Prospect, wherein the ownership percentage of the newly created Venture was modeled after a General Partnership format with the ownership % of this new Venture simply determined by dividing the amount of capital that the investing entity contributed to the new Venture divided by the total amount of total shares or "certificates" that were to be issued by the newly created business venture. I called these shares "Unit Dividend Certificates" in order to eliminate any confusion between a Corporate "Stock Certificate" and this newly created General Partnership business Venture. Keep in mind that there was no such thing as a "LLC" at that time. Those came shortly thereafter the writing and distribution of my 2 workbooks entitled "The Simplified Guide to Forming Private Placement Memorandum Limited Partnerships in California" and "The

Simplified Guide to Filing Limited Partnerships with the California Secretary of State”.

15. I advertised these publications in California Lawyer Magazine, (run by the California State Bar Association) to lawyers and quickly sold out all 15,000 printed copies that I had in 3 months at \$25.00 per copy. But there was one important defect in my publication. That defect being that when forming and filing these capital raising prospectuses, both State and Federal Law required that there be included a section for the “orderly termination” of these newly created business Ventures in the event of unforeseen circumstances, such as economic collapse of the national economy, natural disasters, war, and other mitigating factors. The workbooks that I published did not include a section addressing “orderly termination” and therefore, I voluntarily stopped publication of any further workbooks back in 1981. What is important to note here is that this topic was the source material for my final workbook, which I hadn’t yet released and that final workbook was still in progress.

16. That flaw was fatal if the pooling and servicing agreement or “prospectus” did not include a section on “orderly termination” of the newly formed Venture agreement is just a hypothetical business plan to attract capital from investors to raise funds to start up the Venture Enterprise which plan does not involve any property owner upon the formation of the “Trust”. The “Trust” is the offered to the investors, on terms to the investors that include that if the Venture is unable to raise at least 95% of the proposed offering amount, on a certain future

date, then all funds shall be returned to the “investors” and the Venture proposal shall be cancelled on that date, commonly called “the Closing date”.

17. To keep perspective here. This is a common capital raising technique, acceptable in the industry since the inception of Wall Street back in the early 1600’s, and nothing is new here. It’s simply a Limited Partnership or General Partnership attempting to raise capital. Note here that the target of this newly formed Venture (the property owner) has no knowledge, nor has ever given their consent to this enterprise Venture, and has no knowledge of, nor has ever given their legal consent to anything in this scheme that actually is targeting them and their property. Ask yourself. Why would a loan applicant, the property owner, wish to get involved in a Wall Street investment scheme, when all the homeowner was doing was applying for a traditional home loan? Short answer is that they did not and that the homeowner was completely unaware of the scheme in its entirety because the scheme didn’t involve them whatsoever.

18. I was contacted by the Bergeron’s attorney, Scott Stafne, who asked me to review the Complaint in the above captioned action, as well as the Motion for Summary Judgment filed by the named Plaintiff, i.e. Deutsche Bank as an Indenture Trustee for New Century Home Equity Loan Trust 2006-1 against the Bergeron’s as defendants in this action, as well as the declarations of Janine McFarland and Joseph McCormick in support of that Motion for Summary Judgment, as well as Janine McFarland’s subsequent deposition testimony about, among other things, ownership of the Bergeron’s loan, for purposes of



providing opinion testimony as to what entity, if any, likely owns the Bergeron's loan under the facts as stated in those pleadings

19. With regard to the Bergerons' attorney's inquiry as to what entity, if any, likely possesses the Bergerons' original wet ink note presently and/or possessed the original wet ink note as the time this case was filed it is my opinion that the original Note was destroyed pursuant to New Century's business practices in 2006. I base this opinion on Exhibit 3 hereto, which is a copy of a bankruptcy court filing by the New Century Liquidating Trustee which concedes that on the date the Bergerons' note was executed it was the practice of New Century entities to electronically copy the original and then destroy the original, keeping only the copy of the original. I also base my opinion that the original note was most likely destroyed as it is the fact that it was a common practice of lenders in 2006 to destroy original notes for reasons of eliminating storage costs and fees..

I declare under the penalty of perjury that the foregoing is true and correct to the best of my information and belief.

Dated: November 25, 2022 in Highland , CA.

 11-25-2022

Ronald J O'Donnell J.D. Date.11-25 2022

SEE ATTACHMENT

# CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

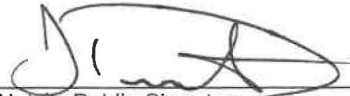
County of San Bernardino }

On 11.26.22 before me, J.Davett, Notary Public,  
(Here insert name and title of the officer)

personally appeared RONALD J. O'DONNELL J.D.,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

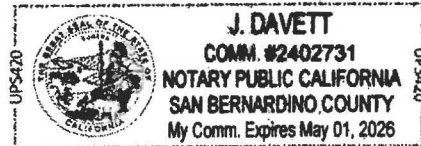
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

HAND TYPED DOCUMENT  
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 8 Document Date 11.25.22

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer
- \_\_\_\_\_ (Title)
- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, is /are ) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

# EXHIBIT 1

Deutsche Bank National Trust Company, et al. v. Thomas E. Bergeron, et al.

*Cause No. 20-2-00225-31*

Declaration of Ronald O'Donnell

Ronald J. O'Donnell, J.D.

## ADVOCACY AND THE ARTS DEMOCRATIC CLUB

1. I hold a "Lifetime" teaching credential issued by the California Department of Education to instruct the subjects of Real Estate Law, Real Estate Principles, Real Estate Practices, Real Estate Economics and Real Estate Appraisal on a college level. I have held this certification since 1977, a total of 42 years.

2. Earned an Associate Degree in Accounting in 1972 from the Alleghany County Community College of Pittsburgh, PA, a Bachelor in Arts Degree from the University of Pittsburgh located in the City of Pittsburgh, PA in 1974 with a major study area in Economics. I was awarded a Doctorate Degree in Law from Western States University, College of Law, located in the City of Fullerton, California in 1978. I have a total of 44 years in the study of Law and Finance to date and have qualified as an expert witness on various subjects, including the United States Tax Court located in Washington, DC. My contact information is as follows: Address of Ronald J O'Donnell, J.D. is 29982 Ansel Lane, Highland, CA 92346. Telephone is (909) 862-5789. Email is [rnldodonnell@aol.com](mailto:rnldodonnell@aol.com).

3. For the past 42 years, I have taught and written on the above listed subjects with emphasis on capital accumulation, which includes the formation of Limited Partnerships and Banking practices including the topic of Taxation. I presently (2014) have written and published a workbook entitled "Foreclosure Ammunition" which is designed in a manner to educate the average homeowner how to navigate through the foreclosure process in light of the Financial Crisis of 2008 and the subsequent Bank and Servicer Fraudulent abuses directed towards them. See: [www.foreclosureammunition.com](http://www.foreclosureammunition.com). I also have spent many hundreds of hours over the last 9 years examining and writing on the subject of various banking predatory practices and have examined hundreds of case studies involving predatory banking practices, of which selected ones have been forwarded by me to: The California Attorney General, the Pennsylvania Attorney General, the US Department of Justice for the Eastern District of Pennsylvania, the US Department of Justice for the Middle District of Pennsylvania, the US Department of Justice for the Western District of Pennsylvania, The Office of the Comptroller of the Currency, the Consumer Financial Protection Board, and have reported abuses by Bank and Servicers Attorneys who violate Consumers rights.

# EXHIBIT 2

Deutsche Bank National Trust Company, et al. v. Thomas E. Bergeron, et al.

*Cause No. 20-2-00225-31*

Declaration of Ronald O'Donnell

**EXHIBIT B**

**Exhibit B - Buena Park LCD Sale to Alltech Electronics**

<b>P/N</b>	<b>Make</b>	<b>Model</b>	<b>Description</b>	<b>Serial Number</b>	<b>Totals</b>
1 PD974A	HP	HP1955	LCD 19in	CNN6500K3Q	1
2 PD974A	HP	HP1955	LCD 19in	CNK61119XS	1
3 RA373A	HP	LP1965	LCD 19in	CNK6280L5M	1
4 RA373A	HP	LP1965	LCD 19in	CNN639143K	1
5 RA373A	HP	LP1965	LCD 19in	CNN64330PJ	1
6 RA373A	HP	LP1965	LCD 19in	CNN6433R81	1
7 RA373A	HP	LP1965	LCD 19in	CNN6433R83	1
8 RA373A	HP	LP1965	LCD 19in	CNN6433R84	1
9 RA373A	HP	LP1965	LCD 19in	CNN6433R86	1
10 RA373A	HP	LP1965	LCD 19in	CNN6433R88	1
11 RA373A	HP	LP1965	LCD 19in	CNN6433R8M	1
12 RA373A	HP	LP1965	LCD 19in	CNN6433RDX	1
13 RA373A	HP	LP1965	LCD 19in	CNN6433S4V	1
14 RA373A	HP	LP1965	LCD 19in	CNN6433SQ5	1
15 RA373A	HP	LP1965	LCD 19in	CNN6433SQB	1
16 RA373A	HP	LP1965	LCD 19in	CNN6433SQM	1
17 RA373A	HP	LP1965	LCD 19in	CNN6450HRN	1
18 RA373A	HP	LP1965	LCD 19in	CNN6450HRY	1
19 RA373A	HP	LP1965	LCD 19in	CNN6450HRZ	1
20 RA373A	HP	LP1965	LCD 19in	CNN6450JC0	1
21 RA373A	HP	LP1965	LCD 19in	CNN6450JC4	1
22 RA373A	HP	LP1965	LCD 19in	CNN647242N	1
23 RA373A	HP	LP1965	LCD 19in	CNN6500D7V	1
24 RA373A	HP	LP1965	LCD 19in	CNN6500K3V	1
25 RA373A	HP	LP1965	LCD 19in	CNN6500N0D	1
26 LCD1915X	NEC	LCD1915X	LCD 19in	42101260VA	1
27 LCD1960NXI	NEC	LCD1960NXI	LCD 19in	47130961YA	1
28 VS10867	Viewsonic	VA912B	LCD 19in	PPK053104114	1
29 VS10867	Viewsonic	VA912B	LCD 19in	PPK053104118	1
30 VS10867	Viewsonic	VA912B	LCD 19in	PW8054902353	1
31 VS10867	Viewsonic	VA912B	LCD 19in	PW8054902630	1
32 VS10867	Viewsonic	VA912B	LCD 19in	PW8054902696	1
33 VS10867	Viewsonic	VA912B	LCD 19in	PW8054902711	1
34 VS10867	Viewsonic	VA912B	LCD 19in	PW8060100704	1
35 VS10867	Viewsonic	VA912B	LCD 19in	PW8060101227	1
36 VS10867	Viewsonic	VA912B	LCD 19in	PW8060101233	1
37 VS10867	Viewsonic	VA912B	LCD 19in	PW8060101249	1
38 VS10867	Viewsonic	VA912B	LCD 19in	PW8060101254	1
39 VS10867	Viewsonic	VA912B	LCD 19in	PW8060101269	1
40 VS10867	Viewsonic	VA912B	LCD 19in	PW8060211152	1
41 VS10867	Viewsonic	VA912B	LCD 19in	PW8060211493	1
42 VS10867	Viewsonic	VA912B	LCD 19in	PW8060300723	1
43 VLCDS24020-3W	Viewsonic	VG900B	LCD 19in	A1X033700896	1
44 VLCDS27944-4W	Viewsonic	VG910B	LCD 19in	A32042401707	1
45 VLCDS27944-4W	Viewsonic	VG910B	LCD 19in	A32043200637	1
46 VLCDS27944-4W	Viewsonic	VG910B	LCD 19in	A32043200650	1
47 VLCDS27944-4W	Viewsonic	VG910B	LCD 19in	A32044600394	1
48 VLCDS27944-4W	Viewsonic	VG910B	LCD 19in	A32050352183	1
49 VLCDS27944-4W	Viewsonic	VG910B	LCD 19in	A32050352211	1
50 VLCDS27944-4W	Viewsonic	VG910B	LCD 19in	A320534B1528	1
51 VLCDS27944-4W	Viewsonic	VG910B	LCD 19in	A320534B1537	1
52 VS11369	Viewsonic	VG930M-3	LCD 19in	QC2064203116	1
53 VS11369	Viewsonic	VG930M-3	LCD 19in	QC2064305306	1

**Exhibit B - Buena Park LCD Sale to Alltech Electronics**

<b>P/N</b>	<b>Make</b>	<b>Model</b>	<b>Description</b>	<b>Serial Number</b>	<b>Totals</b>
54 VS10929	Viewsonic	VP920B	LCD 19in	PXY061504075	1
55 VS10929	Viewsonic	VP920B	LCD 19in	PXY062503162	1
56 S1-NLA005A1	Cornea	CT1810	LCD 18in	MPC002410403	1
57 S1-NLA005A1	Cornea	CT1810	LCD 18in	MPKD02464887	1
58 A0-NHA006A1	Cornea	MP704	LCD 17in	MP02280333	1
59 A0-NHA006A1	Cornea	MP704	LCD 17in	MP02344780	1
60 A0-NHA006A1	Cornea	MP704	LCD 17in	MPJA02373500	1
61 MP704	Cornea	MP704	LCD 17in	MP02280076	1
62 AL1711	ACER	AL1711	LCD 17in	ETL120804433700	1
63 AL1711	ACER	AL1711	LCD 17in	ETL120804433700	1
64 AL1711	ACER	AL1711	LCD 17in	ETL120804433700	1
65 AL1711	ACER	AL1711	LCD 17in	ETL120804433700	1
66 AL1711	ACER	AL1711	LCD 17in	ETL120804433700	1
67 AL1711	ACER	AL1711	LCD 17in	ETL120804433700	1
68 AL1711	ACER	AL1711	LCD 17in	ETL120804433700	1
69 AL1711	ACER	AL1711	LCD 17in	ETL120804441700	1
70 AL1711	ACER	AL1711	LCD 17in	ETL120804441700	1
71 AL1711	ACER	AL1711	LCD 17in	ETL120804441700	1
72 AL1711	ACER	AL1711	LCD 17in	ETL120804441700	1
73 AL1711BN	Acer	AL1711	LCD 17in	ETL120804441700	1
74 AL1711BN	Acer	AL1711	LCD 17in	ETL120804441700	1
75 AL1711BN	Acer	AL1711	LCD 17in	ETL120804441700	1
76 77377078540A	Dell	1704FPT1	LCD 17in	0511013306938	1
77 77377078540A	Dell	1704FPT1	LCD 17in	0511013306946	1
78 77377078540A	Dell	1704FPT1	LCD 17in	0511013306949	1
79 77377078540A	Dell	1704FPT1	LCD 17in	0512001201807	1
80 77377078540A	Dell	1704FPT1	LCD 17in	0512001202172	1
81 77377078540A	Dell	1704FPT1	LCD 17in	0512001202226	1
82 77377078540A	Dell	1704FPT1	LCD 17in	0512001209352	1
83 77377078540A	Dell	1704FPT1	LCD 17in	0512001209357	1
84 77377078540A	Dell	1704FPT1	LCD 17in	0512006401194	1
85 77377078540A	Dell	1704FPT1	LCD 17in	0512006401232	1
86 77377078540A	Dell	1704FPT1	LCD 17in	0512006401848	1
87 77377078540A	Dell	1704FPT1	LCD 17in	0512007100235	1
88 77377078540A	Dell	1704FPT1	LCD 17in	0512007100241	1
89 77377078540A	Dell	1704FPT1	LCD 17in	0512007100268	1
90 77377078540A	Dell	1704FPT1	LCD 17in	0512007100279	1
91 77377078540A	Dell	1704FPT1	LCD 17in	0512007100306	1
92 77377078540A	Dell	1704FPT1	LCD 17in	0512007100328	1
93 77377078540A	Dell	1704FPT1	LCD 17in	0512007100336	1
94 77377078540A	Dell	1704FPT1	LCD 17in	0512007100350	1
95 77377078540A	Dell	1704FPT1	LCD 17in	0512007100726	1
96 77377078540A	Dell	1704FPT1	LCD 17in	0512007100881	1
97 77377078540A	Dell	1704FPT1	LCD 17in	0512007101268	1
98 77377078540A	Dell	1704FPT1	LCD 17in	0512007101275	1
99 77377078540A	Dell	1704FPT1	LCD 17in	0512007101279	1
100 77377078540A	Dell	1704FPT1	LCD 17in	0512007101286	1
101 77377078540A	Dell	1704FPT1	LCD 17in	0512007101288	1
102 77377078540A	Dell	1704FPT1	LCD 17in	0512007101300	1
103 77377078540A	Dell	1704FPT1	LCD 17in	0512007101301	1
104 77377078540A	Dell	1704FPT1	LCD 17in	0512007101306	1
105 77377078540A	Dell	1704FPT1	LCD 17in	0512007101314	1
106 77377078540A	Dell	1704FPT1	LCD 17in	0512007101338	1



**Exhibit B - Buena Park LCD Sale to Alltech Electronics**

<b>P/N</b>	<b>Make</b>	<b>Model</b>	<b>Description</b>	<b>Serial Number</b>	<b>Totals</b>	
107	77377078540A	Dell	1704FPT1	LCD 17in	0512007101407	1
108	77377078540A	Dell	1704FPT1	LCD 17in	0512007101426	1
109	77377078540A	Dell	1704FPT1	LCD 17in	0512007101438	1
110	77377078540A	Dell	1704FPT1	LCD 17in	0512007101455	1
111	7737710600P0A	Dell	1707FPt	LCD 17in	0605003304865	1
112	7737710600P0A	Dell	1707FPt	LCD 17in	0605003304877	1
113	7737710600P0A	Dell	1707FPt	LCD 17in	0605003304883	1
114	7737710600P0A	Dell	1707FPt	LCD 17in	0605003304896	1
115	7737710600P0A	Dell	1707FPt	LCD 17in	0605003304897	1
116	7737710600P0A	Dell	1707FPt	LCD 17in	0605003304903	1
117	7737710600P0A	Dell	1707FPt	LCD 17in	0606000903403	1
118	7737710600P0A	Dell	1707FPt	LCD 17in	0606002903032	1
119	7737710600P0A	Dell	1707FPt	LCD 17in	0606002903723	1
120	7737710600P0A	Dell	1707FPt	LCD 17in	0606002903742	1
121	7737710600P0A	Dell	1707FPt	LCD 17in	0606002903748	1
122	7737710600P0A	Dell	1707FPt	LCD 17in	0606002903787	1
123	7737710600P0A	Dell	1707FPt	LCD 17in	0606002903788	1
124	7737710600P0A	Dell	1707FPt	LCD 17in	0606003502889	1
125	7737710600P0A	Dell	1707FPt	LCD 17in	0606003503813	1
126	7737710600P0A	Dell	1707FPt	LCD 17in	0606003505618	1
127	7737710600P0A	Dell	1707FPt	LCD 17in	0606003505732	1
128	7737710600P0A	Dell	1707FPt	LCD 17in	0606003506088	1
129	7737710600P0A	Dell	1707FPt	LCD 17in	0606004000015	1
130	7737710600P0A	Dell	1707FPt	LCD 17in	0606004000945	1
131	7737710600P0A	Dell	1707FPt	LCD 17in	0606004000972	1
132	7737710600P0A	Dell	1707FPt	LCD 17in	0606005502391	1
133	7737710600P0A	Dell	1707FPt	LCD 17in	0606005502974	1
134	7737710600P0A	Dell	1707FPt	LCD 17in	0606005503071	1
135	7737710600P0A	Dell	1707FPt	LCD 17in	0606005503121	1
136	7737710600P0A	Dell	1707FPt	LCD 17in	0608002703438	1
137	7737710600P0A	Dell	1707FPt	LCD 17in	0608003505721	1
138	CML174SXWB	Hitachi	JM777	LCD 17in	H3D008985	1
139	P9625A	HP	1730	LCD 17in	CNP342Q0TG	1
140	PL777A	HP	HP1755	LCD 17in	CNK6111YCG	1
141	PL777A	HP	HP1755	LCD 17in	CNK6111Z4F	1
142	PL777A	HP	HP1755	LCD 17in	CNK61121ZF	1
143	PL777A	HP	HP1755	LCD 17in	CNK61121ZF	1
144	PL777A	HP	HP1755	LCD 17in	CNK6120GDH	1
145	PL777A	HP	HP1755	LCD 17in	CNK615198P	1
146	PL777A	HP	HP1755	LCD 17in	CNK6151999	1
147	PL777A	HP	HP1755	LCD 17in	CNK61519BJ	1
148	PL777A	HP	HP1755	LCD 17in	CNK61519BZ	1
149	PL777A	HP	HP1755	LCD 17in	CNK61519TG	1
150	PL777A	HP	HP1755	LCD 17in	CNK61608LJ	1
151	PL777A	HP	HP1755	LCD 17in	CNK61608ZL	1
152	PL777A	HP	HP1755	LCD 17in	CNK616090W	1
153	PL777A	HP	HP1755	LCD 17in	CNK616090Z	1
154	PL777A	HP	HP1755	LCD 17in	CNK6160915	1
155	PL777A	HP	HP1755	LCD 17in	CNK62011SF	1
156	PL777A	HP	HP1755	LCD 17in	CNK6240ZZ7	1
157	PL777A	HP	HP1755	LCD 17in	CNK640Z5B	1
158	PL777A	HP	HP1755	LCD 17in	CNK640Z65	1
159	PL777A	HP	HP1755	LCD 17in	CNK61121F8	1

**Exhibit B - Buena Park LCD Sale to Alltech Electronics**

<b>P/N</b>	<b>Make</b>	<b>Model</b>	<b>Description</b>	<b>Serial Number</b>	<b>Totals</b>	
160	PL777A	HP	HP1755	LCD 17in	CNK61121ZH	1
161	PL777A	HP	HP1755	LCD 17in	CNK61122GB	1
162	PL777A	HP	HP1755	LCD 17in	CNK61122J3	1
163	PL777A	HP	HP1755	LCD 17in	CNK615197C	1
164	PL777A	HP	HP1755	LCD 17in	CNK61519SG	1
165	PL777A	HP	HP1755	LCD 17in	CNK6160917	1
166	PL777A	HP	HP1755	LCD 17in	CNK6240Z6C	1
167	PL777A	HP	HP1755	LCD 17in	CNK6241004	1
168	LCD1760V-BK	NEC	LCD1760V	LCD 17in	46454351TA	1
169	LCD1760V-BK	NEC	LCD1760V	LCD 17in	46454374TA	1
170	LCD1760V-BK	NEC	LCD1760V	LCD 17in	46454571TA	1
171	LCD1760V-BK	NEC	LCD1760V	LCD 17in	44442416TA	1
172	LCD1760V-BK	NEC	LCD1760V	LCD 17in	45449588TA	1
173	LCD1760V-BK	NEC	LCD1760V	LCD 17in	46454363TA	1
174	LCD1760V-BK	NEC	LCD1760V	LCD 17in	46454383TA	1
175	LCD1760V-BK	NEC	LCD1760V	LCD 17in	46454581TA	1
176	GD710NSSS	Samsung	170MP	LCD 17in	GD17H4JW50124	1
177	GD710NSSS	Samsung	170MP	LCD 17in	GD17HCHW9022	1
178	VS10697	Viewsonic	VA712B	LCD 17in	PPJ053300029	1
179	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054004603	1
180	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054004637	1
181	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054004654	1
182	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054004658	1
183	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054004670	1
184	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054005363	1
185	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054005657	1
186	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054007980	1
187	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054007997	1
188	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054007999	1
189	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054008007	1
190	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054008752	1
191	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054008761	1
192	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054008769	1
193	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054100199	1
194	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054100209	1
195	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054100256	1
196	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054100258	1
197	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054100259	1
198	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054100269	1
199	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054100275	1
200	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054100280	1
201	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054801688	1
202	VS10697	Viewsonic	VA712B	LCD 17in	PPJ054801775	1
203	VS10697	Viewsonic	VA712B	LCD 17in	PPJ055204573	1
204	VS10697	Viewsonic	VA712B	LCD 17in	PPJ055204579	1
205	VS10697	Viewsonic	VA712B	LCD 17in	PPJ055205277	1
206	VS10697	Viewsonic	VA712B	LCD 17in	PPJ055205689	1
207	VS10697	Viewsonic	VA712B	LCD 17in	PPJ060101367	1
208	VS10697	Viewsonic	VA712B	LCD 17in	PPJ060101630	1
209	VS10697	Viewsonic	VA712B	LCD 17in	PPJ060102339	1
210	VS10697	Viewsonic	VA712B	LCD 17in	PPJ060502272	1
211	VS10697	Viewsonic	VA712B	LCD 17in	PPJ060502363	1
212	VS10697	Viewsonic	VA712B	LCD 17in	PPJ060502376	1

**Exhibit B - Buena Park LCD Sale to Alltech Electronics**

<b>P/N</b>	<b>Make</b>	<b>Model</b>	<b>Description</b>	<b>Serial Number</b>	<b>Totals</b>
213	Viewsonic	VA712B	LCD 17in	PPJ060502381	1
214	Viewsonic	VA712B	LCD 17in	PPJ060502385	1
215	Viewsonic	VA712B	LCD 17in	PPJ060502392	1
216	Viewsonic	VA712B	LCD 17in	PPJ060502400	1
217	Viewsonic	VA712B	LCD 17in	PPJ060502405	1
218	Viewsonic	VA712B	LCD 17in	PPJ060502406	1
219	Viewsonic	VA712B	LCD 17in	PPJ060502407	1
220	Viewsonic	VA712B	LCD 17in	PPJ060502417	1
221	Viewsonic	VA712B	LCD 17in	PPJ060502420	1
222	Viewsonic	VA712B	LCD 17in	PPJ060502427	1
223	Viewsonic	VA712B	LCD 17in	PPJ060502429	1
224	Viewsonic	VE175	LCD 17in	A1A023000833	1
225	Viewsonic	VE175B	LCD 17in	A1G032102003	1
226	Viewsonic	VE175B	LCD 17in	A1G032102127	1
227	Viewsonic	VE710B	LCD 17in	P1Q041300501	1
228	Viewsonic	VE710B	LCD 17in	P1Q045000129	1
229	Viewsonic	VE710B	LCD 17in	P1Q050303068	1
230	Viewsonic	VE710B	LCD 17in	P1Q050310734	1
231	Viewsonic	VE710B	LCD 17in	P1Q050311367	1
232	Viewsonic	VE710B	LCD 17in	P1Q050311463	1
233	Viewsonic	VE710B	LCD 17in	P1Q050312565	1
234	Viewsonic	VE710B	LCD 17in	P1Q0505C0036	1
235	Viewsonic	VE710B	LCD 17in	P1Q05116C189	1
236	Viewsonic	VE710B	LCD 17in	P1Q0516C1782	1
237	Viewsonic	VE710B	LCD 17in	P1Q0516C1788	1
238	Viewsonic	VE710B	LCD 17in	P1Q0516C1863	1
239	Viewsonic	VE710B	LCD 17in	P1Q0516C1868	1
240	Viewsonic	VE710B	LCD 17in	P1Q0516C1869	1
241	Viewsonic	VE710B	LCD 17in	P1Q0516C1870	1
242	Viewsonic	VE710B	LCD 17in	P1Q0516C1871	1
243	Viewsonic	VE710B	LCD 17in	P1Q0516C1872	1
244	Viewsonic	VE710B	LCD 17in	P1Q0516C1875	1
245	Viewsonic	VE710B	LCD 17in	P1Q0516C1880	1
246	Viewsonic	VE710B	LCD 17in	P1Q0516C1881	1
247	Viewsonic	VE710B	LCD 17in	P1Q0516C1883	1
248	Viewsonic	VE710B	LCD 17in	P1Q0516C1886	1
249	Viewsonic	VE710B	LCD 17in	P1Q0516C1888	1
250	Viewsonic	VE710B	LCD 17in	P1Q0516C1891	1
251	Viewsonic	VE710B	LCD 17in	P1Q0517C1468	1
252	Viewsonic	VE710B	LCD 17in	P1Q0522C0860	1
253	Viewsonic	VE710B	LCD 17in	P1Q0522C0862	1
254	Viewsonic	VE710B	LCD 17in	P1Q0522C0883	1
255	Viewsonic	VE710B	LCD 17in	P1Q0522C0909	1
256	Viewsonic	VE710B	LCD 17in	P1Q0523C1534	1
257	Viewsonic	VE710B	LCD 17in	P1Q0523C3922	1
258	Viewsonic	VE710B	LCD 17in	P1Q0523C3927	1
259	Viewsonic	VE710B	LCD 17in	P1Q0523C3943	1
260	Viewsonic	VE710B	LCD 17in	P1Q0524C4773	1
261	Viewsonic	VE710B	LCD 17in	P1Q052500011	1
262	Viewsonic	VE710B	LCD 17in	P1Q052500022	1
263	Viewsonic	VE710B	LCD 17in	P1Q052501648	1
264	Viewsonic	VE710B	LCD 17in	P1Q052502182	1
265	Viewsonic	VE710B	LCD 17in	P1Q052502947	1

**Exhibit B - Buena Park LCD Sale to Alltech Electronics**

<b>P/N</b>	<b>Make</b>	<b>Model</b>	<b>Description</b>	<b>Serial Number</b>	<b>Totals</b>
266 VS10047	Viewsonic	VE710B	LCD 17in	P1Q052502958	1
267 VS10047	Viewsonic	VE710B	LCD 17in	PUN052901161	1
268 VS10047	Viewsonic	VE710B	LCD 17in	PUN052901216	1
269 VS10047	Viewsonic	VE710B	LCD 17in	PUN052905718	1
270 VS10047	Viewsonic	VE710B	LCD 17in	PUN052905720	1
271 VS10047	Viewsonic	VE710B	LCD 17in	PUN052905755	1
272 VS10047	Viewsonic	VE710B	LCD 17in	PUN052940133	1
273 VS10047	Viewsonic	VE710B	LCD 17in	PUN052940446	1
274 VS10047	Viewsonic	VE710B	LCD 17in	PUN052940633	1
275 VS10047	Viewsonic	VE710B	LCD 17in	PUN053100402	1
276 VS10047	Viewsonic	VE710B	LCD 17in	PUN053106022	1
277 VS10047	Viewsonic	VE710B	LCD 17in	PUN502905757	1
278 VLCDS23719-5W	Viewsonic	VG710B	LCD 17in	A2X042950975	1
279 VLCDS23719-5W	Viewsonic	VG710B	LCD 17in	A2X042951687	1
280 VS10927	Viewsonic	VP720B	LCD 17in	PXW060201773	1
281 VS10927	Viewsonic	VP720B	LCD 17in	PXW060202143	1
282 VS10927	Viewsonic	VP720B	LCD 17in	PXW062100066	1
283 VS10927	Viewsonic	VP720B	LCD 17in	PXW062100449	1
284 VS10927	Viewsonic	VP720B	LCD 17in	PXW062200074	1
285 VS10927	Viewsonic	VP720B	LCD 17in	PXW062200535	1
286 VS10927	Viewsonic	VP720B	LCD 17in	PXW062200615	1
287 VS10927	Viewsonic	VP720B	LCD 17in	PXW062200641	1
288 VS10927	Viewsonic	VP720B	LCD 17in	PXW062201229	1
289 VS10927	Viewsonic	VP720B	LCD 17in	PXW062201233	1
290 VS10927	Viewsonic	VP720B	LCD 17in	PXW062201244	1
291 VS10927	Viewsonic	VP720B	LCD 17in	PXW062201259	1
292 VS10927	Viewsonic	VP720B	LCD 17in	PXW062201261	1
293 VS10927	Viewsonic	VP720B	LCD 17in	PXW062201276	1
294 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300145	1
295 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300149	1
296 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300151	1
297 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300159	1
298 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300195	1
299 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300221	1
300 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300242	1
301 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300244	1
302 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300820	1
303 VS10927	Viewsonic	VP720B	LCD 17in	PXW062300834	1
304 VS10927	Viewsonic	VP720B	LCD 17in	PXW062301172	1
305 VS10927	Viewsonic	VP720B	LCD 17in	PXW062301198	1
306 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500516	1
307 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500797	1
308 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500935	1
309 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500959	1
310 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500961	1
311 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500963	1
312 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500965	1
313 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500987	1
314 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500989	1
315 VS10927	Viewsonic	VP720B	LCD 17in	PXW062500994	1
316 VS10927	Viewsonic	VP720B	LCD 17in	PXW062501006	1
317 VS10927	Viewsonic	VP720B	LCD 17in	PXW062501008	1
318 VS10927	Viewsonic	VP720B	LCD 17in	PXW062501072	1

**Exhibit B - Buena Park LCD Sale to Alltech Electronics**

<b>P/N</b>	<b>Make</b>	<b>Model</b>	<b>Description</b>	<b>Serial Number</b>	<b>Totals</b>
319	Viewsonic	VP720B	LCD 17in	PXW062501074	1
320	Viewsonic	VP720B	LCD 17in	PXW062600079	1
321	Viewsonic	VP720B	LCD 17in	PXW062600175	1
322	Viewsonic	VP720B	LCD 17in	PXW062600199	1
323	Viewsonic	VP720B	LCD 17in	PXW062600296	1
324	Viewsonic	VP720B	LCD 17in	PXW062600323	1
325	Viewsonic	VP720B	LCD 17in	PXW062600326	1
326	Viewsonic	VP720B	LCD 17in	PXW062600329	1
327	Viewsonic	VP720B	LCD 17in	PXW062600394	1
328	Viewsonic	VP720B	LCD 17in	PXW062600688	1
329	Viewsonic	VP720B	LCD 17in	PXW062600709	1
330	Viewsonic	VP720B	LCD 17in	PXW062600711	1
331	Viewsonic	VP720B	LCD 17in	PXW062600726	1
332	Viewsonic	VP720B	LCD 17in	PXW062600738	1
333	Viewsonic	VP720B	LCD 17in	PXW062601089	1
334	Viewsonic	VP720B	LCD 17in	PXW062601124	1
335	Viewsonic	VP720B	LCD 17in	PXW062601126	1
336	Viewsonic	VP720B	LCD 17in	PXW062601135	1
337	Viewsonic	VP720B	LCD 17in	PXW062601142	1
338	Viewsonic	VP720B	LCD 17in	PXW062800663	1
339	Viewsonic	VP720B	LCD 17in	PXW062800683	1
340	Viewsonic	VP720B	LCD 17in	PXW062800685	1
341	Viewsonic	VP720B	LCD 17in	PXW062800688	1
342	Viewsonic	VP720B	LCD 17in	PXW062800695	1
343	Viewsonic	VP720B	LCD 17in	PXW062800746	1
344	Viewsonic	VP720B	LCD 17in	PXW062800752	1
345	Viewsonic	VP720B	LCD 17in	PXW062800754	1
346	Viewsonic	VP720B	LCD 17in	PXW062800758	1
347	Viewsonic	VP720B	LCD 17in	PXW062800766	1
348	Viewsonic	VP720B	LCD 17in	PXW063000104	1
349	Viewsonic	VP720B	LCD 17in	PXW063000114	1
350	Viewsonic	VP720B	LCD 17in	PXW063000643	1
351	Viewsonic	VP720B	LCD 17in	PXW063000665	1
352	Viewsonic	VP720B	LCD 17in	PXW063000691	1
353	Viewsonic	VP720B	LCD 17in	PXW063000699	1
354	Viewsonic	VP720B	LCD 17in	PXW063000802	1
355	Viewsonic	VP720B	LCD 17in	PXW063000804	1
356	Viewsonic	VP720B	LCD 17in	PXW063000805	1
357	Viewsonic	VP720B	LCD 17in	PXW063000806	1
358	Viewsonic	VP720B	LCD 17in	PXW063000811	1
359	Viewsonic	VP720B	LCD 17in	PXW063000812	1
360	Viewsonic	VP720B	LCD 17in	PXW063000814	1
361	Viewsonic	VP720B	LCD 17in	PXW063000819	1
362	Viewsonic	VP720B	LCD 17in	PXW063000826	1
363	Viewsonic	VP720B	LCD 17in	PXW063000835	1
364	Viewsonic	VP720B	LCD 17in	PXW063000837	1
365	Viewsonic	VP720B	LCD 17in	PXW063000838	1
366	Viewsonic	VP720B	LCD 17in	PXW063000839	1
367	Viewsonic	VP720B	LCD 17in	PXW063000843	1
368	Viewsonic	VP720B	LCD 17in	PXW063001058	1
369	Viewsonic	VP720B	LCD 17in	PXW063500005	1
370	Viewsonic	VP720B	LCD 17in	PXW063500040	1
371	Viewsonic	VP720B	LCD 17in	PXW063500231	1

**Exhibit B - Buena Park LCD Sale to Alltech Electronics**

<b>P/N</b>	<b>Make</b>	<b>Model</b>	<b>Description</b>	<b>Serial Number</b>	<b>Totals</b>
372 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500403	1
373 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500440	1
374 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500441	1
375 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500465	1
376 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500475	1
377 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500493	1
378 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500514	1
379 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500698	1
380 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500707	1
381 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500715	1
382 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500721	1
383 VS10927	Viewsonic	VP720B	LCD 17in	PXW063500854	1
384 VS10927	Viewsonic	VP720B	LCD 17in	PXW063501019	1
385 1504FP	Dell	UltraSharp	LCD 15in	MX05R108476052	1
386 1702FP	Dell	UltraSharp	LCD 17in	MX08G152476052	1
				<b>Total Count</b>	<b>386</b>

<b>Total Purchase Price</b>	<b>\$ 18,480</b>
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# EXHIBIT 3

Deutsche Bank National Trust Company, et al. v. Thomas E. Bergeron, et al.

*Cause No. 20-2-00225-31*

Declaration of Ronald O'Donnell

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

IN RE:

NEW CENTURY TRS HOLDINGS, INC., a  
Delaware Corporation, *et al.*

Debtors.<sup>1</sup>

Chapter 11

Case No. 07-10416 (KJC)

**Hearing Date: March 7, 2013 at 10:00 a.m.**

**Objection Deadline: February 28, 2013 at 5:00 p.m.**

**MOTION OF THE NEW CENTURY LIQUIDATING TRUST FOR AN ORDER AUTHORIZING  
THE IMMEDIATE ABANDONMENT AND DESTRUCTION OF CERTAIN MORTGAGE  
LOAN FILES AND NON-MORTGAGE LOAN BUSINESS FILES**

The New Century Liquidating Trust (the “Trust”), by and through Alan M. Jacobs, as its Bankruptcy Court (as defined below) appointed Liquidating Trustee (the “Trustee”), hereby files this Motion (the “Motion”) for entry of an order (the “Proposed Order”) pursuant to sections 105, 363, and 554(a) of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 6007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), authorizing the Trustee to immediately abandon and destroy certain loan files and non-mortgage loan books, records, and files that are of inconsequential value to the Debtors’ estates, are not necessary to complete the liquidation of the Debtors’ estates, and the retention of which is burdensome to the estates. In support of the Motion, the Trustee respectfully states as follows:

<sup>1</sup> The pre-confirmation Debtors were the following entities: New Century Financial Corporation (f/k/a New Century REIT, Inc.), a Maryland corporation; New Century TRS Holdings, Inc. (f/k/a new Century Financial Corporation), a Delaware corporation; New Century Mortgage Corporation (f/k/a JBE Mortgage) (d/b/a NCMC Mortgage Corporate, New Century Corporation, New Century Mortgage Ventures, LLC), a California corporation; NC Capital Corporation, a California corporation; Home123 Corporation (f/k/a The Anyloan Corporation, 1800anyloan.com, Anyloan.com), a California corporation; New Century Credit Corporation (f/k/a Worth Funding Incorporated), a California corporation; NC Asset Holding, L.P. (f/k/a NC Residual II Corporation), a Delaware limited partnership; NC Residual III Corporation, a Delaware corporation; NC Residual IV Corporation, a Delaware corporation; New Century R.E.O. Corp., a California corporation; New Century R.E.O. II Corp., a California corporation; New Century R.E.O. III Corp., a California corporation; New Century Mortgage Ventures, LLC (d/b/a Summit Resort Lending, Total Mortgage Resource, Select Mortgage Group, Monticello Mortgage Services, Ad Astra Mortgage, Midwest Home Mortgage, TRATS Financial Services, Elite Financial Services, Buyers Advantage Mortgage), a Delaware limited liability company; NC Deltex, LLC, a Delaware limited liability company; NCoral, L.P., a Delaware limited partnership; and New Century Warehouse Corporation, a California corporation.



## **JURISDICTION**

1. The Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue of these cases and this Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are sections 105, 363, and 554 of the Bankruptcy Code, as complimented by Bankruptcy Rule 6007.

## **GENERAL BACKGROUND**

3. On April 2, 2007 (the "Petition Date"), the Debtors (with the exception of New Century Warehouse Corporation) filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

4. On April 23, 2008, the Debtors filed the Second Amended Joint Chapter 11 Plan of the Debtors and the Official Committee of Unsecured Creditors Dated as of April 23, 2008 (the "Original Plan").

5. On July 15, 2008, the Bankruptcy Court entered the order confirming the Original Plan (the "Original Confirmation Order").

6. On August 1, 2008 (the "Original Effective Date"), the Original Plan became effective. Pursuant to the terms of the Original Plan, on the Original Effective Date, the New Century Liquidating Trust Agreement (the "Trust Agreement") was executed, thereby creating the Trust and appointing Alan M. Jacobs as Trustee of the Trust. On the Original Effective Date, among other things, all Assets<sup>2</sup> of the Debtors (excluding Access Lending Assets, but including Access Lending Interests) were distributed to the Trust, and all of the remaining members of the

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<sup>2</sup> Capitalized terms not herein defined shall have the meanings ascribed to them in the Modified Plan (defined below).

Debtors' Board of Directors and Officers ceased to serve in those capacities by operation of the Original Confirmation Order.

7. On August 4, 2008, the Notice of (I) Entry of Order Confirming Second Amended Joint Chapter 11 Plan of Liquidation of the Debtors and the Official Committee of Unsecured Creditors Dated as of April 23, 2008, (II) Effective Date, and (III) Bar Dates for Administrative Claims, Professional Fee Claims, Subordination Statements, and Rejection Damage Claims (the "Notice of Effective Date") was filed.

8. On June 16, 2009, the United States District Court for the District of Delaware (the "District Court") issued a Memorandum Opinion and an order reversing the Original Confirmation Order (together, the "Order Reversing Confirmation").

9. On September 30, 2009, the Trustee filed the Modified Second Amended Joint Chapter 11 Plan of Liquidation of the Debtors and the Official Committee of Unsecured Creditors Dated as of September 30, 2009 (the "Modified Plan").

10. On November 20, 2009, the Bankruptcy Court entered an order confirming the Modified Plan (the "Modified Confirmation Order").

11. On December 1, 2009 (the "Modified Effective Date"), the Modified Plan became effective. On the Modified Effective Date, the Modified Plan, *inter alia*, (a) confirmed that all actions taken by the Trustee subsequent to the Original Effective Date were valid and binding, (b) adopted, ratified and confirmed the formation of the Trust as of the Original Effective Date, (c) adopted, ratified and confirmed the Liquidating Trust Agreement as of the Original Effective Date, and (d) adopted, ratified and confirmed the appointment of Alan M. Jacobs as Trustee as of the Original Effective Date.

12. On or around December 15, 2010, the Trustee made an interim distribution (the “Initial Distribution”) to Holders of Allowed Secured, Administrative, Priority and Unsecured Claims.

13. On or around June 15, 2011, the Trustee made a second interim distribution (the “Second Interim Distribution”) to Holders of Allowed Unsecured Claims and to Holders of Secured, Administrative and Priority Claims, which were Allowed as of the Second Interim Distribution.

14. On or around January 4, 2013, the Trustee made a third interim distribution (the “Third Interim Distribution”) to Holders of Allowed Unsecured Claims and to Holders of Secured, Administrative and Priority Claims, which were Allowed as of the Third Interim Distribution.

#### **RELEVANT BACKGROUND**

15. The Trustee has substantially completed the administration of the Debtors’ estates and intends to make a fourth and final distribution once the outstanding disputed claims and related litigations have been resolved and the balance of the Trust assets have been liquidated. Accordingly, once the outstanding matters are resolved, the Trustee is prepared to move for entry of an order closing these chapter 11 cases as soon as practicable. However, before the Trustee can move to close these chapter 11 cases, the Trustee is required to obtain this Court’s approval to abandon and destroy the documents in the Trust’s possession in accordance with the terms of the Modified Confirmation Order. As a result, in addition to the instant Motion, the Trustee will file such other motions as he deems necessary and appropriate to resolve the issues with respect to the balance of the documents in anticipation of closing the chapter 11 cases in an expeditious manner.

16. Pursuant to the terms of the Modified Confirmation Order

[f]rom and after the Original Effective Date, the Liquidating Trustee shall continue to preserve and maintain all documents and electronic data (including, but not limited to, emails and email server back-up tapes) (collectively, the “Records”) transferred to the Liquidating Trust by the Debtors as set forth in the Original Plan and the Liquidating Trust Agreement, and the Liquidating Trustee shall not destroy or otherwise abandon any such Records absent further order of the Court after a hearing upon notice to parties in interest with an opportunity to be heard. The Records the Debtors transferred to the Liquidating Trust on the Original Effective Date were to include, but not be limited to, all such documents and electronic data (i) identified for retention in connection with the investigation by the Audit Committee of NCFC’s Board of Directors and (ii) produced to the SEC, the United States Attorney’s Office, or the Examiner.

See Confirmation Order, ¶ 32.

**A. The Pre-Petition Loan Files**

17. Prior to the Petition Date, in the ordinary course of the Debtors’ businesses, the Debtors maintained numerous categories of documents and records, including, but not limited to, loan origination files, sold or closed loan files, and miscellaneous business records related to loan origination and loan servicing (collectively, the “Loan Files”). Upon information and belief, the Loan Files contain documentation relating to certain Mortgage Loans (the “Mortgage Loans”) originated or serviced by one or more of the Debtors prior to the Petition Date. For the most part, in the ordinary course of business, each Mortgage Loan was then made part of a portfolio of mortgage loans that was securitized and placed into a securitized trust (each, a “Securitization Trust” and collectively, the “Securitization Trusts”) or were sold or otherwise transferred to third-parties. With two (2) exceptions, to the best of the Trustee’s knowledge, the Debtors no longer own or hold any interest in any Mortgage Loans.<sup>3</sup>

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<sup>3</sup> The Trustee acknowledges that it maintains an interest in two (2) of the Mortgage Loans originated by the Debtors (the “Retained Mortgage Loans”). Documents related to the Retained Mortgage Loans are not subject to the instant Motion.

18. Upon information and belief, the Loan Files in the Trust's possession are not original files. The majority of the hard copy Loan Files are located at three (3) storage facilities: Bekins Storage Facility ("Bekins") in California and two (2) Iron Mountain ("Iron Mountain") facilities located in Texas and California (the "Iron Mountain Facilities"; together with Bekins, the "Storage Facilities"). The Loan Files maintained at the Storage Facilities are branch copies of Loan Files, the original copies of which have been delivered to the Securitization Trusts, other third party purchasers, or servicers of the Mortgage Loans, or are duplicate copies of imaged Loan Files, which the Trustee has maintained since the Original Effective Date pursuant to the terms of the Modified Confirmation Order.

**a. The Pre-2004 Loan Files**

19. Prior to the latter part of 2004, in the ordinary course of the Debtors' business, the Debtors maintained hard copy Loan Files for each Mortgage Loan funded or serviced by the Debtors. Of the hard copies of Loan Files maintained by the Trust, the Trustee has determined that there are approximately 1,025 boxes of Loan Files stored at Iron Mountain that are copies of Loan Files related to the Debtors' servicing of certain Mortgage Loans that pre-date April 2000 and have not been the subject of any discovery requests or subpoenas from third parties since the inception of the Trust. By this Motion, the Trustee seeks authority to destroy only those hard copies of Loan Files that pre-date April 2000 (the "Pre-2000 Loan Files"). At this time, the Trustee is not seeking to destroy any hard copies of Loan Files relating to Mortgage Loans originated after 2000 and for which the Trust does not also maintain an imaged copy of such Loan File.

**b. The Post-2004 Loan Files**

20. From and after the latter part of 2004, it was the Debtors' regular practice to make imaged copies of each funded sub-prime Loan File in a loan database and management system

(the “Loan Database”) maintained by a third party vendor, Affiliated Computer Services, Inc. (“ACS”).<sup>4</sup> Through the Loan Database, the Debtors maintained access to the information related to each sub-prime Loan File in digital form for all sub-prime Mortgage Loans originated from and after the latter part of 2004. In addition, in some instances, the Debtors maintained hard copies of Loan Files which were imaged onto the Loan Database in the ordinary course. By this Motion, the Trustee seeks authority to destroy the hard copies of any and all sub-prime Loan Files originated or serviced after 2004 (the “Post-2004 Duplicate Loan Files”), but only to the extent such Post-2004 Duplicate Loan Files have been imaged onto the Loan Database and continue to be maintained by the Trust in electronic form.

**B. The Pre-Petition Non-Mortgage Loan Business Files**

21. Prior to and in the process of winding down the Debtors’ operations, in addition to the Loan Files, the Debtors also collected and packed certain non-mortgage loan business records maintained by the Debtors, which are unrelated to the Mortgage Loans (the “Non-Mortgage Loan Business Files”), and shipped such files to the Storage Facilities. The Non-Mortgage Loan Business Files are files that were maintained by the Debtors in the ordinary course of the operation of their businesses and include, but are not limited to, accounting records, marketing and sales files, human resources files, personnel files, closed/settled litigation files, unfunded/rejected loan applications, and other general office and business records. Currently, there are approximately 4,491 boxes of Non-Mortgage Loan Business Files located at the Storage Facilities or are otherwise in the Trust’s possession. To the best of the Trustee’s knowledge, the Non-Mortgage Loan Business Files do not contain any records relating to any Mortgage Loans originated or serviced by the Debtors and currently owned or serviced by any

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<sup>4</sup> Beginning after the Petition Date, ACS maintained the Loan Database utilizing off-site secure servers to which the Trustee was provided access by ACS, until the Trustee transferred the Loan Database (and all imaged Loan Files) to secure servers maintained by the Trust’s consultants.

third party nor relate to any currently pending litigation matters or litigation holds. The Trustee believes that the Non-Mortgage Loan Business Files are no longer necessary in the administration of these chapter 11 cases and are of no value to the Trust.

**C. Post-Petition Files**

22. Prior to the Petition Date, in February 2007, the Securities and Exchange Commission (the "SEC") instituted a class action securities litigation against the Debtors and, in connection therewith, required the Debtors to immediately cease and desist destruction of any documents in their possession. In accordance with the SEC's directive, from and after February 2007, the Debtors packed and stored all documents in their possession and, in the process of winding up their affairs, shipped them to the various Storage Facilities. To the extent any such documents constitute Non-Mortgage Loan Business Files, the Trustee seeks authority to abandon and destroy such documents.

23. From and after the Petition Date, the Debtors maintained separate files of all post-petition documents and records, including, but not limited to, correspondence, bankruptcy pleadings, pleadings related to litigation in which a Debtor is named nominally to clear title, and general business records (the "Post-Petition Files"; together with the Pre-2000 Loan Files, the Post-2004 Duplicate Loan Files, and the Non-Mortgage Loan Business Files, the "Unnecessary Files"). Out of an abundance of caution, to ensure compliance with all requisite directives, including the provision of the Modified Confirmation Order enjoining the destruction of any files, the Trustee has maintained all Post-Petition Files received on or around the Original Effective Date in the same condition in which such files were turned over to the Trustee by the Debtors. Currently, there are the equivalent of approximately 100 boxes of Post-Petition Files stored at Bekins. The Post-Petition Files maintained by the Debtors prior to the Original Effective Date and by the Trust after the Original Effective Date in compliance with the terms of

the Original Confirmation Order and the Modified Confirmation Order remain in the Trust's possession. However, such Post-Petition Files are not necessary to the continued administration of the Trust, and, as a result, the continued retention of such Post-Petition Files constitutes a burden on the Trust.

24. For the avoidance of doubt, the Trustee seeks authority to destroy the Post-Petition Files as set forth herein. For purposes of this Motion, the Trustee will not abandon and destroy and will maintain (i) copies of documents and records which were produced to the SEC by the Debtors and were turned over to the Trustee on the Original Effective Date, (ii) copies of documents and records which were produced to various states' attorneys' general or the United States Attorney by the Trust, and (iii) any and all documents and records turned over to the Trust by the Examiner.

25. The Trustee believes that the abandonment and destruction of the Unnecessary Files is in the best interest of the Trust and its beneficiaries and will avoid unnecessary costs associated with storing such documents and will enable the Trustee to move expeditiously to close these chapter 11 cases once the remaining borrower claims and litigations have been resolved and the remaining Assets have been liquidated. The Unnecessary Files (i) are not the subject of any pending litigations or claims disputed, and (ii) are not the subject of an outstanding, duly issued subpoena. Further, the Trustee submits that the destruction of the Unnecessary Files will not lead to any spoliation claims in any pending litigations.



**RELIEF REQUESTED**

26. By this Motion, the Trustee requests entry of an order pursuant to sections 105, 363, and 554 of the Bankruptcy Code authorizing the Trustee to immediately abandon and destroy or otherwise dispose of the Unnecessary Files.<sup>5</sup>

**BASIS FOR RELIEF REQUESTED**

27. Section 554 of the Bankruptcy Code provides, in relevant part, that “[a]fter notice and a hearing, the trustee may abandon any property of the estate that is burdensome to the estate or that is of inconsequential value and benefit to the estate.” 11 U.S.C. § 554(a). Further, section 363 of the Bankruptcy Code permits a trustee to “use, sell, or lease other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Additionally, section 105 of the Bankruptcy Code provides, in relevant part, that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). The purpose of section 105(a) of the Bankruptcy Code is “to assure the bankruptcy court’s power to take whatever action is appropriate or necessary in aid of the exercise of their jurisdiction.” 2 Collier on Bankruptcy ¶ 105.01 (Alan N. Resnick & Henry J. Sommers eds., 16th ed.).

28. The destruction or other disposal of the Unnecessary Files is also governed by Bankruptcy Rule 6007, which provides, in pertinent part, as follows:

Unless otherwise directed by the court, the trustee or debtor in possession shall give notice of a proposed abandonment or disposition of property to the United States trustee, all creditors, indenture trustees and committees elected pursuant to § 705 or appointed pursuant to § 1102 of the Code. A party in interest may file and serve an objection within 15 days of the mailing of the notice, or within the

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<sup>5</sup> As noted above, given that the Trustee has substantially completed the administration of these chapter 11 cases, in addition to the relief requested in this Motion, the Trustee reserves the right to seek additional relief as the Trustee deems necessary and appropriate to resolve the issues related to the remaining documents in the Trust’s possession to ensure that the Trust has obtained the requisite authority to abandon and destroy its documents in advance of the Trustee’s request to close these chapter 11 cases.

time fixed by the court. If a timely objection is made, the court shall set a hearing on notice to the United States trustee and to the other entities as the court may direct.

Fed. R. Bankr. P. 6007.

29. “The abandonment power embodied in Section 554 enables the trustee to rid the estate of burdensome or worthless assets, and so speeds the administration of the estate ... and also protects the estate from diminution. In such manner, abandonment serves the creditors’ interest in expeditiously obtaining a fair amount on settlement of their claims.” In re Quanta Resources Corp., 739 F.2d 912, 916 (3d Cir. 1984).

30. A trustee’s decision to abandon property of the estate is discretionary. See In re Slack, 290 B.R. 282, 284 (Bankr. D.N.J. 2003). As is the case with a trustee’s decision to reject an executory contract,<sup>6</sup> the business judgment standard applies to a trustee’s decision to abandon property that is either of inconsequential value or burdensome to the estate. Id. (“The trustee’s power to abandon property is discretionary . . . . The Court only needs to find the trustee made: 1) a business judgment; 2) in good faith; 3) upon some reasonable basis; and 4) within the trustee’s scope of authority.”) (internal citations omitted); Mele v. First Colony Ins. Co., 127 B.R. 82, 85 (D.D.C. 1991) (“[A]bandonment provisions are designed to allow the trustee to relinquish assets that would be a financial drain on the estate, or relieve the trustee of the financial burden of administering inconsequential assets that would cost more than they are worth to the estate.”).

31. In this case, the Trustee’s abandonment of certain of the Pre-2000 Loan Files and the Post-2004 Duplicate Loan Files is warranted under section 554(a) of the Bankruptcy Code. As noted above, the Trust does not believe that any Loan Files in its possession or control are

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<sup>6</sup> The decision to reject an executory contract is subject to the court’s finding that such decision is a product of the debtor in possession’s sound business judgment. See Sharon Steel Corp. v. Nat’l Fuel Gas Distr. Corp., 872 F.2d 36, 39 (3d Cir. 1989); see also In re Fleming Companies, Inc., 308 B.R. 689, 691 (Bankr. D. Del. 2004).

original copies of any documents related to the Mortgage Loans originated or serviced by the Debtors prior to the Petition Date. Accordingly, the Trust's Loan Files are merely copies of original documents. Moreover, the Pre-2000 Loan Files and the Post-2004 Duplicate Loan Files are a very narrow category of Loan Files, which, in the Trustee's business judgment, are no longer necessary because (i) they have not been utilized by the Trust for its own benefit, nor have they been requested by any third party (other than as set forth below), and (ii) with respect to the Post-2004 Duplicate Loan Files, the Trust will continue to maintain imaged copies of such files through the use of its Loan Database.

32. With respect to the Pre-2000 Loan Files, the documentation relating to such Mortgage Loans is obsolete, as the Mortgage Loans related to the Pre-2000 Loan Files are at least twelve (12) years old. In addition, to the best of the Trustee's knowledge and belief, after consultation with the Trustee's consultants and professionals, no third party has requested documentation relating to Mortgage Loans originated or serviced before April 2000, including copies of the Pre-2000 Loan Files. Accordingly, the Trust has never had occasion to utilize for its own purposes or otherwise provide access to any third party to the Pre-2000 Loan Files. As the Pre-2000 Loan Files are obsolete, unlikely to be needed or requested by third parties (as they have not been requested by any third party to date), and unnecessary to complete the administration of the Trust, the Trustee believes it is in the best interests of the Trust and its beneficiaries to abandon and destroy such hard copy Pre-2000 Loan Files.

33. With respect to the Post-2004 Duplicate Loan Files, the Trust submits that it is both prudent and necessary to abandon and destroy copies of the Post-2004 Duplicate Loan Files because the Trust, for the time being, will continue to maintain online digital copies of such files in its electronic database, the Loan Database. To the best of the Trustee's knowledge and belief, after consultation with the Trust's consultants, all Loan Files related to Mortgage Loans

originated from and after the latter part 2004 were copied and imaged onto the Loan Database. As a result, the Trustee believes that all hard copies of the Post-2004 Duplicate Loan Files have a back-up electronic image stored on the Loan Database, which has become the primary resource for the Trust in responding to various requests for information. Indeed, on the many occasions that third parties have requested (and continue to request regularly) loan level information concerning Mortgage Loans originated or serviced post-2004, the Trust relies almost exclusively on its access to the digital copies of the Post-2004 Duplicate Loan Files maintained on the Loan Database and rarely, if ever, requires access to or use of the hard copies of the Post-2004 Duplicate Loan Files. For example, the Trust regularly receives multiple subpoenas each month requesting information in the Trust's possession, including, among other things, access to various Loan Files for Mortgage Loans originated or serviced by the Debtors, typically from 2005 through the Petition Date. In order to comply with its non-bankruptcy law obligations, the Trust has responded to such subpoenas and, in many instances, has provided access to the Loan Files requested by providing access through electronic means. The Trust has not had occasion to utilize or otherwise provide access to the physical hard copies of any Loan Files for which it also maintains an imaged copy, as the imaged copies of such Loan Files have proven sufficient to any parties requesting copies of Loan Files. Accordingly, the Post-2004 Duplicate Loan Files are both redundant and unnecessary, as the Trust will continue to maintain imaged copies of the Post-2004 Duplicate Loan Files relating to Mortgage Loans originated or serviced prior to 2004. As a result, the Trustee believes that the continued maintenance of the Post-2004 Duplicate Loan Files is unnecessary, and therefore should be abandoned and destroyed.

34. The Trustee's abandonment of the Non-Mortgage Loan Business Files and the Post-Petition Files is also warranted under section 554(a) of the Bankruptcy Code. The Trust has no reason to maintain the Non-Mortgage Loan Business Files or the Post-Petition Files, which

are no longer necessary in the administration of these chapter 11 cases and which constitute a burden on the Trust. With respect to the Non-Mortgage Loan Business Files, prior to and immediately after the Petition Date, in response to an SEC request, the Debtors collected and packed all items from each employee's desk in every location and shipped them to the various Storage Facilities, where the Trust has maintained such Non-Mortgage Loan Business Files since the Original Effective Date. The Non-Mortgage Loan Business Files include, but are not limited to, legal department files, human resources files, personnel records, accounting records, marketing and sales files, unfunded or rejected loan application, and other general business files. However, the Non-Mortgage Loan Business Files are not necessary to the administration of the Trust, as there are no outstanding matters which would require use of any of the Non-Mortgage Loan Business Files. Moreover, to the best of the Trustee's knowledge and belief, after consultation with the Trustee's consultants and professionals, the overwhelming majority of Non-Mortgage Loan Business Files have not been requested by any third party, by subpoena or otherwise. To the extent documents or categories of documents may constitute Non-Mortgage Loan Business Files or have been requested by any party since the Original Effective Date, the Trustee will continue to maintain copies of such documents in electronic form.<sup>7</sup> The overwhelming majority of the Non-Mortgage Loan Business Files, however, have not been requested by any third parties and are not necessary to complete the administration of the Trust. As such, the Trustee believes that the continued maintenance and costs associated therewith are unjustifiable, given the fact that the Non-Mortgage Loan Business Files are of no value to the Trust. Consequently, there is no longer any reason to maintain the Non-Mortgage Loan Business

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<sup>7</sup> The Trustee acknowledges that the Trust has been served with subpoenas requesting copies of certain Non-Mortgage Loan Business Files, such as underwriting and appraisal guidelines, and underwriting matrices, among other categories of documents. The Trustee will maintain copies in electronic form of any documents which have been produced to third parties pursuant to a duly issued subpoena and which may be characterized as Non-Mortgage Loan Business Files.

Files, and, therefore, the Trustee requests authority to abandon and destroy such Non-Mortgage Loan Business Files.

35. Further, with respect to the Post-Petition Files, the Trust has maintained hard copies of each and every document that has been sent or received during the pendency of these chapter 11 cases. These documents include, but are not limited to, correspondence with creditors, bankruptcy pleadings and notices, pleadings served upon the Debtors or the Trust relating to litigation in which the Debtors were named as a nominal party, and various other business files. As noted above, the Trustee will not consider the documents produced to the SEC, various state attorneys general or the United States Attorney, or the Examiner to be Post-Petition Files, and therefore, the Trustee is not seeking authority to abandon and destroy such documents at this time. The Post-Petition Files, however, have no value to the Trust or its beneficiaries and are not necessary to complete the administration of the Trust. Accordingly, the Trustee believes that the Post-Petition Files should be abandoned and destroyed.

36. Further, the cost of storing the Unnecessary Files constitutes a substantial burden on the Trust, particularly given the advanced stage of these cases and the fact that the Trustee intends to make a final distribution and move for a final decree closing these chapter 11 cases in the near future. Current storage costs associated with storing all files, of which the Unnecessary Files constitute only a relative small percentage of files, and computer equipment at the Storage Facilities are approximately \$25,000 per month. If the Court permits the Trust to abandon and destroy the Unnecessary Files, the monthly storage costs associated with the remaining files will decrease by approximately \$2,500. Indeed, the Trustee submits that the exorbitant costs associated with the continued storage of its files, including the Unnecessary Files, are an unreasonable and costly administrative burden on the Trust, and as a result, the Trustee has determined that there is no justifiable reason to continue to maintain certain of the files

maintained at the Storage Facilities. In an effort to minimize the cost to the Debtors' estates while, at the same time, recognizing the need to maintain access to certain vital information, the Trustee has identified certain categories of documents which the Trustee believes are of no value both to the Trust and to any potential third party who may have any interest in the documents maintained by the Trust. Specifically, the Trustee has identified four (4) very narrow categories of documents (the Pre-2000 Loan Files, the Post-2004 Duplicate Loan Files, the Non-Mortgage Loan Business Files, and the Post-Petition Files) which are of no value to the Trust and are not necessary to the administration of the Trust because (i) the Debtors ceased business operations more than five (5) years ago, and (ii) the vast majority of issues in these chapter 11 cases have been resolved (with the exception of several claims and litigations relating to borrower claims). As the administration of these cases is nearly complete and the Unnecessary Files no longer have any value to the Trust, the Trustee does not believe it is reasonable or appropriate to continue incurring significant costs to store such Unnecessary Files.

37. The Trustee submits that his decision to abandon and destroy the Unnecessary Files is the product of his sound business judgment because the storage of such Unnecessary Files constitutes a substantial burden on the Trust with no corresponding benefit to the Trust or its beneficiaries. Accordingly, the Trustee respectfully requests authorization to abandon and destroy the Unnecessary Files as the Unnecessary Files are no longer necessary to the administration of the Trust and constitute a substantial burden upon the Trust and its beneficiaries.

38. The Trustee represents that he will cause any and all of the Unnecessary Files containing personally identifiable consumer information, including, but not limited to, names, social security numbers, financial information and other personal information contained in such files to be shredded or similarly destroyed in accordance with Federal Trade Commission

regulations for the destruction of documents containing consumer information. See 16 C.F.R. § 682.3(a)-(b) (requiring proper disposal of consumer information by taking reasonable measures to protect against unauthorized access to or use of the information in connection with its disposal).

39. The Trustee represents that he will not cause the destruction of any of the hard copy Loan Files (other than the Pre-2000 Loan Files and the Post-2004 Loan Files) in the Trust's possession without seeking further order of this Court. Further, the Trustee represents that he will not cause the destruction of any documents that are (i) the subject of current litigation or a claims dispute until such issues have been resolved, or (ii) the subject of an outstanding, duly issued subpoena until the Trust has complied with its obligations to respond thereto. The Trustee further represents that none of the Unnecessary Files for which the Trustee is seeking authority to abandon and destroy will lead to any spoliation claims in any pending litigations.

#### **NOTICE**

40. Notice of the Motion has been given to (i) the United States Trustee for the District of Delaware, (ii) all parties who have indicated an interest in the Loan Files, (iii) all parties who requested notice in this case pursuant to Bankruptcy Rule 2002 prior to the Original Effective Date, and (iv) all parties who have previously requested notice pursuant to the Order Granting the Motion of the Trustee Pursuant to 11 U.S.C. §§ 102 and 105(a) and Fed. R. Bankr. P. 2002(m) and 9007 Establishing Notice and Service Procedures entered on November 18, 2008 [Docket No. 9165].



**CONCLUSION**

WHEREFORE, the Trustee respectfully requests that this Court enter an order (i) authorizing the immediate abandonment and destruction of the Unnecessary Files; and (ii) granting such further relief that the Court deems just and proper.

Dated: February 14, 2013

**BLANK ROME LLP**

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