

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

In the matter of the application of

THE BANK OF NEW YORK MELLON, (as Trustee under various Pooling and Servicing Agreements and Indenture Trustee under various Indentures), BlackRock Financial Management Inc. (intervenor), Kore Advisors, L.P. (intervenor), Maiden Lane, LLC (intervenor), Maiden Lane II, LLC (intervenor), Maiden Lane III, LLC (intervenor), Metropolitan Life Insurance Company (intervenor), Trust Company of the West and affiliated companies controlled by The TCW Group, Inc. (intervenor), Neuberger Berman Europe Limited (intervenor), Pacific Investment Management Company LLC (intervenor), Goldman Sachs Asset Management, L.P. (intervenor), Teachers Insurance and Annuity Association of America (intervenor), Invesco Advisers, Inc. (intervenor), Thrivent Financial for Lutherans (intervenor), Landesbank Baden-Wuerttemberg (intervenor), LBBW Asset Management (Ireland) plc, Dublin (intervenor), ING Bank fsb (intervenor), ING Capital LLC (intervenor), ING Investment Management LLC (intervenor), New York Life Investment Management LLC (intervenor), Nationwide Mutual Insurance Company and its affiliated companies (intervenor), AEGON USA Investment Management LLC, authorized signatory for Transamerica Life Insurance Company, AEGON Financial Assurance Ireland Limited, Transamerica Life International (Bermuda) Ltd., Monumental Life Insurance Company, Transamerica Advisors Life Insurance Company, AEGON Global Institutional Markets, plc, LIICA Re II, Inc., Pine Falls Re, Inc., Transamerica Financial Life Insurance Company, Stonebridge Life Insurance Company, and Western Reserve Life Assurance Co. of Ohio (intervenor), Federal Home Loan Bank of Atlanta (intervenor), Bayerische Landesbank (intervenor), Prudential Investment Management, Inc. (intervenor), Western Asset Management Company (intervenor)

Petitioners,

-against-

WALNUT PLACE LLC, WALNUT PLACE II LLC, WALNUT PLACE III LLC, WALNUT PLACE IV LLC, WALNUT PLACE V LLC, WALNUT PLACE VI LLC, WALNUT PLACE VII LLC, WALNUT PLACE VIII LLC, WALNUT PLACE IX LLC, WALNUT PLACE X LLC, WALNUT PLACE XI LLC, POLICEMEN'S ANNUITY & BENEFIT FUND OF CHICAGO, THE WESTMORELAND COUNTY EMPLOYEE RETIREMENT SYSTEM, CITY OF GRAND RAPIDS GENERAL RETIREMENT SYSTEM, CITY OF

(caption continued on the following page)

Case No. 1:11-cv-05988-WHP

Hon. William H. Pauley

**NOTICE OF INTENTION TO
OBJECT TO PROPOSED
SETTLEMENT**

GRAND RAPIDS POLICE AND FIRE RETIREMENT SYSTEM, TMI INVESTORS, LLC, FEDERAL HOME LOAN BANK OF BOSTON, FEDERAL HOME LOAN BANK OF CHICAGO, FEDERAL HOME LOAN BANK OF INDIANAPOLIS, FEDERAL HOME LOAN BANK OF PITTSBURGH, FEDERAL HOME LOAN BANK OF SAN FRANCISCO, FEDERAL HOME LOAN BANK OF SEATTLE, V RE-REMIC, LLC, THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY, WESTERN-SOUTHERN LIFE ASSURANCE COMPANY, COLUMBUS LIFE INSURANCE COMPANY, INTEGRITY LIFE INSURANCE COMPANY, NATIONAL LIFE INSURANCE COMPANY, FORT WASHINGTON INVESTMENT ADVISORS, INC. on behalf of FORT WASHINGTON ACTIVE FIXED INCOME LLC, CRANBERRY PARK LLC, and CRANBERRY PARK II LLC,

Intervenors-Respondents,

for an order, pursuant to CPLR § 7701, seeking judicial instructions and approval of a proposed settlement.

Pursuant to the New York Supreme Court's Order of August 5, 2011, Intervenors Policemen's Annuity & Benefit Fund of Chicago, Westmoreland County Employee Retirement System, City of Grand Rapids General Retirement System, and City of Grand Rapids Police and Fire Retirement System (collectively the "Public Pension Fund Committee"), hereby file this written notice of intention to object to the proposed settlement between Bank of New York Mellon ("BNY Mellon"), Bank of America Corporation, Banc of America Home Loans Servicing, LP (collectively "BOA"), Countrywide Financial Corporation, Countrywide Home Loans, Inc. (collectively "CW") (the "Settlement") negotiated by BNY Mellon, and also a group of 22 Corporate Investors (the "Corporate Investors") which seeks to settle and release claims of members of the Public Pension Fund Committee.

The members of the Public Pension Fund Committee currently own, or owned and sold, certificates issued by the trusts that are the subject of the Settlement, and those certificates have lost significant value due to the wrongful conduct of BOA, CW and BNY Mellon. As the

Settlement purports to determine the amount of certificate holders' recovery for their losses and to release the direct and derivative claims of current and former certificate holders against BOA and CW, the members of the Public Pension Fund Committee are interested persons in this proceeding – which the New York Supreme Court recognized when it granted their petition to intervene.

The Public Pension Fund Committee does not have sufficient information at this time to fully evaluate the Settlement. By filing this written notice, the Public Pension Fund Committee is preserving any and all rights it may have with respect to this proceeding and the Settlement, including the right to take discovery, to supplement this objection, and to take any other appropriate actions, at a future time.

Indeed, as it appears – based on the expert reports submitted by BNY Mellon and its statements during the August 5, 2011 Hearing – that neither BNY Mellon nor the Corporate Investors have performed a sufficient investigation of the facts underlying the billions of dollars of claims which they seek to release, discovery is particularly necessary here. The Public Pension Fund Committee intends to participate in discovery in order to, among other things, determine:

- (a) whether the Trustee and/or the Corporate Investors are adequate representatives and vigorously sought to maximize the recovery on behalf of certificate holders;
- (b) whether the Trustee and/or the Corporate Investors conducted sufficient discovery of the facts to learn the strengths and weaknesses of the settled claims;
- (c) whether the Trustee and/or the Corporate Investors conducted sufficient discovery to determine the collectability of a potential judgment, including against BOA;
- (d) whether the settlement amount is fair and reasonable;

- (e) whether the allocation plan fairly compensates certificate holders for their actual losses or provides a windfall for certain purchasers in the secondary market; and
- (f) the extent of the releases.

DATED: New York, New York
August 30, 2011

/s/ Beth A. Kaswan

Beth A. Kaswan (BK-0264)
Max R. Schwartz (MS-2517)
SCOTT+SCOTT LLP
500 Fifth Avenue, 40th Floor
New York, NY 10110
Tel: 212-223-6444
Fax: 212-223-6334
Email: bkaswan@scott-scott.com
mschwartz@scott-scott.com

Counsel to Public Pension Fund Committee

CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing Notice of Intention to Object to Proposed Settlement was filed via this Court's CM/ECF electronic filing system, and served this 30th day of August, 2011, via regular U.S. Mail upon the following:

Matthew D. Ingber
MAYER BROWN LLP
1675 Broadway
New York, NY 10019

Counsel for The Bank of New York Mellon

Kenneth E. Warner
WARNER PARTNERS P.C.
950 Third Avenue, 32nd Floor
New York, NY 10022

Kathy D. Patrick, Esq.
GIBBS & BRUNS LLP
1100 Louisiana, Suite 5300
Houston, TX 77002

Counsel for the Institutional Investors

David J. Grais
GRAIS & ELLSWORTH LLP
40 East 52nd Street
New York, NY 10022

Counsel for Walnut Place Entities and TMI Investors, LLC

Maria Filipakis
Special Deputy Attorney General
120 Broadway, 23rd Floor
New York, NY 10271

Counsel for Eric T. Schneiderman, Attorney General for the State of New York

Jeremy D. Eicher
Deputy Attorney General
DELAWARE DEPARTMENT OF JUSTICE
820 N. French Street
Wilmington, DE 19801

Counsel for the State of Delaware

Michael A. Rollin
REILLY POZNER LLP
1900 Sixteenth Street, Suite 1700
Denver, CO 80202

Counsel for the AIG Entities

David H. Wollmuth
WOLLMUTH MAHER & DEUTSCH LLP
500 Fifth Avenue
New York, NY 10110

Counsel for The Western and Southern Life Insurance Company, Western-Southern Life Assurance Company, Columbus Life Insurance Company, Integrity Life Insurance Company, National Integrity Life Insurance Company, and Fort Washington Investment Advisors, Inc.

Thomas B. Hatch
ROBINS, KAPLAN, MMILLER & CIRESI LLP
800 LaSalle Avenue
Minneapolis, MN 55402

Counsel for Federal Home Loan Bank of Pittsburgh

David S. Preminger
KELLER ROHRBACK P.L.C.
770 Broadway, Second Floor
New York, NY 10003

Counsel for Federal Home Loan Banks of Boston, Chicago and Indianapolis

Theodore N. Mirvis, Esq.
WACHTELL, LIPTON, ROSEN & KATZ
51 West 52nd Street
New York, NY 10019

Counsel for Bank of America

Peter N. Tsapatsaris

PETER N. TSAPATSARIS, LLC
200 East 33rd Street
27th Floor, Suite D
New York, NY 10016

Counsel for Knights of Columbus

Jacob W. Buchdahl
SUSMAN GODFREY LLP
560 Lexington Avenue, 15th Floor
New York, NY 10022

Counsel for CIFG Assurance North America, Inc.

Joel M. Miller
MILLER & WRUBEL, P.C.
570 Lexington Avenue
New York, NY 10022

Counsel for the Triaxx Respondents

Olimpio Lee Squitieri
SQUITIERI & FEARON, LLP
32 East 57th Street, 12th Floor
New York, NY 10022

Counsel for Waterfall Eden Master Fund, Ltd.

William B. Federman
FEDERMAN & SHERWOOD
10205 North Pennsylvania Avenue
Oklahoma City, OK 73120

Counsel for American Fidelity Assurance Company

Jason H. Alperstein
KOPELOWITZ OSTROW FERGUSON
WEISELBERG KEECHL
200 S.W. First Avenue, 12th Floor
Fort Lauderdale, FL 33301

Counsel for Sterling Federal Bank, F.S.B., Bankers Insurance Company, Bankers Life Insurance Company, First Community Insurance Company, and Bankers Specialty Insurance Company

Russell M. Yankwitt
YANKWITT & McGUIRE, LLP
140 Grand Street - Penthouse 2
White Plains, NY 10601

Counsel for Non-Party Good Hill Partners LP

/s/ Beth A. Kaswan

Beth A. Kaswan (BK-0264)
SCOTT+SCOTT LLP
500 Fifth Avenue, 40th Floor
New York, NY 10110

Counsel for Public Pension Fund Committee