

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

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, AND 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.)

AFFIDAVIT OF DAVID CO
IN SUPPORT OF THE TRUSTEES' FIRST AMENDED PETITION

STATE OF CALIFORNIA)
) ss.:
COUNTY OF ORANGE)

DAVID CO, being duly sworn, deposes and says:

1. I am a Director and Head of ABS/MBS Trust and Document Custody of Petitioner Deutsche Bank National Trust Company (“DBNTC” or the “Trustee”). In my capacity as a Director, my responsibilities include, among other things, managing and overseeing matters relating to DBNTC’s role in administering residential mortgaged-backed security (“RMBS”) trusts for which it serves as Trustee.

2. This affidavit reflects the testimony that I would provide at trial in my individual capacity and on behalf of DBNTC, and is based on my personal knowledge of the facts set forth herein, except as to certain matters that I believe to be true based on (a) information provided by experts retained by the Trustees¹; (b) information about this Article 77 proceeding contained in pleadings or other documents that I reviewed; and (c) my review of business records of DBNTC.

3. I understand that U.S. Bank, BNYM, Wilmington, Law Debenture, Wells Fargo, and HSBC also intend to submit affidavits in support of the First Amended Petition.

¹ As used herein, unless the context dictates otherwise, the term “Trustees” refers to DBNTC, U.S. Bank National Association (“U.S. Bank”), The Bank of New York Mellon, The Bank of New York Mellon Trust Company, N.A. (collectively with The Bank of New York Mellon, “BNYM”), Wilmington Trust, National Association (“Wilmington”), Wells Fargo Bank, National Association (“Wells Fargo”), and HSBC Bank USA, N.A (“HSBC”), each acting solely in its respective capacities as trustee, indenture trustee, and/or separate trustee of certain residential mortgage-backed securitization (“RMBS”) trusts. I understand that Law Debenture Trust Company of New York (“Law Debenture”) was appointed as separate trustee for certain RMBS trusts for which Wells Fargo serves as trustee on or about November 7, 2013, and references to “Trustees” relating to events after November 7, 2013 shall include Law Debenture.

4. DBNTC acts as Trustee for seven RMBS trusts that were included in the Proposed Settlement (as defined below), which are listed on Exhibit 1 hereto (collectively, the “DBNTC-Administered Trusts”).

I. TERMS OF THE PROPOSED SETTLEMENT

5. By letter dated November 15, 2013, a group of 21 institutional investors² claiming to hold a substantial percentage of the unpaid principal balance of securities from 330 RMBS trusts (the “Trusts”) (including the DBNTC-Administered Trusts) sponsored by JPMorgan Chase & Co. and/or certain of its direct or indirect subsidiaries, (“JPMorgan”) informed DBNTC, U.S. Bank, HSBC, BNYM, Wells Fargo, and Law Debenture, in their capacities as trustees of the Trusts, of a proposed settlement offer made by JPMorgan (the “Proposed Settlement”) and urged the Trustees to accept the Proposed Settlement. *See* T 5, pp. 1-2,³ T 2.

6. The Proposed Settlement contemplated that JPMorgan would undertake servicing improvements on Trusts that it services and make a cash payment to the Trustees on behalf of Investors⁴ in the Trusts in exchange for a release of claims against JPMorgan related to representations and warranties concerning mortgage loans in the Trusts. The Proposed

² The twenty one 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 (“Fannie Mae”); Federal Home Loan Mortgage Corporation (“Freddie Mac”); Goldman Sachs Asset Management, L.P.; ING Investment Management Co. LLC; Invesco Advisors, Inc.; Kore Advisors, L.P.; Landesbank Baden-Wuerttemberg; Metropolitan Life Insurance Company; Pacific Investment Management Company LLC (“PIMCO”); Sealink Funding Limited, through Neuberger Berman Europe Limited; Teachers Insurance Annuity Association of America; The Prudential Insurance Company of America; The TCW Group, Inc.; Thrivent Financial for Lutherans; Western Asset Management Company (collectively referenced in this affidavit as the “Institutional Investors”).

³ For the Court’s convenience and to avoid duplicative submissions, I have cited to the Trustees’ Exhibit list submitted in this proceeding. Exhibits are cited as “T 1,” *etc.*

⁴ For ease of reference, I use the term “certificates” to refer to certificates and notes issued under agreements governing the Trusts and the term “Investors” to refer to Certificateholders, Noteholders, beneficial owners, and investment managers or investment advisers acting on behalf of beneficial owners of certificates or notes of the Trusts.

Settlement was memorialized in a proposed settlement agreement (the “Settlement Agreement”).
See T 2.

7. The Institutional Investors presented the Proposed Settlement to the Trustees for their review and evaluation.

8. The Trustees’ last date to accept the Proposed Settlement (the “Acceptance Date”) was initially set as January 15, 2014. T 2, ¶¶ 1.01, 2.03(a). The Settlement Agreement permitted the Trustees to extend the Acceptance Date for up to for 60 additional days upon request by any Trustee to JPMorgan. T 2, ¶ 2.03(b). In order to ensure adequate time for the experts to complete their review and analysis, the Trustees sought from JPMorgan extensions of time to respond to the Proposed Settlement. By letter dated January 13, 2014, the Trustees exercised their option under Section 2.03(b) of the Proposed Settlement to extend the evaluation period for 60 days, to March 16, 2014. *See* T 37. For the same reasons, the Trustees sought further extensions until June 16, 2014 and August 1, 2014.⁵ JPMorgan granted each of these extension requests. *See* T 23-25. I will refer to the period between DBNTC’s receipt of the letter informing it of the Proposed Settlement and the Acceptance Date as the “Evaluation Period.”

II. DBNTC’S EVALUATION OF THE PROPOSED SETTLEMENT

9. After receiving notice of the Settlement Agreement, Kellie Rodriguez and Ronaldo Reyes, employees of DBNTC, were tasked with assisting me in coordinating DBNTC’s evaluation of the Settlement Agreement and to participate in deciding whether DBNTC should accept the offer on behalf of the seven Trusts that it administers. Thereafter, Ms. Rodrigues and Mr. Reyes provided me with updates regarding DBNTC’s evaluation of the Settlement Agreement.

⁵ I understand that for certain Trusts not including the DBNTC-Administered Trusts, the deadline to accept was extended once more, until October 1, 2014.

10. DBNTC also retained the law firm Morgan, Lewis & Bockius LLP (“Morgan Lewis”) to assist with its evaluation of the Settlement Agreement and to coordinate DBNTC’s efforts with the other Trustees.

11. I understand that Ms. Rodriguez participated in weekly calls with the other Trustees and their counsel as well as calls with Morgan Lewis concerning the Proposed Settlement until she left the employ of DBNTC in July of 2014. I understand that in-house counsel also typically participated in these calls on behalf of DBNTC.

III. DBNTC’S EVALUATION AND SELECTION OF EXPERTS

12. During the Evaluation Period, DBNTC and Morgan Lewis participated in interviews of numerous experts to assist in the evaluation of the Proposed Settlement. DBNTC and Morgan Lewis evaluated the candidates based upon various factors including, but not limited to, the potential expert’s experience, reputation in the relevant industry, suitability to the assignment, availability, and testifying experience.

13. The Trustees considered various areas of possible expert advice and guidance. Ultimately the Trustees decided to obtain advice of four types of experts: (i) valuation experts; (ii) a servicing expert to evaluate the servicing-related aspects of the Proposed Settlement, including the potential benefit from implementation of the proposed servicing improvements; (iii) legal experts who could provide analysis to, and inform the assumptions of, the Trustees and their other experts; and (iv) an economic expert who could consider the results of the analyses conducted by the Trustees’ other experts, compare the Proposed Settlement to other known settlements, consider market reaction to the Proposed Settlement, and provide a recommendation to either accept or reject the Proposed Settlement as to each Trust and Loan Group.

14. The expertise to be rendered by the valuation experts involved the following issues: losses associated with possible breaches of representations and warranties and servicing

standards for the Trusts that are subject to the Proposed Settlement, the losses for each of the Loan Groups, and the net recovery for each of the Loan Groups in each of the Trusts subject to the Proposed Settlement.

15. I understand that Ms. Rodriguez and Morgan Lewis participated in first-round interviews of potential valuation experts, servicing experts, and economic experts. After those first-round interviews were completed, the Trustees conferred and narrowed the initial pool of candidates into smaller groups of finalists. Along with counsel, DBNTC considered the qualifications of each the experts and agreed with the engagement of each of the experts ultimately retained.

16. The Trustees selected Faten Sabry and her firm, National Economic Research Association, Inc. (“NERA”), to serve as valuation experts.

17. Based on its review of their credentials, DBNTC concluded that Dr. Sabry and NERA are highly qualified to provide the valuation expert services, and the analyses with which they were charged were within their respective fields of expertise. *See* T 21 (Expert Report of Professor Faten Sabry, dated November July 17, 2014 (the “Sabry Report”)), at pp. 11-12.

18. The opinion to be rendered by the servicing claims expert involved the following issues: (a) an evaluation of potential claims that might be asserted against JPMorgan for failure to adequately service loans held by the Trusts; and (b) an evaluation of the potential benefit of implementation of the servicing improvements contained in the Settlement Agreement.

19. I understand Ms. Rodriguez and counsel for DBNTC conducted interviews with a number of potential servicing experts, and evaluated, among other things, the potential servicing claims experts’ credentials and expertise. Following those discussions, the Trustees selected

Jeremy Reifsnnyder and his firm Boston Portfolio Advisors (“BPA”) to serve as their servicing claims experts.

20. Based on its review of their credentials, DBNTC concluded that Jeremy Reifsnnyder and BPA are highly qualified to provide opinions on these topics, and the analyses with which they were charged are within their field of expertise. *See* T 19 (Expert Report of Jeremy Reifsnnyder, dated July 12, 2014 (the “Reifsnnyder Report”)), at pp. 4-5.

21. I understand that, on behalf of DBNTC, Morgan Lewis conducted interviews with a number of potential legal experts. The Trustees selected Justice Anthony J. Carpinello and Professor Alan Schwartz to serve as their legal experts in connection with their evaluation of the Proposed Settlement.

22. The expertise to be rendered by Professor Schwartz involved the following issues: (a) the statutes of limitations applicable to the claims to be released pursuant to the Proposed Settlement; (b) whether there were any contractual limitations on a Trustee’s ability to pursue repurchase litigation against JPMorgan; (c) whether a servicer’s repurchase obligation, where imposed by a governing agreement, would arise only where a loan modification was for a purpose other than loss mitigation; (d) under what circumstances a servicer could be held liable for actions taken or not taken; and (e) whether a Trustee would need to demonstrate in repurchase litigation that breaches caused losses to a Trust. *See* T 17 (Expert Report of Alan Schwartz, dated May 27, 2014 (the “Schwartz Report”)).

23. Based on its review of his credentials, DBNTC concluded that Professor Schwartz is highly qualified to provide legal opinions on these topics, and the analyses with which he was charged are within his field of expertise. *See* T 17, at ¶ 1.

24. To provide guidance to the Trustees and to the other experts retained by the Trustees, Justice Carpinello analyzed: (a) the statutes of limitations applicable to claims to be released pursuant to the Proposed Settlement; (b) the legal differences, if any, between claims brought by “monoline insurers” and those brought by trustees; and (c) the effect of tolling agreements on claims potentially released by the Proposed Settlement. *See* T 15 (Expert Report of Hon. Anthony J. Carpinello (Ret.), dated May 5, 2015 (“Carpinello Report I”)); T 16 (Expert Report of Hon. Anthony J. Carpinello (Ret.), dated May 27, 2015 (“Carpinello Report II”)); and T 18 (Expert Report of Hon. Anthony J. Carpinello (Ret.), dated June 20, 2014 (“Carpinello Report III”)).

25. Based on its review of their credentials, DBNTC concluded that Justice Carpinello is highly qualified to provide those legal opinions, and the analyses with which he was charged are within his field of expertise. *See* T 15, p. 1-2; *see also* T 16 and T 18, *generally*.

26. The role of the economic expert was to consider the reports of the valuation, servicing and legal experts and other factors that the economic expert deemed relevant to formulate a recommendation to accept or reject the Proposed Settlement with respect to each Loan Group in each Trust.

27. Following multiple interviews and follow-up telephonic conversations, the Trustees selected Professor Daniel Fischel, President of Compass Lexecon, to serve in the economic expert role.

28. The opinions by Professor Fischel included the following topics:

- a. The reasonableness and adequacy of the Proposed Settlement;
- b. An estimate of payments pursuant to the Settlement Agreement for each Loan Group;

- c. The impact on claims against JPMorgan of statutes of limitations, utilizing analysis provided by Justice Carpinello;
- d. An analysis of potential breaches by JPMorgan;
- e. An analysis of, and comparison of the Proposed Settlement to, other RMBS-related settlements;
- f. An analysis of the market's reaction to the Proposed Settlement;
- g. A comparison of net potential recovery for each Loan Group in litigation against the potential recovery for each Loan Group under the Proposed Settlement; and
- h. The weighing of views for and against the Proposed Settlement expressed by Investors.

29. Based on its review of his credentials, DBNTC concluded that Professor Fischel is highly qualified in his field, and the analyses with which he was charged are squarely within his field of expertise. *See* T 20 (Expert Report of Daniel Fischel, dated July 17, 2014 (“Fischel Report”)), at p. 1; and T 22 (Supplemental Report of Daniel Fischel, dated July 26, 2014 (“Supplemental Fischel Report”)).

IV. THE EXPERTS’ EVALUATIONS OF THE PROPOSED SETTLEMENT

30. At the outset of their reviews and throughout the process, the experts requested documents and information from the Trustees to aid in their analyses. DBNTC provided, through its counsel, to the experts, among other documents, agreements governing the DBNTC-Administered Trusts, and summaries of certain provisions in those agreements requested by the experts, and other documents requested by the experts.

31. Experts also requested documents and information from JPMorgan to aid in their analyses, including information concerning notices provided to JPMorgan of any breaches of representations and warranties concerning loans held in the Trusts, and repurchases by JPMorgan

of any loans in the Trusts. I am informed that counsel for the Trustees contacted JPMorgan to obtain those documents. I am informed that, during a portion of the Evaluation Period, counsel for the Trustees and JPMorgan attorneys and/or business persons had periodic calls to request additional documents and/or data from JPMorgan and to check on the status of outstanding prior requests and that JPMorgan provided more than 1.7 million pages of documents and data in response to the experts' requests.

32. After the experts were retained, they considered the subject matters and questions posed by the Trustees, designed analyses they deemed appropriate, and began working. I understand that Compass Lexecon received input from the Trustees, NERA, BPA, and the legal experts. Professor Fischel considered that input to supplement his own review of the reasonableness and adequacy of the Proposed Settlement for each Loan Group. *See* T 20, at ¶¶ 9, 24, 38, 47, 104, 105, 122-127, 133-134, 137, and Exs. R1 and R2; T 22, at ¶ 147 and Exs. D1 and D2. The specific analyses performed by each of the experts are set forth in their respective reports.

33. Throughout the Evaluation Period, Ms. Rodriguez, Mr. Reyes, in-house counsel for DBNTC and/or I participated in calls with the other Trustees, their counsel, Morgan Lewis and all of the experts to monitor the experts' progress, ensure coordination among the experts, facilitate information and document requests, and allow the experts to ask questions of each other and of the Trustees.

V. THE TRUSTEES' COMMUNICATIONS WITH INVESTORS IN THE TRUSTS

34. The Trustees retained Garden City Group, LLC ("GCG") to assist in their efforts to provide relevant information to Investors in the Trusts. I understand that at the Trustees' direction and in consultation with the Trustees' counsel, GCG established and maintains a publicly accessible website containing relevant documents, information, and notices concerning

the Proposed Settlement at <http://www.rmbstrusteesettlement.com> (the “Settlement Website”). The website identified an email address (jpmc.trustee@db.com) for Investors, and all other potentially interested parties, to use to contact DBNTC concerning the evaluation process, as well as the Settlement Agreement. GCG continues to maintain the Settlement Website, and in addition to the investor notices, expert reports, and other relevant documents, GCG has posted filings of the parties and orders of this Court in this proceeding.

35. On December 11, 2013, the Trustees sent a notice to Investors informing them about the Proposed Settlement. *See* T 10. That notice provided the address of the Settlement Website, where anyone, including Investors, could view the Settlement Agreement. The notice also set forth certain basic terms of the Proposed Settlement (including the proposed settlement payment and servicing remedies, the release being sought by JPMorgan, and the Acceptance Date by which the Trustees were required to reach a decision to accept or reject the offer). The Trustees invited any potentially interested persons to review the Settlement Agreement carefully and referred Investors to the Settlement Website for a complete copy of its terms. The notice also informed Investors of a tolling and forbearance agreement, a copy of which was posted to the Settlement Website, in which JPMorgan agreed that any statutes of limitations with respect to certain claims that could be brought by the Trustees or the Trusts against JPMorgan would be tolled while the Trustees considered the Proposed Settlement. Furthermore, the Trustees informed Investors that they intend to retain expert advisors to assist them in evaluating the Proposed Settlement.

36. Throughout the Evaluation Period, the Trustees provided frequent updates to Investors concerning the Trustees’ ongoing evaluation of the Proposed Settlement, including the extensions of the Acceptance Date described above. During the Evaluation Period, the Trustees

issued twelve separate investor notices concerning developments relating to the Proposed Settlement. *See* T 10-13, 23-30.

VI. EXPERT REPORTS

37. In May 2014, following the completion of their analyses of the issues presented to them, Professor Schwartz and Justice Carpinello each provided the Trustees with their expert reports. *See* T 15-18. On July 17, 2014 and on July 26, 2014, Professor Fischel provided the Fischel Report and Supplemental Fischel Report, which considered and discussed the findings of the Reifsnyder Report, the Carpinello Reports and the Schwartz Report. *See* T 20, T 22. In the Supplemental Fischel Report, Professor Fischel provided recommendations to either accept or reject the Proposed Settlement with respect to each of the 816 Loan Groups for the 330 Trusts at issue in the Proposed Settlement, including the seven DBNTC-Administered Trusts. *See* T 22, Ex. F.

38. In the Supplemental Fischel Report, Professor Fischel explained his criteria for determining whether he would recommend acceptance or rejection of the Proposed Settlement as to a Loan Group. Specifically his report stated that he would recommend rejecting the Proposed Settlement only if: 1) the Released Claims are not likely to be time barred, 2) there is at least one indication of high recovery that exceeds the value of the Settlement Payment, 3) settlement consideration is less than servicing claims and 4) the opposing Investors' holdings are greater than 15% and exceed those of supporting Investors. Professor Fischel made clear that his recommendations were conditional: “[a]s long as there is uncertainty regarding the relevant legal and factual issues, it is not possible to know with certainty whether a specific Trust would ultimately be better off accepting the Proposed Settlement or rejecting it. For this reason, we consider instead a number of factors that are indicative of the *likelihood* that accepting the Proposed Settlement is superior to rejecting it for particular Trusts.” *See* T 20, at ¶ 27.

39. Applying these criteria, Professor Fischel recommended that DBNTC accept the Proposed Settlement on behalf of each Trust (or, where applicable, each Loan Group in each Trust) for the DBNTC-Administered Trusts. *See* T 20, Ex. T; and T 22, Ex. F.

F. DBNTC’S CONSIDERATION OF THE EXPERTS’ FINDINGS AND RECOMMENDATIONS AND DECISION TO ACCEPT THE PROPOSED SETTLEMENT

40. I reviewed each of the expert reports when they were sent to me.

41. On July 8, 2014, I attended a series of meetings in New York, New York, with Mr. Reifsnnyder, Dr. Sabry, and Professor Fischel, representatives of the Trustees, and their counsel. At these meetings, the Trustees’ experts provided an overview of their analyses. Together with representatives of the other Trustees and their counsel, I was given an opportunity to ask any questions of the experts, which the experts answered.

42. On July 21, 2014, Morgan Lewis, DBNTC’s in-house counsel, Mr. Reyes and I held a telephonic meeting to discuss the expert reports (except for the Supplemental Fischel Report, which had not yet been provided to the Trustees) and their conclusions for the seven Trusts administered by DBNTC.

43. Professor Fischel issued the Supplemental Fischel Report on July 26, 2014 to provide recommendations concerning whether to accept or reject the Settlement Agreement on a loan-group-by-loan-group, rather than trust-by-trust, basis. As in the Fischel Report, in the Supplemental Fischel Report, Professor Fischel continued to recommend that DBNTC accept the Proposed Settlement on behalf of the DBNTC-Administered Trusts.

44. On July 29, 2014, Morgan Lewis, DBNTC’s in-house counsel, Mr. Reyes and I held a telephonic meeting to further discuss all of the expert reports, including the Fischel Supplemental Report, and their conclusions for the seven Trusts administered by DBNTC.

45. After review and consideration of the recommendations of the Trustees' experts, including the benefits and risks of accepting or rejecting the Proposed Settlement, and after consultation with counsel, including in-house counsel, and Mr. Reyes, on behalf of DBNTC, I reached a decision to accept the Proposed Settlement on behalf of each of the DBNTC-Administered Trusts. I reached this decision in reliance upon Professor Fischel's recommendations that DBNTC accept the Proposed Settlement on behalf of the seven Trusts that it administers.

46. On August 1, 2014, Ronaldo Reyes and I executed the RMBS Trust Settlement Agreement, as modified July 29, 2014, on behalf of DBNTC in its capacity as trustee of the DBNTC-Administered Trusts.

G. NOTICE TO INVESTORS OF ACCEPTANCE OF THE PROPOSED SETTLEMENT

47. Upon acceptance of the Proposed Settlement on August 1, 2014, the Trustees issued a notice informing investors of their determinations and posted a copy of that notice on the Settlement Website. *See* T 12.

H. THE PETITION

48. On August 3, 2014, the Trustees, by and through their counsel, filed a petition (the "Petition") with this Court seeking an order, pursuant to CPLR 7701, regarding the Trustees' action in evaluating and accepting the Proposed Settlement (the "Article 77 Proceeding"). On October 2, 2014, the Trustees filed a First Amended Petition (the "First Amended Petition").

49. I have read the First Amended Petition. The contents of the First Amended Petition with respect to DBNTC are true to my own knowledge, except as to those matters therein stated to be alleged upon information and belief, and as to those matters I believe them to be true.

50. The Court entered an Order to Show Cause on August 18, 2015, NYSCEF No. 40, setting forth a comprehensive program to provide notice to investors of the Article 77 Proceeding and the Trustees' acceptance of the Proposed Settlement (the "Notice Program").

51. On January 28, 2014 and September 3, 2014, Morgan Lewis, on behalf of DBNTC, provided GCG with a list of Investors and their addresses for each of the DBNTC-Administered Trusts.

52. In furtherance of the Notice Program, as set forth in the Affidavit of Jose C. Fraga, dated October 13, 2014, notice of DBNTC's acceptance of the Proposed Settlement was mailed by first-class, registered mail to Investors listed in the Certificate Registry for each of the DBNTC-Administered Trusts. In addition, notice of DBNTC's acceptance of the Proposed Settlement was posted on the relevant investor reporting websites for the DBNTC-Administered Trusts.

53. No objectors remain for any of the DBNTC-Administered Trusts. I understand that, while certain investors with holdings in one or more of the seven DBNTC-Administered Trusts filed objections in this proceeding, those objectors have withdrawn all of their objections. At this time, the only investors in DBNTC-Administered Trusts that remain as interveners in the Article 77 Proceeding – the Institutional Investors – have done so in support of the First Amended Petition.

54. DBNTC rendered its decisions on behalf of each of the DBNTC-Administered Trusts in good faith and in reliance on the recommendations of the Trustees' experts and based on its belief as to the overall best interests of investors in the DBNTC-Administered Trusts.

55. I have reviewed DBNTC's records for the DBNTC-Administered Trusts, and to the best of my knowledge, there are no Events of Default on these Trusts.



David Co

Sworn to before me this
__ day of January, 2016

Notary Public

Exhibit 1

**Trusts
for which Deutsche Bank National Trust Company (“DBNTC”), acts as Trustee**

1		JPMAC 2007-CH1
2		JPMAC 2007-CH2
3		JPMAC 2007-CH3
4		JPMAC 2007-CH4
5		JPMAC 2007-CH5
6		JPMAC 2007-HE1
7		MSST 2007-1

**Loan Groups in the Trusts
for which DBNTC acts as Trustee**

1		JPMAC 2007-CH1		Group 1
2		JPMAC 2007-CH1		Group 2-A
3		JPMAC 2007-CH1		Group 2-B
4		JPMAC 2007-CH2		Group 1
5		JPMAC 2007-CH2		Group 2-A
6		JPMAC 2007-CH2		Group 2-B
7		JPMAC 2007-CH3		Group 1
8		JPMAC 2007-CH3		Group 2
9		JPMAC 2007-CH4		Group 1
10		JPMAC 2007-CH4		Group 2
11		JPMAC 2007-CH5		Group 1
12		JPMAC 2007-CH5		Group 2
13		JPMAC 2007-HE1		Group 1
14		JPMAC 2007-HE1		Group 2
15		MSST 2007-1		Total Pool