

IN THE SUPERIOR COURT OF NEW JERSEY
UNION COUNTY

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)	
IN THE MATTER OF RESIDENTIAL)	Administrative Order 01-2010
MORTGAGE FORECLOSURE PLEADING)	
AND DOCUMENT IRREGULARITIES)	Docket No. F-238-11
)	
)	Special Master Walter R. Barisonek

I, Michael S Kraut, hereby certify that the following is true and correct.

1 I am a partner with the law firm Morgan, Lewis & Bockius, LLP, which was retained by U.S. Bank National Association, solely in its capacity as trustee for certain residential mortgage backed securitization trusts, (the "Trustee") in connection with the above-captioned matter. On or about April 20, 2011, this Court granted a motion to permit me to appear in this action *pro hac vice*.

2. This Court's April 25, 2011 Order (the "Order") instructed that the respondents in this action, which include the Trustee, provide certain information to this Court. The Court directed the Trustee to comply with the Order by requesting that the following mortgage loan servicers provide to the Trustee responses to Item No 2 of the Order for the Trustee to deliver to this Court: (i) American Home Mortgage Servicing, Inc. ("American Home"), (ii) Bayview Loan Servicing, LLC ("Bayview"); (iii) Capital One Bank, N A., and affiliates ("Capital One"); (iv) Litton Loan Servicing, L P ("Litton"); (v) Ocwen Loan Servicing, LLC ("Ocwen"); (vi) Select Portfolio Servicing, Inc ("SPS"); and (vii) Specialized Loan Servicing, LLC ("SLS").

3. On June 10, 2011, I filed a certification on behalf of the Trustee in response to the Order. My certification annexed certifications that Bayview, Capital One, Ocwen, and SPS

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prepared in response to Item No. 2 of the Order and sent to the Trustee to deliver to this Court. Counsel for American Home, Litton, and SLS filed certifications directly with this Court.

4. At a July 6, 2011 conference, the Court directed the Trustee to collect and submit by August 3, 2011 supplemental certifications from American Home, Bayview, Capital One, Litton, Ocwen, SPS, and SLS.

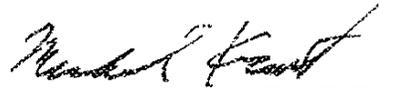
5. Counsel for American Home, Litton, and SLS have informed me that their clients have filed, or will be filing, supplemental certifications directly with the Court.

6. On July 27, 2011, this Court verbally extended the due date for Capital One's supplemental submission until August 19, 2011.

7. Attached hereto are supplemental certifications that Ocwen (**Exhibit 1**), Bayview (**Exhibit 2**), and SPS (**Exhibit 3**) prepared and sent to the Trustee for delivery to the Court.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements are willfully false, I am subject to punishment.

Date: August 3, 2011



Michael S. Kraut

Exhibit 1

2. The Policies and Procedures for the CM Department is classified into three modules: (1) Module #1 "Identifying each Document," which contains a detailed description of the process and steps that take place for each document submitted to the affidavits@ocwen.com mailbox. Furthermore, Module #1 contains an outline of the procedures and steps in the cycle of a document from point of entry to the return of the executed document to local outside counsel; (2) Module #2: "Executing, Witnessing and Notarizing the Document," which explains Ocwen's Corporate Resolution and how a verifier determines who has signing authority, explains the importance of being present with a Florida Notary when signing a document and an understanding of the responsibilities of witnessing, attesting and notarizing a document properly while carrying out official Ocwen business; and (3) Module #3 "Verifying the Document," which explains how to navigate through REALServicing[®], the Contract Imaging System (CIS) databases and all other necessary Ocwen business records

3. After receiving the foreclosure referral from Ocwen's Default Servicing Department, local counsel will draft the complaint and send it electronically to the affidavits@ocwen.com mailbox for verification. As previously stated, Module #1 outlines the cycle of the document from the port of entry electronically, through the sorting process of the hard copy, to presentation for verification and execution. In reviewing the drafted complaint, the CM Coordinator verifies and completes an internal document entitled, "Statement of Review", ("SOR") in compliance with New Jersey local Rule 4.64-1, "*Foreclosure Complaint, Uncontested Judgment Other Than In Rem Tax Foreclosures.*" The signor executes the SOR after confirming the factual accuracies contained in the pleading. The name(s), title(s) and responsibilities of the titles of the employee of plaintiff's servicer is included in the SOR. The executed SOR, a hard copy of the Complaint and exhibits initially submitted is sent to Ocwen's Vault Warehouse Facility in Riviera Beach, Florida for scanning into Ocwen's imaging system, CIS. Once scanned, the verified hard-copy of the Complaint and exhibits is then sent out via UPS to outside counsel for filing with the court

4. Certifications/Affidavits are handled in a similar fashion. After the local counsel has drafted the certification/affidavit, they send the document electronically to the affidavits@ocwen.com mailbox. The same printing, sorting and categorizing takes place as outlined previously, with the step-by-step process of receiving, sorting and steps in the cycle of a document performed until the certification/affidavit is executed and returned to local counsel. The certification/affidavits are allocated among the signors on a random basis to those who are authorized by virtue of Ocwen's Corporate Resolution for verification and processing. The CM Department maintains enough staff to process the

volume of documents received to ensure proper training, accuracy and complete verification of each document is possible. In compliance with New Jersey local Rule 4:64-2, "Proof; Affidavit", the certification/affidavit is made by an authorized signor for Ocwen, as the mortgage loan servicer, on the affiant's knowledge of the mortgage loan servicer's business records kept in the regular course of business. The signor/affiant confirms, (1) that he or she is authorized to make the affidavit on behalf of the plaintiff or the plaintiff's mortgage loan servicer, (2) that the affidavit is made based on a personal review of business records of the plaintiff or the plaintiff's mortgage loan servicer, which records are maintained in the regular course of business; (3) that the financial information contained in the affidavit is accurate, and (4) that the default remains uncured. The certification / affidavit also includes the name, title, and responsibilities of the affiant, specifies Ocwen as the affiant's employer and gives a description of the relationship between the plaintiff and Ocwen.

5. Once verified, the hard-copy of the certification/affidavit is brought to Ocwen's Signing Room where signors are given the oath in the presence of a Florida Notary Public pursuant to the policy outlined in Module #2. Once the oath is given, signing can commence. After each signing session, a quality check is performed on all documents to ensure all blanks are filled within the documents. A CM Supervisor oversees the signing process to ensure compliance to the process, including that the oath is properly administered and the signors are in the presence of the Notary when the document is executed.

6. Once a hard copy of the certification/affidavit is executed, the documents are brought out of the Signing Room and sorted by type. The loan number, attorney code and document type are entered on a spreadsheet so that the servicing system, REALServicing[®], is noted for a permanent record of what was executed. The hard copy, executed documents are then sent via inter-office mail to Ocwen's Vault Warehouse Facility in Riviera Beach, Florida for scanning into Ocwen's imaging system, CIS. Once scanned, the executed, hard copy of the document is then sent out via UPS to outside counsel for further handling.

Supplemental Response to Paragraph 1.b.i. *"State the processes and procedures you have in place to ensure that the individual who executes the certification/affidavit executed it according to law, and that the signature is a valid lawful signature."*

7. As previously mentioned, the Policies and Procedures for the CM Department is classified into three modules. (1) Module #1: "Identifying each Document," which contains a detailed description of the process and steps that take place for each document submitted to the affidavits@ocwen.com

mailbox Furthermore, Module#1 contains an outline of the procedures and steps in the cycle of a document from point of entry, to the return of the executed document to local outside counsel, (2) Module #2. "Executing, Witnessing and Notarizing the Document," which explains Ocwen's Corporate Resolution and how a verifier determines who has signing authority, explains the importance of being present with a Florida Notary when signing a document and an understanding of the responsibilities of witnessing, attesting and notarizing a document properly while carrying out official Ocwen business, and (3) Module #3: "Verifying the Document," which explains how to navigate through Ocwen's servicing systems

8. When a new employee is hired, he/she is required to take training courses through a web based training system. Each employee must take a course that corresponds to the modules above and then pass a test before moving to the next module. The test is administered either electronically or in hard copy format. If an employee does not pass the test, they are required to complete the course material again and take the test until a passing score is received. Until the employee has successfully passed all training modules, they are not permitted to verify or execute documents on behalf of Ocwen. All three Policies and Procedures Modules are uploaded and released for training purposes when a new employee is hired

9. Each module explains how taking the Module course accompanies a "Hands on Training Program." Once an employee passes the Module course, hands on training and audit, the next module and corresponding test is released for the new hire to complete. The training system records the compliance and passing of the Module for training and compliance purposes. Only after passing the test will the employee be allowed to review and execute documents. Until the employee has successfully passed all modules they are not permitted to verify or execute documents on behalf of Ocwen.

10. Additionally, as a part of the on-going training, CM employees are continually trained using the training system whenever updates are made to the Policies and Procedures

Supplement Response to Paragraph 1.b.ii. *"State the processes and procedures in place to ensure that the person executing the certification/affidavit, pursuant to paragraph (a), has the authority to act in behalf of the plaintiff/servicer."*

11. Ocwen's Corporate Resolution is adopted by the Managers of the company and sets forth the signing authority for the named employees. As an employee of the CM Department, the Corporate Resolution is provided to each team member as a reference tool and guide. Ocwen's Corporate

Resolution provides authorization to certain employees to execute, acknowledge, seal, deliver, endorse, file, record and process documents submitted for execution in the ordinary course of handling matters in connection with insurance, foreclosure, bankruptcy and eviction actions.

12. Additionally, employees are required to review Ocwen "Foreclosure Matrix" for pertinent information regarding the investor and authority to proceed to foreclosure. The Foreclosure Matrix is an Ocwen business record that is updated and verified by the CM Department by using the applicable servicing agreement. Information contained in the Foreclosure Matrix includes, but is not limited to, the Power of Attorney information, the Ocwen Investor number, the name of the Investor for foreclosure purposes and actual signature block to be used in executing documents. The Foreclosure Matrix is also periodically audited by Ocwen's Compliance Department.

Supplemental Response to Paragraph 1.c. *"State in detail your record keeping system to ensure that there is accurate up-to date entries of payments, loan history, assignments, or of any other transaction involving the mortgage "*

13. Ocwen's Internal Audit Department performs audits on every business unit within the servicing organization. This distinct and separate group reports to Ocwen's President and Chief Operating Officer through Ocwen's Chief Risk Officer. The Audit Department performs testing on controls and processes to ensure accurate and timely information is maintained by the servicing operation. A list of the applicable residential servicing areas reviewed by Internal Audit on an annual basis includes:

- Accounting
- Accounts Payable
- Arm
- Cashiering
- Contract Management
- Credit Reporting
- Customer Care
- Default Servicing
- Home Retention
- Insurance
- Investor Reporting

- Loan Boarding
- Technology
- Vault
- Vendor Management

Supplemental Response to Paragraph 1.d. *"State the review process you have in place to ensure that any certification/affidavit submitted to the Court is accurate, based upon current information and that the person executing the document relied upon personal knowledge and/or business records which would be admissible in a New Jersey Court "*

14. The CM Department is responsible for verifying the information on all certifications/affidavits and ensuring it is based on Ocwen's business records. The CM Department's Policies and Procedures Module #3: *"Verifying the Document,"* provides a step-by-step explanation of the verification process, outlined with examples and snap-shots of the business records.

15. The CM Department tracks all documents submitted by local counsel throughout the verification and execution process. The CM Department notates the servicing system whenever the document is verified and approved by the CM Coordinator. Hard copies that have been executed are imaged and retained in Ocwen's business records so that a copy of the final version is maintained. The Vault mails hard copies to local counsel and tracks their delivery. Ocwen's has authorized local counsel to file only those documents executed by Ocwen with the court.

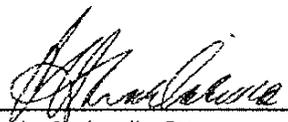
Supplemental Response to Paragraph 1.e. *"State in detail any training programs you have in place for individuals completing certifications/affidavits to ensure that their knowledge of the contents of the certification/affidavit is based upon personal knowledge or business records which would be admissible in a New Jersey Court."*

16. As previously mentioned, CM employees are trained using the web based training system. This is an interactive training that provides for testing before proceeding to the next phase of training. If an employee does not pass the necessary test, they are required to complete the course material again and take the test until a passing score is received. Until the employee has successfully passed all training modules, they are not permitted to verify or execute documents on behalf of Ocwen. All three CM Policies and Procedures Modules are uploaded and released for training purposes. Training is also conducted whenever the Policies and Procedures are updated.

Supplemental Response to Paragraph 1.h. "State whether you utilized or intend on utilizing any independent auditor to review the process and procedures mentioned in the above answers to ensure that you are in compliance with the mandates of Court Rule 4-64-1 et seq."

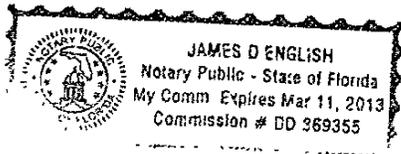
17 Ocwen is continually subjected to both internal and external audits as mandated by the industry practices and servicing agreements. Internal Audit cycles typically require servicing business units to be reviewed on an annual basis. There are certain audits that are performed more frequently. At this time, Ocwen does not intend to utilize an independent auditor to review the processes and procedures applicable to the mandates of Court Rule 4:64-1 et. seq.

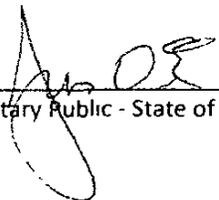
I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

8/2/2011 Date 
Carolin Clarlariello, Esq

STATE OF FLORIDA)
COUNTY OF PALM BEACH)

The foregoing instrument was acknowledged and sworn before me this 2nd day of August 2011, by Carolin Clarlariello as a Manager of Contract Dept of Ocwen Loan Servicing, LLC, who is personally known to me or who has produced _____ as identification.




Notary Public - State of Florida

My Commission Expires:

Exhibit 2

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

SUPPLEMENTAL CERTIFICATION OF KATIE SOVIC

(1) I, Katie Sovic, a Senior Vice President for Default Administration of Bayview Loan Servicing LLC (“BLS”), hereby certify that the following information is true and accurate, based upon my personal knowledge and my review of business records of BLS maintained in the ordinary course of its business. I have management oversight of the foreclosure and related legal functions of BLS and have been in this position since 1999. My review of business records included a review of pertinent policies and procedures and documents/guides ancillary to the policies and procedures. Interviews were also conducted with relevant department managers. I am authorized to make this Affidavit on behalf of BLS to supplement my prior Affidavit (the “Prior Affidavit”) in this matter dated June 9, 2011.

(2) Before answering the specific questions posed by the Court regarding the Prior Affidavit, paragraphs (2) (a) and (b) herein are a brief narrative of the foreclosure process, including but not limited to, how a loan gets referred to foreclosure, the interaction between BLS and outside counsel during the foreclosure, and, the Affidavit/ certification process. The answers to the Court’s inquiries with respect to the Prior Affidavit start in paragraph (3) herein.

(a) The Pre-Foreclosure area of BLS is responsible for reviewing loans to determine their eligibility to refer to foreclosure and sending the actual referral to outside counsel. This

group receives notification that a loan may be eligible to be referred to foreclosure through one of two methods. First, BLS uses Trident, a proprietary system, to review a series of criteria daily to determine which loans may be eligible to refer to foreclosure. These criteria include, but are not limited to a check to determine whether the breach cure period has elapsed, whether the loan is in bankruptcy, whether the loan is on some type of current or potential workout plan, whether the HAMP pre-requisites have been met, etc. Loans potentially eligible for foreclosure are listed on a daily report. Second, the assigned account Asset Manager, the person assigned to work with the customer on any potential loan workouts, may send an e-mail to a designated mailbox, managed by the Pre-Foreclosure group, requesting that a loan be reviewed for possible referral to foreclosure. Regardless of the method of how the loan arrives in the Pre-Foreclosure area, each loan is individually reviewed by one or more members of the Pre-Foreclosure group to ensure that any pre-requisites to referral have been met, including but not limited to a check that all required pre-foreclosure letters including the Notice of Intent to Foreclose, have been sent, that all HAMP pre-foreclosure criteria have been met, that BLS is not currently working with the customer on a possible workout and that the loan is not on a workout plan, that there is no pending research and/or response owed to the customer or his or her representative, that the loan is not in bankruptcy, that any investor approval, if applicable, has been received, and that none of the obligors/guarantors on the loan or any party on the mortgage is in active military status. If the loan is eligible to be referred to foreclosure then the Pre-Foreclosure area handles the referral to the attorney. The Pre-Foreclosure Coordinator raises a foreclosure flag (warning notice) in the servicing system to indicate the loan is in foreclosure. The Pre-Foreclosure Coordinator also places comments in the servicing system stating that the loan has been referred to foreclosure along with the assigned attorney's contact information. The Pre-Foreclosure

Coordinator then creates a foreclosure referral letter. The letter includes, among other things, the payoff and reinstatement information on the loan, the name to foreclose and take title in, the property type, contact information for BLS, the known phone numbers and addresses of the customer, the last payment received date, the current interest rate, the loan type, and the name of the assigned BLS Foreclosure Coordinator. The letter is then placed in BLS's web-based imaging site indexed under BLS's loan number and titled "Foreclosure Referral Letter". The Pre-Foreclosure Coordinator then e-mails outside counsel advising them of the new referral. The assigned attorney retrieves the referral letter from the imaging site along with copies of the relevant documents that are needed from BLS to begin the foreclosure process. These documents include, but are not limited to, copies of the following: the breach letters/Notices of Intent to Foreclose, the note, any allonge to the note, the recorded security instrument, any modifications, renewals or extensions, any guarantees, any recorded assignments, the title policy, and the origination appraisal. Should outside counsel need additional information or have questions about the referral, they contact the assigned BLS Foreclosure Coordinator via telephone or e-mail.

(b) During the course of a foreclosure, BLS foreclosure counsel e-mails the Foreclosure Coordinator a draft of the foreclosure complaint along with copies of all documents (supporting documents) that are referenced in the complaint via e-mail. The Foreclosure Coordinator then sends a request to BLS's records custodian for verification that the original loan documents are in the custodial file and that the allonge chain is complete. In addition, the Foreclosure Coordinator reviews the entire pleading for accuracy, including plaintiff and defendant names, county filed in, mortgage recording information, date of default, current unpaid principal balance, etc. Possible corrections are notated on the complaint draft. Once the

Foreclosure Coordinator notates possible corrections on the complaint, internal procedures, as previously outlined in and attached to the Prior Affidavit, require that the complaint and the supporting documentation be given to another person for review. Additional items may be notated on the complaint by the second reviewer. After the second review confirms no additional discrepancies have been identified, the complaint and the review package are sent to the affiant, who again confirms that all of the information on the complaint is accurate, that the plaintiff is the current record mortgage holder, and that no other corrections to the complaint need to be noted. The affiant then completes the New Jersey client review certification, which is a standard document that BLS worked to create in conjunction with the foreclosure attorneys it uses in New Jersey. A copy of this document was attached to the Prior Affidavit as Exhibit G. This document was further updated in July of 2011 and is attached as Exhibit A to this supplemental certification. The client review certification, with any comments made by the affiant, and a copy of the complaint that is marked-up by the Foreclosure Coordinator are e-mailed to the foreclosure attorney. The attorney then decides whether the corrections have merit, edits the complaint if necessary, and files the complaint with the court. The review package and the client certification are imaged on BLS's imaging site.

Additionally, BLS foreclosure counsel requests judgment figures from the Foreclosure Coordinator once the foreclosure at hand has reached the judgment petition stage. Once figures are requested by counsel, the loan acceleration date is used to determine the last late charge that will be included in the judgment figures. Next, the loan history is reviewed by the Foreclosure Coordinator in order to categorize advances and credits due to the borrower. Then, the judgment figures and a copy of the pay history are sent to BLS's foreclosure counsel by the Foreclosure Coordinator to assist in the drafting of the Certification of Amount Due Affidavit.

BLS foreclosure counsel drafts the Affidavit to include both an Affidavit section, that includes the total due, and a schedule section which includes the property address and recording information for the original mortgage, as well as a breakdown listing the principal balance, the accrued interest, late fees, escrow advances, inspection fees and property preservation expenses. The schedule not only lists the total of each type of advance, but also identifies the dates on which escrow advances were made and the amount of each escrow advance. Due to time lapse, adjustments may need to be made to the figures on the Affidavit by the Foreclosure Coordinator when the Affidavit is ready to be executed, such as updates to the interest calculations or additional advances that may need to be included.

Once a draft is completed by foreclosure counsel of the Certificate of Amount Due, it is emailed to the Foreclosure Coordinator at BLS along with all necessary supporting documentation, including but not limited to, the title search, copies of documents referenced in the title report, the note, the mortgage, assignments and deed into the customer. Then, the figures and documents are reviewed for accuracy by the Foreclosure Coordinator. The Foreclosure Coordinator will review the documents to ensure that the plaintiff is still the holder of record. If the holder of record has or should have changed from the time the complaint was filed, this will trigger a request by the Foreclosure Coordinator to foreclosure counsel to substitute plaintiff and the recording of the appropriate assignment of mortgage. After the Foreclosure Coordinator reviews all of the documents and believes that the Affidavit is accurate and complete, internal procedures require that the Affidavit and the supporting documentation be given to another person for review. If necessary, additional errors are corrected and a new draft is printed. After the second review confirms no additional discrepancies have been identified, the Affidavit and the review package are sent to the affiant, who again confirms that all of the information on the

Affidavit is accurate, that the plaintiff is the current recorded mortgage holder, and that no other corrections to the Affidavit are necessary. The affiant then completes the New Jersey client review certification. The executed client review certification and the executed Affidavit are e-mailed to foreclosure counsel, and the original documents shipped to BLS's foreclosure counsel via overnight mail by the Foreclosure Coordinator. The documents are imaged on BLS's imaging site by the Foreclosure Coordinator.

(3) Independent Testing. The Court requested further detail with respect to the "independent testing" being conducted by BLS's Quality Assurance Department ("QAD") as referenced in the last paragraph on the 2nd page of the Prior Affidavit. The Quality Assurance Department of BLS is a group independent of the foreclosure group. In addition to the reviews being performed in the foreclosure group as outlined in BLS's policies and procedures during the normal course of preparing and reviewing an Affidavit or certification, an additional review is being conducted by QAD. These reviews began in April of 2011 and have covered and currently cover 100% of the Affidavits and certifications executed by BLS since that time. This additional review occurs post execution and after the documents have been sent to counsel and encompasses a review of the Affidavit / certification package to make sure all information in the Affidavit / certification is accurate, that all necessary back-up documentation is contained in the package, that employees with the appropriate authority reviewed and executed the document, and that proper policies and procedures were followed. The findings, if any, are reported to senior management in the Default Administration Department.

(4) Training Department. The Court requested further detail with respect to BLS's training program, how its training programs are verified or audited, and what policies and procedures were available. This supplements question 1(a) of the Prior Affidavit to describe the

Training Department's training and how attendance is tracked. The training is provided via classroom or video conference. The Training Facilitator will provide step by step instructions on how to prepare an Affidavit / certification package, how to complete the file checklist, and how to submit the finished package to the designated affiant. The training will include step by step instructions on how to insure all data and documents provided in the Affidavit / certification package are accurate by explaining the supporting documents and where to verify the information. There will be post class assessments delivered by the Training Facilitator to all participants at the end of the class. Individuals who receive a passing score are deemed to have successfully completed the training. Individuals who do not successfully achieve a passing score will receive one-on-one coaching by their team managers or senior level team members. Then, a second post assessment will be administered within three days. Once again, a passing score is required. Scores are provided to the Business Owners. Attendance will be tracked via Intranet Class Registration and hard-copy attendance sheets.

(5) Accurate Information Provided in the Systems. The Court requested further detail with respect to the "test scripts" referenced in the last sentence above the 1st full paragraph on page 4 of the Prior Affidavit. This paragraph supplements that information by describing "test scripts" and validation as well as providing a projected timeline for the testing of these scripts. Article VIII (1)(b)(ii) of the OCC Consent Order states that each bank executing the Consent Order must have a plan to "ensure the ongoing accuracy of records for all serviced mortgages, including, but not limited to, records necessary to establish ownership and the right to foreclose by the appropriate party for all serviced mortgages, outstanding balances, and fees assessed to the borrower." In its desire to comply with the Consent Order's language, BLS has evaluated all areas in which calculations are being performed for those areas described in the Consent Order,

including, *inter alia*, property inspection fees, NSF fees, and foreclosure and bankruptcy fees. BLS has documentation from its vendors and its internal applications which describe these calculations. BLS will be conducting internal testing to confirm that all calculations described are correct and provide the expected results. Testing is expected to begin within 45 days and is expected to take up to 90 days to complete.

(6) Training Module. The 1st paragraph on page 6 of the Prior Affidavit references a "training module". The training module has not been reduced to writing yet. It will be reviewed and approved by a senior officer of Default Administration.

(7) Foreclosure Referral. The Court requested further explanation of the pre-foreclosure process regarding when the referral is sent to counsel as referenced in the last paragraph on page 6 of the Prior Affidavit. The explanation has already been provided in paragraph 2 (a) of the narrative in this Supplemental Certification.

(8) Volume of Review/Execution. BLS tracks both the volume and name of the employees who execute Affidavits and Certifications related to the foreclosure process. Currently, authorized signors are executing an average of less than 10 of these documents on a daily basis. This number includes loans outside of the state of New Jersey.

I hereby 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: August, 2011


Katie Sovic

Exhibit 3

IN THE MATTER OF)
RESIDENTIAL MORTGAGE)
FORECLOSURE PLEADING)
AND DOCUMENT)
IRREGULARITIES)
)
)
)
)
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SUPERIOR COURT OF NEW JERSEY
Administrative Order 0-1-2010
Supplemental Administrative Order
0-1-2010
Docket #F-238-11
Hon. Walter R. Barisonek

SUPPLEMENTAL CERTIFICATION OF JERRY FRENCH
IN RESPONSE TO THIS COURT'S REQUEST DATED APRIL 25, 2011

I, Jerry French, hereby certify that the following information is true and accurate, based upon my personal knowledge and based upon my review of the business records of Select Portfolio Servicing, Inc. ("SPS"), which it maintains in the ordinary course of business.

1. I am the Senior Vice President – Default Management of SPS. I have been in this position since September 2007. I have been employed by SPS since November 2001. I have been employed in the mortgage servicing industry since 1990.
2. As Senior Vice President – Default Management for SPS, I have personal knowledge of, and am fully familiar with, SPS' foreclosure operations and foreclosure document review and signing processes as they relate to the State of New Jersey. In particular, I have been involved in the development and implementation of SPS' foreclosure procedures and am therefore the person best suited to sign and produce this Supplemental Certification. This Supplemental Certification supplements the Certification I executed on June 9, 2011 (the "Initial Certification").
3. I submit this Supplemental Certification pursuant to the Honorable Walter R. Barisonek's letter of April 25, 2011, related to Administrative Order 0-1-2010, Docket # F-238-11. A copy of this letter was provided to SPS by U.S. Bank National Association ("U.S.

Bank”). U.S. Bank directed SPS to respond to specific questions from Judge Barisonek’s letter. This certification supplements my Initial Certification.

4. SPS has reviewed the new New Jersey Court rules governing foreclosures with its local counsel and has put processes in place for compliance with the new rules. Specifically, SPS now utilizes a detailed checklist to demonstrate that SPS has reviewed its business records and confirms the accuracy of the complaint of certification of proof of amount due by providing the checklists to its New Jersey foreclosure counsel. The checklists confirm that the signatory has reviewed the document against our business records to confirm the accuracy of the document. This allows foreclosure counsel to submit the required Certificate of Diligent Inquiry.
5. When local counsel uploads a complaint for our review, SPS utilizes a checklist titled SPS Certification of Foreclosure Review & Checklist for Complaint (the “Foreclosure Review Checklist”). The completion of the checklist requires the SPS authorized signer to conduct a review of all of the data in the complaint and to compare it against our business records to ensure the accuracy of the data. The following occurs:
 - a. First, once the complaint is uploaded to LPS, the assigned processor locates the documents and loan information to be reviewed in conjunction with its execution of the Foreclosure Review Checklist in SPS’ document management system and loan servicing software. The processor assembles a package containing the Foreclosure Review Checklist and printouts of all of the relevant documents and screen shots from our computer system.
 - b. Second, the Foreclosure Review Checklist and the assembled documents are forwarded to the authorized document signer for his or her review.

- c. Third, the authorized document signer conducts a review of the complaint and supporting documentation provided by the outside foreclosure counsel in conjunction with our business records in order to complete the Foreclosure Review Checklist.
 - d. Fourth, upon completion of the authorized signer's review, the Foreclosure Review Checklist and accompanying package of documents are scanned and stored in SPS' document management system.
 - e. Fifth, a complete copy of the Foreclosure Review Checklist and all accompanying documents and information are sent to SPS' outside foreclosure counsel for their review and use in the underlying foreclosure action, including the completion of the Certification of Diligent Inquiry.
6. In order to prepare the SPS Certification of Foreclosure Review & Checklist for Affidavit of Amount Due and Owing (the "Amount Due Checklist"), a similar process occurs:
- a. First, the assigned processor locates the documents and loan information to be reviewed in conjunction with its execution of the Amount Due Checklist in SPS' document management system and loan servicing software. The processor assembles a package containing the certification from local counsel and printouts of all of the relevant documents and screen shots from SPS' computer system.
 - b. Second, the Amount Due Checklist and the assembled documentation are forwarded to the authorized document signer for his or her review.
 - c. Third, the authorized document signer conducts a review of the assembled documents and the certification of proof of amount due to confirm that all of the

data is accurate when compared against SPS' business records. The authorized signer then completes the Amount Due Checklist.

- d. Fourth, upon completion of the authorized signer's review, the authorized signer executes the certification of proof. The Amount Due Checklist and the accompanying package of documents are scanned and stored in SPS' document management system.
- e. Fifth, the original certification of proof of amount due, the Amount Due Checklist, and the accompanying documentation are sent to SPS' outside foreclosure counsel for their review and use in the underlying foreclosure action.

7. In describing the process we utilize to comply with the new court rules, we refer to SPS' "business records." In this context, these typically include:

- A copy of the power of attorney if the document is to be executed on behalf of the related noteholder;
- A copy of the HAMP solicitation letter sent to the borrower if applicable;
- A copy of the promissory note and endorsement or allonge;
- Copies of any MSP screen shots used by counsel to prepare the document to be executed; and
- An automated execution coversheet that contains information taken from MSP and Lighthouse, including the identity of the note holder, the status of the loan, the due date, the unpaid principal balance, the date of the promissory note, and other loan-level information,
- Copies of any exhibits or attachments referenced in the document to be executed.

8. When a foreclosure is to be initiated, documents are sent to outside counsel by a different person than the individual who conducted the Consumer Assurance Review Department (“CARD”) pre-foreclosure audit and review. The CARD review process precedes foreclosure referral and is independent of the foreclosure process. Once a loan has passed the CARD audit, responsibility for the loan passes from CARD to the SPS Foreclosure Department. SPS’ Foreclosure Department provides counsel with the information used to prepare a foreclosure Complaint. This information comes from a number of sources, including the LPS referral letter, MSP screen shots, Lighthouse, and title work obtained by the foreclosure attorney.¹ Financial information about the loan comes from MSP screen shots and is provided to the attorney via LPS Desktop. Information about the owner of the loan and the name in which to foreclose comes from a daily data feed from Lighthouse. If the attorney has questions, concerns or needs additional information related to the Complaint or any other document, the attorney can reach out to the assigned foreclosure representative via LPS Desktop.
9. When a foreclosure document is presented to SPS for signature, a copy of the document, together with hard copies of supporting documents and other business records, is delivered to the authorized signer for review.
10. These document packets include a document execution coversheet (which includes information about the owner of the loan and the name in which to foreclose, MSP screen shots showing information about the status of the loan (including the payment history), copies of the promissory note and endorsement(s) or allonge(s), a copy of the Home Affordable Modification Program (“HAMP”) solicitation letter, a copy of the power of

¹ LPS Desktop, MSP, and Lighthouse are described in more detail in the Initial Certification.

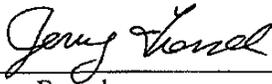
attorney from the owner of the related note, and any other documents or exhibits referred to in the document uploaded for execution. The entire packet is imaged together with a copy of the executed document.

11. Prior to any loan being referred to foreclosure, the SPS CARD team is required to review the account to make certain that SPS has a copy of the note and that it is properly endorsed or that an allonge is attached. During this review, the CARD team ensures that the endorsement is in blank or that the note has been endorsed into the name of the trust or other entity that is the owner of the note. The CARD team reviews imaged copies of the note and endorsement or allonge, which copies are provided to SPS by or on behalf of the noteholder at the time SPS begins to service the loan. If an imaged copy is not available, the CARD team requests the original collateral file and reviews the original documents.
12. Original documents are available to counsel upon request. Original loan documents, including the promissory note and endorsements or allonges, are part of a collateral file maintained by the noteholder or by one or more third-party custodians retained by the noteholder. The collateral files can be requested from the applicable document custodians as required.
13. SPS audits completion of employee training in several different ways. For live training, participants are required to sign in and department heads are asked to verify attendance. For online training, all SPS associates have a specific training username and password that are associated with SPS' computer Training Management System ("TMS"). This TMS identity is used to access specific training modules designed by SPS' Compliance and Human Resources Departments. All online training requires the trainee to complete

an exam to demonstrate proficiency in the associated subject matter. Completion of training and exam performance are automatically tracked through TMS.

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. This Certification does not waive any claim to privilege or confidentiality by SPS.

DATED: August 1, 2011

 8/1/2011
Jerry French