

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

In the matter of the application of

U.S. BANK NATIONAL ASSOCIATION, THE BANK OF NEW YORK MELLON, THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., WILMINGTON TRUST, NATIONAL ASSOCIATION, LAW DEBENTURE TRUST COMPANY OF NEW YORK, WELLS FARGO BANK, NATIONAL ASSOCIATION, HSBC BANK USA, N.A., and DEUTSCHE BANK NATIONAL TRUST COMPANY (as Trustees under various Pooling and Servicing Agreements and Indenture Trustees under various Indentures), AEGON USA Investment Management, LLC (intervenor), Bayerische Landesbank (intervenor), BlackRock Financial Management, Inc. (intervenor), Cascade Investment, LLC (intervenor), the Federal Home Loan Bank of Atlanta (intervenor), the Federal Home Loan Mortgage Corporation (Freddie Mac) (intervenor), the Federal National Mortgage Association (Fannie Mae) (intervenor), Goldman Sachs Asset Management L.P. (intervenor), Voya Investment Management LLC (f/k/a ING Investment LLC) (intervenor), Invesco Advisers, Inc. (intervenor), Kore Advisors, L.P. (intervenor), Landesbank Baden-Wuerttemberg (intervenor), Metropolitan Life Insurance Company (intervenor), Pacific Investment Management Company LLC (intervenor), Sealink Funding Limited (intervenor), Teachers Insurance and Annuity Association of America (intervenor), The Prudential Insurance Company of America (intervenor), the TCW Group, Inc. (intervenor), Thrivent Financial for Lutherans (intervenor), and Western Asset Management Company (intervenor),

Petitioners,

-against-

TRIAXX PRIME CDO 2006-1, LTD., TRIAXX PRIME CDO 2006-2, LTD., TRIAXX PRIME CDO 2007-1, LTD. (intervenor), QVT FUND V LP, QVT FUND IV LP, QUINTESSENCE FUND L.P., QVT FINANCIAL LP (intervenor), AMBAC ASSURANCE CORPORATION, THE SEGREGATED ACCOUNT OF AMBAC ASSURANCE CORPORATION (intervenor), and W&L INVESTMENTS, LLC (intervenor)

Respondents,

for an order, pursuant to CPLR § 7701, seeking judicial instruction, and approval of a proposed settlement.

**Index No. 652382/2014**

**Friedman, J.**

[Proposed] Final Order and Judgment

Petitioners, the Trustees,<sup>1</sup> solely in each of their respective capacities as trustee, indenture trustee, successor trustee, or separate trustee of the residential mortgage-backed securitization trusts (the “Accepting Trusts”) identified in Exhibit A to the Trustees’ First Amended Petition, NYSCEF Doc. 57 (the “First Amended Petition”), having applied to this Court for an order pursuant to CPLR § 7701 for judicial instruction and approval of a settlement entered into by and among JPMorgan Chase & Co. and a group of Institutional Investors,<sup>2</sup> such settlement being embodied in the RMBS Trust Settlement Agreement, entered into as of November 15, 2013, modified as of July 29, 2014, and accepted by the Trustees on July 30, 2014 and October 1, 2014 (the “Settlement Agreement”);

UPON this Court having conducted an evidentiary hearing on the Trustees’ First Amended Petition commencing on January 20, 2016; and

UPON this Court having rendered its decision (the “Decision”) on \_\_\_\_\_, 2016, which Decision is attached hereto as Exhibit A; and

UPON the Decision with notice of entry, which is attached hereto as Exhibit B, having been served upon all parties on \_\_\_\_\_, 2016; and

UPON all of the pleadings and proceedings, it is hereby ORDERED that the cause of action in the First Amended Petition for a declaratory judgment is granted to the following extent:

It is hereby ORDERED, ADJUDGED, and DECLARED that:

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<sup>1</sup> The Trustees are U.S. Bank National Association, The Bank of New York Mellon, The Bank of New York Mellon Trust Company, N.A., Wilmington Trust, National Association, Law Debenture Trust Company of New York, Wells Fargo Bank, National Association, HSBC Bank USA, N.A., and Deutsche Bank National Trust Company.

<sup>2</sup> The Institutional Investors are AEGON USA Investment Management, LLC; Bayerische Landesbank, New York Branch; BlackRock Financial Management Inc.; Cascade Investment, L.L.C.; Federal Home Loan Bank of Atlanta; Federal National Mortgage Association and Federal Home Loan Mortgage Corporation; Goldman Sachs Asset Management, L.P.; Voya Investment Management LLC f/k/a ING Investment Management LLC; Invesco Advisers, Inc.; Kore Advisors, L.P.; Landesbank Baden-Wuerttemberg; Metropolitan Life Insurance Company; Pacific Investment Management Company LLC; Sealink Funding Limited, through its investment manager Neuberger Berman Europe Limited; Teachers Insurance and Annuity Association of America; The Prudential Insurance Company of America; The TCW Group, Inc. on behalf of itself and its subsidiaries; Thrivent Financial for Lutherans; and Western Asset Management Company.

1. For purposes of this Final Order and Judgment, the Court adopts all defined terms set forth in the Settlement Agreement. Capitalized terms used herein, unless otherwise defined, shall have the meanings set forth in the Settlement Agreement.
2. The Court has jurisdiction over the subject matter of this Article 77 proceeding, all parties to this proceeding, the Accepting Trusts, and all Certificateholders, Noteholders, and other parties claiming rights in the Accepting Trusts. The Court shall retain jurisdiction to enforce the terms of this Final Order and Judgment.
3. As previously found in the August 18, 2014 Order to Show Cause, NYSCEF Doc. 40 and the October 10, 2014 Order to Show Cause, NYSCEF Doc. 68, Certificateholders, Noteholders, and any other parties claiming rights in any Accepting Trust have been provided with notice that was reasonable and adequate and was the best notice practicable, was reasonably calculated to put interested parties on notice of this action, and constitutes due and sufficient notice of this special proceeding in satisfaction of federal and state due process requirements and other applicable law. All such persons have been given the opportunity to be heard in opposition to the First Amended Petition and to raise any claims relating to the Trustees' evaluation and acceptance of the Settlement Agreement.
4. All objections to the Trustees' conduct in connection with the Settlement Agreement are overruled, and any objections or claims related to the Settlement Agreement that have not been raised are waived.
5. Each of the Trustees acted within the bounds of its discretion, reasonably, and in good faith with respect to its evaluation and acceptance of the Settlement Agreement, concerning the Accepting Trusts.
6. Certificateholders, Noteholders, and any other parties claiming rights in any Accepting Trusts are barred from asserting claims against any Trustee with respect to such Trustee's evaluation and acceptance of the Settlement Agreement and

implementation of the Settlement Agreement, so long as such implementation is in accordance with the terms of the Settlement Agreement.

**SO ORDERED:**

**On the \_\_\_\_ day of \_\_\_\_\_, 2016**

**ENTER**

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**MARCY S. FRIEDMAN, J.S.C.**