

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),

Index No. 651625/2018

Petitioners,

For Judicial Instructions under CPLR Article 77 on the
Administration and Distribution of a Settlement Payment.

**AFFIDAVIT OF LORRI STAAL
REGARDING SASCO 2006-Z NOTICE OF INTERIM ESCROW MEASURES
HEARING PURSUANT TO JUNE 28, 2018 ORDER TO SHOW CAUSE**

STATE OF NEW YORK)
) ss.
COUNTY OF NASSAU)

LORRI STAAL, being duly sworn, deposes and says:

1. I am an Assistant Vice President, Operations for Garden City Group, LLC (“GCG”). GCG was engaged by, among others, U.S. Bank National Association and Wells Fargo Bank, National Association (the “Petitioners”), each in their capacities as trustee, securities administrator, and/or paying agent of the SASCO 2006-Z trust, to assist with the implementation of the notice program for the Interim Escrow Measures Hearing set forth in paragraph 4(a) of the Order to Show Cause for the SASCO 2006-Z Trust entered June 28, 2018 (the “Order to Show Cause”). Pursuant to the Order to Show Cause, notice of the Interim Escrow Measures was provided in the manner described below.

A. POSTING NOTICE ON SETTLEMENT WEBSITE

2. In accordance with the Order to Show Cause and as instructed by the Petitioners, on July 6, 2018, GCG updated the public settlement website created by the Petitioners, <http://www.lbhirmssettlement.com>, by posting the Order to Show Cause.

3. The website also contains, among other things, copies of the Covered Loan Settlement Agreement and Transferor Loan Settlement Agreement (the "Settlement Agreements"), other documents filed with the Court in this action, a list containing Committee on Uniform Security Identification Procedures numbers related to the RMBS trusts covered by the Settlement Agreements, including the SACO 2006-Z Trust, and past notices provided by the Petitioners. In addition, the website lists an e-mail address for GCG, questions@lbhirmssettlement.com, as well as e-mail addresses for each of the Petitioners to which inquiries can be addressed.

B. PROVIDING NOTICE THROUGH DTC LENS

4. In accordance with the Order to Show Cause and as instructed by the Petitioners, on July 6, 2018, GCG provided the Order to Show Cause to The Depository Trust Company ("DTC") for posting to DTC's Legal Notice System (commonly referred to as "DTC LENS"). On July 6, 2018, GCG received confirmation from DTC LENS that the Order to Show Cause had been posted in accordance with DTC's established procedures.

5. Based on my experience with the securities industry, DTC LENS is monitored regularly by the entities who subscribe to that service (the "DTC Participants"). *See* <http://www.dtec.com/settlement-and-asset-services/issuer-services/legal-notice-system>. The DTC Participants are typically large financial institutions serving as brokers and/or dealers in securities, through whom entities such as the beneficial owners of certificates in the Covered

Settlement Trusts, for a fee, purchase such certificates. The DTC Participants also commonly serve as custodians of the securities for the beneficial owners.

6. I understand, based on my experience with the securities industry, that custodians are legally obligated to forward to beneficial owners notices relating to the securities held by the beneficial owners, such as the Order to Show Cause. *See, e.g.*, Office of the Comptroller of the Currency, Custody Services Comptroller's Handbook, January 2002 at 24, <https://www.occ.treas.gov/publications/publications-by-type/comptrollers-handbook/custody-services/pub-ch-custody-services.pdf> ("Custodians are responsible for monitoring corporate actions for the securities they hold under custody. . . . The custodian is typically notified of corporate actions by a vendor data feed Once the custodian is notified of a corporate action, it identifies which accounts hold the security. If the account holder has a specified time to decide whether to accept the corporate action, the customer should be promptly contacted.").

7. Accordingly, based on my experience, it is my belief that DTC Participants generally have a legal obligation to forward notices received through DTC LENS to beneficial owners and that DTC Participants usually do so expeditiously.

C. MAILING NOTICE

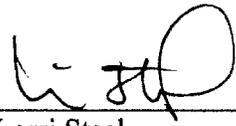
8. In accordance with the Order to Show Cause and as instructed by the Petitioners, on July 6, 2018, GCG mailed the Order to Show Cause by first-class mail, postage prepaid, to all certificateholders in the certificate registry for SASCO 2006-Z trust, which, in my estimation, was reasonably likely to ensure receipt of the notice by most certificateholders by July 10, 2018.

9. Attached hereto as Exhibit 1 is a spreadsheet listing the addressees that were mailed the Order to Show Cause, which identifies the addressees as "Certificateholders," or as "Depositor," "Trustee," "Interested Third Party," etc.

10. Addressees were identified to GCG as “certificateholders” or “custodian for certificate owners” by each of the Trustees based on the SASCO 2006-Z trust’s certificate register.

11. Based on my experience with the securities industry, it is standard practice for securities in some instances to be registered in the books of a trustee in the name of a custodian, acting on behalf of one or more beneficial owners, rather than in the name of beneficial owners. As such, it is standard practice to send required notices to all registered holders (identified on Exhibit 1 as “certificateholders”), which include certain custodians for beneficial owners (identified on Exhibit 1 as “custodian for certificateholders”). As described above, with respect to DTC Participants who act as custodians for beneficial owners, based on my experience with the securities industry, it is my belief that custodians have a legal obligation to forward relevant notices to beneficial owners.

12. Cede & Co., an entity related to DTC, is a registered certificateholder for many certificates related to the SASCO 2006-Z trust. It is my understanding that Cede & Co. acts as the custodian on behalf of DTC Participants, who in turn act as custodian on behalf of the beneficial owners. Once Cede & Co. receives a notice, it is my understanding that it should and does provide that notice to DTC Participants. As is the case when DTC Participants receive a notice through DTC LENS, DTC Participants then provide that notice to the beneficial owners, pursuant to the DTC Participants’ obligations.



Lorri Staal

Sworn to before me this
16th day of July, 2018

 Notary Public

ROSE MARIE HARDINA
Notary Public State of New York
No. 01HA5067940
Qualified in Nassau County
Commission Expires January 7, 2019