Docket #0117 Date Filed: 10/23/2013

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., Plaintiffs, v. UMB BANK, N.A., IN ITS CAPACITY AS INDENTURE TRUSTEE FOR THE 9.625% JUNIOR SECURED GUARANTEED NOTES, et al., Defendants.	Adv. Case No. 13-01343 (MG)
OFFICIAL COMMITTEE OF UNSECURED CREDITORS, on behalf of the estate of the Debtors, Plaintiffs, v. UMB BANK, N.A., AS SUCCESSOR INDENTURE TRUSTEE UNDER THAT CERTAIN INDENTURE, dated as of June 6, 2008, et al., Defendants.	Adv. Case No. 13-01277 (MG)

STIPULATION

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1. The Ad Hoc Group timely requested (i) mortgage loan schedules; (ii) collateral addition notices; and (iii) electronic templates (collectively, the "Documents") in formal discovery on June 26, 2013, and in follow-up communications with Debtors' counsel via letter and e-mail from August 15, 2013 to September 6, 2013 (collectively, the "Requests").

2. The Debtors represent that, upon receipt of the Requests, the Debtors diligently commenced numerous searches for the Documents. On various dates, including between September 6, 2013 and September 8, 2013, the Debtors produced "loan-level/asset level detail for lien releases" for the categories of documents requested by the Ad Hoc Group.

3. Other than mortgage loan schedules that were produced, the Documents requested by the Ad Hoc Group were not maintained by the Debtors and were not among the documents produced, including with respect to assets identified as at one point as having been pledged to the AFI Revolver but were shown in the CFDR on the Petition Date as having been pledged to the AFI Line of Credit (the "AFI LOC") and assets that first appeared in the CFDR as having been pledged to the AFI LOC. Other than the Documents they have produced, the Debtors have no other Documents in their possession, custody of control.

4. The Ad Hoc Group and UMB Bank N.A. (collectively, "Defendants) contend that, according to the CFDR, there is approximately $1.368.2 million of collateral that is indicated as pledged to the AFI LOC as of the Petition Date. $836.2 million of such collateral was previously identified as JSN collateral and $447.3 million of such collateral first appeared in the CFDR as collateral pledged to the AFI LOC.

5. Defendants contend that, with respect to $642.9 million of assets identified as at one point having been pledged to the Revolver that were subsequently pledged to the AFI LOC, the Debtors did not produce Documents indicating that such assets were released, but rather rely

upon the CFDR and the AFI LOC monthly borrowing base reports generated from the CFDR as dispositive proof that such collateral was released.

6. Defendants contend that, with respect to $267.5 million of assets that first appeared in the CFDR as having been pledged to the AFI LOC, the Debtors did not produce Documents indicating that such assets were released, but rather rely upon the CFDR and the AFI LOC monthly borrowing base reports generated from the CFDR as dispositive that such collateral was released.

7. Plaintiffs contend that the Documents referenced in paragraph 1 are irrelevant in light of the Court's prior orders and/or the evidence adduced at trial demonstrating, among other things: (a) the scope of the "non-automatic" releases that were signed by Wells Fargo (including but not limited to the May 14, 2010 release that released, among other things, all "Subject Mortgage Loans" as reported in the Debtors' books and records as pledged to the AFI LOC, and the May 27, 2011 release that released, among other things, all "Freddie Advance Collateral"); (b) that the CFDR was the Debtors' primary "book and record" for recording AFI LOC collateral; (c) the Debtors' practice of transmitting "automatic" releases (with their supporting schedules) to the Collateral Agent, the Indenture Trustee, and AFI, which contained certain information that was used to update the CFDR; and (d) that the Debtors' retained all of the AFI LOC monthly borrowing base reports and supporting schedules (which have been produced in this adversary proceeding).

8. Defendants contend that the Documents are relevant and would have been the only source available to test the trustworthiness of the data in the "fund facility" field in the CFDR, in that neither the CFDR nor the AFI LOC monthly borrowing base reports reference specific lists of loans that were released from the JSNs' liens or otherwise pledged solely as collateral for the AFI LOC.

Dated: October 23, 2013

MORRISON & FOERSTER LLP

/s/ Gary S. Lee
Gary S. Lee
Todd M. Goren
Jamie A. Levitt
Samantha Martin
1290 Avenue of the Americas
New York, New York 10104
Telephone: (212) 468-8000
Facsimile: (212) 468-7900

-and-

CURTIS, MALLET-PREVOST, COLT & MOSLE LLP

/s/ Steven J. Reisman
Steven J. Reisman
Theresa A. Foudy
Michael Moscato
101 Park Avenue
New York, New York 10178
Telephone: (212) 696-8860
Facsimile: (212) 697-1559

Counsel to the Debtors and Debtors in Possession

KRAMER LEVIN NAFTALIS & FRANKEL LLP

/s/ Kenneth H. Eckstein
Kenneth H. Eckstein
Gregory A. Horowitz
Douglas H. Mannal
1177 Avenue of the Americas
New York, New York 10036
Telephone: (212) 715-9100
Facsimile: (212) 715-8000

-and-

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Robert J. Feinstein
Robert J. Feinstein
John A. Morris
780 Third Avenue, 36th Floor
New York, New York 10017
Telephone: (212) 561-7700
Facsimile: (212) 561-7777

Counsel to the Official Committee of Unsecured Creditors

WHITE & CASE LLP

/s/ Douglas Baumstein
J. Christopher Shore
Dwight Healy
Douglas Baumstein
Julia Winters
1155 Avenue of the Americas
New York, New York 10036-2787
Telephone: (212) 819-8200
Facsimile: (212) 354-8113

-and-

AKIN GUMP STRAUSS HAUER & FELD LLP

/s/ David Zensky
Daniel H. Golden
David Zensky
Deborah J. Newman
One Bryant Park
Bank of America Tower
New York, NY 10036-6745
Telephone: (212) 872-1000
Facsimile: (212) 872-1002

Counsel to UMB Bank, N.A.

MILBANK, TWEED, HADLEY &
MCCLOY LLP

/s/ Gerard Uzzi
Gerard Uzzi
Dennis O'Donnell
1 Chase Manhattan Plaza
New York, New York 10005
Telephone: (212) 530-5000
Facsimile: (212) 530-5219

Counsel to the Ad Hoc Group