

At IAS Part \_\_ 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 \_\_ day of December 2017

PRESENT: \_\_\_\_\_  
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  
Administration and Distribution of a Settlement Payment.

Index No.  
Mot. Seq. 001

**ORDER TO SHOW CAUSE**

UPON reading and filing the annexed Petition, the Affidavit of Robert L. Schnell, Jr. dated December 14, 2017 (“Schnell Affidavit”); the exhibits annexed thereto; the expert Affidavit of Glenn Hubbard; and the Memorandum of Law dated December 15, 2017, in which (1) it is alleged that Petitioners 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 U.S.A., N.A.; and Deutsche Bank National Trust Company (each, a “Petitioner” and collectively, the “Petitioners”) are trustees, indenture trustees, and/or successor trustees (the “Trustees”) and/or, securities administrators, paying agents, and/or calculation agents of the residential mortgage-backed securitization trusts identified in Exhibit A

to the Petition (the “Settlement Trusts”); (2) it is alleged that the Settlement Trusts are subject to a settlement agreement dated as of November 15, 2013 and modified as of July 29, 2014 (the “Settlement”) pursuant to which each of the Settlement Trusts is entitled to an “Allocable Share” of a Settlement Payment of up to \$4.5 billion (the “Settlement Payment”); and (3) the Petitioners request the Court’s direction on matters pertaining to the administration and distribution of the Allocable Shares to holders of the certificates, notes, and other securities issued by the Settlement Trusts (the “Certificateholders”),<sup>1</sup>

**SUFFICIENT CAUSE THEREFOR BEING ALLEGED, IT IS**

1. **ORDERED** that Certificateholders and any other person claiming an interest in any of the Settlement Trusts (each, an “Interested Person,” and all such persons collectively, “Interested Persons”) show cause at IAS Part \_\_\_\_ in Room \_\_\_\_ of New York County Courthouse, 60 Centre Street, New York, New York at \_\_\_\_\_ A.M./P.M. on \_\_\_\_\_, 2018 (the “Final Hearing”), why an order and judgment should not be entered granting the Petition; directing the release of each Allocable Share of the Settlement Payment from each escrow described below and the transfer of each Allocable Share into the appropriate account of each Settlement Trust as such Allocable Share may be increased by any interest earnings accrued thereon in escrow; resolving the questions presented by the Petition and directing the Petitioners as the Court may so order; permanently barring litigation outside of the context of this proceeding on any question, issue, objection, claim, or concern related to the receipt, escrow, investment, distribution, and

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<sup>1</sup> The Settlement also covers certain residential mortgage-backed securitization trusts that are not subject to the Petition or this Order to Show Cause (the “Non-Covered Settlement Trusts”). For the Non-Covered Settlement Trusts, the pertinent Petitioners individually and respectively determined that, at this time, there are no material issues concerning the administration and distribution of the Settlement Payment that warrant judicial instruction. For reference, attached to the Petition as Exhibit C is a schedule listing the Non-Covered Settlement Trusts.

administration of the Settlement Payment, and for such other and further relief as this Court deems just and proper; and it is further

2. ORDERED, as an interim measure necessary to permit the Court to direct the Petitioners on the administration and distribution of the Allocable Shares to the Certificateholders for each Settlement Trust, that (1) each Trustee is directed to cause the Allocable Shares of the Settlement Payment for each Settlement Trust for which such Trustee acts as trustee, indenture trustee, or successor trustee (such amounts, a “Trustee’s Share”) to be maintained as a deposit in escrow pursuant to the escrow agreements applicable to such Trustee (each, an “Escrow Agreement” and collectively, the “Escrow Agreements”) attached as Exhibit 2 to the Schnell Affidavit until such time as this Court enters an order directing such Trustee to transfer the applicable Trustee’s Share into the applicable collection or distribution accounts for the related Settlement Trusts; (2) the escrow agents under each Escrow Agreement (each, an “Escrow Agent” and collectively, the “Escrow Agents”) are directed to use commercially reasonable efforts to keep each Trustee’s Share invested and reinvested in the following high quality money market funds (for each Escrow Agent, the “Approved Funds”):

- a. for The Bank of New York Mellon and The Bank of New York Mellon Trust Company: Goldman Sachs Financial Square Treasury Fund Institutional (ticker: FTIXX); Morgan Stanley Institutional Liquidity Funds Treasury Securities Portfolio Institutional (ticker: MSUXX); Blackrock Liquidity Funds Treasury Trust Institutional Shares (ticker: TTTXX); Federated U.S. Treasury Reserves Institutional Shares (ticker: UTIXX); Western Asset Institutional U.S. Treasury

Reserves Institutional Shares (ticker: CIIXX); and Fidelity Institutional Money Market Funds Treasury Only Portfolio Class 1 (ticker: FSIXX);

- b. for Deutsche Bank National Trust Company: Goldman Sachs Financial Square Treasury Fund Institutional (ticker: FTIXX);
- c. for HSBC Bank U.S.A., N.A.: Federated Treasury Obligations Fund Institutional Shares (ticker: TOIXX);
- d. for U.S. Bank National Association: Goldman Sachs Financial Square Treasury Instruments Fund Institutional (ticker: FTIXX); Morgan Stanley Institutional Liquidity Funds Treasury Securities Portfolio Institutional (ticker: MSUXX); Federated U.S. Treasury Reserves Institutional Shares (ticker: UTIXX); and Fidelity Investments Treasury Only (ticker: FSIXX);
- e. for Wells Fargo Bank, N.A.: Goldman Sachs Financial Square Treasury Instruments Fund Institutional (ticker: FTIXX); Morgan Stanley Institutional Liquidity Funds Treasury Securities Portfolio Institutional (ticker: MSUXX); Federated U.S. Treasury Reserves Institutional Shares (ticker: UTIXX); and Fidelity Investments Treasury Only (ticker: FSIXX); and
- f. for Wilmington Trust, National Association: Federated Treasury Obligations Fund Institutional Shares (ticker: TOIXX); and Goldman Sachs Financial Square Treasury Instruments Fund Institutional (ticker: FTIXX);

(3) upon the Court's entry of this Order to Show Cause, the Escrow Agents and the Trustees are forever and finally judicially discharged, released, and exculpated from any and all liability with respect to (i) the receipt of the Settlement Payment and the deposit, maintenance, investment, and management of the Settlement Payment in escrow so long as such activities are done in accordance

with the terms of the applicable Escrow Agreements and (ii) any and all other activities performed pursuant to and in accordance with the terms of the Escrow Agreements, and it is further

3. ORDERED that each Escrow Agent shall allocate the related Trustee's Share to each of the Approved Funds for such Escrow Agent pro rata on the basis of each such Approved Fund's respective assets under management; and it is further

4. ORDERED that the Escrow Agents shall re-invest any interest earned on a Trustee's Share into each such Escrow Agent's Approved Funds; and it is further

5. ORDERED that any interest or other earnings on a Trustee's Share shall inure to the benefit of Certificateholders for the related Settlement Trusts and each Allocable Share shall be deemed to include, and be increased by, the amount of any such interest or other earnings accrued thereon, as may be subject to future orders concerning the administration and distribution of the Settlement Payment; and it is further

6. ORDERED that within twenty-one (21) days of the entry of this Order to Show Cause, the Petitioners shall cause notice of this proceeding and of the Final Hearing to be provided by: (a) mailing a copy of a notice substantially in the form attached as Exhibit 3 to the Schnell Affidavit (the "Notice") as well as the Order to Show Cause; the Petition; the Memorandum of Law dated December 15, 2017; and all other papers filed contemporaneously with the Petition (other than the compact disc that will be provided to the Court containing electronic copies of the agreements governing the Settlement Trusts) to all certificateholders listed on the certificate registry for each of the Settlement Trusts and Non-Covered Settlement Trusts and to any certificateholder in a Settlement Trust or Non-Covered Settlement Trust (or its counsel) that has requested such papers from any Petitioner; (b) electronically transmitting the Notice to The Depository Trust Company, which will post the Notice in accordance with its established procedures; (c) electronically posting

any of the following (or causing the related securities administrator, paying agent, or calculation agent to electronically post any of the following as such party may so choose): (x) a hyperlink on the investor reporting website for the applicable Settlement Trusts to <http://www.rmbstrusteesettlement.com>; (y) a notice on the investor reporting website for the applicable Settlement Trusts referring investors to <http://www.rmbstrusteesettlement.com> for information about this proceeding; or (z) the Notice on the investor reporting website for the applicable Settlement Trusts; and (d) electronically posting the Notice as well as the Order to Show Cause; the Petition; the Memorandum of Law dated December 15, 2017; and all other papers filed contemporaneously with the Petition (other than the compact disc that will be provided to the Court containing electronic copies of the agreements governing the Settlement Trusts) to <http://www.rmbstrusteesettlement.com>, the public settlement website created by the Petitioners, and subsequently electronically posting all papers filed in this proceeding to the same website (collectively, the “Notice Program”); and it is further

7. ORDERED that the Notice Program is approved, is the best notice practicable, is reasonably calculated to put interested parties on notice of this action, is good and sufficient service for all purposes under the CPLR and satisfies, and is in accordance with, CPLR §§ 308(5), 311(b), and 311-a(b), as may be applicable, and satisfies federal and state due process requirements and other applicable law; and it is further

8. ORDERED that a preliminary status conference with counsel will be held on \_\_\_\_\_, 2018, at \_\_\_\_\_, to discuss scheduling of future proceedings herein and that no Interested Person (other than Interested Persons who are natural persons) will be heard at the conference unless such

Interested Person's counsel has filed a notice of appearance by electronic filing, by the date of the conference; and it is further

9. ORDERED that any Interested Person who wishes to be heard on the merits of the questions presented by the Petition may appear by counsel (or subject to the limitations imposed by CPLR 321(a)) in person at the Final Hearing and present such evidence or argument as may be proper and relevant; provided, however, that, except for good cause shown, no Interested Person shall be heard and nothing submitted by any Interested Person shall be considered by the Court unless such Interested Person serves an answer to the Petition by electronic filing together with any supporting papers (a "Submission"), on or before \_\_\_\_\_; and it is further

10. ORDERED that responses to Submissions shall be served within (10) days after the deadline for filing Submissions; and it is further

11. ORDERED that all papers required or permitted to be served by Petitioners or any party who appears shall be served by filing on the court e-filing system ("NYSCEF"), unless a party or recipient is exempt, then by overnight mail or personal delivery; and it is further

12. ORDERED that any written notice of intention to appear and any other written motions and papers required or permitted to be filed for any purpose in this proceeding shall be subject to the following requirements. Such papers shall be double-spaced and shall not exceed a total of 15 pages, not including documentary evidence, unless an expansion of the page limits is granted by the Court in advance of the filing of the papers. (For example, a notice of intention to appear, statement of grounds for the appearance, and a memorandum of law in support shall together not exceed 15 pages.); and it is further

13. ORDERED that any Interested Person who fails to appear at the Final Hearing in the manner described herein or fails to answer the Petition in the manner described herein shall be

deemed to have knowingly, intentionally, forever, and finally waived the right to be heard on the questions presented by the Petition and from appealing any order, resolution, or judgment issued in this proceeding and shall be forever and finally barred, precluded, and prevented from raising the right to be heard on such questions in this or any other action or proceeding, unless the Court orders otherwise.

**ENTER:**

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J.S.C.