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SUPREME COURT
STATE OF WASHINGTON
Jun 04, 2014, 1:49 pm
BY RONALD R. CARPENTER
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Bob Ferguson
ATTORNEY GENERAL OF WASHINGTON

Revenue Division
PO Box 40123 • Olympia, WA 98504-0123 • (360) 753-5528

Via electronic mail

June 4, 2014

Ronald R. Carpenter
Clerk of the Court
Washington Supreme Court
P.O. Box 40929
Olympia, WA 98504-0929

Re: *Cashmere Valley Bank v. Department of Revenue,*
Supreme Court No. 89367-5

Dear Sir:

We are responding to the letter of Michael King dated May 30, 2014, regarding an issue that arose during the oral argument of this case last Thursday. We object to the post-hearing argument contained in his letter in the last sentence and ask that it be stricken.

In his opening argument, Mr. King made the following statement in answer to a question Justice Wiggins asked: "This record shows that as of the close of the record on summary judgment, there had been no defaults by borrowers whose payment streams were bundled into our investments." See TVW recording starting at 12:09; see also recording at 13:28 (similar statements). At the end of the Department's response argument, we objected to Mr. King's statement as incorrect. In his rebuttal, Mr. King stated he would provide a letter to the Court with citations to the record explaining the basis of the statement.

Mr. King's letter refers the Court to exhibits in the record addressing one of the representative instruments in which Cashmere Valley Bank invested, a Washington Mutual REMIC designated WAMMS 2004-RA4. See CP 128-185. The Bank's investment was in the 3A class, which was supported by assets in Group 3. CP 143. In the midst of a lengthy servicing report, found at CP 150-185, Washington Mutual provided investors with two pages of information about delinquent loans and loans in foreclosure or bankruptcy. CP 176-177 (copies attached). The information on these two pages reflects that some borrower loans were in a delinquent status or in foreclosure.

u **Filed**
Washington State Supreme Court

rb **JUN 10 2014**

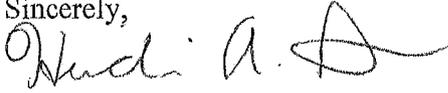
Ronald R. Carpenter
Clerk

 **ORIGINAL**

ATTORNEY GENERAL OF WASHINGTON

June 4, 2014
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Sincerely,

A handwritten signature in cursive script, appearing to read "Heidi A. Irvin". The signature is written in black ink and is positioned above the typed name.

Heidi A. Irvin, WSBA No. 17500
Senior Counsel

cc: Counsel of Record

Series: WAMMS 2004-RA4
 Issue Date: 10/28/2004
 Record Date: 12/31/2007
 Distribution Date: 01/25/2008



Washington Mutual

Delinquency Information by Group*								
Group ID	1 Month Count	Scheduled Ending Balance	2 Months Count	Scheduled Ending Balance	3 Months Count	Scheduled Ending Balance	4+ Months Count	Scheduled Ending Balance
Group 1	1	\$9,783.77	0	\$0.00	0	\$0.00	0	\$0.00
Group 2	8	\$1,149,958.27	4	\$1,148,765.91	0	\$0.00	0	\$0.00
Group 3	13	\$1,586,733.37	4	\$299,239.80	4	\$330,302.66	2	\$440,383.58
Aggregate	22	\$2,746,475.41	8	\$1,448,005.51	4	\$330,302.66	2	\$440,383.58

*Does not include mortgage loans in foreclosure or REO.

Series: WAMMS 2004-RA4
 Issue Date: 10/28/2004
 Record Date: 12/31/2007
 Distribution Date: 01/25/2008



Foreclosure, REO, and Bankruptcy by Group**						
Group ID	Foreclosure Count	Scheduled Ending Balance	REO Count	Scheduled Ending Balance	Bankruptcy Count	Scheduled Ending Balance
Group 1	1	\$9,135.02	0	\$0.00	0	\$0.00
Group 2	3	\$810,124.43	0	\$0.00	0	\$0.00
Group 3	2	\$456,499.20	0	\$0.00	3	\$791,487.70
Aggregate	6	\$1,275,758.65	0	\$0.00	3	\$791,487.70

** Loans in Bankruptcy will also be reflected under their applicable delinquency or foreclosure status.

OFFICE RECEPTIONIST, CLERK

To: Zilinskas, Candy (ATG)
Subject: RE: Cashmere Valley Bank v. De[pt. of Revenue, Supreme Court No. 89367-5 - Letter for Ronald Carpenter, Clerk of the Court

Rec'd 6/4/14

Please note that any pleading filed as an attachment to e-mail will be treated as the original. Therefore, if a filing is by e-mail attachment, it is not necessary to mail to the court the original of the document.

From: Zilinskas, Candy (ATG) [mailto:CandyZ@ATG.WA.GOV]
Sent: Wednesday, June 04, 2014 1:41 PM
To: OFFICE RECEPTIONIST, CLERK
Cc: Irvin, Heidi (ATG); Zalesky, Chuck (ATG)
Subject: Cashmere Valley Bank v. De[pt. of Revenue, Supreme Court No. 89367-5 - Letter for Ronald Carpenter, Clerk of the Court

Attached letter to the Clerk of the Court. Thank-you.