

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, 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

The Honorable  
Marcy S. Friedman,  
J.S.C.

**AFFIRMATION OF MICHAEL M. KRAUSS IN SUPPORT  
OF THE TRUSTEES' FIRST AMENDED PETITION**

I, MICHAEL M. KRAUSS, an attorney admitted to practice in the courts of the State of New York, pursuant to CPLR § 2106(a) and under the penalties of perjury, affirm that:

1. I am a partner in the law firm of Faegre Baker Daniels LLP, attorneys for Petitioner Wells Fargo Bank, National Association, acting solely in its capacity as trustee (“Wells Fargo”) for certain residential mortgage-backed securitization trusts in the above-captioned special proceeding. I submit this affirmation in support of the First Amended Petition.

2. Wells Fargo serves as Trustee for the following 30 trusts in this special proceeding (“WF/LD Trusts”): BSARM<sup>1</sup> 2007-3; BSARM 2007-5; BSABS<sup>2</sup> 2005-1; BSABS 2007-AC2; BSABS 2007-AC3; BSABS 2007-AC4; BSABS 2007-AC5; BSABS 2007-AC6; BSMF<sup>3</sup> 2006-AR1; BSMF 2006-AR2; BSMF 2006-AR3; BSMF 2006-AR4; BSMF 2006-AR5; BSMF 2007-AR1; BSMF 2007-AR2; BSMF 2007-AR3; BSMF 2007-AR4; BSMF 2007-AR5; GPMF<sup>4</sup> 2005-AR2; GPMF 2005-AR3; GPMF<sup>5</sup> 2005-AR4; GPMF 2005-AR5; GPMF 2006-AR1; GPMF 2006-AR2; GPMF 2006-AR3; SACO<sup>6</sup> 2005-1; SACO 2005-2; SACO 2005-3; SACO 2007-VA1; and SAMI<sup>7</sup> 2007-AR4.

3. Law Debenture Trust Company of New York was appointed separate trustee for each of the WF/LD Trusts.

4. Each of the 30 WF/LD Trusts is governed, at least in part, by a Pooling and

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<sup>1</sup> As used herein, “BSARM” generally refers to trusts in the Bear Stearns ARM Trust series.

<sup>2</sup> As used herein, “BSABS” generally refers to trusts in the Bear Stearns Asset Backed Securities Trust or Bear Stearns Asset Backed Securities Trust I series.

<sup>3</sup> As used herein, “BSMF” generally refers to trusts in the Bear Stearns Mortgage Funding Trust series.

<sup>4</sup> GPMF 2005-AR2 and GPMF 2005-AR3 refers to trusts in the GreenPoint MTA Trust series.

<sup>5</sup> Except for GPMF 2005-AR2 and GPMF 2005-AR3 and as used herein, “GPMF” generally refers to trusts in the GreenPoint Mortgage Funding Trust series.

<sup>6</sup> As used herein, “SACO” generally refers to trusts in the SACO I series.

<sup>7</sup> As used herein, “SAMI” refers to a trust in the Structured Asset Mortgage Investments II Trust series.

Servicing Agreement or a Pooling Agreement (together, the “PSAs”). The PSAs for the 30 WF/LD Trusts are included in Trustees Exhibit 014.

5. Each of the PSAs for the 30 WF/LD Trusts includes a provision that states that the depositor assigns “all the right, title and interest” to the mortgage loans to the trust. *See* BSABS 2005-1 PSA § 2.01; BSARM 2007-3 PSA § 2.01(a); BSARM 2007-5 PSA § 2.01(a); BSABS 2007-AC2 PSA § 2.01; BSABS 2007-AC3 PSA § 2.01; BSABS 2007-AC4 PSA § 2.01; BSABS 2007-AC5 PSA § 2.01; BSABS 2007-AC6 PSA § 2.01; BSMF 2006-AR1 PSA § 2.01(a); BSMF 2006-AR2 PSA § 2.01(a); BSMF 2006-AR3 PSA § 2.01(a); BSMF 2006-AR4 PSA § 2.01(a); BSMF 2006-AR5 PSA § 2.01(a); BSMF 2007-AR1 PSA § 2.01(a); BSMF 2007-AR2 PSA § 2.01(a); BSMF 2007-AR3 PSA § 2.01(a); BSMF 2007-AR4 PSA § 2.01(a); BSMF 2007-AR5 PSA § 2.01(a); GPMF 2005-AR2 PSA § 2.01(a); GPMF 2005-AR3 PSA § 2.01(a); GPMF 2005-AR4 PSA § 2.01(a); GPMF 2005-AR5 PSA § 2.01(a); GPMF 2006-AR1 PSA § 2.01(a); GPMF 2006-AR2 PSA § 2.01(a); GPMF 2006-AR3 PSA § 2.01(a); SACO 2005-1 PSA § 2.01; SACO 2005-2 PSA § 2.01; SACO 2005-3 PSA § 2.01; SACO 2007-VA1 PSA § 2.04; and SAMI 2007-AR4 PSA § 2.01(a).

Dated: Minneapolis, Minnesota  
January 18, 2016

/s/ Michael M. Krauss  
Michael M. Krauss