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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CONSUMER FINANCIAL PROTECTION BUREAU,

Plaintiff,

v.

CASHCALL, INC., WS FUNDING, LLC, DELBERT SERVICES CORPORATION, and J. PAUL REDDAM,

Defendants.

CASE NO.: 2:15-cv-07522-JFW (RAOx)

PLAINTIFF'S EXCERPTED DEPOSITION TESTIMONY OF DELBERT MEEKS 30(b)(6) SUPPORTING COMBINED STATEMENT OF FACTS AND REPLY TO MOTION FOR PARTIAL SUMMARY JUDGMENT

Date: August 1, 2016
Time: 1:30pm
Court: Hon. John F. Walter
Courtroom 16

EXCERPTED DEPOSITION TESTIMONY OF DELBERT MEEKS 30(b)(6)

13:22-14:8

Q. Does WS Funding have its own books and records?

A. No.

Q. Has WS Funding had its own books and records at any time?

14

A. No.

Q. And so WS Funding's financial performance would be spelled out in CashCall's financial statements; right?

A. It would be included in CashCall's financial statements.

Q. Would it be segregated out as part of that?

A. No.

15:21-16:4

Q. Where has CashCall been located? And you can go present day backwards or 2003 forwards, but I'd like to know where CashCall's offices are located physically, if that's changed in the last 13 years and how.

A. Originally in 2003 they were located in Irvine,

16

California. They then moved to Fountain Valley, California in, I believe, 2006. In 2009 they moved to Anaheim, and in 2013 they moved to Orange where they currently reside.

42:19-43:1

19 **Do you know if Delbert Servicing Corporation**
20 **ever serviced CashCall debt that had not been charged**
21 **off by CashCall?**
22 A. No.
23 **Q. So the agreement for services between CashCall**
24 **and Delbert Servicing was to service only charged off**
25 **debt; is that right?**

43

1 A. Yes.

55:1-56:11

1 **Q. Who funded a Western Sky-originated loan?**
2 A. Western Sky.
3 **Q. From where did they fund that loan?**
4 A. From their funding account.
5 **Q. Where was that funding account held?**
6 A. Wells Fargo Bank.
7 **Q. And how was that funding account funded?**
8 A. In the beginning it was funded by a loan from
9 CashCall, and then a hedge fund, Longwood, provided a
10 **[REDACTED]** facility.
11 **Q. The loan from CashCall, how much was that loan?**
12 A. It varied based on the funding.
13 **Q. Was it a line of credit?**
14 A. Per the services agreement, it averaged two

15 days of funding because on the third day we would
16 purchase loans, which means cash would then go back into
17 the funding account from purchasing of the loans.
18 **Q. And how was that funding represented on**
19 **CashCall's books, if at all?**
20 A. It would have been as a note receivable from
21 Western Sky.
22 **Q. And then would that note receivable become paid**
23 **after the three days when CashCall purchased the loan?**
24 A. It was a continual note, meaning if there were
25 three days worth of loans, they would have three days

56

1 worth of a note receivable on the books. Then once that
2 note was paid, for example on say on a Monday, and you
3 had Thursdays and Fridays, it took it down to two days.
4 But for whatever the note was, was for the balance of
5 loans that were funded and remaining on Western Sky's
6 books until purchased.
7 **Q. And was that settled daily?**
8 A. Yes.
9 **Q. And that's true at CashCall as well at**
10 **Western Sky?**
11 A. Yes.

DATED: July 18, 2016 Respectfully submitted,

/s/ Owen Martikan

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