

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY 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 BadenWuerttemberg (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), and Western Asset Management Company (intervenor),

Petitioners,

-against-

TM1 INVESTORS, LLC, (proposed intervenor),

Respondent,

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

Index No.  
651786/2011

Assigned to:  
Kapnick, J.

**NOTICE OF  
PETITION  
TO  
INTERVENE**

PLEASE TAKE NOTICE that, upon the affirmation of David J. Grais dated July 13, 2011, the petition of the Trustee, the petition filed herewith, and all previous papers and proceedings in this proceeding, the proposed intervenor below will move this Court on July 21, 2011, at 9:30 a.m., in submission part room 130 at 60 Centre Street, New York, New York, or as

soon thereafter as counsel may be heard, for an order pursuant to CPLR 401, 1012, and 1013 permitting TM1 Investors, LLC to intervene as respondent in this proceeding, directing that TM1 Investors, LLC be added as respondent, directing that the Trustee's petition and notice of petition be amended by adding TM1 Investors, LLC as intervenor-respondent, and granting such other and further relief as may be just, proper, and equitable.

PLEASE TAKE FURTHER NOTICE that, pursuant to CPLR 403(b), answering papers, if any, must be served on the undersigned no later than two days before the return date of this motion.

Dated: New York, New York  
July 13, 2011

GRAIS & ELLSWORTH LLP



By: \_\_\_\_\_  
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Mark B. Holton  
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Attorneys for Proposed Intervenor-Respondent

SUPREME COURT OF THE STATE OF NEW YORK  
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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 BadenWuerttemberg (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), and Western Asset Management Company (intervenor),

Petitioners,

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TM1 INVESTORS, LLC (proposed intervenor),

Respondent,

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

Index No. 651786/2011

Assigned to: Kapnick, J.

**VERIFIED PETITION  
TO INTERVENE**

For its petition pursuant to CPLR 401, 1012, and 1013 to intervene as a respondent in this

proceeding, proposed intervenor TM1 Investors, LLC states and alleges:

1. To continually raise new money with which to make mortgage loans, Countrywide Home Loans, Inc. and its affiliates sold millions of loans to securitization trusts that Countrywide sponsored. To raise the money to pay Countrywide for the mortgage loans, those trusts in turn sold securities called certificates, which were backed by those mortgage loans, to investors all over the world. To assure the trusts and investors that the loans it was selling them were of good quality, Countrywide made numerous representations and warranties about those loans. And to put teeth into those representations and warranties, Countrywide agreed to repurchase from the trusts loans that did not comply with the representations and warranties.

2. Proposed intervenor owns securities issued by a Countrywide trust. The original principal value of those securities exceeds \$400 million.

3. The Bank of New York Mellon is the trustee for 530 of the trusts that Countrywide created, including the trust in which proposed intervenor owns certificates.

4. BNYM announced on June 29, 2011, that it had entered into an agreement with Countrywide and Bank of America Corporation to settle all “potential claims belonging to the [530] trusts” for which BNYM serves as trustee, including all claims that the loans that Countrywide sold to the securitization trusts did not comply with the representations and warranties that Countrywide made about those loans. On the same day, BNYM filed this Article 77 proceeding to request judicial approval of the proposed settlement.

5. The terms of the proposed settlement would release the claims of all 530 trusts for breaches of representation and warranties against Countrywide and Bank of America, including those of the trust that issued the certificates owned by the proposed intervenor.

6. On June 29, 2011, BNYM appeared *ex parte*, without notice to any potentially adverse parties, and obtained from this Court an Order to Show Cause that sets forth a procedure for the approval of the proposed settlement.

7. BNYM did not name any adverse parties when it filed this proceeding, but its petition expressly contemplates that adverse parties may be added. “There currently are no adverse parties in this proceeding. To the extent that certain Certificateholders or other interested parties may wish to be heard on the subject of the Settlement or the judicial instructions sought through this Petition, those parties may become adverse.” (BNYM Petition ¶ 18.)

8. Proposed intervenor is directly affected by this proceeding and seeks to intervene to protect its own interests in this proceeding. Proposed intervenor has not made a decision whether to file objections to the settlement, but it believes that the procedures that BNYM has established for approval of the proposed settlement will not provide it enough information on which to make an informed decision. In particular, proposed intervenor (and other investors) needs more information to evaluate the fairness of the proposed settlement and whether the trust in which it owns certificates would be better served by pursuing litigation than by participating in the proposed settlement. For example, in the Settlement Agreement between Bank of New York Mellon and Bank of America Corporation, the parties note that “the Trustee received and evaluated information presented by Bank of America, Countrywide, and the Institutional Investors related to potential liabilities and defenses, and alleged damages,” all of which is treated as “Confidential Information.” Settlement Agreement at 2, 40. Proposed intervenor needs this information to decide whether to file objections to the settlement, just as BNYM needed the information to evaluate the settlement before entering into it. This information cannot be obtained simply by filing an “objection” to the settlement. By intervening in this proceeding, proposed intervenor will preserve its rights to seek the disclosure necessary to make an informed decision about the merits of the proposed settlement.

9. Proposed intervenor objects to the order that BNYM has proposed as Exhibit C to the Affirmation of Matthew Ingber, made July 11, 2011, and submitted in support of BNYM’s response to the petition of Walnut Place to intervene, and also in response to the petition of the Policemen’s Annuity and Benefit Fund of Chicago, Westmoreland County Employee Retirement

System, City of Grand Rapids General Retirement System, and the City of Grand Rapids Police and Fire Retirement System to intervene. In particular, proposed intervenor objects to paragraph (a) of that proposed order, under which any petition to intervene (such as the present petition) would be treated as an Objection. As an intervenor-respondent, proposed intervenor would have the right to participate fully in this special proceeding, including the right to request disclosure of the "Confidential Information" and other information necessary to enable it to decide whether to file objections to the settlement. As a filer of an Objection, proposed intervenor would have no such rights. Proposed intervenor also objects to paragraph (b) of BNYM's proposed order, which would defer all requests for disclosure until after the deadline for filing objections. Proposed intervenor needs information in order to decide whether to file objections. Moreover, if proposed intervenor does decide to file objections to the settlement, it should have access to the same information to support its objections that BNYM used in deciding to make the settlement.

**RELIEF REQUESTED**

Proposed intervenor respectfully requests that the Court grant its petition to intervene.

Dated: New York, New York  
July 13, 2011

GRAIS & ELLSWORTH LLP



By: \_\_\_\_\_  
David J. Grais (DG 7118)  
Mark B. Holton  
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Attorneys for Proposed Intervenor-Respondent

**VERIFICATION**

I, David J. Grais, hereby affirm under the penalty of perjury that the following is true and correct:

I am a member of the bar of this Court and of Grais & Ellsworth LLP, attorneys for proposed intervenor. I have read the foregoing Verified Petition and know the contents thereof. All statements of fact therein are true and correct to the best of my knowledge and belief. I am making this affirmation in lieu of a verification by the proposed intervenor because the proposed intervenor is not within New York County, where Grais & Ellsworth LLP maintains its offices.

Executed this 13th day of July 2011, in New York, New York.



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David J. Grais