

Susan Q. Hood  
September 7, 2006

Page 1

IN THE DISTRICT COURT OF GRADY COUNTY

STATE OF OKLAHOMA

DAVID L. WATKINS, JR., and )  
BRIDGET WATKINS, individually )  
and as representatives of a )  
class of similarly situated )  
individuals, )  
 )  
Plaintiffs, )  
 )  
vs. ) CASE NUMBER  
 ) CJ-2000-303  
 )  
 )  
STATE FARM FIRE & CASUALTY )  
COMPANY, and DANNY WALKER, )  
and other similarly situated )  
agents of State Farm Fire & )  
Casualty Company, )  
 )  
Defendants. )

\* \* \* \* \*

VIDEOTAPED DEPOSITION OF SUSAN Q. HOOD

TAKEN ON BEHALF OF THE PLAINTIFFS

ON SEPTEMBER 7, 2006

IN BLOOMINGTON, ILLINOIS

\* \* \* \* \*

REPORTED BY: MELINDA R. NIEVEZ, CSR, RPR

STEVE MEADOR & ASSOCIATES  
405-232-4114 FAX 405-232-1060 800-385-4114

3ca4cf05-986c-4251-8545-5ed6e5613e32

1 APPEARANCES:

2 MR. JEFF D. MARR, Attorney at Law, LAW  
3 OFFICE OF JEFF D. MARR, 4301 S.W. 3rd, Oklahoma  
4 City, Oklahoma 73108, appearing on behalf of the  
5 Plaintiffs.

6 MR. JOHN WIGGINS, Attorney at Law, of the  
7 firm, WIGGINS, SEWELL & OGLETREE, 3100 Oklahoma  
8 Tower, 210 Park Avenue, Oklahoma City, Oklahoma  
9 73102, appearing on behalf of the Plaintiffs.

10 MR. DAVID V. JONES, Attorney at Law, of  
11 the firm, JONES, ANDREWS & ORTIZ, 21 East Main  
12 Street, Suite 101, Oklahoma City, Oklahoma 73104,  
13 appearing on behalf of the Defendants.

14 MR. STUART D. KENNEY, Attorney at Law,  
15 STATE FARM INSURANCE COMPANIES, One State Farm  
16 Plaza, Bloomington, Illinois 61710, appearing on  
17 behalf of the Defendants.

18 ALSO PRESENT: Ms. Kelsey Moore, Legal Assistant,  
19 Law office of Jeff D. Marr

20 VIDEOGRAPHER: Mr. Jon Womastek, Courtroom Video

21 \* \* \* \* \*

22 C O N T E N T S

|   |    |
|---|----|
| 23 STIPULATIONS -----                   | 4  |
| 24 DIRECT EXAMINATION BY MR. MARR ----- | 5  |
| 25 CROSS-EXAMINATION BY MR. JONES ----- | 66 |
| JURAT PAGE -----                        | 76 |
| CERTIFICATE OF REPORTER -----           | 77 |
| ERRATA SHEET -----                      | 78 |

\* \* \* \* \*

PLAINTIFFS' EXHIBIT LIST

- 1  
2 (1) E-mail from Jan Necessary on behalf of  
3 Susan Hood to all Fire Division Claim  
4 Managers regarding moratorium, dated  
5 June 5, 2006 ----- 14  
6  
7 (2) Letter from Susan Hood to Jim Wiethorn  
8 and John Stewart regarding moratorium,  
9 dated June 2, 2006 ----- 37  
10  
11 (3) Affidavit of Susan Q. Hood ----- 57  
12  
13 (4) Deposition Subpoena Duces Tecum to Susan  
14 Hood ----- 65

\* \* \* \* \*

DEFENDANT'S EXHIBIT LIST

- 11 (1) Notice to Take Videotaped Deposition ----- 66

\* \* \* \* \*

CERTIFIED QUESTIONS TO THE COURT

- 14 (1) ----- Beginning on Page 30, Line 15  
15 (2) ----- Beginning on Page 38, Line 10  
16 (3) ----- Beginning on Page 53, Line 7

\* \* \* \* \*

S T I P U L A T I O N S

1  
2 It is hereby stipulated and agreed by and  
3 between the parties hereto, through their respective  
4 attorneys, that the videotaped deposition of  
5 SUSAN Q. HOOD may be taken on behalf of the  
6 Plaintiffs, on this, the 7th day of September, 2006,  
7 in the City of Bloomington, State of Illinois,  
8 before Melinda R. Nieves, Certified Shorthand  
9 Reporter within and for the State of Oklahoma,  
10 pursuant to notice and court order.

11 It is further stipulated and agreed by and  
12 between the parties hereto, through their respective  
13 attorneys, that all objections, except as to the  
14 form of the question and the responsiveness of the  
15 answer, are reserved until the time of the trial, at  
16 which time they may be made with the same force and  
17 effect as if made at the time of the taking of this  
18 deposition.

19 \* \* \* \* \*

1 (PROCEEDINGS BEGIN AT 9:00 A.M.)

2 WHEREUPON,

3 SUSAN Q. HOOD,

4 after having been first duly sworn, deposes and says  
5 in reply to the questions propounded as follows:

6 DIRECT EXAMINATION

7 BY MR. MARR:

8 Q Would you please state your name for  
9 record.

10 A My name is Susan Q. Hood.

11 Q Ms. Hood, what's your title with State  
12 Farm?

13 A I'm claims vice president.

14 Q All right. Would you be the highest  
15 ranking claims person in the State Farm  
16 organization?

17 A Yes.

18 Q And you've been in that position since  
19 2002; is that correct?

20 A That's correct.

21 Q There is no claims person within the  
22 organization that is higher than yourself; is that  
23 true?

24 A I report to a member of Chairman --  
25 Chairman's Council, but, no. I am the highest

1 ranking claims person in the organization.

2 Q And the highest ranking members of the  
3 Chairman's Council would be Mr. Rust and  
4 Mr. Trosino; would that be correct?

5 A That's correct.

6 Q Now, it's been brought to our attention  
7 through our depositions of Mr. Rust and Mr. Trosino  
8 yesterday that there is purportedly some type of  
9 internal investigation now being conducted into  
10 State Farm's use of Haag regarding the Watkinses and  
11 the other individual class members; is that correct?

12 A That is correct.

13 Q And it's also our understanding that there  
14 is, simultaneously, some type of internal  
15 investigation in regard to State Farm's utilization  
16 of E.A. Renfro & Company; is that correct?

17 A I would characterize -- I would go back to  
18 the question you asked me about Haag, and I would  
19 characterize that as a peer review.

20 And with regard to your question about an  
21 investigation regarding independents, I would  
22 characterize that as a self-critical analysis of our  
23 use of independent adjusting -- adjusters.

24 Q Brought about by what?

25 A As a result of the -- brought about as a

1 result of the Watkins verdict.

2 Q And it was represented, at least to us  
3 yesterday, that you initiated and are spearheading  
4 those two separate investigations; is that correct?

5 A I am providing leadership for both of  
6 those, yes.

7 Q You have responsibility for the oversight  
8 of those two investigations; is that correct?

9 A I am providing leadership for both of  
10 those efforts.

11 Q I'm not asking about leadership. Are you  
12 responsible for the two investigations?

13 A Yes, I am responsible for those  
14 investigations.

15 Q Did you cause those two investigations to  
16 be initiated?

17 A I asked for both of those investigations  
18 to be provided, yes.

19 Q And do you have reporting responsibilities  
20 concerning your findings of those two  
21 investigations?

22 A Do I have reporting responsibilities?

23 Q Yes.

24 A I -- I -- I would characterize that I have  
25 an obligation to share the findings once they --

1 once we have the results of both of those efforts.

2 Q Well, let me ask my question in a  
3 different way. Has anyone from the Chairman's  
4 Council or -- well, let's just leave it at that.  
5 Has anyone from the Chairman's Council instructed or  
6 directed you to report your findings concerning  
7 these two investigations to them?

8 A No.

9 Q Were these two investigations conducted at  
10 the request of anyone who is a member of the  
11 Chairman's Council?

12 A No. Mr. Marr, both of those efforts that  
13 I've described involving independents and Haag were  
14 done at my -- at my request, and as a result of the  
15 Watkins verdict.

16 Q So back to my question. No one within the  
17 Chairman's Council directed or instructed you to  
18 undertake such investigations; is that correct?

19 MR. JONES: Objection. Asked and  
20 answered. You may answer it.

21 Q (BY MR. MARR) Go ahead.

22 A My answer is the same. I undertook --  
23 took leadership for identifying --

24 Q Ma'am, I'm not asking you what you  
25 undertook.

1 MR. JONES: Excuse me. Excuse me. Please  
2 let her finish her answer.

3 MR. MARR: Well, her answer is  
4 nonresponsive.

5 MR. JONES: She still needs to finish it,  
6 and then you can object to nonresponsive.

7 MR. MARR: Well --

8 MR. JONES: Please let her finish, Jeff.

9 Q (BY MR. MARR) Sure. Go ahead.

10 MR. JONES: Thank you.

11 Q (BY MR. MARR) Tell me what you want to  
12 tell me.

13 MR. JONES: Go ahead, Ms. Hood.

14 THE WITNESS: I took leadership for --  
15 into -- to -- for -- beginning -- for having these  
16 two investigations begun.

17 Q (BY MR. MARR) Did any member of the  
18 Chairman's Council -- Mr. Trosino and Mr. Rust being  
19 included in the Chairman's Council -- instruct or  
20 direct you to conduct an investigation? And I'd  
21 like a yes-or-no answer.

22 A I was not instructed by any member of  
23 Chairman's Council to proceed with the efforts I  
24 have -- just have identified.

25 Q Did you receive any instruction from

1 anyone or direction from anyone to undertake these  
2 two purported independent -- excuse me -- internal  
3 investigations?

4 A I did not receive any instruction. I  
5 undertook these on my own -- with -- no, I did not  
6 receive any instruction.

7 Q Did these internal investigations  
8 concerning Haag and Renfroe arising from the Watkins  
9 verdict require you to obtain any approval from  
10 anyone within the Chairman's Council before  
11 proceeding?

12 A No.

13 Q How did you make -- or did you make  
14 Mr. Rust or Mr. Trosino aware that you would be  
15 conducting an internal investigation regarding State  
16 Farm's use of Haag and Renfroe as a result of the  
17 Watkins verdict?

18 A I may have had some conversation with  
19 them. I don't recall the specifics of the  
20 conversations.

21 Q When would those conversations -- when  
22 would the first conversation have been?

23 A I don't know.

24 Q Well, in relation to the Watkins verdict,  
25 was it in the next week? The next month? The month

1 after that?

2 A I don't remember.

3 Q You have no idea when you first made  
4 either Mr. Trosino or Mr. Rust aware of this --

5 A No.

6 Q -- alleged internal investigation?

7 A I don't remember.

8 Q Did you document in any way, shape, or  
9 form your communication with -- anyone within the  
10 Chairman's Council regarding your independent or  
11 internal investigations of Haag and Renfroe?

12 A No, I have no notes.

13 Q So you've made nothing available to anyone  
14 on the Chairman's Council, nothing in writing,  
15 nothing available concerning these two separate  
16 investigations; is that correct?

17 A I have not -- no -- I have not made  
18 anything available in writing to members of  
19 Chairman's Council.

20 Q What about via e-mail?

21 MR. JONES: Which e-mail?

22 THE WITNESS: I don't -- I don't recall  
23 sending any e-mails to members of Chairman's Council  
24 regarding these two efforts.

25 Q (BY MR. MARR) Have you communicated or

1       corresponded with any member of the Chairman's  
2       Council in any way regarding these two  
3       investigations, other than orally?

4             A       I don't remember.

5             Q       Likewise, the same question in reverse,  
6       have any member -- has any member of the Chairman's  
7       Council communicated with you in any way, excluding  
8       oral communication, concerning this internal  
9       investigation of Haag and Renfroe?

10            A       I don't remember.

11            Q       Have you communicated with any member of  
12       your investigative team regarding either one of  
13       these investigations? Have you communicated with  
14       any member of the team? And if the team -- you're  
15       not comfortable with the term "team," feel free to  
16       phrase it however you'd like.

17            A       I have communicated with the members --  
18       members of my staff who are moving this -- or  
19       working on these two efforts.

20            Q       And how did you communicate to the members  
21       of your staff who are moving these efforts forward?

22            A       In person, orally.

23            Q       Okay. What about any other form of  
24       communication, other than orally?

25            A       I believe the communications with the

1 members of my staff have been orally.

2 Q Is there anything -- any other type of  
3 communication that would somehow memorialize this  
4 purported internal investigation that you initiated  
5 concerning Haag and Renfroe as a result of the  
6 Watkins verdict?

7 A There is an e-mail that I sent to zones,  
8 advising zone executives and zone claim or division  
9 managers about the suspension in the use of Haag on  
10 claims going forward.

11 Q And that's an e-mail that you prepared?

12 A Yes, it is.

13 Q And when approximately did you prepare  
14 that e-mail?

15 A It probably would have been approximately  
16 a week or a little over a week following the  
17 verdict. I don't remember the exact date.

18 Q Did you bring that e-mail with you here  
19 today?

20 MR. JONES: Yesterday, Jeff, I understand  
21 that Mr. Wiggins made a request to Mr. Kenney for  
22 that document, and we've agreed to bring it. I've  
23 got it for you.

24 MR. MARR: We both made a request --

25 MR. JONES: Okay. Well, I --

1 MR. MARR: -- of Mr. Rust and Mr. --  
2 Mr. Trosino.

3 MR. JONES: All right. I've brought it  
4 with me, so I'll hand it to you now, okay?

5 MR. MARR: Okay.

6 MR. JONES: I'll give Ms. Hood one, and  
7 give one to Jeff. John, I've got one for you.

8 Q (BY MR. MARR) All right, ma'am. Let's go  
9 ahead and -- I want to just mark your copy as  
10 Exhibit 1 to your deposition. Is this the one and  
11 only e-mail, means of communication, concerning this  
12 purported investigation of Haag and Renfroe  
13 following the Watkins verdict?

14 A I don't know if it's the only e-mail, but  
15 this is an e-mail that came from me advising the  
16 zone executive and the zone claim managers of our  
17 decision to suspend using Haag Engineering.

18 Q Are there any -- other than this one --  
19 other than this one e-mail, is there any other  
20 written document associated with this internal  
21 investigation of Renfroe and Haag?

22 A There is -- I -- there's another document.  
23 There's a letter that I sent to Haag Engineering.

24 Q Is that it?

25 A I'm sorry. Those are the two -- those are

1 the two written documents, yes.

2 Q That's it?

3 A Could you please ask your question again?

4 Q Yeah. I want to know if there are any  
5 other written communications in any way, shape, or  
6 form concerning this supposed internal investigation  
7 into Haag and Renfroe following the Watkins verdict.  
8 Or are you telling me that this is it, this and the  
9 letter you sent to Haag Engineering?

10 A This is the written communication and the  
11 only written communication that I sent to member --  
12 people at State Farm. And the letter to Haag is the  
13 only written communication that I sent to Haag.

14 Q Well, I'm not now limiting it just to  
15 Haag. I want to know if there are any other written  
16 communication, anything, connected with this  
17 internal investigation that you're supposedly  
18 conducting.

19 MR. JONES: Let me object to the form of  
20 the question. You may answer it, though.

21 THE WITNESS: I have not issued any other  
22 communications with regard to Haag or with regard to  
23 the peer review or the suspension of Haag. And I  
24 have not issued any communications regarding our  
25 work looking at independents.

1           Q       (BY MR. MARR) And I'm not asking you what  
2 you haven't done. I'm asking you what you have  
3 done. Are these the only two -- if I'm hearing you  
4 correctly, the only two documents that you had  
5 anything to do with preparing, the only two writings  
6 that would somehow memorialize there was anything  
7 concerning Haag and Renfroe going on following the  
8 Watkins verdict, is your letter to Haag and this; is  
9 that right, Exhibit 1?

10          A       That's correct.

11          Q       Now, is that true as for everyone? Are  
12 there other communications, other writings, other  
13 e-mails, other things that we could look at that are  
14 associated with these internal investigations that  
15 perhaps weren't prepared by you but nevertheless  
16 concern the internal review?

17               MR. JONES: Let me object to the form,  
18 insofar as it inquires into communications from her  
19 counsel or State Farm's counsel. With that  
20 limitation, you can answer.

21               MR. MARR: Well, I haven't seen a  
22 privilege log. And until I do, I'm entitled to  
23 inquire about it.

24               MR. JONES: Well, but my instruction  
25 stands. Other than communications with counsel or

1 from counsel, you can testify, Ms. Hood.

2 Q (BY MR. MARR) I want to know about any  
3 writings.

4 MR. JONES: Same instruction.

5 THE WITNESS: I have not written anything  
6 else regarding our investigation, regarding the  
7 suspension of Haag, or our use of independents.

8 Q (BY MR. MARR) That wasn't my question.  
9 And I apologize if I didn't make myself clear. Are  
10 there any other writings associated with the  
11 investigation --

12 MR. JONES: Same --

13 Q (BY MR. MARR) -- that weren't prepared by  
14 you?

15 MR. JONES: Same instruction. You may  
16 answer with that instruction.

17 THE WITNESS: There are other writings  
18 associated with the matter involving Haag and there  
19 are other writings associated with the work we're  
20 doing with regard to the independents. They are not  
21 communications. They are internal work-in-progress  
22 documents that we're working on with counsel.

23 Q (BY MR. MARR) With what counsel?

24 A With our lawyers at State Farm.

25 Q With your in-house lawyers?

1           A     Yes.

2           Q     Okay.  Have you conducted internal  
3 investigations similar to these in the past, or is  
4 this unique to the Watkins verdict?

5           A     We have conducted investigations in the  
6 past.  I would say these particular ones are unique  
7 to this particular case.

8           Q     But it's something that State Farm is  
9 doing as part of, what, a quality assurance measure  
10 to benefit the policyholders?

11          A     I don't understand your question.

12          Q     The investigation that is supposedly  
13 taking place concerning Haag and Renfroe following  
14 the Watkins verdicts, what is its purpose?  Is it to  
15 benefit the policyholders?

16          A     It is ultimately to benefit the  
17 policyholder.  The purpose of the investigation is  
18 to consider the verdict that the jury issued and  
19 address the issues -- some of the issues that they  
20 had.

21          Q     Okay.  Is it being done from a quality  
22 assurance standpoint?  Is that why State Farm has  
23 chosen to conduct these internal investigations of  
24 Haag and Renfroe?

25                 MR. JONES:  Let me object to the form.

1 You may answer.

2 THE WITNESS: It is not being done from a  
3 quality assurance standpoint.

4 Q (BY MR. MARR) Okay. Why is it being  
5 done?

6 A The peer review of Haag, the moratorium of  
7 Haag, and review of the independent procedures are  
8 being done in reaction to the verdict that came down  
9 in Watkins.

10 Q Okay. Well, the verdict's already -- the  
11 trial is over with. The verdict's already been  
12 rendered. So what does State Farm hope to  
13 accomplish by conducting these alleged internal  
14 investigations?

15 A The jury in Watkins clearly had some  
16 issues with regard to our use of Haag, and they also  
17 had some issues with our -- our use of independents.  
18 I have an obligation to consider their verdict and  
19 to look into the things that they had issues with.  
20 I have an obligation to our policyholders to do  
21 that, and that is why I am doing this.

22 Q And your obligation to the policyholders,  
23 how do the policyholders -- how will they benefit  
24 from this internal investigation, or what is your  
25 intention?

1           A       The -- the intention of this internal --  
2       of this investigation -- the peer review and the  
3       suspension and review of the independent  
4       procedures -- is to -- to look -- take a look --  
5       well, I'm going to address them one at a time,  
6       separately.

7                    The intent with regard to the peer review  
8       involving Haag is to ensure -- have an independent  
9       peer review conducted and ensure that the  
10      engineering reports that Haag issues are based on  
11      scientific, objective evidence.

12                   The review of our independent adjuster --  
13      adjusting procedures is a self-critical analysis to  
14      ensure that the procedures that we have in place are  
15      those that are necessary to ensure that the  
16      independents are providing the quality service that  
17      we expect them to provide to our customers.

18           Q       And both of these things, you believe,  
19      will result in, hopefully, something beneficial for  
20      policyholders in the future?

21           A       Ultimately, if -- well, it's in the best  
22      interest of our policyholders to ensure that the  
23      engineering firms we engage when we believe we need  
24      an objective opinion from an engineering firm is in  
25      the best interest of our policyholders if the firms

1 we engage do base their work on scientifically  
2 objective evidence.

3 It is also in the best interest of our  
4 policyholders that when we engage the use of  
5 independents, they are providing the same quality  
6 service that our own folks are providing.

7 Q Have others called into question the  
8 validity and objectivity of Haag's opinions and  
9 State Farm's use thereof?

10 A I don't know.

11 Q You have no knowledge of that if it -- if  
12 it has occurred?

13 A I don't know.

14 Q You don't know if you have knowledge of  
15 it?

16 A I don't know the -- I don't -- I don't  
17 have -- I don't know the answer to the question. I  
18 don't have an answer to the question.

19 Q So as far as you know, as you sit here  
20 today, you have no knowledge of anyone else calling  
21 into question the basis and the objectivity of  
22 Haag's opinions and State Farm's reliance thereof,  
23 is that what you're telling me?

24 A I don't know of any -- I don't know of --  
25 I -- I have heard -- well, let me answer it this

1 way. I have listened and -- and -- to the media,  
2 and there has been -- there have been media reports  
3 that have questioned or talked about the validity of  
4 engineering reports with regard to the hurricanes  
5 last year, and Haag has been mentioned.

6 Q Okay. What about -- have any of your  
7 policyholders who sustained damage from the  
8 hurricane last year -- which I imagine you're  
9 speaking of Hurricanes Katrina and Rita; are you  
10 not?

11 A Yes, I am.

12 Q Have any of your policyholders called into  
13 question the objectivity and scientific basis of  
14 Haag's opinions and whether or not State Farm's  
15 reliance on those opinions to deny their claim were  
16 founded in good faith?

17 A I --

18 MR. JONES: I'm sorry. Let me object to  
19 the form of the question, insofar as it inquires  
20 into privilege matters with your counsel, otherwise  
21 you may answer.

22 THE WITNESS: Well, I -- I -- my answer to  
23 that is, I -- I -- not -- I'm not -- I'm not at  
24 liberty to answer that because there are ongoing  
25 investigations with regard to the hurricanes last

1 year.

2 Q (BY MR. MARR) All right.

3 A And I can't answer those questions.

4 Q Well, I mean, ongoing investigations by  
5 whom? That's what we're talking about is your  
6 investigation of Haag and whether or not their  
7 opinions are based on scientific and objective  
8 evidence, right?

9 A And that's -- yes. There -- we are doing  
10 an investigation, an independent peer review of  
11 Haag, yes.

12 Q All right. So because of this  
13 investigation that you're doing internally, you  
14 can't tell me whether or not any of the Katrina or  
15 Rita policyholders have alleged that Haag's opinions  
16 were biased and that State Farm's reliance on them  
17 is bad faith? You can't tell me that?

18 MR. JONES: Object to the form of the  
19 question.

20 Q (BY MR. MARR) Go ahead.

21 MR. JONES: You can answer, Ms. Hood.

22 THE WITNESS: Well, I -- I can't answer  
23 that, because I'm not at liberty to answer questions  
24 about claims in the Gulf Coast, because there are  
25 ongoing internal and external investigations.

1           Q       (BY MR. MARR) Well, I'm not asking you,  
2 ma'am, any of the specifics about any claims. We'll  
3 get to that later. Right now I'm asking you whether  
4 or not other policyholders -- as the policyholders  
5 who are members of this class -- have complained to  
6 your company, and maybe, in fact, to you  
7 specifically about your use of Haag Engineering.  
8 And I'd like a yes-or-no answer if you can give me  
9 one.

10           A       If you're talking -- I -- I'm not going to  
11 comment about Gulf Coast claims. If you -- if  
12 you're asking -- if your question is, have other  
13 class members from the Watkins case -- am I aware of  
14 complaints from other class members in the Watkins  
15 case about Haag Engineering, I am not.

16           Q       No, ma'am, that wasn't my question. My  
17 question was, have others. I mean, the fact that  
18 they're members of this class, we know their  
19 position. I want to know if there are other  
20 policyholders that you have out there that have been  
21 in other catastrophes that have complained about  
22 State Farm's use of Haag and about the objectivity  
23 of Haag's opinions.

24           MR. JONES: Same objection. Go ahead,  
25 Ms. Hood.

1 THE WITNESS: I don't know.

2 Q (BY MR. MARR) As far as you know -- as  
3 far as you know, there are no other complaints by  
4 any policyholders concerning Haag, is that what  
5 you're telling me?

6 MR. JONES: Object. Asked and answered.  
7 You may answer.

8 Q (BY MR. MARR) Go ahead.

9 A I'm telling you, I don't know.

10 Q Why don't you know?

11 A Because I don't know.

12 Q You didn't learn this as part of this  
13 purported internal investigation that you're  
14 conducting?

15 MR. JONES: Object. Calls for privileged  
16 matters.

17 Q (BY MR. MARR) Go ahead.

18 A Mr. Marr --

19 MR. JONES: I need to finish my  
20 instruction, Jeff.

21 MR. MARR: I thought you were.

22 MR. JONES: Okay. I know you thought I  
23 was. I'm sorry. But same objection. You may  
24 answer as to anything that is nonprivileged.

25 THE WITNESS: My answer before was I don't

1 know, and it's still, I don't know.

2 Q (BY MR. MARR) And you're responsible for  
3 this internal investigation; is that right?

4 A I am responsible for the -- the peer  
5 review that we have undertaken following the Watkins  
6 verdict.

7 Q Are you just looking at the Haag reports  
8 just for our class members, or are you looking at  
9 the Haag reports for all class members subsequent to  
10 our catastrophe?

11 A We -- as part of the peer review, we  
12 have -- have asked some -- we have asked somebody to  
13 conduct this peer review for us. And in order to go  
14 about this in the most objective and hands-off  
15 manner, a person who will be structuring this  
16 process will make the decisions as to what files are  
17 looked at.

18 Q All right. So is that a "I don't know"?  
19 Is that what you're telling me?

20 MR. JONES: Objection. Her -- her answer  
21 is what her answer is. Do you have a different  
22 answer, Ms. Hood?

23 Q (BY MR. MARR) Go ahead.

24 A I tried -- I thought -- I tried to answer  
25 your question, Mr. Marr.

1 Q Well, I don't think you did. My question  
2 was --

3 MR. JONES: Objection.

4 Q (BY MR. MARR) Are there Haag -- other  
5 Haag reports outside of our catastrophe, from the  
6 May 3, 1999 tornados, at State Farm that you, in  
7 your investigative capacity, are reviewing?

8 MR. JONES: Object. Asked and answered.  
9 Go ahead.

10 THE WITNESS: And I -- what I tried to  
11 tell you earlier was that the person in charge of  
12 this peer review will make the decision as to what  
13 reports will be looked at.

14 Q (BY MR. MARR) Okay. So you have no idea;  
15 is that correct? That's entirely up to the  
16 individual making this independent assessment?

17 A Yes. As part of the independent peer  
18 review, we have asked the person who is doing this  
19 to -- to determine which files and how many files  
20 need to be looked at.

21 Q Did you provide the person with the  
22 criteria?

23 A The criteria for what?

24 Q For this review.

25 A No.

1           Q     The types of claims, for example, the  
2 amount of claims, the situation on which Haag or any  
3 other engineer was employed. Did you establish  
4 that, or was that left entirely to the --

5           A     I did not establish that. My expectation  
6 is the person who is -- is going to put this process  
7 into place will make those decisions.

8           Q     All right. Well, ma'am, are you aware  
9 that yesterday you were represented as being the  
10 person most knowledgeable by Mr. Trosino -- most  
11 knowledgeable regarding this internal investigation?  
12 You knew more than anyone else about it. Were you  
13 aware of that?

14           MR. JONES: Let me object to the form.  
15 You may answer.

16           Q     (BY MR. MARR) Go ahead.

17           MR. JONES: Go ahead.

18           THE WITNESS: No, I wasn't aware of what  
19 Mr. Trosino said.

20           Q     (BY MR. MARR) Is Mr. Trosino incorrect if  
21 he made that statement on the record?

22           A     I would -- I am not going to state whether  
23 Mr. Trosino was correct or incorrect. I -- yeah.  
24 I'm not going to say --

25           Q     Well, let me ask you this question. Is

1 there anyone, as far as you know of, that is more  
2 knowledgeable regarding this purported internal  
3 investigation into Haag and Renfroe?

4 A I would say there is -- there may be some  
5 who are as knowledgeable about portions of these  
6 investigations or -- yeah.

7 Q Well, my question was, is there anyone who  
8 is more knowledgeable than you?

9 A I don't know.

10 Q Well, who do you think has as much  
11 knowledge as you?

12 A I have a -- members of the -- my staff  
13 have been working on this with me and for me, and  
14 some of them would be as knowledgeable.

15 Q Okay. Well, let's do this then. Why  
16 don't you give me their names and their titles so we  
17 can talk with them.

18 A The person on my staff who is in charge of  
19 this is Michael Carroll. He's the leadership  
20 person.

21 Q And how do you spell Mr. Carroll's last  
22 name?

23 A C-a-r-r-o-l-l.

24 Q And what is his title?

25 A Director.

1 Q Director of what?

2 A Property casualty claims.

3 Q And where is his office?

4 A Here in Bloomington.

5 Q Is he an employee of the Fire company or  
6 the Mutual company?

7 A He's an employee of the Mutual company.

8 Q All right. And he is -- this is who  
9 you've delegated responsibility to?

10 A Yes.

11 Q All right. Who else is a member of this  
12 investigative team?

13 A I've been working with a number of our  
14 corporate attorneys.

15 Q All right. Give me the names.

16 MR. JONES: Okay. I'm going to object to  
17 that.

18 MR. MARR: To the names?

19 MR. JONES: Yeah. I'm going to object and  
20 instruct not to answer on the names. It's corporate  
21 attorneys.

22 MR. MARR: On what basis?

23 MR. JONES: On the basis of privilege.  
24 You can send a request and we'll look at it, Jeff.

25 MR. MARR: You know, Counsel, I realize

1 that you haven't been involved in this case very  
2 long. But, as you know, there are many, many  
3 production requests, and many, many interrogatories,  
4 several of which would cover this very type of  
5 investigation, this very type of information. And  
6 under the Oklahoma Discovery Code, State Farm has an  
7 obligation to supplement its response.

8 This is information that we should have  
9 already had. So I don't think that it's necessary  
10 for me to send out additional interrogatories and  
11 requests for production now that we've fortuitously  
12 discovered this investigation.

13 MR. JONES: Well, all I can tell you is,  
14 if that's so, and they weren't properly answered;  
15 one, I can't help that; two, I'm sorry about that,  
16 and I'll look at it. But my instruction to her  
17 stands today.

18 MR. MARR: Well, you know --

19 MR. JONES: And I'm going to instruct her  
20 on the basis of privilege.

21 MR. MARR: Your apology notwithstanding,  
22 I'm here to take this lady's deposition. And I  
23 think that these are things that I'm entitled to,  
24 and I should have had the answers before instead of  
25 while I'm here in Bloomington, after we've got all

1 these folks here. And, you know, an apology is not  
2 good enough.

3 I want to know -- I want to know the  
4 answers. I want to know who is involved. I don't  
5 care whether they're in-house lawyers or not.  
6 That's not privileged information. I'm asking just  
7 their identity.

8 Is it your position, honestly, that the  
9 identity of these internal in-house State Farm  
10 lawyers is privileged and I am barred from learning  
11 who they are? Is that seriously the position you  
12 want to take?

13 MR. JONES: Today, that's my position,  
14 yeah. And I may be wrong. Today -- today, that's  
15 my position. And if I have to supplement this  
16 deposition, I will. But today, that's my position.

17 MR. MARR: Well, I suspect that you will.

18 MR. JONES: Well, I -- I understand.

19 Q (BY MR. MARR) Ma'am, who -- so we've got  
20 Michael Carroll. How many in-house lawyers are  
21 there?

22 A How many in-house lawyers do we have at  
23 State Farm?

24 Q No. I know --

25 A How many --

1 Q I know how many you have. How many do you  
2 have on this little project?

3 A I'm -- I'm really not sure.

4 Q Well, give me a ballpark.

5 A I would say three or four.

6 Q All right. And -- and you're going to  
7 take the advice of State Farm's lawyer here today,  
8 and you're not going to disclose to myself, or any  
9 of these class member policyholders, who they are;  
10 is that correct?

11 A I'm not -- I am going to heed the advice  
12 of my counsel.

13 Q Okay. Is there any particular reason that  
14 you -- you want to keep that information secret?

15 A I'm going to adhere to the advice of my  
16 counsel, Mr. Marr.

17 Q Do you think that State Farm should  
18 voluntarily disclose to its policyholders this  
19 investigation and the individuals that are involved,  
20 or do you think it should take an order from the  
21 Court to compel you to do so?

22 MR. JONES: Let me object to the form.  
23 She has voluntarily disclosed it. You may answer.

24 THE WITNESS: I don't know.

25 Q (BY MR. MARR) I mean, is it a secret?

1           A     No, it's not a secret.

2           Q     Who all have you told outside the State  
3     Farm organization that an investigation is being  
4     conducted into State Farm's utilization of Haag and  
5     Renfroe as a result of the Watkins jury's verdict?

6           A     Who have I told or -- I -- I'm -- I'm not  
7     clear on your question.

8           Q     Well, let's do it -- we'll do it that way.  
9     We'll do it that way. And if you're not clear on my  
10    question, I appreciate you bringing it to my  
11    attention. I'll be happy to rephrase it.

12                     Who outside the State Farm organization  
13    have you made aware that there is an internal  
14    investigation being conducted regarding State Farm's  
15    utilization of Haag and Renfroe as a result of the  
16    Watkins jury's verdict?

17           A     I have not talked to anybody else outside  
18    the State Farm organization about this.

19           Q     All right. So you have not disclosed this  
20    purported investigation to anyone outside the State  
21    Farm organization; is that correct?

22           A     I have not had conversations about this  
23    outside of the State Farm organization.

24           Q     And you have not communicated with anyone  
25    outside the State Farm organization in any way,

1 shape, or form informing them that there is such an  
2 investigation; is that correct?

3 A Except for Haag.

4 Q And the letter that you mentioned earlier,  
5 that's the only communication, correct?

6 A That is the only communication, yes.

7 Q Okay. And what about any communication  
8 with E.A. Renfroe? Did you make them aware that  
9 there's an investigation concerning them as a result  
10 of the Watkins jury's verdict?

11 A Mr. Marr, I -- I -- I -- well, I would  
12 not -- what we're doing with the independents is a  
13 self-critical analysis of our use of independents.  
14 And, no, I have not communicated with Renfroe about  
15 this review.

16 Q Did you bring the Haag letter with you?

17 A Yes.

18 Q May I see it, please? I don't know the  
19 secret password, but --

20 MR. JONES: You say, Can I have the  
21 letter?

22 MR. MARR: Well, I said that yesterday.

23 MR. JONES: Well, I wasn't here yesterday,  
24 and neither was she.

25 MR. MARR: That's -- that's your problem.

1 MR. JONES: Okay. Here's your letter.  
2 No, it's not my problem.

3 MR. MARR: Well, certainly you had the  
4 ability to be here.

5 Q (BY MR. MARR) Let me ask you this,  
6 Ms. Hood. What did you do yesterday?

7 A Yesterday I met with Mr. Jones.

8 Q For how long?

9 A Most of the day. I met with Mr. Jones  
10 yesterday.

11 Q So Mr. Jones was in Bloomington, he just  
12 didn't attend Mr. Trosino and Mr. Rust's depositions  
13 because he was meeting with you; is that correct?

14 A Mr. Jones was meeting with me yesterday,  
15 yes.

16 Q Okay. How long did you meet with  
17 Mr. Jones?

18 A I met with him most of the day.

19 Q Well, what time did your meeting start?

20 A It started at 8:30.

21 Q What time did it conclude?

22 A About 4:30.

23 Q What documents were reviewed?

24 A I reviewed the document that was made  
25 -- the -- the document -- the e-mail that was sent

1 to the vice presidents of operations and the  
2 managers. I reviewed the document that was sent to  
3 Haag. I reviewed the verdict. And I reviewed my  
4 press release. And I reviewed a document called Our  
5 Commitment To Our Policyholders.

6 Q Okay. I've marked as Plaintiffs'  
7 Exhibit 2 to your deposition, the letter which bears  
8 the date of June 2, 2006, to Haag Engineering. I'll  
9 hand that back to you just to have it in front of  
10 you for a reference.

11 You said the press release. What press  
12 release are you speaking of?

13 A It's a press release that was -- was  
14 issued following a 20/20 program about a week or two  
15 ago.

16 Q Why did you review that?

17 A Because it had information about our --  
18 our response to the 20/20 program.

19 Q Why did you feel that pertinent to review  
20 for your deposition today?

21 A Because we thought there might be some  
22 questions about it today.

23 Q About what?

24 A About the -- what -- the content of the  
25 press release.

1 Q Okay. Did the press release discuss the  
2 Katrina and Rita claims?

3 A The press release was addressed -- was  
4 focused on the Katrina claims, yes.

5 Q Okay. And those are the claims that  
6 you're refusing to discuss with me here today,  
7 correct?

8 A The specific claims I am refusing to -- I  
9 am to discuss with you today.

10 Q So what was the point of your reviewing  
11 your press release?

12 MR. JONES: Object to the form of the  
13 question. That gets into attorney-client privilege.  
14 I'm going to instruct you not to answer.

15 MR. MARR: I'm not asking you to  
16 disclose --

17 MR. JONES: Let me -- let me finish my  
18 objection, please. I'm going to instruct you not to  
19 answer any further questions on why you reviewed  
20 that, other than what you've already said.

21 MR. MARR: Okay. Certify that one, too.

22 Q (BY MR. MARR) You're not going to answer  
23 my question based on the advice of your lawyer here?

24 A I'm going to adhere to the advice of my  
25 counsel.

1 Q Okay. Are there similarities between the  
2 allegations and the findings of the Watkins and --  
3 made by the Watkins jury with what's gone on and the  
4 allegations in Katrina and Rita concerning Haag?

5 A I'm not at liberty to talk about the  
6 issues surrounding Corina -- Katrina as they are  
7 ongoing investigations.

8 Q All right. So you're refusing to answer  
9 my question?

10 A I'm not --

11 MR. JONES: On the advice of counsel.

12 MR. MARR: Well, she just now got the  
13 advice of counsel.

14 Q (BY MR. MARR) Go ahead.

15 MR. JONES: She had it earlier.

16 MR. MARR: Is it blanket?

17 MR. JONES: No, it's not. It's when I say  
18 it. It's not blanket. Nothing's blanket, Jeff.

19 Q (BY MR. MARR) All right. So you're not  
20 going to answer that one either?

21 A I am not going to answer questions about  
22 the Gulf Coast, and I'm going to heed the advice of  
23 counsel.

24 Q All right. Well, I just asked you, ma'am,  
25 if there were similarities between the allegations

1 and the jury's findings in Watkins and the  
2 allegations concerning the use of engineers in  
3 connection with Katrina and Rita, that's a  
4 relatively simple question, isn't it?

5 MR. JONES: Objection. It's been asked  
6 and answered. Go ahead, Ms. Hood.

7 THE WITNESS: I'm going -- not going to  
8 answer the question based on the advice of my  
9 counsel.

10 Q (BY MR. MARR) So it's your understanding  
11 that your lawyer has instructed you not to answer  
12 whether or not there are any similarities in the  
13 allegations and the jury findings in Watkins and the  
14 allegations concerning engineers in connection with  
15 Katrina and Rita; is that correct?

16 MR. JONES: Let me object to the form of  
17 the question. The instruction has been related to  
18 Katrina. It hasn't been related to -- it doesn't  
19 have anything to do with the Watkins claim. You may  
20 answer.

21 THE WITNESS: I'm not going to answer any  
22 questions with -- relating to the Katrina claims.

23 Q (BY MR. MARR) All right. What about the  
24 use of Haag Engineering and allegations concerning  
25 Haag Engineering? Can you answer any questions

1 about that, as far as Katrina and Rita go?

2 MR. JONES: My instruction stands on that.  
3 Go ahead, Ms. Hood.

4 THE WITNESS: I'm not going to answer any  
5 questions regarding Haag and Katrina or -- or Rita  
6 claims because there are ongoing investigations.

7 Q (BY MR. MARR) Ma'am, could you point to  
8 me?

9 A Could I --

10 Q Could you point to where I am on the  
11 camera so the jury can see where I am? Could you  
12 point to me?

13 A Could I point to you?

14 Q Yeah.

15 A (The witness complies.)

16 Q Why is it you don't look at me when you  
17 talk to me?

18 A I'm not looking at you because I'm  
19 speaking to the ladies and gentlemen of the jury.

20 Q Would you be willing to come to Oklahoma  
21 and speak to the ladies and gentlemen of the jury in  
22 person in January so that I might have an  
23 opportunity to cross-examination you and get your  
24 testimony on the record in front of them?

25 A I would be -- I'm willing to do what --

1 whatever I need to do.

2 Q Is that, yes, that's something you would  
3 entertain?

4 A If I would be -- yes, I would entertain.

5 Q Okay.

6 A Certainly I would work with counsel to  
7 determine what -- what the best procedure -- or what  
8 the best thing to do would be.

9 Q All right. You have no problems with  
10 coming if I could accommodate your schedule; is that  
11 correct?

12 A I -- I think I said I'd be happy to talk  
13 to the jury.

14 Q Okay. All right. So we have Michael  
15 Carroll, who you will tell me about, and  
16 approximately three State Farm in-house lawyers who  
17 you won't. Anybody else that's a member of this  
18 purported investigative team?

19 A These are the people who are -- are  
20 leading the -- the -- the work.

21 Q Well, I'm not asking --

22 A They're ultimately responsible for this.

23 Q All of them?

24 A All of these people?

25 Q Yes.

1           A     Yes.

2           Q     Okay.  Aren't you ultimately responsible?

3           A     I am -- they are ultimately responsible  
4     for the work and reporting to me.  Yes, I am  
5     ultimately responsible.

6           Q     Okay.  Did you -- in regard to Exhibits 1  
7     and 2 before you, what was the process?  Did you  
8     just send these out on your own, or did they require  
9     someone's approval, more specifically, State Farm's  
10    in-house lawyers before they went out?

11          A     I did not send these out without having  
12    conversations with a number of people.  They didn't  
13    require anybody's approval, but I certainly had  
14    conversations with people.

15          Q     Okay.  In regard to Plaintiffs' Exhibit 1,  
16    who did you have conversations with where you  
17    prepared and sent this e-mail out?

18          A     I had conversations with my attorneys.  I  
19    had conversations with Michael Carroll.

20          Q     All right.  That's what I'm asking you.  
21    Who?  Not just the attorneys collectively.  Who?

22                MR. JONES:  I have the same objection as  
23    to the identity of the attorneys.  I instruct her  
24    not to answer.  She's answered she had discussions  
25    with State Farm's counsel and Michael Carroll.

1 Q (BY MR. MARR) All right. Well, ma'am --  
2 I mean, you didn't prepare this in anticipation of a  
3 lawsuit, did you?

4 A I -- I'm not clear on your question.

5 Q Okay. I mean, you didn't prepare this in  
6 preparation -- this -- this e-mail, Plaintiffs'  
7 Exhibit 1, that's not something that you prepared in  
8 preparation for our next trial in January, is it?

9 A No, Mr. Marr. This was -- this document  
10 is -- was prepared as a -- following the Watkins  
11 verdict.

12 Q Right. After the fact.

13 A It was prepared after the verdict. Yes,  
14 it was.

15 Q Okay. I mean, it wasn't prepared in  
16 anticipation of future litigation, that wasn't the  
17 reason it was prepared, correct?

18 MR. JONES: Object. Asked and answered.  
19 You may answer it.

20 THE WITNESS: This document was prepared  
21 as a result of the Watkins verdict.

22 Q (BY MR. MARR) I understood that. My  
23 question was a different one. This isn't something  
24 that you prepared for future litigation, correct?

25 MR. JONES: Objection. Asked and

1 answered. Go ahead, Ms. Hood.

2 THE WITNESS: This was not prepared for  
3 future litigation.

4 Q (BY MR. MARR) Okay. All right. Now, on  
5 the advice of counsel, you're not going to tell me  
6 how many lawyers you spoke with or what their names  
7 were before you sent this Plaintiffs' Exhibit 1 out?

8 A That is correct. I'm going to heed the  
9 advice of my counsel.

10 Q All right. Did you draft it?

11 A I -- I did not -- no, I did not draft it.  
12 It was drafted by the people I talked about.

13 Q Well --

14 A Mr. Carroll was involved in the drafting.

15 Q Is Mr. Carroll a lawyer?

16 A Mr. Carroll is not a lawyer.

17 Q Okay. Is this the one and only version?  
18 Were there drafts of this that were subsequently  
19 revised or modified and this represents the final  
20 draft?

21 A I -- I don't remember whether there were  
22 drafts.

23 Q Was there some type of meeting that --  
24 wherein it was discussed that this type of thing  
25 needed to be sent out?

1           A       There was a meeting following the Watkins  
2 verdict, and I discussed -- and we discussed the --  
3 the -- the jury's findings with regard to Haag. And  
4 we discussed -- and I discussed the need to  
5 communicate with my -- the claims organization.

6           Q       And then someone else prepared this and  
7 you sent it out; is that correct?

8           A       Somebody probably prepared a draft, then I  
9 worked closely on it, and it was sent out.

10          Q       Where is the draft?

11          A       (Shakes head.)

12          Q       Has it been destroyed?

13          A       I don't know. I don't remember.

14          Q       Did you review it yesterday?

15          A       No. This is the document I reviewed  
16 yesterday.

17          Q       Did you bring it with you?

18          A       This document that is Exhibit 1 is what I  
19 reviewed yesterday.

20          Q       Okay. Well, my question is a different  
21 one. Did you review the draft or any revisions made  
22 or any suggestions?

23          A       No, I did not review anything but  
24 Exhibit 1 yesterday.

25          Q       All right. Do the drafts still exist?

1           A       I don't know.

2           Q       Who would know?

3           A       I don't know.

4           Q       Does State Farm normally keep drafts of  
5 memos like this that are sent out after discussions  
6 with their in-house lawyers?

7                   MR. JONES: Object to the form. You may  
8 answer.

9                   THE WITNESS: You know, I don't -- I don't  
10 really know.

11          Q       (BY MR. MARR) All right. Well, when and  
12 where did this meeting occur?

13          A       The meeting occurred -- I don't know the  
14 exact date of the meeting, but it occurred shortly  
15 after the verdict came out. It was a holiday  
16 weekend, so the meeting would have occurred sometime  
17 following the Memorial Day weekend, one of those  
18 days.

19          Q       And where did the meeting take place?

20          A       It -- I don't -- it took place in a  
21 conference room out in my department.

22          Q       Were minutes kept of the meeting?

23          A       I -- no. I don't keep any -- did not keep  
24 any minutes of the meeting.

25          Q       Were any -- did you make any notes during

1 the meeting?

2 A I -- I don't -- no, I don't remember. I  
3 don't think so.

4 Q Have you looked?

5 A I don't know. I don't have -- actually, I  
6 don't have any notes of the meeting, no.

7 Q You didn't take any notes during the  
8 meeting? Just did it all from memory?

9 A I -- I don't remember if I took some  
10 notes.

11 Q Did you review any notes yesterday?

12 A No, I did not.

13 Q Did you check to see if you had any notes?

14 A I didn't review any notes and I didn't  
15 check to see if I had any notes.

16 Q Do you normally keep your notes from  
17 meetings such as these following verdicts?

18 A Sometimes I do, sometimes I don't.

19 Q And there's no standard practice at State  
20 Farm regarding the keeping of notes or records?

21 MR. JONES: Object to the form. You may  
22 answer.

23 THE WITNESS: We do have a records -- yes,  
24 we have a records management program.

25 Q (BY MR. MARR) Do notes pertain to that?

1 Are notes covered by the records management?

2 A I don't remember.

3 Q You don't know whether or not you're  
4 required under State Farm's records management  
5 program to keep notes that you had from a meeting  
6 concerning a multi-million dollar verdict against  
7 the company?

8 A I -- I can't -- I -- I don't know.

9 Q Have you had similar meetings in the past  
10 following multi-million dollar verdicts against the  
11 company?

12 A I don't remember.

13 Q You don't remember. For all you know,  
14 this could be the first meeting you had following a  
15 multi-million dollar verdict against State Farm?

16 A I don't remember, Mr. Marr.

17 Q Same question in regard to Plaintiffs'  
18 Exhibit 2, the letter to Mr. Wiethorn. Did you  
19 prepare this letter or did you just sign it?

20 A I did not just sign it. I did prepare  
21 this letter.

22 Q Does Plaintiffs' Exhibit 2 represent the  
23 one and only version of this letter to Haag  
24 Engineering?

25 A Yes.

1 Q There were no drafts? It didn't go  
2 through the legal department and undergo any  
3 revisions or modifications?

4 MR. JONES: Let me object about anything  
5 the legal department may have done. That's  
6 privileged. Otherwise you may answer.

7 THE WITNESS: I did have my attorneys look  
8 at this letter.

9 Q (BY MR. MARR) And?

10 A And they gave me -- they -- they gave me  
11 some input on it. I don't recall the specifics of  
12 the input.

13 Q Okay. But in any -- any event, you  
14 modified or revised the letter based on input you  
15 received from in-house lawyers, correct?

16 A I may have, but I don't recall the  
17 specifics of that.

18 Q Okay. This -- this letter doesn't say how  
19 it was sent. How was it sent?

20 A It would have been sent through the U.S.  
21 mail.

22 Q It wasn't faxed to Haag or transmitted  
23 electronically to Haag?

24 A To the best of my knowledge, it was -- it  
25 was sent through the U.S. mail.

1 Q Any reason why the letter predates the  
2 memo?

3 A Yes.

4 Q Could you elaborate?

5 A Yes. I felt it was appropriate to contact  
6 Haag first. I contacted Haag -- members of Haag  
7 first on May 31, and the letter went out. And then  
8 I -- so I -- it was appropriate to advise them at  
9 Haag of what my decision was, and then I  
10 communicated with my -- the folks in my -- in the  
11 State Farm claim -- claims organization.

12 Q All right. Did you call Haag before you  
13 sent them this letter?

14 A Yes. Yes, I did.

15 Q And who did you speak with?

16 A I spoke with Mr. Wiethorn and Mr. Stewart.  
17 There may have been one other person on the phone.  
18 I don't remember. But I spoke with these two  
19 gentlemen.

20 Q Okay. And was it a conference call?

21 A Not on my end.

22 Q Was there anyone else in the room with you  
23 when you made this phone call to Haag, giving them a  
24 heads-up this letter was coming?

25 A I believe I had one of my attorneys in the

1 room with me.

2 Q Which one?

3 A I don't --

4 MR. JONES: Same --

5 THE WITNESS: -- remember.

6 MR. JONES: You don't remember. Go ahead.

7 Q (BY MR. MARR) And is that normal for you  
8 to have one of your attorneys in the room when you  
9 make phone calls?

10 A From time to time, I do. I have -- I ask  
11 an attorney to be in the room with me. It depends  
12 on the specifics of what the issue is or what I'm  
13 going to talk about.

14 Q Why? Why did you feel that an attorney  
15 needed to be in the room with you when you made this  
16 phone call to Haag?

17 A I felt it was in -- that -- I had been  
18 working with the -- with our attorneys, and I felt  
19 it was prudent to have somebody in the room with me.

20 Q What do you mean you had been working with  
21 attorneys?

22 A I just -- I answered earlier that I had  
23 engaged -- consulted with our attorneys about --  
24 about the letter, and so I had one of the attorneys  
25 in the room with me.

1 Q Okay. So one of the attorneys was in the  
2 room with you when you had this phone conversation  
3 with several individuals from Haag. And was this  
4 same attorney also involved in preparing this memo  
5 dated three days later?

6 A I can't remember.

7 Q Okay. Did the attorney pass you notes or  
8 give you instruction during this phone conversation  
9 to Haag?

10 MR. JONES: I'm going to object to the  
11 form of the question. Instruct you not to answer  
12 that --

13 MR. MARR: Certify it.

14 MR. JONES: -- in accordance with the  
15 attorney-client privilege.

16 MR. MARR: Certify it.

17 Q (BY MR. MARR) Did you make any notes  
18 during your phone call with Haag?

19 A I don't remember.

20 Q Did you make any entries into the computer  
21 memorializing the phone conversation with Haag in  
22 any way?

23 A I don't -- I don't remember.

24 Q Did you notify Haag beforehand that they  
25 would be receiving the call from you?

1           A     I did not notify Haag.

2           Q     Did anyone?

3           A     I don't know.

4           Q     Was Haag expecting your call?

5           A     Actually, Haag was expecting my call,  
6 because we had initially talked about getting  
7 together in person. And it became too complicated  
8 to get together in person, and so we agreed to a  
9 phone call.

10          Q     Did Haag ever travel up to Bloomington or  
11 did you ever travel down to Dallas and meet with  
12 Haag following the Watkins verdict?

13          A     No. I did not travel down to meet with  
14 Haag, and they did not come to Bloomington --

15          Q     Okay.

16          A     -- to meet with me.

17          Q     Any type of conference, other than this  
18 one phone call that you've had, or any members of  
19 your investigative team have had with Haag following  
20 the Watkins jury's verdict?

21          A     I don't know.

22          Q     Why don't you know?

23          A     I don't know what my -- I'm sorry. You  
24 were talking about my investigative team?

25          Q     Yes.

1           A       And the question is, did members of my  
2       investigative team meet with Haag?

3           Q       Or have any communication with Haag,  
4       either on the phone, in person, electronically,  
5       other than this one letter and phone conference that  
6       you had with them prior to the letter.

7           A       Not to my knowledge were -- have -- have  
8       any members of this -- of my staff had any  
9       conversations with Haag following this.

10          Q       Who is this independent counsel that you  
11       referred to earlier that's involved in this  
12       investigation of Haag and Renfroe following the  
13       Watkins jury's verdict?

14          A       We have retained independent counsel,  
15       Michael Traynor, to work with us on a peer review of  
16       Haag Engineering.

17          Q       How do you spell Mr. Traynor's last name?

18          A       T-r-a-y-n-o-r.

19          Q       And where is he located?

20          A       Mr. Traynor is with the firm Cooley  
21       Godward in California, San --

22                 MR. JONES: Jeff, when you get to a  
23       stopping point, I want to take a break.

24          Q       (BY MR. MARR) How was the selection --  
25       how was the decision made to employ the services of

1 Cooley Godward and Mr. Traynor?

2 A We had -- I engaged in -- in a lot of  
3 discussions with my corporate attorneys. We talked  
4 about what we were -- were -- the peer -- peer  
5 review and we -- my attorneys suggested that  
6 Mr. Traynor would be an appropriate person to  
7 consider to lead this peer review.

8 Q Has Mr. Traynor done anything like this,  
9 or his firm done anything like this for State Farm  
10 previously?

11 A Not to my knowledge.

12 Q Is Mr. Traynor involved, or his firm, in  
13 any way, shape, or form in any of the claims from  
14 the Gulf?

15 A Not to my knowledge.

16 Q How much is State Farm paying Mr. Traynor?

17 A I don't know.

18 Q Who would know that?

19 A Probably -- maybe some of my attorneys. I  
20 don't -- I don't know who would know that.

21 Q Who is Phil Supple?

22 A Phil Supple is a member of our corporate  
23 communications and external relations department.

24 Q Where is he located?

25 A He's here in Bloomington.

1 Q What is his title?

2 A I don't know.

3 Q What does corporate communications do?

4 A It's the -- it's a department that deals  
5 with the internal -- internal State Farm  
6 communications, as well as the external  
7 communications -- or communications external to  
8 State Farm.

9 Q Ma'am, did you execute an affidavit in an  
10 attempt to avoid giving your deposition here today?

11 A I execute -- I executed an affidavit not  
12 to attempt giving my deposition, Mr. Marr. I  
13 executed an affidavit because I didn't believe I was  
14 the right person who had the details about the  
15 Watkinses' claim or the class members' claim.

16 Q Well, ma'am, I've marked it as Exhibit 3,  
17 and feel free to refer to it if you need to. But it  
18 says, does it not, Paragraph 7, Page 2, "I submit  
19 this affidavit solely to establish, in support of  
20 State Farm's opposition to my deposition." Correct?

21 A "In opposition to my deposition that I do  
22 not have personal knowledge of the insurance claim  
23 of the Watkins."

24 Q All right. You -- you submitted this  
25 affidavit in opposition to giving your deposition

1 here today, did you not?

2 A I submitted this affidavit in opposition  
3 to my deposition because I did not think I was the  
4 right person, because I don't have personal  
5 knowledge of the insurance claims of the Watkinses  
6 or the class members.

7 Q And, ma'am, that's just not true, is it?  
8 I mean, you're -- you're responsible for the  
9 investigation that's looking at the -- State Farm's  
10 use of Haag and independent adjusters regarding each  
11 and every one of these class members' claims. You  
12 were -- you were said to be the person most  
13 knowledgeable according to the president of the  
14 company --

15 MR. JONES: Let me object --

16 Q (BY MR. MARR) -- correct?

17 MR. JONES: -- to the form of the  
18 question. It's multifarious. If you understand it,  
19 you can answer it.

20 Q (BY MR. MARR) Go ahead.

21 A I don't have personal knowledge of the  
22 Watkinses' claim or the claims of the class members.  
23 I am the person who is ultimately responsible for  
24 the peer review.

25 Q Well, why isn't that in here? Because

1 according to this, you don't know anything about the  
2 Watkinses' claim, anybody else's claim, or anything  
3 other than you basically heard about the verdict.

4 MR. JONES: Object to the form of the  
5 question. You may answer.

6 THE WITNESS: What is the -- I don't  
7 understand the question.

8 Q (BY MR. MARR) Why didn't you include  
9 anything in here that you're responsible for some  
10 internal investigation concerning these folks'  
11 claims in State Farm's use of Haag?

12 A I don't know.

13 Q Do you think that would have helped us --  
14 helped us succeed in taking your deposition? I  
15 mean, you were here opposing it. Did you think that  
16 it wouldn't -- it wouldn't be helpful to your case  
17 if you disclosed that fact to the -- to the Court?

18 MR. JONES: Object to the form. You may  
19 answer.

20 THE WITNESS: I -- I don't know.

21 Q (BY MR. MARR) I mean, don't you think  
22 that the investigation of the use of Haag in  
23 connection with these class members' claims is  
24 something that they're entitled to know about?

25 A I don't know.

1 Q Well, why is it that -- I mean, who  
2 prepared this affidavit?

3 A I don't -- I don't know.

4 Q Is that your signature?

5 A Yes, it is my signature.

6 Q Who is -- Mary Janean Necessary?

7 A Yes.

8 Q Who is that?

9 A Notary public in the office.

10 Q Is it your secretary?

11 A My -- my assistant is a notary public,  
12 yes.

13 Q Okay. And that's her?

14 A Yes, it is.

15 Q Do you think that it was appropriate to  
16 represent -- to make the representation that you did  
17 to the Court in this affidavit in light of your  
18 position as the person who initiated and is  
19 spearheading the investigation internally of these  
20 class members' claim in State Farm's use of Haag?

21 A I'm sorry, Mr. Marr, I don't know what  
22 your question is.

23 Q Okay. Do you think it was appropriate for  
24 you to make these types of representations that you  
25 don't know anything given your position as the

1 leader of this investigation?

2 A This statement is an absolutely truthful  
3 statement. I do not have personal knowledge of the  
4 Watkinses' claims, and I do not have personal  
5 knowledge of the claims of the class members.

6 Q Okay. Well, how is it you're conducting  
7 this investigation then?

8 A The investigation, Mr. Marr, has to do  
9 with Haag engineers' reports. And we're -- and  
10 this -- and we're doing so through this independent  
11 peer review.

12 Q Haag's engineering reports in what? In  
13 relation to what?

14 A We are doing an independent objective  
15 review -- we are going to undertake through this  
16 peer review an independent objective review of  
17 Haag's engineering reports.

18 Q Whose reports? Reports from which claims?

19 MR. JONES: Objection. Asked and  
20 answered. You may answer again.

21 THE WITNESS: Mr. Traynor, who is the  
22 counsel who is leading this effort for us, is going  
23 to make the decision which claims he would like --  
24 he believes should be reviewed in this process.

25 Q (BY MR. MARR) Well, no. Yesterday we

1 were told it was the Haag reports from the class  
2 members in the Watkins. Is that not true?

3 MR. JONES: Object to the form. You may  
4 answer if you know, ma'am.

5 THE WITNESS: Again, Mr. Traynor is going  
6 to make -- work -- in -- in -- in setting up this  
7 peer review, he will determine which engineering  
8 reports are going to be reviewed.

9 Q (BY MR. MARR) Well, in the three months,  
10 how has your investigation moved forward? What have  
11 you accomplished so far? It's actually more than  
12 three months.

13 A We -- we're moving -- the process is  
14 moving forward. Mr. Traynor is working -- working  
15 on putting together the specifics of the peer  
16 review.

17 Q Can you be a little more specific and tell  
18 me something that's been accomplished in this --  
19 over three months since the Watkins jury's verdict?

20 A I can tell you, Mr. Marr, that we're  
21 moving forward with this peer review. We're going  
22 to do it hands off from State Farm in order to get  
23 as objective an assessment of Haag Engineering files  
24 as we can.

25 Q What has been done?

1 A Mr. --

2 Q It's been more than three months since the  
3 Watkins verdict, what has been done?

4 A What has been done with regard to?

5 Q The investigation that you're supposedly  
6 the most knowledgeable person about.

7 A We're moving -- we're -- we are -- we are  
8 working with Mr. Traynor, and Mr. Traynor is putting  
9 together this peer review process.

10 Q Can you just not give me one tangible  
11 thing, one specific thing, other than say, "we're  
12 moving forward"?

13 MR. JONES: Object to the argumentative  
14 nature of the question.

15 Q (BY MR. MARR) Go ahead.

16 MR. JONES: If you have a different  
17 answer, you may answer, Ms. Hood.

18 Q (BY MR. MARR) Go ahead.

19 A I don't -- no, I don't have something  
20 tangible to share with you. Because my expectation  
21 is, Mr. Traynor is going to conduct this and -- and  
22 do it in the most objective fashion he can do it in.

23 MR. JONES: Okay. I need to take a break.

24 MR. MARR: Did you bring any --

25 MR. JONES: The witness needs to take a

1 break.

2 MR. MARR: We're just about done. And I  
3 mean, we're just about done.

4 MR. JONES: Okay.

5 Q (BY MR. MARR) Did you bring any other  
6 writings with you regarding anything that's  
7 transpired in this investigation?

8 A I didn't bring anything else with -- in  
9 writing with me.

10 Q Nothing?

11 A I did not bring anything else with me,  
12 Mr. Marr.

13 Q Why?

14 A Because I -- I --

15 MR. JONES: Well --

16 MR. MARR: Let her finish.

17 THE WITNESS: I didn't have anything else  
18 to share with you.

19 Q (BY MR. MARR) Okay. I tell you what  
20 we're going to do, ma'am. In light of the  
21 representations that you have made through your  
22 affidavit, that your attorneys have made both to the  
23 Court and to the Oklahoma Supreme Court, I think  
24 that you have been, and your company has been, less  
25 than honest regarding your knowledge of what's going

1 on, and to try to avoid giving your deposition was  
2 totally inappropriate.

3 So I'm going to serve you today. I'm  
4 going to give you a subpoena. And I encourage your  
5 attorneys to go ahead and try and quash it, file  
6 whatever they need to file with the Court, so that  
7 we can make known to the Court your and your  
8 company's attempts to mislead everyone regarding  
9 your knowledge of what's going on.

10 And then when they take it up on a writ,  
11 we can go out to the Supreme Court and let them know  
12 that they were --

13 MR. JONES: Okay. Without a speech --

14 Q (BY MR. MARR) -- misinformed, too.

15 MR. JONES: -- why don't you serve her and  
16 let's figure out what we're doing.

17 Q (BY MR. MARR) Plaintiffs' 4 is a  
18 subpoena. And with that said, in light of the fact  
19 that there are no documents that you brought with  
20 you concerning this purported investigation, we're  
21 going to adjourn your deposition today, and we're  
22 going to move for an order of the Court sanctioning  
23 State Farm and compelling you to come and give your  
24 testimony and bring those documents with you in  
25 Oklahoma.

1                   MR. JONES: Are you finished? Give me a  
2 moment, okay? Just a second.

3                   (A break was taken from 10:09 a.m. to  
4 10:23 a.m.)

5                   CROSS-EXAMINATION

6 BY MR. JONES:

7           Q       Are you ready to proceed, Ms. Hood?

8           A       (Nods head.)

9           Q       Let me show you what our reporter has  
10 marked as Plaintiffs' Exhibit No. 4 for  
11 identification. Can you identify that for the  
12 record, please?

13          A       Do you want me to read it or --

14          Q       Tell us what it is, if you would.

15          A       This is the document that Mr. Marr just  
16 handed to you before we took a break. It's a -- I  
17 think this is the document you're talking about.

18          Q       Okay. I'm sorry. I handed you the wrong  
19 one.

20          A       All right.

21          Q       Please excuse me. Let me show you what's  
22 been marked as Defendant's Exhibit No. 1. I  
23 apologize.

24          A       This is a Notice to Take Videotaped  
25 Deposition.

1           Q     And have you seen that before today,  
2     ma'am?

3           A     Actually, I -- no, I haven't.

4           Q     Okay. Would you take a look at that  
5     document and tell me, first of all, whether there is  
6     any request there for you to bring any records,  
7     document, drafts, letters, anything of any sort with  
8     you today?

9           A     No. There's -- in reading it, there's no  
10    mention of bringing any documents.

11          Q     Okay. Ms. Hood, could you tell the ladies  
12    and gentlemen of the jury any or all action you've  
13    taken after the Watkins case, including what you've  
14    already told Mr. Marr about in direct examination  
15    today.

16          A     Yes. I would be happy to. We -- the  
17    first action I took was to issue a suspension or a  
18    moratorium on any new claims being sent to Haag  
19    Engineering. We talked a lot earlier about that,  
20    and I shared a letter.

21                    The second action taken is that I asked my  
22    staff to -- to retain independent counsel to begin  
23    the process of an independent objective peer review  
24    of Haag engineer reports.

25                    The third action that is being taken is

1 that I've asked my staff to do a review, a  
2 self-critical analysis of our processes and  
3 procedures with regard to the use of independent  
4 adjusting firms, and that review is -- process is  
5 ongoing.

6 The fourth thing I did was, I've asked my  
7 staff to develop an operations guide to assist claim  
8 employees in the retention of engineers and to  
9 develop a process for -- to assure the accreditation  
10 of the engineering firms.

11 The next thing that I asked my staff to  
12 work on is to do a self-critical review and analysis  
13 of the communications we have with our policyholders  
14 regarding overhead and profit and replacement cost,  
15 as well as a review of the processes and procedures  
16 that our claim reps go through when talking about  
17 and working with overhead and profit and replacement  
18 cost.

19 And the final action that I have taken is  
20 to ask members of my staff to work broadly with  
21 others in the enterprise -- this is not just within  
22 my department -- and begin a review and -- a  
23 self-critical review of the processes and procedures  
24 as an enterprise we have to engage in relationships  
25 with vendors.

1           Q     Is there a working committee involved in  
2     the review and creation of the analysis or  
3     revision -- excuse me -- of the operation guide for  
4     specific guidance on when and how to retain  
5     engineers?

6           A     There is a -- yes. There is a group -- a  
7     working group working on that under the leadership  
8     of Michael Carroll.

9           Q     And do you have any anticipation of when  
10    you may receive that operation guide?

11          A     Yes. It's very -- it is a work in  
12    progress, but I expect to receive a final draft  
13    within the next couple of days.

14          Q     How about information regarding clarifying  
15    the process and communications on overhead and  
16    profit and replacement cost, is there a working  
17    group involved in that as well?

18          A     Yes. There is a working group. That --  
19    that effort is also being led by Michael Carroll.

20          Q     How about -- we discussed, I guess, with  
21    Mr. Marr, a term, "the internal investigation." Is  
22    that what you described as reexamining the  
23    procedures for independent adjusters?

24          A     Yes, that is correct.

25          Q     And when you talk about developing

1 enterprise guidelines for relationships with  
2 vendors, what is the enterprise? What does that  
3 mean?

4 A State Farm. It's not just vendors that we  
5 may use in our claims department. We're looking  
6 more broadly. And I am interested in developing or  
7 understanding and developing guidelines for vendors  
8 within the department, as well as within the State  
9 Farm organization.

10 Q And when you say relations -- or  
11 "relationships with vendors," what do you mean by  
12 that, Ms. Hood?

13 A There are some vendors who do different  
14 things for us. Some do a multitude -- or more than  
15 one -- provide more than one service for us. Haag  
16 is an example. Haag -- Haag provides engineering  
17 reports, Haag has training materials. And so going  
18 forward, I would like to have this working group  
19 look at the vendors that we use and identify the  
20 kinds of services they provide us.

21 Q Why have you initiated or implemented  
22 working committees to do the -- I believe it is six  
23 things that you've described a moment ago?

24 A Well, clear -- clearly the -- the Watkins  
25 jury -- jury verdict indicated that the jury had

1 some issues with these things. And in talking with  
2 counsel and understanding a little more about the  
3 verdict that the jury issued in Watkins, because  
4 they had some issues with these things, I have an  
5 obligation to our policyholders to look into these  
6 things. And so I have undertaken these --  
7 undertaken these six areas as areas that need to be  
8 looked at, and -- and -- and this work is ongoing.

9 Q So the work that you've described for us  
10 is an ongoing process at present?

11 A It is an ongoing process, yes.

12 Q Do you know at this point in time,  
13 Ms. Hood, what, ultimately, you will do in response  
14 to all of the various areas you've talked about when  
15 the committees are done with their work?

16 A I can't comment on what I will do, Mr. --  
17 Mr. Jones. It is a work in progress. Clearly, if  
18 there are areas that we need to enhance or bolster  
19 up, or do something different so that we can better  
20 take care of our customers, we're going to be about  
21 doing that.

22 Q And when did you initiate the matters that  
23 you have discussed with us in relation to the  
24 Watkins trial or verdict?

25 A We started meeting, oh, maybe four or five

1 days following the verdict. I think there was a  
2 long weekend. And certainly by the middle of the  
3 following week, I had assembled an appropriate group  
4 of people, and we started talking about the issues,  
5 and very quickly, we issued a moratorium. But our  
6 work began the week following the verdict.

7 Q Now, is there any reason, Ms. Hood, that  
8 you, as the vice president of claims, feel you need  
9 to hide any of the working drafts for any of these  
10 committees, the OG committees -- and I'm just using  
11 my term -- the committees for the process and  
12 communications on O and P, et cetera, is there any  
13 reason you have not to produce that information?

14 A I have no reason to hide anything. In  
15 fact, it is absolutely not my intent to hide  
16 anything. But this is work in progress right now,  
17 so I don't have a final -- final version of what we  
18 intend to do. And some of this might continue to be  
19 work in progress.

20 Q And were you asked at any time by  
21 Plaintiffs' counsel or in the notice of deposition  
22 to bring any of this information with you today?

23 A It wasn't my understanding that I needed  
24 to bring anything today.

25 Q Have you seen any kind of letter or

1 communication in which anybody asked you to bring  
2 any of the information on the various working  
3 committees you've got going?

4 A I've -- I've not received anything that  
5 indicated I needed to bring anything with me today.

6 Q When Mr. Marr was asking you about the  
7 peer review, is the peer review limited in some way  
8 to class member claims, or only those Haag reports  
9 that were involved in the Watkinses' claim?

10 A No. The peer review is not limited to the  
11 Watkins class members. The peer review is focused  
12 on Haag Engineering reports broadly. And my  
13 expectation is that Mr. Traynor, the independent  
14 counsel who has been asked to lead this, will  
15 determine how many and which and from where those  
16 claims come from. They will be looking at initially  
17 the Haag Engineering reports.

18 Q And what is the purpose, in your mind, as  
19 the vice president of claims, Ms. Hood, in giving  
20 Mr. Traynor the leeway you've described in preparing  
21 the committee -- excuse me -- the review process and  
22 formulating the parameters of that process?

23 A The purpose in giving Mr. Traynor the  
24 leeway is to have as much of a hands-off  
25 relationship with him so he can be about

1 establishing this peer review based on his best  
2 knowledge, his expertise, with no input from us, so  
3 that when it is concluded, I can be confident that  
4 the peer review was conducted in utmost objectivity  
5 so that we have as independent an assessment as  
6 possible.

7 Q And at the current time, Ms. Hood, are you  
8 able to predict what ultimately may be the  
9 relationship, if any, with Haag in the future as a  
10 result of Mr. Traynor's review?

11 A I -- I -- I can't predict what our  
12 relationship will be with Haag in the future. And  
13 whatever that relationship will be, will be in the  
14 best interest of our customers.

15 Q One of the things that you said you  
16 reviewed in preparing for your deposition was the  
17 Commitment to Policyholders. Can you tell us why  
18 you did that?

19 A The Commitment to Our Policyholders is --  
20 is the document that we in claims adhere to in  
21 everything that we do. And the last sentence sums  
22 it up. Our commitment to our policyholders, to pay  
23 what we owe, promptly, courteously, and efficiently.  
24 I always like to have that nearby. Although I know  
25 it very well, but it's a document that I -- I review

1 frequently, and I -- I had it in front of me  
2 yesterday.

3 Q Do you take that commitment seriously,  
4 Ms. Hood?

5 A I take that commitment very seriously, and  
6 I talk about it every opportunity I have.

7 MR. JONES: I'll pass the witness at this  
8 time. Thank you, Ms. Hood.

9 MR. MARR: I'll stand on my record and  
10 adjourn the deposition under the conditions stated  
11 previously.

12 (DEPOSITION CONCLUDED AT 10:36 A.M.)

13 \* \* \* \* \*

14

15

16

17

18

19

20

21

22

23

24

25

J U R A T

1  
2 STATE OF \_\_\_\_\_ )  
3 COUNTY OF \_\_\_\_\_ ) SS:  
4

5 I, SUSAN Q. HOOD, do hereby state under  
6 oath that I have read the above and foregoing  
7 videotaped deposition in its entirety and that the  
8 same is a full, true and correct transcription of my  
9 testimony so given at said time and place, except  
10 for the corrections noted.  
11  
12  
13

14 \_\_\_\_\_  
SUSAN Q. HOOD

15 Subscribed and sworn to before me, the  
16 Notary Public in and for the State of \_\_\_\_\_,  
17 by said witness, \_\_\_\_\_, on this,  
18 the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.  
19  
20

21 \_\_\_\_\_  
NOTARY PUBLIC  
22

23 My Commission Expires: \_\_\_\_\_  
24 (MRN)  
25

C E R T I F I C A T E

1  
2 STATE OF OKLAHOMA )  
3 ) SS:  
4 COUNTY OF OKLAHOMA )

5 I, MELINDA R. NIEVEZ, Certified Shorthand  
6 Reporter within and for the State of Oklahoma, do  
7 hereby certify that the above-named SUSAN Q. HOOD,  
8 was by me first duly sworn to testify the truth, the  
9 whole truth, and nothing but the truth, in the case  
10 aforesaid; that the above and foregoing videotaped  
11 deposition was by me taken in shorthand and  
12 thereafter transcribed; that the same was taken on  
13 the 7th day of September, 2006, in the City of  
14 Bloomington, State of Illinois, pursuant to notice  
15 and court order, and under the stipulations  
16 hereinbefore set out; and that I am not an attorney  
17 for nor relative of any of said parties nor  
18 otherwise interested in the event of said action.

19 IN WITNESS WHEREOF, I have hereunto set my  
20 hand and official seal this 11th day of September,  
21 2006.

22  
23 \_\_\_\_\_  
24 MELINDA R. NIEVEZ, CSR, RPR  
25 Oklahoma Certified Shorthand Reporter  
Registered Professional Reporter  
Certificate No. 01539  
Exp. Date: December 31, 2006

Susan Q. Hood  
September 7, 2006

Page 78

1 ERRATA SHEET  
2 VIDEOTAPED DEPOSITION OF SUSAN Q. HOOD  
3 REPORTER: MELINDA R. NIEVEZ, CSR, RPR  
4 DATE DEPOSITION TAKEN: SEPTEMBER 7, 2006

| 5  | Page | Line | Correction |
|----|------|------|------------|
| 6  |      |      |            |
| 7  |      |      |            |
| 8  |      |      |            |
| 9  |      |      |            |
| 10 |      |      |            |
| 11 |      |      |            |
| 12 |      |      |            |
| 13 |      |      |            |
| 14 |      |      |            |
| 15 |      |      |            |
| 16 |      |      |            |
| 17 |      |      |            |
| 18 |      |      |            |
| 19 |      |      |            |
| 20 |      |      |            |
| 21 |      |      |            |
| 22 |      |      |            |
| 23 |      |      |            |
| 24 |      |      |            |
| 25 |      |      |            |

STEVE MEADOR & ASSOCIATES

405-232-4114

FAX 405-232-1060

800-385-4114