

At IAS Part 15 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 ____, 2021

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

In the matter of the application of

U.S. BANK NATIONAL ASSOCIATION, WELLS FARGO BANK, NATIONAL ASSOCIATION, WILMINGTON TRUST, NATIONAL ASSOCIATION, WILMINGTON TRUST COMPANY, and CITIBANK, N.A. (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. 651625/2018

Crane, J.

**NOTICE OF [PROPOSED]
PARTIAL SEVERANCE
ORDER AND PARTIAL
FINAL JUDGMENT
(SASCO 2003-S2)**

PLEASE TAKE NOTICE that the attorneys for the AIG Parties¹ move for the entry of judgment issuing a judicial instruction to Petitioners concerning the distribution of the Allocable Shares of the Settlement Payment for the trust (the “Undisputed Trust”) identified in the proposed judgment attached as Exhibit A. The AIG Parties respectfully urge the Court to enter the attached proposed judgment. The AIG Parties have conferred with the relevant Petitioner, which has confirmed that it can implement the proposed judgment and has no objection to it. As there is no triable issue of fact as to the Undisputed Trust or the entry of this judgment, the AIG Parties request that the judgment be entered without further delay so that the Allocable Shares of the Settlement

¹ The “AIG Parties” include American General Life Insurance Company, American Home Assurance Company, American International Reinsurance Company, Lexington Insurance Company, National Union Fire Insurance Company of Pittsburgh, The United States Life Insurance Company, and the Variable Annuity Life Insurance Company.

Payments can promptly be paid to the Undisputed Trust. The Undisputed Trust has not been the subject of any previously proposed severance order presented to the Court in this proceeding.

Dated: New York, New York
May 5, 2021

QUINN EMANUEL URQUHART &
SULLIVAN, LLP

By: /s/ Kevin S. Reed

51 Madison Avenue, 22nd Floor
New York, NY 10010
212-849-7000

Attorneys for American General Life Insurance Company, American Home Assurance Company, American International Reinsurance Company, Lexington Insurance Company, National Union Fire Insurance Company of Pittsburgh, The United States Life Insurance Company, and the Variable Annuity Life Insurance Company

EXHIBIT A

At IAS Part 15 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 ____, 2021

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COUNTY OF NEW YORK

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U.S. BANK NATIONAL ASSOCIATION, WELLS FARGO BANK, NATIONAL ASSOCIATION, WILMINGTON TRUST, NATIONAL ASSOCIATION, WILMINGTON TRUST COMPANY, and CITIBANK, N.A. (as Trustees, Indenture Trustees, Securities Administrators, Paying Agents, and/or Calculation Agents of Certain Residential Mortgage-Backed Securitization Trusts),

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**[PROPOSED] PARTIAL
SEVERANCE ORDER
AND PARTIAL FINAL
JUDGMENT
(SASCO 2003-S2)**

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 settlement payments (the “Settlement Payments”) for residential mortgage-backed securities trusts identified in Exhibit A to the Petition (the “Subject Settlement Trusts”) under a Covered Loan Settlement Agreement dated as of November 30, 2016 and modified as of March 17, 2017 and a Transferor Loan Settlement Agreement dated September 5, 2017 and executed and accepted on October 13, 2017 (together with the Covered Loan Settlement Agreement, the “Settlement Agreements”); and

WHEREAS, all capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Petition; and

WHEREAS, pursuant to the Settlement Agreements the Settlement Payments are to be apportioned among the Settlement Trusts; and

WHEREAS, by Order to Show Cause dated April 20, 2018 (the “Order to Show Cause”) and Interim Order dated May 30, 2018 (collectively, the “Escrow 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 Escrow 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 Escrow Orders; and

WHEREAS, under the Order to Show Cause, the Court directed the Petitioners to provide notice of this proceeding pursuant to the notice program described in the Order to Show Cause (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 May 30, 2018; and

WHEREAS, the AIG Parties have asserted an interest in the following Subject Settlement Trusts through direct holdings of certificates issued by the following trust: SASCO 2003-S2 (the “Undisputed Trust”) ; and

WHEREAS no other party has appeared asserting an interest in the Undisputed Trust; and

WHEREAS the AIG Parties 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 Share for the Undisputed Trust (the “Subject Allocable Shares”); and

WHEREAS, Wells Fargo Bank, National Association (“Wells Fargo”) is the trustee and the securities administrator, paying agent, and/or calculation agent for SASCO 2003-S2; and

WHEREAS, as used herein, the term “Judgment Entry Date” means the first date on which counsel of record to the parties hereto receive a copy of this Order signed by the Court by email or NYSCEF service, 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 after the Judgment Entry Date; 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 (as that term is defined in the applicable Governing Agreement) for the Undisputed Trust occurring in the Transfer Month, and

NOW, THEREFORE, on the motion of Quinn Emanuel Urquhart & Sullivan, LLP, attorneys for the AIG Parties, it is hereby

ORDERED, ADJUDGED and DECREED that, on or before the Transfer Target Date, the Wells Fargo is to (i) cause escrowed assets to be liquidated to cash with a value equal to the Settlement Payment for the Undisputed Trust (the “Subject Allocable Share”) plus any investments earnings thereon, and (ii) cause the Subject Allocable Share and investment earnings thereon to be deposited in the distribution account of the Undisputed Trust. From the time of the aforescribed

deposit, the amount so deposited shall be deemed the Subject Allocable Share for the Undisputed Trust for all purposes under the Settlement Agreements and this Order; and it is further

ORDERED, ADJUDGED and DECREED that sums representing investment earnings accrued on the Subject Allocable Share not received at the time escrowed assets are liquidated to cash pursuant to the immediately preceding paragraph (“Trailing Interest”) shall be distributed on the later of the AS Distribution Date or the Distribution Date for the month following the month such Trailing Interest is received by Wells Fargo. Any Trailing Interest shall be deemed a Subject Allocable Share for the Undisputed Trust, and any Trailing Interest shall be administered and distributed as a Subject Allocable Share subject to the terms of the Settlement Agreements and this Order; and

ORDERED, ADJUDGED and DECREED that Wells Fargo shall distribute the Subject Allocable Shares to certificateholders of the Undisputed Trust on the AS Distribution Date; and it is further

ORDERED, ADJUDGED and DECREED that in administering and distributing the Subject Allocable Share for the Undisputed Trust, Wells Fargo (i) shall first distribute the Subject Allocable Share to certificateholders based on certificate principal balances that have not been adjusted by the Settlement Payment Write-Up, and, after such distribution, (ii) shall then increase the applicable certificate principal balances in the amount of the Settlement Payment Write-Up in a manner consistent with this Order; and it is further

ORDERED, ADJUDGED and DECREED that in administering and distributing the Subject Allocable Share for the Undisputed Trust, Wells Fargo shall account for both the distribution of the Subject Allocable Share and accompanying Settlement Payment Write-Up when performing the Overcollateralization Amount Calculation; and it is further

ORDERED, ADJUDGED and DECREED that to effectuate the immediately preceding paragraph, Wells Fargo shall calculate the aggregate certificate principal balances used for the Overcollateralization Amount Calculation by (i) first increasing such certificate principal balances by the amount of the Settlement Payment Write-Up and (ii) then reducing such certificate principal balances by an amount equal to the Subject Allocable Share, and this paragraph and the immediately preceding paragraph shall have no application to the calculation of certificate principal balances for any purposes other than performing the Overcollateralization Amount Calculation, and, further, for the avoidance of doubt, with respect to the Distribution Date on which the Subject Allocable Share is distributed, the instructions in this paragraph and the immediately preceding paragraph are intended to and shall prevent the Undisputed Trust from being overcollateralized as a result of the receipt, administration, and/or distribution of the Subject Allocable Share (but shall not impact whether the Undisputed Trust is overcollateralized on such Distribution Date as result of anything unrelated to the receipt, administration, and/or distribution of the Subject Allocable Share); and it is further

ORDERED, ADJUDGED and DECREED that in administering and distributing the Subject Allocable Share for the Undisputed Trust Wells Fargo shall (i) apply any Zero Distribution Provision to prevent the distribution of the Subject Allocable Share to any applicable class of certificates with aggregate certificate principal balances of zero dollars (\$0.00) (“Retired Classes”) at the time of the distribution of the Subject Allocable Share and (ii) apply any Zero Distribution Provision to permit the Settlement Payment Write-Up to be applied only to classes of certificates with aggregate certificate principal balances greater than zero dollars (\$0.00) at the time of the distribution of the Subject Allocable Share (the “Outstanding Classes”); *provided, however*, that if the Settlement Payment Write-Up exceeds the aggregate unpaid realized losses of all

Outstanding Classes of the Undisputed Trust or of an individual loan group among multiple loan groups within the Undisputed Trust, such excess amount of the Settlement Payment Write-Up shall be applied to Retired Classes in such Undisputed Trust or loan group in a manner consistent with this Order; and it is further

ORDERED, ADJUDGED and DECREED that any aspects of the administration and distribution of the Subject Allocable Share not expressly addressed in this Order shall be performed as provided for in the Governing Agreements and the Settlement Agreement; and it is further

ORDERED, ADJUDGED and DECREED that this Order is not applicable to, and 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 where there is a dispute among the parties regarding how the Settlement Payment should be administered and distributed; (ii) the Settlement Trusts for which no investors have appeared in this proceeding or any trust, indenture, or other securitization other than the Undisputed Trust, 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 certificateholders, noteholders, and any other parties claiming rights or interests in the Undisputed Trust are barred from asserting claims against Wells Fargo with respect to any conduct taken to implement and comply with the terms of this Order and with respect to Wells Fargo's administration and distribution of the Settlement Payment with respect to the Undisputed Trust, so long as such conduct is performed in accordance with the terms of this Order; and it is further

ORDERED, ADJUDGED and DECREED that upon the occurrence of the Judgment Entry Date, Wells Fargo shall promptly post a copy of this Order, bearing the Court's signature, on <http://rmbstrusteesettlement.com/>, the website established by Petitioners; and it is further

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

Dated: New York, New York
_____, 2021

Hon. Melissa A. Crane, J.S.C.

Judgment signed and entered this _____ day of _____, 2021.

Clerk of New York County