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**REPLY TO NEW JERSEY ADDRESS**

FOUNDED IN 1923  
AS ZUCKER & GOLDBERG

MAURICE J. ZUCKER (1918-1979)  
LOUIS D. GOLDBERG (1923-1967)  
LEONARD H. GOLDBERG (1929-1979)  
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June 28, 2011

(VIA Lawyers Service and Electronic Filing via JEFIS)  
Honorable Walter R. Barisonek, Special Master  
Union County Courthouse  
Courtroom 101  
2 Broad Street  
Elizabeth, N.J. 07207

RE: Supplemental Submission of MidFirst Bank in response to the Honorable Walter Barisonek's April 25, 2011 Letter

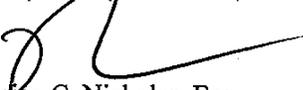
Docket No.: F-238-11

Dear Judge Barisonek:

Our firm represents MidFirst Bank in relation to the above captioned Administrative Order. Enclosed please find the Supplemental Certification of Thad Burr in response to Your Honor's April 25, 2011 letter.

Should Your Honor have any questions or concerns, please do not hesitate to contact us.

Respectfully submitted,



Brian C. Nicholas, Esq.

Cc: Jennifer Perez, Clerk of the Court (Electronically via JEFIS)

In the Matter of Residential Mortgage	)	
Foreclosure Pleading and Document	)	Administrative Order 01-2010
Irregularities	)	Docket # F-238-11

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**SUPPLEMENTAL CERTIFICATION OF THAD BURR ON BEHALF OF  
MIDFIRST BANK IN RESPONSE TO ADMINISTRATIVE ORDER 01-2010,  
DOCKET #F-238-11**

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**SUPPLEMENTAL CERTIFICATION OF THAD BURR**

**THAD BURR, (“Burr”) hereby certifies and says:**

1. I am a First Vice President of MIDFIRST BANK (“MidFirst”) and of MIDLAND MORTGAGE CO.<sup>1</sup> (“Midland”). In this capacity, I am the person responsible for managing the overall operations of the Foreclosure Department at Midland. As such, I have authority to make this Certification on behalf of MidFirst and Midland. I am the officer in the best position to provide this Certification and explain Midland’s processes for referring a loan to foreclosure, providing the information necessary to initiate the foreclosure process, and executing the documents necessary to complete the foreclosure. I am fully familiar with the facts set forth in this Certification and make this Supplemental Certification on behalf of MidFirst Bank in response to Administrative Order 01-2010, Docket #F-238-11, In the Matter of Residential Mortgage Foreclosure Pleading and Document Irregularities.
2. This certification shall serve to supplement MidFirst’s June 1, 2011 Certification.
3. As previously reported in response to Question 1(a) of MidFirst’s June 1, 2011 Certification, Midland currently uses two (2) vice-president level employees to review

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<sup>1</sup> As explained in the Certification of Thad Burr filed with the Court on February 11, 2011, MidFirst services loans through Midland, its wholly-owned operating subsidiary.

and execute Certifications. These employees will continue to be available to review and execute such documents as needed but Midland has also made the business decision to appoint five (5) additional, well-qualified employees to assist in this important role.

4. As previously described in response to Question 1(e) of MidFirst's June 1, 2011 Certification, Midland is finalizing a training program to ensure that these employees will be well-qualified to review and execute certifications in New Jersey. All employees who are to execute documents on behalf of Midland or MidFirst will be required to successfully complete this training before being allowed to execute documents.
5. The employees that are being considered for our expanded signing authority have on average 5 years experience with the company and are known by management to be competent, trustworthy employees.
6. Two of the employees are Foreclosure Managers in the Foreclosure Department and will remain in that position after successful completion of the training program described in detail in response to Question 1(e) of MidFirst's June 1, 2011 Certification. The other three employees will be promoted to Senior Foreclosure Litigation Specialists upon successful completion of the training program.
7. Both Foreclosure Managers report directly to Melissa Poage ("Poage"), one of the vice-president level employees authorized to execute documents, who in turn reports directly to Burr. The Senior Foreclosure Litigation Specialists will report to one of the Foreclosure Managers.

8. The primary responsibility of the new signers will be reviewing and executing certifications, affidavits and verifications.
9. Only after successful completion of the training program will the Board authorize them to sign on behalf of Midland and/or MidFirst.
10. Midland expects to complete training for these additional signers in the next 60 days.
11. In terms of testing performed on loans being boarded onto Midland's LoanServ system as described in response to Question 1(c), servicing data is reviewed by each operational area within Midland as part of the acquisition boarding process. The data file provided by the prior servicer is entered into an acquisition region, which is a testing area within Midland's LoanServ system. Operational areas then compare the prior servicer data file to the servicing data within the acquisition region to confirm validity, completeness, and accuracy.
12. Field Verification Testing checklists are utilized by the operational areas to ensure:
  - a. all material data fields are included in the review,
  - b. data issues are identified and resolved,
  - c. the review process is documented.
13. The Investor Accounting Department, which handles payment posting, investor reporting and remitting, invoice approval, cash disbursements and other mortgage servicing accounting transactions, is responsible for checking most of the substantive information to ensure the data fields loaded properly on Midland's LoanServ system. If there is a problem, the Technology Department assists in resolving.
14. The Foreclosure and Bankruptcy areas conduct loan level testing on a sample of loans to verify that loans previously identified as being in foreclosure and/or bankruptcy by

the prior servicer load as such on Midland's system to confirm there are no systematic problems with the boarding process.

15. Once testing is complete, the technology department transfers the loans from the system's acquisition region to the "production" region of LoanServ. Once in the production region, employees in the Foreclosure Department immediately contact the foreclosure attorney on 100% of the loans to confirm that the loan is actually in foreclosure or bankruptcy and to obtain a status update.
16. Other operational areas, including the Escrow, Loss Mitigation and Customer Service Departments, perform similar testing of data fields for their areas.
17. The ability to make changes/updates to information reported on Midland's servicing system is limited by job function within each department. In addition, certain changes/updates require approval by a certain level of employee.
18. The access controls in our system do not allow the job duties performed by an employee in one department to be performed by an employee in another department.
19. By way of example, Foreclosure employees cannot post payments – that is handled exclusively by the payment processing division. As another example, employees in the Escrow Department cannot update the system relative to loss mitigation activities.
20. Certain transactions falling outside established access parameters require management approval; the level of manager approval required depends on the amount or significance of the change/update.
21. All employees in the Foreclosure Department receive new hire training offered by the Training Department where the employee learns general company policies and the basic operation of Midland's servicing system.

22. The employees also receive extensive training in the Foreclosure Department, which is primarily on-the-job training conducted by experienced employees that perform the job function the new employee will be performing.
23. Employees who train new employees must take and pass Midland's On the Job Training (OJT) program, a training course offered by Midland's Training Department that provides them with guidance on how to train a new employee. The Training Department maintains records of those employee's who have successfully completed the OTJ program (hereafter Trainer).
24. New employees work with the Trainers on all aspects of the job functions they will be performing. The Trainers show the employees how to perform the various job functions and then allow the employee to perform job functions as their understanding of the process and capability to perform is demonstrated. New employees' performance is audited weekly. The audit results are tracked, maintained and the new employees' performance reviewed with their manager on a weekly basis. Additional training is provided as needed to assist the employee with improved performance. Even after a new employee begins performing work, the Foreclosure Department continues to conduct quality control audits of performance to ensure the job function is being properly performed.
25. Employees who review and validate invoices processed through iClear also receive training specific to the review and approval of the various invoices processed through this system.

26. While our system is programmed to allow routine expenses within given parameters, employees working in this area are still required to approve the invoice and receive manuals that detail what fees are permissible by investor or insurer.
27. If an expense is not programmed into the system, the employees consult the investor/insurer guidelines.
28. If an expense exceeds permissible allowable amounts, the employees are trained to consult with the appropriate department for further review.
29. Employees' work in processing invoices is monitored by the Trainer and department management through quality control activities until such time as the Trainer and manager over the system approve the employee to review invoices independently. There are continuous quality control checks within the area that ensure employees are correctly processing invoices.
30. Midland primarily services loans for 3 investors: Ginnie Mae, Freddie Mac and Fannie Mae, which have different policies regarding the documents that must be maintained in the custodial file and if exceptions exist, how they are to be corrected. Although the different investors have different requirements, Midland has determined that Ginnie Mae has the most restrictive custodial document standards. Therefore, Midland applies Ginnie Mae documentation standards to all 3 investors which ensures that all files meet all 3 investor's requirements.
31. In a small percentage of cases where Midland services private investor loans, those investors typically have third party custodians that are responsible for maintaining the loan files in accordance with those investor's standards; however, Midland has

procedures in place to ensure that the custodians confirm that appropriate documents are in place in the event foreclosure is filed.

32. When a loan is referred to outside counsel to commence foreclosure proceedings, the entire loan balance has been accelerated. Accordingly, Midland will not accept payments on loans in foreclosure unless the borrower is paying an amount sufficient to reinstate the loan or they have entered into an approved loss mitigation plan and executed the necessary documents to establish the plan.
33. If a borrower enters into bankruptcy or executes a loss mitigation plan, the Foreclosure Department Administrator notifies foreclosure counsel via Vendorscape to place the foreclosure on hold. As previously explained, Vendorscape is a secure electronic interface system that Midland uses in order to communicate with outside counsel during the foreclosure process.
34. Pursuant to N.J. Court Rules R.1:4-4(b), I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated this 28<sup>th</sup> day of June, 2011.

MidFirst Bank



By: Thad Burr  
Its: First Vice President

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IN THE MATTER OF RESIDENTIAL  
MORTGAGE FORECLOSURE PLEADING AND  
DOCUMENT IRREGULARITIES

Superior Court of New Jersey

Administrative Order 01-2010

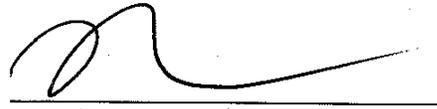
Docket No.: F-238-11

**CERTIFICATION OF FACSIMILE  
SIGNATURE PURSUANT TO RULE 1:4-4(c)**

I, Brian C. Nicholas, Esq., hereby certify that:

1. I am an attorney licensed to practice in the State of New Jersey and an associate with the law firm of Zucker, Goldberg & Ackerman, L.L.C. I make this certification pursuant to Rule 1:4-4(c) in support of MidFirst Bank's supplemental submission in response to the Honorable Walter R. Barisonek's April 25, 2011 letter.
2. The Certification of Thad Burr contains a facsimile of the original signature of Mr. Burr. The signature is genuine and the original signature can be provided should the Court so request.
3. I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

DATED: June 28, 2011

  
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Brian C. Nicholas, Esq.