MEMORANDUM FOR THE RECORD

Event: Phone interview with Keith Johnson, former President and COO of Clayton Holdings

Type of Event: Phone interview

Date of Event: Tuesday, June 8, 2010 at 2:00 p.m.

Team Leader: Brad Bondi

Location: 1717 Pennsylvania Avenue, Ste 800, Washington, DC, 20006; small conference room

Participants - Non-Commission:

- David Keith Johnson, former president and COO of Clayton Holdings
- Josh Rosner, Graham Fisher

Participants - Commission:

- Brad Bondi
- Tom Krebs
- Vic Cunicelli
- Tom Borgers
- Troy Burrus
- Karen Dubas

Date of MFR: June 8, 2010

Summary of the Interview or Submission:

This is a paraphrasing of the interview dialogue and is not a transcript and should not be quoted except where clearly indicated as such.

KREBS: We'd like to talk to you about your activities at Clayton Holdings. How did Clayton operate?

JOHNSON: Clayton was the largest due diligence firm in the United States and Europe and was primarily engaged by issuers of securities, especially RMBS. Clayton would be engaged to do due diligence on a sample size of loans picked by the investment bank. The investment bank would use those results to finalize the package.

When doing due diligence on the loans, Clayton would grade the results: "1" meant that the loan met the guidelines; "2" meant that it didn't meet the guidelines, but there were other factors that made the loan buyable; and "3" meant that it didn't meet the guidelines.

Due diligence firms started operating in the 1980s. The criteria used back then was to determine whether the loans good or bad? In the past ten years, that criteria changed to whether the loans met the criteria or not. That was probably because of securitization. Folks who were buying the loans were only holding them for a day or a week or a month. That's what Clayton continued to do until the securitization market dried up.

BONDI: Did you also act as a credit manager once the RMBS was securitized and sold off?

JOHNSON: There was another unit called Surveillance that monitored the servicing of the loans. If an early payment default (EPD) occurred, Surveillance would look at why it happened.

Our job was to monitor the trusts. That business started to crater when the businesses that had recourse went under.

Initially, the diligence firm and the surveillance firm were owned privately and separately. TA out of Boston paid about $100 million for the company and put them together and went public.

I'm no longer with Clayton. I sold the company almost a year and a half ago to a private equity firm. All of the documents you're interested in are still with Clayton. A significant amount was provided to Attorney General Cuomo. The surveillance information didn't go too far. I thought the exception reports were the most interesting as well as what wasn't being disclosed.

We knew our information wasn't going to the rating agencies. We told them that we found exceptions, and we said, "Wouldn't you like to know this before you rate the loans?" Several of the conversations were great and they said that they'd like that information, but they never acted on it. In one conversation with Ray McDaniel, the CFO [Linda Huber], and a man in charge of M&A, they said that they couldn't use it because [???] would be too high and business would go to Fitch or S&P instead.

David Teicher was in a prior meeting about 6 months earlier about getting that data. Those conversations were good; the rating agencies liked it but they could never figure out how to use it. [NOTE: Johnson could not recall whether this meeting was with David Teicher of Moody's or with David Teischer of S&P.]

The time frame of the meeting with Ray McDaniel was late 2007—Moody's had just moved into their new office building in the World Trade Center. With Teicher/Teischer the meetings were about a year earlier. I don't have my Clayton calendar anymore, so all of this is off the top of my head. Paul [redacted] from Clayton went with me—I would assume that my or Frank's or Paul's calendars would still be at Clayton.

BONDI: Why do you know that the information was not provided to the rating agencies? Did the rating agencies tell you that, or did you know that the investment banks didn't give it to them?

JOHNSON: It was general knowledge. I knew it before speaking with them, and the rating agencies reinforced that when I talked to them. Due diligence was not performed on all loans—it was only performed on third-party originators. If Morgan Stanley bought loans from 5 or 6 people, they'd want to have due diligence performed on some sample of those acquisitions.

KREBS: Was that also true for warehouse lending that firms engaged in?

JOHNSON: I don't know of any due diligence that was performed on warehouse lending. Clayton wasn't actively involved in that.

BONDI: What was your purpose in setting up the meetings with the rating agencies? Did you have a business interest in providing information to the rating agencies, or were you concerned about them rating without this information?

JOHNSON: My motivation was business at the time; delinquencies were still relatively benign. We thought that the rating agencies could change their model with proactive loan due diligence. We thought that every securitization could have loan due diligence done on the loans, and the prospectus could have a table with characteristics of the loans. We thought investors and rating agencies would be interested in the disclosure of that information.

ROSNER: With the warehouse lending, you were asking about loans to third-party originators? Keith, the answer to that is yes, right?

JOHNSON: Yes. I don't know this for a fact… There was a company called Encore Mortgage. It was private and went public. It was all third-party broker—pretty much the heroin of subprime. They had a warehouse line with Bear Stearns. We saw reports of exceptions that Bear Stearns was buying, and they were buying almost all of the exceptions from Encore. The thought was that if they didn't buy the loans, then those losses would come back to the warehouse lender. Those warehouse lines were never disclosed in the prospectus.

ROSNER: Encore was purchased by Bear Stearns for $26 million plus consideration of other payments due to Bear Stearns. Bear Stearns had sold those exceptions, and when they went back to Encore and said let's put these back, Bear the servicer was able to acquire EMC.

KREBS: What is in an exception report?

JOHNSON: Here are all of the loans, and here is a grade that we assign the loan (1-3). The client would then decide whether to accept a loan. All of those reports were subpoenaed by the New York Attorney General.

ROSNER: Was there stuff that they didn't ask for?

JOHNSON: They didn't ask for any summary reports that would show, by Wall Street issuer, how many loans they would buy that were exceptions. We never showed the rating agencies any reports by issuer.

There was a complete marketing book set up for each rating agency saying that this is what we do and this is what we've seen in the market. It would be some summary information about the market, but would not have the names of the Wall Street firms. We would show them it so they knew what kind of information they could get from a due diligence firm.

KREBS: Did it show where the loans had gone?

JOHNSON: Clayton couldn't tell where loans had gone. I believe there were a few banks that Clayton could track it for. I believe Bear Stearns was a bank where Clayton could track a loan from origination to securitization.

BONDI: Did you give the rating agencies any documents?

JOHNSON: Yes, we gave them those books. We gave them information about what we do and what the exceptions look like. We probably met with Ray McDaniel after the Attorney General had called us in, but we met with Teicher before that.

ROSNER: Would Moody's have been able to see from your documents the number of loans that were exceptions and the number of exceptions that had been purchased anyway?

JOHNSON: Yes, but it wouldn't have been identified by the institution.

ROSNER: So they would be able to see the loans with major exceptions to stated underwriting guidelines?

JOHNSON: Yes, that was the intent. We were trying to show that this is information that is available that you might be interested in. Everything that we recommended that they do in 2006 or 2007 is what they're now doing today.

I thought that the due diligence sample sizes were going to be picked by a third party, and that there would be a confidence size, and the results would be provided to the rating agencies. The idea was that if you wanted to provide pristine mortgages, you've got to get your act together.

ROSNER: If 40% or more were rated as 3's, what would happen to the report when you gave it to the investment bank?

JOHNSON: I don't know for sure. As a former trader, I would guess that many of those 3 loans were still acquired, but at a lower price, and they were put in a security and sold.

KREBS: Would they barbell the difference?

JOHNSON: Yes.

BORGERS: Were those 3's separated and put in a scratch-and-dent deal?

JOHNSON: I don't know, but my guess would be no.

BONDI: Who were your other clients? Did you work with Fannie or Freddie?

JOHNSON: No, they had their own programs and quality control. Our big clients were Morgan Stanley, Deutsche Bank, Lehman Brothers, Bear Stearns, Goldman Sachs, Merrill Lynch, Nomura. New Century, WaMu, Long Beach, and First Magnus. Clayton would have all of that data.

BONDI: Did you work with Countrywide?

JOHNSON: Countrywide pretty much didn't like us because they didn't want anyone looking at their loans. They didn't want anyone to look at their exceptions.

BONDI: When did you start seeing problems that made you worried?

JOHNSON: My background was that I worked with Lou Ranieri at WaMu. I ran the commercial group, and I inherited Long Beach Mortgage. I tried to clean it up as best I could. I got burned, and I thought that I was a horrible manager. When I got to Clayton, I realized in hindsight that there were bad systemic issues. There was fraud, and the incentives were totally out of whack.

At WaMu we caught some loan-level fraud and fraudulent bank statements. These bank statements were as perfect and pristine as anything that you would get from Bank of America, but we were lucky that our fraud examiner knew everything and caught them. When we confronted our loan officers, they didn't say anything and resigned within thirty minutes. We filled out the SARS reports. And lo and behold, I looked them up, and those loan officers were later working for Countrywide. You can come in and rob me blind with a fake bank statement, but all I can do is slap you on the hand and dismiss you. You'll go and get hired by another firm, and I can't say anything for fear of a lawsuit.

In the first year at Clayton, I said that we have to gear ourselves up for repurchase work and working with the rating agencies, because the system is basically broken.

KREBS: On January 29, 2007, Clayton launched a new fraud risk management service.

JOHNSON: When you had loans with huge loss severities, we would go in and find out why they died. I called it "CSI Subprime". Clients like Lehman Brothers might hire us to look at Option One loans.

That is a big business today for Clayton with Fannie and Freddie. Clayton would take the repurchase reviews and bundle it into the fraud review.

KREBS: Why did you launch this suite of services at this time?

JOHNSON: That was rebranding of things that we were already doing. After year end, we knew that regulators and the big four would be asking all of those questions, and we were rebranding what we had been doing since 2005 or 2006.

They shut Long Beach down for compliance issues. I was never an employee of Long Beach, I was an employee of WaMu. It was 100% third-party broker—it was the heroin of subprime. You created too many middlemen who were all relying on lies. The warehouse to Long Beach was provided by Wall Street. The biggest one was Royal Bank of Scotland.

BONDI: We have a release that you were from WaMu from 2003 to 2006, and you joined Clayton in May 2006. Is that right?

JOHNSON: That's about right.

BONDI: We're trying to understand the source for the demand of these loans. Where did you see the demand and the resulting effect on the quality of the mortgages? We've heard that Fannie and Freddie cherry-picked the good subprime loans, creating a race to the bottom for the private sector. Do you agree with that, and if so, what is the evidence?

JOHNSON: The warehouse lines facilitated the funding—if you go back to a New York Times article about that, Bill Dallas had it spot on. There were problem loans in the warehouse lines that got massed.

Look to see how many times Encore had to file 8-Ks for modifications to their warehouse lines. That was a sign that they were having problems. If a Wall Street lender had said that they couldn't warehouse anymore because the loans were bad, then that business would have dried up. But they didn't. Wall Street would extend and grow the warehouse lines so they could make more money to pay for past losses. If they had present valued the lines, it wouldn't have happened.

The GSEs were all about protecting their charter, and they would do amazing things for affordability credit. One problem was that prime loans were being outrageously refinanced, so the GSEs weren't meeting their affordability goals, and they were going lower and lower to things like option ARMs to get their affordability credit. I think the GSEs were pressured to go down that road by Congress.

BONDI: Why were there option ARMs in the first place?

JOHNSON: Option ARMs were originally a great product that was geared toward a high net worth individual who was sophisticated and wanted the tax credit. But people made money on the commission and on securitizing, and discipline went out the window as long as home prices kept on rising.

BONDI: What about affordable housing goals?

JOHNSON: On multifamily, there was an incentive for affordable housing goals. This was when Frank Raines was still at Fannie Mae, and Parcidi (??) was at Freddie Mac. WaMu was the largest originator of small multifamily. In the regulations, small multifamily qualified for double affordable housing credit. The GSEs would do whatever we wanted to get them.

Both deals were disclosed in their annual reports in 2004-2005. They would pay $100 million for essentially swapping paper back and forth.

BONDI: Did you see quality of loans going down as Fannie and Freddie reached lower?

JOHNSON: I don't have any data points on that.

BONDI: Who were the worst originators?

JOHNSON: For issuers, Bear Stearns was the worst on exceptions. The best was Goldman Sachs. I never looked at originators because they didn't pay me. The issuers cut me checks.

NovaStar, Encore, Fremont, Ameriquest (until they shut down third-party wholesale) were all bad originators. Clayton would have data on that.

I don't think any of the underwriters were careless. Every issuer we dealt with was frightened by the liability of high-cost loans. There was a lot of scrutiny of that. If we found a loan that they thought was high-cost, they'd never buy it. If it had sloppy underwriting, a trader could overrule the underwriters. Where liability was present, they would do a really good job. But there is no liability for doing anything wrong. They thought that they had liability on compliance, so if a loan had a compliance issue, they would never buy it. Underwriting was more of a gray area, and that's where you would get in trouble.

You'd have 28 year old trader who had never lived through a crisis or prices going down. If you look at the Encore press release, it was a Bear Stearns trader who was in charge of integrating the entire desk.

KREBS: What happened with the New York attorney general?

JOHNSON: We gave them thousands of documents. We got a call one day that we were being given immunity. We didn't ask for that. Forty percent of the company was owned by a private equity firm. The rest of the company was public. We took immunity under the auspices that it would be confidential, and the next day it was on the front page of the New York Times.

KREBS: How many meetings did you have with the attorney general's office?

JOHNSON: I had one with Cuomo, and one or two all-day depositions.

KREBS: Was there a transcript?

JOHNSON: I don't remember. I don't believe that I was under oath.

KREBS: Was anything done with the information that you gave them?

JOHNSON: Not that I know. Our general counsel, Steve Cohen, came with me, as did our outside counsel. The only thing that I ever saw was the New York Times article.

BONDI: Did you personally receive immunity?

JOHNSON: I think I did. The only reason we took it was because we thought that we had to sell Clayton to a strategic buyer, and it kind of cleansed Clayton.

BORGERS: Can you explain your relationship with the servicers of the product?

JOHNSON: I think you're talking about the surveillance. They would make sure that the waterfall was appropriately allocated and ask questions if it didn't seem right. Clayton was looking out for the best interest of the investor. Some servicers would work with us well, but others were tight lipped. There's a tremendous conflict of interest between the issuer, the servicer, and the buyer.

If Chase Manhattan issues a security and then services it, and it later finds out that a fraud has been committed, who is looking out for the buyer? If the servicer reports a fraud, then the loss goes to the issuer. We would have loved for there to have been more transparency. There is a quality control issue here.

ROSNER: It gets even more complicated if Chase owns the second mortgage but they've securitized the first mortgage and act as the servicer on the first and second. It's in their interest to make sure that the second continues to pay. There's no obligation between the servicer and the investor other than a contractual obligation—there's no fiduciary obligation, so they can always look out for the interests of the issuer. The servicer would know which ones should be bought back.

BORGERS: Do the servicers report on a monthly basis to the rating agencies?

JOHNSON: If you ask the rating agencies how many tapes were loaded on a monthly basis back in 2005 through 2007, I think they would say that none of them were

ROSNER: I think they still are not doing this.

JOHNSON: The rating agencies called us to help them load the tapes, so I know that they weren't doing it before that. In 2006 or 2007, S&P had a big room of tapes that no one had looked at. I remember that because their models were from 2000, and in that year Britney Spears was the biggest pop star; the month before they called us for help, she had shaved her head. You've got to look at the data.

Clayton received our subpoena from the attorney general on June 22, 2007. It was after that date that we helped S&P.

KREBS: When did you go to Moody's?

JOHNSON: It would have been after that date about the tapes.

ROSNER: I had conversations with Richard Cantor at Moody's in May 2007 about the fact that they weren't looking at loan-level data or updating their models. Moody's acknowledged that they never looked at loan-level data, with the exception of Nicolas Weill and his surveillance team. Analysts said that the tapes would just sit there until something came up and they needed to see them.

BORGERS: So Weill was not looking at the tapes?

ROSNER: They were looking at summaries, but not at loan level data.

JOHNSON: S&P put out an RFP asking for vendors to help them look at the data. You'd be able to find it. We bid on it, but our price was high and we lost.

ROSNER: In March 2007, they put out a paper that they were updating the mortgage matrix model because it didn't identify characteristics like option ARMs in their models.

KREBS: How long before the subpoena was issued did you meet with Moody's to discuss the exception reports?

JOHNSON: I believe it was the spring of 2007 or summer of 2006. One meeting was with David Teicher in our office in Connecticut. Vicky Beal ran that meeting. We had a follow-up meeting at S&P with David Teischer, I think in the spring of 2007. [NOTE: Johnson could not recall whether this meeting was with David Teicher of Moody's or with David Teischer of S&P.]

KREBS: Do you have access to calendars that would be able to fix the dates of these meetings?

JOHNSON: No.

KREBS: Did the attorney general ask for calendars or return the information that you gave him?

JOHNSON: I don't know.

BORGERS: Who won the bid with S&P?

JOHNSON: Some Indian firm, Pada I think. I heard it didn't go well.

KREBS: What is your response to news articles about Clayton?

JOHNSON: Many of those contractors were great people who did a great job, but some were disgruntled and I think that was fair. Back in the old days, they used to grade loans as a good loan or a bad loan. Now they had to grade by guidelines, and the guidelines could be crap. I think that might have discouraged them.

We would also terminate people if they had problems in their backgrounds, and that didn't go over well. We explained that to the New York attorney general. It was sort of a gypsy business—

they worked for us and worked for Bohan. I wouldn't go off of their comments, I would look at the data.

KREBS: In meetings where they would review the loans, who ultimately made a decision to accept or reject a loan?

JOHNSON: The representative of the underwriter. The guidelines were generated by the seller and were accepted by the underwriter. From our standpoint, they were guidelines that the issuer told us to abide by.

BONDI: In terms of Bohan, 406 Partners, and Clayton, how was the world divided?

JOHNSON: We were probably 70% of the due diligence business, and the others split up the rest of the market. Lehman Brothers, Deutsche Bank, and Bear Stearns were probably our largest customers. Morgan Stanley was large too. The top 10 issuers were probably 90% of our revenue.

BONDI: Who didn't you have that others had?

JOHNSON: Nobody. We pretty much had the best staff.

BONDI: Did Clayton have a role in CDOs?

JOHNSON: None.

BORGERS: We heard that servicers were conducting significant loan modifications in January 2007. Did you hear about that?

JOHNSON: No, I really don't have data on that.

KREBS: What type of interaction, if any, did you have with people on site?

JOHNSON: None, there were several layers between us

KREBS: Have you heard of [redacted]?

JOHNSON: No

KREBS: Have you heard of [redacted]?

JOHNSON: Yes, I heard her name from a human resources problem standpoint.

KREBS: How did you hire employees?

JOHNSON: A lot of people were from the old guard. We'd also recruit people from banks. Then we'd score them and see how fast they were with loans. The more time you take, the more money you make.

BONDI: Do you have a sense of how much of the problems were caused by fraud-for-profit versus fraud-for-housing versus bad luck? Does Clayton have any data on those questions?

JOHNSON: Clayton was only involved in about 20% of what got securitized because the big issuers (Countrywide, WaMu) didn't need due diligence and wouldn't do surveillance.

BONDI: What can you tell us about Countrywide?

JOHNSON: It was a very controlled environment. They switched examiners to go to the Office of Thrift Supervision (OTS) because the OTS didn't mind option ARMs.

I would think that fraud-for-housing would be the cause of the initial losses.

ROSNER: We also saw aggressive application of loan modification to a lot of early payment defaults so they didn't end up in the system.

KREBS: What were the incentives to individuals, officers, and companies?

JOHNSON: When I was at WaMu, I got paid based on the performance of the overall company. In 2004-2005, I think that loan officers could make 35-50 basis points on a closed loan. We wanted to hold that back, but that never worked because everyone in the industry was paying 35-50 basis points.

I heard that some of our loan officers might have greased the skids to some underwriters and originators. I don't have any evidence, but there is no disincentive to do so. I'm talking about kickbacks. A loan officer might have to find $10 million of loans, so to get the loan approved, he might give the underwriter $1000 or something.

The problem is, if you have 5% defects, you can bankrupt the company.

KREBS: Did you see relationships between loan officers and appraisers that you thought were unhealthy?

JOHNSON: I'm sure it happened, but I have no evidence of it.

BONDI: Do you have data on Community Reinvestment Act credit loans?

JOHNSON: I have no knowledge of that.

BORGERS: Was the new business between Fannie and Freddie and Clayton Holdings around the 2006 and 2007 vintages?

JOHNSON: Yes, that's my understanding. There are about eight firms that are helping the GSEs when one of two things happens: (1) as they're going into modify loans, borrowers are sharing information that's not consistent with what's in the loan file, and (2) they're trying to avoid paying the mortgage insurance.

We used to have a waterfall. In 2005, Lehman Brothers bought a lot of residuals out of an Option 1 security at $.12 on the dollar. They would hire Clayton, and we'd find $700 million of loans that we thought should be bought back because of reps and warranties. Documentation and occupancy problems were black and white. The gray area was the value of the loan or the property.

KREBS: Thanks very much. If you find any data on the dates or times of the meetings with the rating agencies, that would be very helpful.

ROSNER: Of the 3's, for those firms that you could see the information, did you have data on the 3's that were still purchased by the issuer?

JOHNSON: For every hundred 3's that we found, forty were still purchased. Some firms would purchase way more (tended to be those that had warehouse lines related to them) and some would purchase way less. The ones with the warehouse lines had the highest.

I think we actually talked to a law firm that was doing the prospectuses, and we said that they should disclose the due diligence, and they said that they spent 20 pages talking about the underwriting guidelines. I thought that the investors and the rating agencies would be interested in the exceptions. I'm not trying to sound holier than thou, because I was going there with a business incentive.

ROSNER: Did that prove out in the surveillance? Did fewer exceptions perform better?

JOHNSON: I don't have data, but I would think so.

KREBS: Was there any incentive for Clayton to understate the problems in the pool?

JOHNSON: Absolutely not. If we had any incentive, it would be to overstate problems so they would bring more loans to us.

KREBS: If there were problems, would that be disclosed in a written report to the issuer?

JOHNSON: Yes, written or computer generated.

BONDI: What are the names of these reports?

JOHNSON: I'm happy to do a follow-up call if you need it. They're called Exception Reports, and you should tell Clayton that you want to aggregate the number of exceptions by grade level. Clayton had unique grade levels: 1, 2, and 3. There was also a 2W, and that was when the client told us to take a 3 and make it into a 2. We wanted to always track that. We wanted to be on record that we originally rated it a three.

You would ask Clayton for a list of all Bear Stearns deals done by IndyMac or Encore—for every 3 with Bear Stearns, how many became a 2W? I don't know if the W stood for something.

In 2006, clients who were paying us $25 or $30 million were asking us why the loans that we were doing due diligence on were going bad. So we would look at the loans and see that they would buy 40% of the ones that we rated as bad. We felt like a potted plant. There was no liability. You could buy a loan, securitize it, and sell it in an afternoon.

BORGERS: When you were doing the due diligence on the issuers and originators, did you ever run across a client wanting you to do a smaller sample size than you wanted to?

JOHNSON: That probably happened, but that would be a conversation between a client service manager and the client. If we saw problems, we would always recommend that we should look at more loans.

When we got to look at the loans, it was probably 2-3% of the pool. It got smaller and smaller. It generationally changed. People were looking for margins, so they would do less due diligence.

There was another product called a Rating Agency ARB[itrage]. Clayton looked at certain elements of loans so that they would get better subordination.

Bear Stearns would give a tape to Moody's and S&P and get the subordination back. Bear Stearns knew that if they got certain additional data elements, Moody's would make the subordination better. So they would negotiate better subordination from Moody's, and then use that to negotiate with S&P.

We might have marked it as a Moody's Data Scrub. Wall Street knew that if you play these games you could get better ratings.

Moody's laid it out what you had to provide to get better subordination—how long the borrower lived in a house, how many years that they were in their job, how much cash… These were all inputs into Moody's Mortgage Metrics. If you could provide this data to Moody's, then you could get better subordination from them.

ROSNER: Moody's Mortgage Metrics would have data categories that were "required," "desired," and "if available, requested." If an issuer added "desired," it would increase Moody's view of the securitization.

JOHNSON: It's nothing sexy—we were just providing more data to Moody's.

BONDI: Where were the regulators in California when this was going on?

JOHNSON: They didn't ask the right questions, have the right people, or dive into it. This was in my WaMu days.

BORGERS: How many of the 3s were SARS?

JOHNSON: I don't think the 3s were SARS. The borrower might not have had the ability to pay or the LTV would be out of whack. If there had truly been a fraudulent loan, my clients would not have wanted to buy them. This was a manufacturing problem.

KREBS: Why didn't attorney general follow up?

JOHNSON: We suspected that Cuomo didn't want to be perceived as Spitzer-like—this was after Spitzer's scandal.

KREBS: Did you receive any follow-up correspondence from the attorney general?

JOHNSON: That would be a question for Steve Cohen. I do know that Cuomo called him at his house once and read him the riot act. He accused us of putting fraudulent loans through.

ROSNER: Did you talk to other attorney generals?

JOHNSON: We talked to Ohio. We thought Connecticut might call, but they had not before I left.

BONDI: How can we reach you?

JOHNSON: [redacted] (cell) and [redacted]. I'd like to help, [redacted]

[End of call]

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