

At IAS Part 60 of the Supreme Court of the State of New York, held in and for the County of New York, at the Courthouse located at 60 Centre Street, New York, New York on the 14th day of March, 2018

PRESENT: Hon. Marcy S. Friedman, Justice.

FILED  
MAR 23 2018  
COUNTY CLERK'S OFFICE  
NEW YORK

In the matter of the application of  
WELLS FARGO BANK, NATIONAL ASSOCIATION, 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, HSBC BANK USA, N.A., and DEUTSCHE BANK NATIONAL TRUST COMPANY (as Trustees, Indenture Trustees, Securities Administrators, Paying Agents, and/or Calculation Agents of Certain Residential Mortgage-Backed Securitization Trusts),

Petitioners,

For Judicial Instructions under CPLR Article 77 on the Distribution of a Settlement Payment.

Index No. 657387/2017

~~(PROPOSED)~~ PARTIAL SEVERANCE ORDER AND PARTIAL FINAL JUDGMENT

(BSMF 2007-SLD  
SACO 2005-6  
Ol. fnt)

WHEREAS, the Petitioners identified in the above case caption commenced this proceeding under CPLR Article 77 by filing a petition (the "Petition") seeking judicial instructions concerning the administration and distribution of a settlement payment (the "Settlement Payment") for 270 residential mortgage-backed securities trusts identified in Exhibit A to the Petition (the "Settlement Trusts") under a settlement agreement dated as of November 15, 2013 and modified as of July 29, 2014 (the "Settlement Agreement"); and

WHEREAS, pursuant to the Settlement Agreement the Settlement Payment is to be apportioned among the Settlement Trusts, including the individual loan groups therein and

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classes of principal only certificates therein, based on "Allocable Shares" calculated in an expert report filed with the Court at NYSCEF Nos. 178 and 179<sup>1</sup>; and

WHEREAS, by Order to Show Cause dated December 19, 2017 and Interim Order dated December 20, 2017 (collectively, the "December Orders"), the Court authorized and directed the Petitioners to place the Allocable Shares for the Settlement Trusts in escrow; and

WHEREAS, the Court has been advised that the escrow provisions of the December Orders have been complied with and that the Allocable Shares for the Settlement Trusts, plus any investment earnings thereon, are currently invested as directed in the December Orders; and

WHEREAS, under the December Orders, the Court directed the Petitioners to provide notice of this proceeding pursuant to the notice program described in the December Orders (the "Notice Program"), and the Court found that the Notice Program was the best notice practicable, was reasonably calculated to put interested persons on notice of the proceeding, and constituted due and sufficient notice of the proceeding in satisfaction of federal and state due process requirements and other applicable laws; and

WHEREAS, the Notice Program directed that interested persons respond to the Petition on or before January 29, 2018, and only Olifant Fund, Ltd., FFI Fund Ltd. and FYI Ltd. (the "Subject Investors") have asserted an interest in the two settlement trusts BSMF 2007-SL2 (the "BSMF Trust") and SACO 2005-6 (the "SACO Trust," and together with the BSMF Trust, the "Undisputed Trusts"); and

<sup>1</sup> The term "loan group" as used herein refers to any loan group, loan subgroup, loan pool, loan subpool, or any other applicable grouping, pooling, or other assemblage of loans.

WHEREAS, each of the BSMF Trust and the SACO Trust are governed by separate Pooling and Servicing Agreements (each a "Subject PSA" and collectively, the "Subject PSAs"); and

WHEREAS the certificates related to Loan Group II of the BSMF Trust (including the Class A certificates) currently have an aggregate certificate principal balance of zero dollars (\$0.00); and

WHEREAS the Subject Investors agree and consent to this [REDACTED] Partial Severance Order and Partial Final Judgment (the "Order"), which resolves the issues for which judicial instruction were sought concerning the administration and distribution of the Allocable Shares for the Undisputed Trusts (the "Subject Allocable Shares"); and

WHEREAS, U.S. Bank National Association is the successor trustee and payment administrator for the Undisputed Trusts (in all such capacities collectively, the "Subject Petitioner"); and

WHEREAS, as used herein, the term "Judgment Entry Date" means the date on which the Clerk's docketing of this Order first appears publicly on the New York State Court Electronic Filing System, without regard to when the Court actually signs or the Clerk actually enters this Order; and

WHEREAS, as used herein, the term "Transfer Month" means the month of the Judgment Entry Date if the Judgment Entry Date is on or before the eighth calendar date of that month, and otherwise the month immediately following; and

WHEREAS, as used herein, the term "Transfer Target Date" means the fifteenth day of the Transfer Month; and

WHEREAS, as used herein, the term "AS Distribution Date" means the Distribution Date (as that term is defined in the applicable Governing Agreements) for each of the Undisputed Trusts occurring in the Transfer Month, and

WHEREAS, all capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Petition;

NOW, THEREFORE, on the motion of Patterson Belknap Webb & Tyler LLP, attorneys for the Subject Investors, it is hereby

ORDERED, ADJUDGED and DECREED that, on or before the Transfer Target Date, the Subject Petitioner shall cause escrowed assets to be liquidated with a value equal to the Subject Allocable Shares plus any investment earnings thereon, and shall cause such amounts to be deposited in the respective distribution accounts of the Undisputed Trusts. From the time of the aforescribed deposit, the amount so deposited shall be deemed the Subject Allocable Shares for the Undisputed Trusts for all purposes under the Settlement Agreement and this Order; and it is further

ORDERED, ADJUDGED and DECREED that sums representing investment earnings accrued on the Subject Allocable Shares not received by the Subject Petitioner at the time escrowed assets are liquidated to cash pursuant to the immediately preceding paragraph ("Trailing Interest") shall be distributed on the Distribution Date for the month following the month such Trailing Interest is received by the Subject Petitioner. Any Trailing Interest shall be deemed a Subject Allocable Share for the Undisputed Trust on which such Trailing Interest was accrued, and any Trailing Interest shall be administered and distributed as a Subject Allocable Share subject to the terms of the Settlement Agreement and this Order; and it is further

ORDERED, ADJUDGED and DECREED that in administrating and distributing the Subject Allocable Shares for each Undisputed Trust, the Subject Petitioner (i) shall first increase the applicable certificate principal balances in the amount of the Settlement Payment Write-Up in a manner consistent with this Order (the "Written-Up Certificate Principal Balances"), and, after applying the Settlement Payment Write-Up, (ii) shall then distribute the Subject Allocable Shares to certificateholders based on the Written-Up Certificate Principal Balances; and it is further

ORDERED, ADJUDGED and DECREED that in administering and distributing the Subject Allocable Shares for each Undisputed Trust, the Subject Petitioner shall apply the Retired Class Provision in Section 5.04(a) of each of the Subject PSAs (i) to permit the Settlement Payment Write-Up to be applied only to classes of certificates with aggregate certificate principal balances greater than zero dollars (\$0.00) on the date of distribution of the Subject Allocable Shares; and (ii) to prevent the distribution of the Subject Allocable Shares to any applicable class of certificates with aggregate certificate principal balance of zero dollars (\$0.00) at the time of the distribution of the Subject Allocable Shares; and it is further

ORDERED, ADJUDGED, and DECREED that in administering and distributing the Subject Allocable Shares for the BSMF Trust, if the aggregate certificate principal balance of the Class A certificates in Loan Group II of the BSMF Trust is still zero dollars (\$0.00) on the date of distribution of the Subject Allocable Shares, the Subject Petitioner shall apply the Class A Redirection Provision to cause the Settlement Payment Write-Up for Loan Group II to be applied to the certificates in Loan Group I and to cause the Subject Allocable Share assigned to Loan Group II to be distributed to the Class A certificates in Loan Group I; and it is further

ORDERED, ADJUDGED and DECREED that this Order is not applicable to, shall be without prejudice to, and shall have no precedential effect on (i) any argument of any party concerning the appropriate administration and distribution of the Settlement Payment where there is a dispute among the parties regarding how the Settlement Payment should be administered or distributed; (ii) Settlement Trusts for which no investors have appeared in this proceeding or any trust, indenture, or other securitization other than the Undisputed Trusts, or (iii) any applications to certificate balances (e.g., write-ups) or distributions of payments or funds other than the Subject Allocable Shares; and it is further

ORDERED, ADJUDGED and DECREED that any aspects of the administration and distribution of the Subject Allocable Shares not expressly addressed in this Order shall be performed as provided for in the Governing Agreements and the Settlement Agreement; and it is further

ORDERED, ADJUDGED and DECREED that certificateholders, noteholders, and any other parties claiming rights or interests in any of the Undisputed Trusts are barred from asserting claims against the Subject Petitioner with respect to any conduct taken to implement and comply with the terms of this Order and with respect to the Subject Petitioner's administration and distribution of the Subject Allocable Shares, so long as such conduct is performed in accordance with the terms of this Order; and it is further

ORDERED that the Clerk of New York County be, and he hereby is, directed to enter this Order forthwith and without delay.

NYSCEF DOC. NO. 283

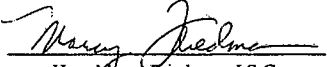
RECEIVED NYSCEF: 03/23/2018

Matter of Wells Fargo  
Partial Sentence Order &

CS 7387/17  
Partial Final Judgment  
(BSMF 2007-SL2  
SALO 2008-6  
o:fmt)

Dated: New York, New York

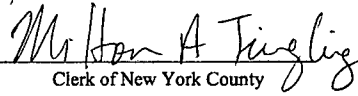
March 14, 2018



Hon. Marcy Friedman, J.S.C.

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

Judgment signed and entered this 23<sup>rd</sup> day of March 2018.



Clerk of New York County

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MAR 23 2018  
COUNTY CLERK'S OFFICE  
NEW YORK

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Decision, Order, and Judgment

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