

**EXHIBIT 4: [PROPOSED] EXHIBITS TO
SUPPLEMENTAL DECLARATION OF JOEL FLEMING**

EXHIBIT A

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

JOYCE WALKER, KIM BRUCE)
HOWLETT, and MURIEL SPOONER,)
on behalf of themselves and)
all others similarly situated,)
Plaintiffs,)
vs.) No. CV 10-9198-JVS (RNBx)
LIFE INSURANCE COMPANY OF)
THE SOUTHWEST, a Texas)
corporation, and DOES 1-50,)
Defendants.)

DEPOSITION OF JOYCE WALKER
San Francisco, California
Friday, January 27, 2012
Volume I

Reported by:
GINA GLANTZ
CSR No. 9795, RPR, RMR
JOB No. 131931
PAGES 1 - 244

1 we up to?

2 THE REPORTER: 19.

3 (Walker Exhibit 19 was marked.)

4 MR. SHAPIRO: Maybe the court reporter can just
5 mark the one that Charlie -- if you wouldn't mind.

6 MR. FREIBERG: That's 20.

7 THE REPORTER: I don't have a 20 yet.

8 BY MR. SHAPIRO:

9 Q The court reporter has handed you a document which
10 has been marked as Walker Exhibit 19, and it bears a Bates
11 number JW000678. Do you recognize your signature at the
12 bottom of that?

13 A Yes, I do.

14 Q And the date next to that?

15 A 1/11/08.

16 Q On January 11th, 2008, did you sign your name
17 acknowledging your receipt of your life insurance policy,
18 a life insurance buyer's guide, an IUL buyer's guide and a
19 proposal which matches the policy you received?

20 A I did sign this on that date.

21 Q Did you get each of those documents that are
22 referenced in the one sentence above which you signed?

23 A I received the policy, the buyer's guide, but not
24 an illustration.

25 Q Okay. Just so we're clear, you received the

1 policy, the life insurance buyer's guide, and also the IUL
2 buyer's guide?

3 A I don't know what the IUL buyer's guide is, so I
4 don't know what that is.

5 Q Okay. Well, fair to say, on January 11th, 2008,
6 you certified with your signature that you received those
7 first three things, correct, the policy, the life
8 insurance buyer's guide and the IUL buyer's guide?

9 A It says "if applicable" and I don't know if it was
10 applicable.

11 Q Okay. So you read "if applicable" applying to the
12 IUL buyer's guide?

13 A Correct.

14 Q Okay. Let's take the first one, the policy. Did
15 you get a copy of your life insurance policy?

16 A I did.

17 Q Did you read it?

18 A I did not. I assumed that the illustration from
19 October 3rd would be a fair and accurate description --
20 depiction of the policy.

21 Q Okay. So just so we're clear, on this date,
22 January 11, 2008, you handed over a check for \$112,000?

23 A That is correct.

24 Q And you handed over a check for \$112,000 for a
25 life insurance policy; correct?

1 MR. FREIBERG: Objection. Argumentative.

2 THE WITNESS: I handed over a check for a
3 retirement vehicle that I believed would perform as in the
4 illustration.

5 BY MR. SHAPIRO:

6 Q Okay. And --

7 A I mean --

8 Q You were handed --

9 A I'm sorry.

10 Q No, keep going.

11 A At this juncture, where I'm sending -- handing
12 over a check and the policy is coming from Mr. Botkin and
13 Mr. Stemler, my buying decision had already been made.

14 Q Okay. So in the same meeting, you handed this
15 gentleman a check for \$112,000, right, and you got, in
16 return, a bunch of documents, one of which was something
17 called a life insurance policy that you purchased; right?

18 A Yes.

19 Q Did you have an opportunity to read that life
20 insurance policy if you wanted to?

21 A Not at that time, I did not.

22 Q Did you take it home with you that night?

23 A I left a few minutes after this very short meeting
24 to go to Los Angeles to work for the better part of the
25 next few weeks, and I did not take it with me.

1 Q Okay. So your schedule was busy, so you decided
2 not to read the life insurance policy?

3 A I decided not to read it because I assumed that
4 the October 3rd illustration, which had been used
5 extensively in the explanation of the policy, was a fair
6 and accurate depiction of the policy.

7 Q Have you ever read the life insurance policy?

8 A I read parts of it while preparing for the --
9 writing the letter to Brenda, and have read parts of it in
10 preparing for the deposition.

11 Q Did anyone prevent you from reading that life
12 insurance policy, ma'am?

13 A No.

14 Q Was that your decision?

15 A It was my decision, based on the time that -- the
16 illustration was a depiction, a fair and accurate and
17 complete depiction, of the policy.

18 Q As you sit here today, do you think it was a good
19 idea not to read the life insurance policy?

20 A I can't say.

21 Q Today, if you were to buy a product that's called
22 the life insurance policy, and hand over a check for
23 \$112,000, would you read it?

24 MR. FREIBERG: Objection. Incomplete and improper
25 hypothetical.

1 THE WITNESS: I don't know what I would do.

2 BY MR. SHAPIRO:

3 Q Okay. Did you read the life insurance buyer's
4 guide?

5 A I did not.

6 Q Was that your decision?

7 A Yes.

8 Q Fair to say if you don't know if you actually
9 received an IUL buyer's guide, you don't know if you
10 actually read an IUL buyer's guide?

11 A Correct, I don't know what IUL stands for. If you
12 know, that could clarify for me if I -- if it's a document
13 that I received.

14 Q You signed a certification acknowledging receipt
15 of a number of items, if applicable, and you don't know
16 what one of those items mean?

17 MR. FREIBERG: Objection. Argumentative, asked
18 and answered.

19 THE WITNESS: That's correct. It looks as if this
20 statement says "if applicable."

21 BY MR. SHAPIRO:

22 Q Okay. You just don't know --

23 A Which could mean --

24 Q -- if you got it or not?

25 A Which could mean that that was not applicable or

1 that one or the other was applicable. I can't -- I don't
2 know at this point which one the "if applicable" refers
3 to.

4 Q Did you receive a proposal "which matches the
5 policy I received"?

6 A I did not.

7 Q Okay. So that part of your acknowledging receipt
8 is just simply false?

9 A I signed an illustration, but did not receive a
10 copy of that illustration.

11 Q I'm just looking at this exhibit, which is Walker
12 Exhibit No. 19, and there's something called an owner's
13 signature. It's your signature, and you're signing one
14 sentence in which you're acknowledging receipt of some
15 documents. The last document you're acknowledging receipt
16 of is something called a proposal, which matches the
17 policy you received; right?

18 A Um-hmm, yes.

19 Q Okay. Is this a true acknowledgment that you
20 signed?

21 MR. FREIBERG: Objection. Asked and answered,
22 argumentative.

23 THE WITNESS: What I believe occurred is that I
24 had an illustration placed in front of me, was signed, but
25 was not left with me, and possibly, I was told, that I

EXHIBIT B

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION

--oOo--

JOYCE WALKER, KIM BRUCE
HOWLETT, and MURIEL SPOONER,
on behalf of themselves and all others
similarly situated,

Plaintiffs,

vs.

Case No. CV-10-9198-JVS

LIFE INSURANCE COMPANY OF
THE SOUTHWEST, a Texas
corporation, and DOES 1-50,

Defendants.

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DEPOSITION OF  
KIM BRUCE HOWLETT  
Thursday, May 10, 2012  
VOLUME II

(Pages 194 - 289)

2:10 P.M.

101 California Street  
23rd Floor  
San Francisco, California

Corey W. Anderson, CSR 4096



1 you buy a policy?

2 MR. FREIBERG: Objection. Argumentative.

3 THE WITNESS: I bought a policy based on  
4 the July 27th illustration.

5 BY MR. SHAPIRO:

6 Q. Did you ever read the policy you  
7 purchased?

8 A. I have not read the policy.

9 Q. Ever in your life?

10 A. I have read a portion.

11 Q. When?

12 A. As part of information that was compiled  
13 by my legal team.

14 Q. Before or after you sued?

15 A. After.

16 Q. So it's your testimony that you bought an  
17 insurance policy, but never read it until after you  
18 filed a class action lawsuit based on the policy?

19 A. I purchased a policy based on the July  
20 27th illustration.

21 Q. Did you --

22 MR. FREIBERG: Wait.

23 THE WITNESS: I did not -- and I did not  
24 read it subsequently, subsequent to purchase.

25 BY MR. SHAPIRO:



1 Q. Did you have a chance to read your  
2 insurance policy?

3 A. Yes.

4 Q. Was it your decision not to?

5 A. Yes.

6 Q. And you take responsibility for that  
7 decision as well, sir.

8 Right?

9 MR. FREIBERG: Objection, vague and  
10 ambiguous.

11 THE WITNESS: Yes.

12 BY MR. SHAPIRO:

13 Q. And notwithstanding your counsel's  
14 objection, you understand what it means to take  
15 responsibility for something.

16 Right?

17 MR. FREIBERG: Objection, vague and  
18 ambiguous.

19 THE WITNESS: I think it depends on the  
20 context as to what you mean by responsibility.

21 BY MR. SHAPIRO:

22 Q. Are you responsible for the honesty of the  
23 court papers that are put in front of the federal  
24 court with your name on it?

25 MR. FREIBERG: Objection, vague,



**EXHIBIT C**

MURIEL L. SPOONER  
WALKER vs. LIFE INS. CO. OF THE S.W.

June 29, 2012  
Confidential

Page 1

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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

JOYCE WALKER, KIM BRUCE HOWLETT,  
and MURIEL SPOONER, on behalf  
of themselves and all others  
similarly situated,

Plaintiffs,

v.

CASE NO. :  
10-9198JVS (RNBx)

LIFE INSURANCE COMPANY OF THE  
SOUTHWEST, a Texas corporation,

Defendant.

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CONFIDENTIAL

VIDEOTAPED DEPOSITION OF

MURIEL L. SPOONER

June 29, 2012

9:10 a.m.

Kasowitz, Benson, Torres & Friedman LLP

101 California Street, Suite 2300

San Francisco, California 94111

Reported by Mary Goff - CSR
California Certificate No. 13427

MURIEL L. SPOONER
WALKER vs. LIFE INS. CO. OF THE S.W.

June 29, 2012
Confidential

Page 156

1 to read your insurance policy carefully?

2 MR. FREIBERG: Objection; vague and ambiguous.

3 A They -- had -- had they had this on the list
4 of important things to consider. So yeah, you know, it
5 would be something you would consider doing.

6 Q (BY MR. SHAPIRO) Did you read your policy
7 carefully, as stated by the National Association of
8 Insurance Commissioners?

9 A No.

10 Q Did you read your policy at all?

11 A Not after just receiving it, no.

12 Q Have you ever in your life read your insurance
13 policy?

14 A I have read through it now.

15 Q When was the first time you read your
16 insurance policy?

17 A Again, reading through it when we went through
18 it with our -- with Jack Dugan.

19 Q So what, more than a year after you purchased
20 it?

21 A Approximately, yes.

22 Q Any reason why you couldn't have read the
23 insurance policy when it was provided to you and you
24 acknowledged receiving it in October of 2007?

25 A No. There would be no reason.

MURIEL L. SPOONER
WALKER vs. LIFE INS. CO. OF THE S.W.

June 29, 2012
Confidential

Page 232

1 A Yes.

2 Q And that was the same evening meeting in which
3 you and your husband reviewed for the first time the
4 July 27 illustration, correct?

5 A Yes, that is correct.

6 Q Sequentially in that meeting, which did you do
7 first, dictate your application or review the
8 illustration?

9 A I don't recall the order.

10 Q Okay. Do you remember -- strike that.
11 Were you also in Mr. Cooper's office on
12 October 11, 2007, when he reviewed with you the as
13 issued illustration --

14 MR. FREIBERG: Objection.

15 Q (BY MR. SHAPIRO) -- Spooner Exhibit 12?

16 MR. FREIBERG: Objection; misstates the
17 testimony of the witness.

18 A As I recall, we met in his office to receive
19 this.

20 Q (BY MR. SHAPIRO) Were you in a conference room
21 or in his office?

22 A To my best recollection, it was his office.

23 Q Husband was there, right?

24 A Yes, that's correct.

25 Q Anyone else in the room?

EXHIBIT D

Policy Cost and Benefit Summary
Prepared for

JOYCE ANN SCHMIDTBAUER LS015667000-UDA 3HN

Presented by JEFFREY STEMLER

Age 48
Verified Standard NT
Female
State - CA

\$2,464,759 LSW Provider with benefits previously described.

Policy Year	Guaranteed Annual Cash Flow	Guaranteed End Year Net Cash Value	Guaranteed End Year Net Death Benefit	Current Basis B Annual Cash Flow*	Current Basis B End Year Net Cash Value*	Current Basis B End Year Net Death Benefit*
5	\$ (112,637)	\$446,792	\$2,464,759	\$ (112,637)	\$ 533,218	\$ 2,464,759
10	0	423,404	2,464,759	0	734,572	2,464,759
20	(48,198)	580,267	2,464,759	(48,198)	2,086,807	2,464,759
23	(48,198)	627,048	2,464,759	(48,198)	2,817,349	3,239,952

Policy Year	Averaged Annual Cash Flow*	Averaged Net Equity End Year*	Averaged Net Death Benefit End Year*
5	\$ (112,637)	\$ 488,472	\$ 2,464,759
10	0	567,822	2,464,759
20	(48,198)	1,230,285	2,464,759
23	(48,198)	1,543,496	2,464,759

* Benefits and values are not guaranteed. The assumptions on which they are based are subject to change by the insurer. Actual results may be more or less favorable.

I have received a copy of this illustration and understand that any non-guaranteed elements illustrated are subject to change and could be either higher or lower. The agent has told me they are not guaranteed. I UNDERSTAND THAT HISTORICAL PERFORMANCE OF THE S&P 500® INDEX SHOULD NOT BE CONSIDERED A REPRESENTATION OF THE PAST OR FUTURE PERFORMANCE FOR ANY OF THE INDEXED STRATEGIES IN THE POLICY.

Date 1/11/08 Applicant By Joyce Ann Schmidtbauer
JOYCE ANN SCHMIDTBAUER

I certify that this illustration has been presented to the applicant and that I have explained that any non-guaranteed elements illustrated are subject to change. I have made no statements that are inconsistent with the illustration.

Date 1/11/08 Agent Jeffrey Stiemler

LIFE INSURANCE COMPANY OF THE SOUTHWEST, DALLAS, TX 75247-4921

December 27, 2007
TC37133(1007)

This illustration is not complete without all pages.
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Page 23 of 23
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