

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 23rd day of August, 2018

PRESENT: Hon. Marcy S. Friedman, Justice.

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

Consent
**[PROPOSED] PARTIAL
SEVERANCE ORDER AND
PARTIAL FINAL
JUDGMENT**
*(BSMF 2006-SL6 and
BSMF 2007-SL1)
↳ Loan 9p II*

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 classes of principal only certificates therein, based on "Allocable Shares" calculated in an expert

report filed with the Court at NYSCEF Nos. 178, as adjusted with respect to BSMF 2006-SL6 by No. 179¹ ("Expert Allocable Share Report"); 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 "Olifant Funds") and Axonic Credit Opportunities Master Fund, LP, OC 523 Master Fund, Ltd., and NB 523 Offshore Fund, Ltd ("Axonic") (together, the "Subject Investors") have asserted an interest in the Settlement Trusts BSMF 2006-SL6 and Loan Group II of BSMF 2007-SL1² (the "Undisputed Trusts"); and

¹ 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.

² Loan Group I of BSMF 2007-SL1 is not subject to the Settlement Agreement.

WHEREAS, the Undisputed Trusts are governed by Pooling and Servicing Agreements (the "Subject PSAs"); and

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

WHEREAS the certificates related to Loan Group II of each of the Undisputed Trusts (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 [proposed] Partial Severance Order and Partial Final Judgment (the "Order"), which resolves the issues for which judicial instruction was sought concerning the administration and distribution of the Allocable Shares for each of the Undisputed Trusts (the "Subject Allocable Shares"); and

WHEREAS, U.S. Bank National Association is the successor trustee and payment administrator for each of 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 for each of the Undisputed Trusts occurring in the Transfer Month, and

NOW, THEREFORE, on the motion of Patterson Belknap Webb & Tyler LLP, attorneys for the Olifant Funds and Binder & Schwartz LLP and Akerman LLP, attorneys for Axonic, 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 to cash 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 amounts 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 the Trailing Interest is received by the Subject Petitioner so long as the Trailing Interest is received on or before the fifteenth day of the month or, if the Trailing Interest is received after the fifteenth day of the month, the Trailing Interest shall be distributed on the Distribution Date for the immediately following month. Any Trailing Interest shall be deemed the Subject Allocable Shares for the Undisputed Trusts 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 the Subject Petitioner shall distribute the Subject Allocable Shares to certificateholders of the Undisputed Trusts on the AS Distribution Date; 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 (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, in each of the cases of (i) and (ii) above in a manner consistent with the other terms in this Order; and it is further

ORDERED, ADJUDGED and DECREED that in administering and distributing the Subject Allocable Shares for each Undisputed Trust, the Subject Petitioner (i) shall treat the Retired Class Provision as inapplicable to the Subject Allocable Shares and, as a result, (x) shall apply the Settlement Payment Write-Up or a portion thereof to Zero Balance Classes that would otherwise be written up in the amount of the Settlement Payment Write-Up or a portion thereof but for application of the Retired Class Provision in a manner that would prevent write-ups from being applied to Zero Balance Classes and (y) shall distribute the Subject Allocable Shares or a portion thereof to classes of certificates with aggregate certificate principal balances of zero dollars (\$0.00) on the date of the distribution of the Subject Allocable Shares ("Zero Balance Classes") that would otherwise receive the distribution of the Subject Allocable Shares or a portion thereof but for application of the Retired Class Provision in a manner that would prevent distributions to Zero Balance Classes, and (ii) shall treat the Class A Redirection Provision as inapplicable to the Subject Allocable Shares and, as a result, shall not distribute any Subject

Allocable Share to classes of certificates other than those related to the loan group identified in the Expert Allocable Share Report as corresponding with such Subject Allocable Share, in each of the cases of (i) and (ii) above in a manner consistent with the other terms in this Order; 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 for the Settlement Trusts for which 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 PSAs and the Settlement Agreement; and it is further

ORDERED, ADJUDGED and DECREED that certificateholders, noteholders, and any other parties claiming rights or interests in 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

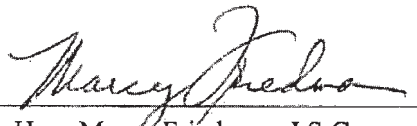
ORDERED that the Clerk of New York County be, and he hereby is, directed to enter this Order forthwith and without delay.

Consent Partial Severance Order + Judgment
(BSMF 2006-SL6 and BSMF 2007-SL1)

Matter of Wells Fargo Bank, NA. Index No 657387/2017

Dated: New York, New York

8-23, 2018



Hon. Marcy Friedman, J.S.C.



Clerk

FILED

AUG 28 2018

**COUNTY CLERK'S OFFICE
NEW YORK**

657387/17

**PATTERSON BELKNAP WEBB & TYLER
LLP**

By: /s/ Peter Tomlinson

Peter Tomlinson
1133 Avenue of the Americas
New York, NY 10036-6710
Tel: (212) 336-2000
Fax: (212) 336-2222
pwtomlinson@pbwt.com

*Attorneys for Olifant Fund, Ltd., FFI Fund Ltd.
and FYI Ltd.*

Judgment

AKERMAN LLP

By: /s/ Brian S. Fraser

Brian S. Fraser
Phillip A. Spinella
666 Fifth Avenue, 20th Floor
New York, NY 10103
(212) 880-3800

Attorneys for Axonic Capital LLC

BINDER & SCHWARTZ LLP

/s/ Neil S. Binder

Neil S. Binder
Eric B. Fisher
Lindsay A. Bush
Lisa Lightbody
366 Madison Avenue, 6th Floor
New York, New York 10017
Tel: (212) 510-7008
nbinder@binderschwartz.com
efisher@binderschwartz.com
lbush@binderschwartz.com
llightbody@binderschwartz.com

Attorneys for Axonic Capital LLC

FILED

AUG 28 2018

AT 11:35 AM
N.Y., CO. CLK'S OFFICE