

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

FIRST SOUND BANK, a Washington
corporation,

Plaintiff,

v.

LARASCO, INC., a Washington
corporation, et al.,

Defendants.

No. C09-0056-TSZ

**DECLARATION OF STEVEN
SHAUGHNESSY IN SUPPORT OF
FIRST SOUND BANK'S RESPONSE
TO WASHINGTON FEDERAL'S
MOTION TO ENFORCE
SETTLEMENT AGREEMENT**

WELLS FARGO EQUIPMENT
FINANCE, INC., a Minnesota corporation,
et al.,

Plaintiff-Interveners,

v.

FIRST SOUND BANK, a Washington
corporation, et al.,

Defendants-in-Intervention.

I, Steven Shaughnessy, declare and testify as follows:

- 1. I am over the age of eighteen and am otherwise competent to testify herein.
- 2. I am the President and Chief Operating Officer of First Sound Bank

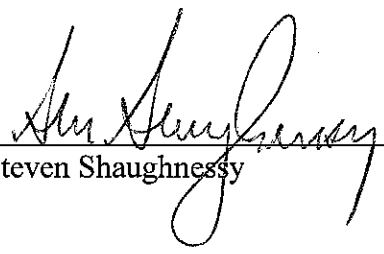
("FSB"). I have served in this capacity since FSB's founding in 2004.

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3. FSB has researched the market rates that are charged by third-party lease servicers for the services that FSB presently provides to Banner Bank, Washington Federal and other Investor Banks. Based on this research, which includes proposals from third-party servicers, it is my expectation that a servicer would charge Banner Bank approximately \$165,000 to service Banner's leases for the remainder of their terms. The cost of servicing Washington Federal's leases would likely be higher than this because Washington Federal's lease portfolio is larger than Banner Bank's portfolio.

I declare under penalty of perjury of the law of the State of Washington that the foregoing is true and correct.

Dated: June 21, 2010 at Seattle, Washington.


Steven Shaughnessy

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that on this date, I electronically filed the foregoing document with
3 the Clerk of the Court using the CM/ECF system which will send notification of such filing
4 to:

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7 I declare under penalty of perjury under the laws of the State of Washington that the
8 foregoing is true and correct.

9 Dated this 21st day of June, 2010 at Seattle, Washington.

10 s/Kelly M. Kennedy
11 Kelly M. Kennedy, Legal Assistant