

(the “AQ1 PSA”). As emphasized in section I.B. of the Institutional Investors’ Reply Brief, the signatories’ intentions for this Settlement Agreement were the same as in the other major RMBS settlement agreements in which the Institutional Investors participated: to ensure that (i) in the event of conflict, applicable Governing Agreements should control and (ii) the Pay First method should be applied. In accordance with the foregoing, the GMO Funds respectfully request that the Court issue an order directing the Trustee to (a) first, distribute the Allocable Share using the Pay First method and (b) then, write up the certificate principle balances of the BSABS-AQ1 Trust certificates in accordance with provisions of the AQ1 PSA.

Dated: New York, New York
October 10, 2018

ROPES & GRAY LLP

s\ Joshua Y. Sturm

By: _____

Joshua Y. Sturm
1211 Avenue of the Americas
New York, NY 10036
(212) 841-0626
joshua.sturm@ropesgray.com

Meredith S. Parkinson
Prudential Tower
800 Boylston Street
Boston, MA 02199
(617) 951-7618

meredith.parkinson@ropesgray.com

Attorneys for the GMO Funds