Docket #0086 Date Filed: 10/23/2012

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	Case No. 12-12020 (MG)
RESIDENTIAL CAPITAL, LLC, et al.,	Chapter 11
Debtors.	Jointly Administered
RESIDENTIAL CAPITAL, LLC, et al.,	Adv. Case No. 12-ap-01671 (MG)
Plaintiffs,	
v.	
ALLSTATE INS. CO., et al.,	
Defendants.	

STIPULATION AND ORDER WITH RESPECT TO DEBTORS' SUPPLEMENTAL AND RENEWED MOTION TO EXTEND THE AUTOMATIC STAY OR, IN THE ALTERNATIVE, FOR INJUNCTIVE RELIEF

Subject to the approval of the Court, this Stipulation (the "Stipulation") is made and entered into by, between and among the debtors and debtors in possession in the above-captioned bankruptcy cases (collectively, the "Debtors") and certain defendants to the above-captioned adversary proceeding listed on Schedule A hereto (the "Stipulating Defendants" and, together with the Debtors, the "Parties"). The Parties intend for this Stipulation to supplement the stipulation and order previously entered into in this adversary proceeding (Docket No. 84) that resolved, against the Stipulating Defendants, the Debtors' Motion (the "Motion"), for entry of an Order pursuant to 11 U.S.C. §§ 362(a)(1) and/or 362(a)(3) and 105(a) extending the automatic

stay imposed by 11 U.S.C. § 362(a) to the continued prosecution of the MBS Actions[1] against the Non-Debtor Affiliates or, in the alternative, for entry of an order pursuant to 11 U.S.C. § 105(a) enjoining and prohibiting the continued prosecution of the MBS Actions against the Non-Debtor Affiliates.

WHEREAS, venue of this proceeding and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and

WHEREAS, notice of the Motion and the opportunity for a hearing on the Motion was appropriate under the particular circumstances and that no other or further notice need be given.

NOW THEREFORE, the Parties have reached the following agreement:

1. Each of the Stipulating Defendants agrees that they are stayed and enjoined from and against the continued prosecution of, including the pursuit of discovery from the Non-Debtor Affiliates in, the MBS Actions against the Non-Debtor Affiliates through January 31, 2013 (the "Stay Period"), except as specifically provided in paragraph 2 below. The Parties agree to extend any deadlines (other than deadlines related to the matters permitted to proceed pursuant to paragraph 2 of this Stipulation) that occur in the MBS Actions brought by the Stipulating Defendants during the Stay Period, to the extent that such deadlines apply to the Non-Debtor Affiliates.

2. Notwithstanding paragraph 1 above:

a. The Stipulating Defendants are not stayed or enjoined from (i) pursuing the production of documents in the possession, custody, or control of the Non-Debtor Affiliates (except to the extent such documents are solely in the possession or custody of the Debtors), (ii) propounding written

[1] Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

interrogatories and/or requests for admissions upon the Non-Debtor Corporate Affiliates (recognizing that no responses will require the input or assistance of the Debtors or their employees), (iii) serving notices for and taking the depositions of the Non-Debtor Corporate Affiliates or their employees (recognizing that none of those deponents will be current employees, officers, or directors of the Debtors), and (iv) filing and litigating any motions relating to (i), (ii), and (iii) above. For the sake of clarity, the Non-Debtor Affiliates will not be required to produce, and will not produce, any documents that are solely in the Debtors' possession; the Debtors will not be required to provide, and will not provide, any information in connection with the Non-Debtor Corporate Affiliates' responses to any written discovery, including interrogatories or requests for admission; and the Debtors will not be required to provide, and will not provide, any information in connection with the depositions of the Non-Debtor Corporate Affiliates or their employees.

b. In the MBS Actions, the stay shall not apply to the filing, briefing, oral argument, or the court issuing orders on (1) motions to dismiss, (2) motions to strike affirmative defenses, or (3) motions related to class certification, and the parties to the MBS Actions are not stayed or enjoined from filing and litigating such motions, motions to reconsider and/or reargue any prior or future order on such motions, or seeking appellate review of any such order (including all briefing and oral argument related to any such appeal or motion to reconsider and/or reargue).

3. During the Stay Period, all Parties and Non-Debtor Affiliates will preserve documents, data, and tangible things currently in their possession, custody and control that are potentially subject to discovery in the MBS Actions, regardless of any current limitations upon discovery imposed by this Stipulation.

4. The Non-Debtor Affiliates will agree (in a form of agreement reasonably acceptable to the Stipulating Defendants and the Non-Debtor Affiliates) to toll any statute or period of limitations, statutes of repose, or other time-based limitations or defenses which might be asserted as a time bar and/or limitation to any claim that could be asserted against them by the Stipulating Defendants in those MBS Actions during the Stay Period, and the Stipulating Defendants shall forbear bringing any lawsuits against the Non-Debtor Affiliates during the Stay Period. Nothing in this Stipulation shall operate (or constitute an agreement or a requirement) to revive or extend the time for filing any claim against a Non-Debtor Affiliate in any MBS Action that is now time barred or barred by any applicable statute or period of limitations, statutes of repose or other time-related defense as of the date of this Stipulation.

5. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Stipulation, except as to those matters, including but not limited to the motion practice and discovery permitted under paragraph 2 above, pending before the respective courts where each of the MBS Actions are pending.

6. Except as specifically provided for herein, the Parties reserve all rights and defenses they may have in the MBS Actions, the above-captioned adversary proceeding, or the above-captioned bankruptcy cases, and entry into this Stipulation shall not impair or otherwise affect such rights and defenses, and all such rights and defenses are expressly preserved.

7. This Stipulation is without prejudice to any further requests for an Order pursuant to 11 U.S.C. §§ 362(a)(1) and/or 362(a)(3) extending the automatic stay imposed by 11 U.S.C. § 362(a) to the continued prosecution of the MBS Actions against the Non-Debtor Affiliates or, in the alternative, for entry of an order pursuant to 11 U.S.C. § 105(a) enjoining and prohibiting the continued prosecution of the MBS Actions against the Non-Debtor Affiliates, or the right of any party to contest such requests, provided that the Parties shall not modify this Stipulation other than by written agreement. The Parties acknowledge that the Bankruptcy Court's oral bench opinion at the July 10, 2012 hearing on the Motion, as well as its subsequent order on the Motion, resolved the Motion as to 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., and that oral bench opinion and that order are not binding on the Stipulating Defendants.

8. The Stipulating Defendants shall have until March 1, 2013 to file an answer or otherwise respond to the complaint filed in this adversary proceeding, without prejudice to the Parties' right to agree to further extensions of such deadline.

9. Notwithstanding anything herein to the contrary, this Stipulation shall not modify or affect the terms and provisions of, nor the rights and obligations under, (a) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (b) the consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012, (c) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the

Federal Deposit Insurance Act, as amended, dated February 10, 2012, and (d) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates.

10. Nothing in this stipulation will alter the rights of any Stipulating Defendant to seek discovery (a) in the MBS Actions after the Stay Period or (b) in the Debtors' Chapter 11 cases.

11. Notwithstanding anything to the contrary herein, this Stipulation shall not in any manner (a) modify the automatic stay in place with respect to the Debtors pursuant to section 362 of the Bankruptcy Code, (b) enjoin or stay the prosecution of any of the MBS Actions with respect to any defendant therein that is neither a Debtor nor a Non-Debtor Affiliate, or (c) limit or impact the Non-Debtor Affiliates' ability to pursue any discovery of and from the Stipulating Defendants.

12. The Stipulating Defendants reserve the right to challenge the Bankruptcy Court's jurisdiction in this matter and/or otherwise object to the Bankruptcy Court's ability to enter judgment in this matter.

[*signature pages immediately follow*]

Dated: October 19, 2012

/s/ Michael S. Etkin
Michael S. Etkin, Esq.

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Dated: October 19, 2012

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Counsel to the Debtors and Debtors in Possession With Respect

IT IS SO ORDERED

New York, New York
Dated: October 23, 2012

/s/Martin Glenn
MARTIN GLENN
United States Bankruptcy Judge

Schedule A

1. **Cambridge Place Investment Management, Inc. (Plaintiff** in *Cambridge Place Inv. Mgmt., Inc. v. Morgan Stanley & Co. et al.*, No. 10-2741-BLS2 (Mass. Super. Ct., Suffolk Cnty. July 9, 2010) and *Cambridge Place Inv. Mgmt., Inc. v. Morgan Stanley & Co. et al.*, No. 11-0555-BLS2 (Mass. Super. Ct., Suffolk Cnty. Feb. 11, 2011)

2. **New Jersey Carpenters Health Fund** (**Plaintiff**: *N.J. Carpenters Health Fund et al. v. Residential Capital, LLC et al.*, No. 08-cv-8781-HB (S.D.N.Y. Jan. 3, 2011)

3. **New Jersey Carpenters Vacation Fund** (**Plaintiff**: *N.J. Carpenters Health Fund et al. v. Residential Capital, LLC et al.*, No. 08-cv-8781-HB (S.D.N.Y. Jan. 3, 2011)

4. **Union Central Life Insurance Company** (**Plaintiff**: *Union Cent. Life Ins. Co. et al. v. Credit Suisse First Bos. Mortg. Sec. Corp. et al.*, No. 11-cv-2890-GBD (S.D.N.Y. May 4, 2012)

5. **Ameritas Life Insurance Corp**. (**Plaintiff**: *Union Cent. Life Ins. Co. et al. v. Credit Suisse First Bos. Mortg. Sec. Corp. et al.*, No. 11-cv-2890-GBD (S.D.N.Y. May 4, 2012)

6. **Acacia Life Insurance Company** (**Plaintiff**: *Union Cent. Life Ins. Co. et al. v. Credit Suisse First Bos. Mortg. Sec. Corp. et al.*, No. 11-cv-2890-GBD (S.D.N.Y. May 4, 2012)

7. **Boilermaker Blacksmith National Pension Trust** (**Plaintiff**: *N.J. Carpenters Health Fund et al. v. Residential Capital, LLC et al.*, No. 08-cv-8781-HB (S.D.N.Y. Jan. 3, 2011)