

The Honorable Marsha J. Pechman

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

IN RE: WASHINGTON MUTUAL
MORTGAGE BACKED SECURITIES
LITIGATION

Master Case No.: C09-0037 (MJP)

CLASS ACTION

This Document Relates to: ALL CASES

STIPULATION OF SETTLEMENT

This Stipulation of Settlement dated September 4, 2012 (the “Stipulation”) is submitted pursuant to Rule 23 of the Federal Rules of Civil Procedure. Subject to the approval of the Court, the Stipulation is entered into among Lead Plaintiff Policemen’s Annuity and Benefit Fund of the City of Chicago, Lead Plaintiff Doral Bank Puerto Rico and Plaintiff Boilermakers National Annuity Trust (collectively, “Plaintiffs”), and defendants WaMu Asset Acceptance Corp. (“WMAAC”), WaMu Capital Corp. (“WCC”), David Beck, Diane Novak, Rolland Jurgens, and Richard Careaga (together, the “Defendants”). Defendants and Plaintiffs are the “Parties.”

WHEREAS:

A. On January 12, 2009, the above-captioned class action (the “Action”) was filed against defendants Washington Mutual Bank (“WMB”), WMAAC, WCC, Beck, Novak, Thomas Green, Jurgens, Careaga, Deutsche Bank Trust Company Americas, Christiana Bank & Trust

1 Company, and various WaMu Mortgage Pass-Through Certificates in the United States District
2 Court for the Western District of Washington alleging violations of the Securities Act of 1933
3 (the “Securities Act”);

4 B. On August 14, 2009, the Honorable Marsha J. Pechman consolidated
5 *Boilermakers National Annuity Trust Fund v. WaMu Mortgage Pass Through Certificates*, No.
6 09-0037MJP (the “Boilermakers Action”), *New Orleans Employees’ Retirement System and*
7 *MARTA/ATU Local 732 Employees Retirement Plan v. Washington Mutual Bank*, No. 09-
8 0134MJP (the “New Orleans I Action”), and *New Orleans Employees’ Retirement System v. The*
9 *First American Corporation*, No. 09-0137MJP (the “New Orleans II Action”) into a single action
10 under case number C09-0037MJP (the “Boilermakers Consolidated Action”);

11 C. On October 23, 2009, Judge Pechman appointed Policemen’s Annuity and Benefit
12 Fund of the City of Chicago as lead plaintiff, Scott+Scott, LLP (“Scott+Scott”) as lead counsel,
13 and Tousley Brain Stephens PLLC (“Tousley”) as liaison counsel in the Boilermakers
14 Consolidated Action;

15 D. Amended Complaints were filed in the Boilermakers Consolidated Action on
16 November 23, 2009 and December 31, 2009;

17 E. On March 24, 2010, Judge Pechman appointed Doral Bank Puerto Rico as lead
18 plaintiff, Cohen Milstein Sellers & Toll PLLC (“Cohen Milstein”) as lead counsel, and Tousley
19 as liaison counsel in *Doral Bank Puerto Rico v. WaMu Asset Acceptance Corp.*, No. 09-
20 1557MJP (the “Doral Action”);

21 F. On the following day, March 25, 2010, Judge Pechman consolidated the
22 Boilermakers Consolidated Action and the Doral Action under case number C09-0037MJP (the
23 “Action”);

24 G. On April 1, 2010, Lead Plaintiffs filed their Second Amended Consolidated
25 Complaint (the “Complaint”) asserting claims under Sections 11, 12 and 15 of the Securities Act,
26 15 U.S.C. §§ 77k, 77l, and 77o, against defendants WMAAC, WCC, Beck, Novak, Green,

1 Jurgens, Careaga, Thomas Lehmann, Stephen Fortunato, David Wilhelm, Moody's Investors
2 Services, Inc. ("Moody's), and McGraw-Hill Companies, Inc., inclusive of its Standard & Poor's
3 Rating Services division ("S&P") (Moody's and S&P are the "Rating Agencies");

4 H. On April 27, 2010, Defendants filed motions to dismiss the Complaint. On
5 September 28, 2010, the Court granted in part and denied in part Defendants' motions to dismiss,
6 dismissing Plaintiffs' claims against the Rating Agencies and certain individual defendants and
7 certain claims against the other defendants;

8 I. On March 11, 2011, Plaintiffs filed their motion for class certification. On June
9 30, 2011, Defendants filed a motion for judgment on the pleadings to dismiss all claims relating
10 to the 110 tranches that Plaintiffs had not purchased and thus lacked standing to sue upon. Oral
11 argument on both motions was held on October 13, 2011. On October 21, 2011, the Court
12 granted Defendants' motion for judgment on the pleadings and granted Plaintiffs' motion for
13 class certification in part. Beginning on May 17, 2012, notices of pendency of the class action
14 began to be served in the form approved by the Court. On January 26, 2012, the Court issued an
15 order correcting a clerical error in its October 21, 2011 order;

16 J. On April 13, 2012, Defendants filed a motion for summary judgment. Oral
17 argument was heard on July 12, 2012 and the Court subsequently denied Defendants' motion for
18 summary judgment in its entirety on July 23, 2012;

19 K. Concurrently with the litigation of this Action, the Parties participated in an
20 extensive series of formal mediations conducted by experienced mediators from November 2010
21 through August 2012. Numerous in-person and telephonic mediation sessions were held. As a
22 result of the mediation, the Parties reached an agreement on the resolution of this Action.

23 L. Defendants have denied and continue to deny that they have committed any act or
24 omission giving rise to any liability and/or violation of law. Nonetheless, Defendants have
25 concluded that it is desirable that the Action be fully and finally settled in the manner and upon
26 the terms and conditions set forth in this Stipulation in order to limit further expense and

1 inconvenience with respect to matters at issue in the Action. This Stipulation shall in no event be
2 construed or deemed to be evidence of or an admission or concession by any Party of any
3 infirmity in the defenses asserted, or any infirmity in the claims asserted. The Parties recognize,
4 however, that the Action is being voluntarily settled after advice of counsel.

5 M. Lead Counsel has conducted a thorough investigation relating to the claims and
6 the underlying events and transactions alleged in the Complaint. Lead Counsel's investigation
7 and discovery has included, to date: (i) review of publicly-available documents, conference calls,
8 and announcements made by Defendants, including Defendants' filings with the Securities and
9 Exchange Commission ("SEC"); (ii) review of over 26 million pages of documents produced
10 during discovery; (iii) depositions of 39 fact witnesses; (iv) extensive expert discovery, including
11 depositions of seven of Defendants' experts and five of Plaintiffs' experts; and (v) research of
12 the applicable law with respect to the claims asserted in the Action and the potential defenses
13 thereto;

14 N. Plaintiffs, by their Counsel, have conducted discussions and arm's-length
15 negotiations with counsel for Defendants with respect to a compromise and settlement of the
16 Action, with a view to settling the issues in dispute and achieving the best relief possible
17 consistent with the interests of the Class;

18 O. Based upon their investigation, Plaintiffs and their Counsel have concluded that
19 the terms and conditions of this Stipulation are fair, reasonable and adequate to Plaintiffs and the
20 Class, and in their best interests, and have agreed to settle the claims raised in the Action
21 pursuant to the terms and provisions of this Stipulation, after considering: (i) the benefits that
22 Plaintiffs and the members of the Class will receive from the Settlement; (ii) the attendant risks
23 of litigation; (iii) the difficulties, expense and delays inherent in such litigation; (iv) the
24 Defendants' solvency and/or potential for bankruptcy; (v) the belief of Plaintiffs that the
25 Settlement is fair, reasonable, and adequate, and in the best interest of all Class Members; and
26

1 (vi) the desirability of permitting the Settlement to be consummated as provided by the terms of
2 this Stipulation.

3 NOW THEREFORE, without any admission or concession on the part of Plaintiffs of any
4 lack of merit in the Action whatsoever, and without any admission or concession of any liability
5 or wrongdoing or lack of merit in the defenses whatsoever by Defendants, it is hereby
6 STIPULATED AND AGREED, by and among the Parties to this Stipulation, through their
7 respective counsel of record, subject to approval of the Court pursuant to Rule 23(e) of the
8 Federal Rules of Civil Procedure, in consideration of the benefits flowing to the Parties hereto
9 from the Settlement, that all Released Claims (as defined below) as against the Released Persons
10 (as defined below) shall be compromised, settled, released and dismissed with prejudice, upon
11 and subject to the following terms and conditions:

12 **CERTAIN DEFINITIONS**

13 1. As used in this Stipulation, the following terms shall have the following
14 meanings:

15 a. "Authorized Claimant" means a Class Member who submits a timely and valid
16 Proof of Claim and Release form ("Proof of Claim") to the Claims Administrator.

17 b. "Claims Administrator" means Garden City Group, Inc. ("GCG"), which shall
18 administer the Settlement.

19 c. "Class" and "Class Members" means all persons or entities who purchased or
20 otherwise acquired the following WaMu Mortgage-Pass Through Certificates: 2006 AR-7
21 tranche 2A; 2006 AR-12 tranche 1A1; 2006 AR-16 tranches 2A1, LB1, LB2, LB3, 3B1, 3B2,
22 and 3B3; 2006 AR-17 tranche 1A; 2006 AR-18 tranche 2A1; and 2007-HY1 tranches 1A1 and
23 3A3 (collectively, the "Certificates"), on or before August 1, 2008 pursuant and/or traceable to
24 their Registration Statements and accompanying Prospectuses filed with the SEC for the
25 respective issuing entities and who were damaged thereby. Excluded from the Class are the
26 Defendants, any officers or directors of the Defendants, any corporation, trust, or other entity in

1 which any Defendant has a controlling interest; the members of the immediate families of Beck,
2 Novak, Jurgens, and Careaga or their successors, heirs, assigns, and legal representatives. Also
3 excluded from the Class are any Class Members who have excluded themselves from the Class,
4 and to the extent permitted by the Court, who file a request for exclusion in accordance with the
5 requirements set forth in the Notice.

6 d. "Lead Counsel" means Scott+Scott and Cohen Milstein.

7 e. "Covered Trusts" means the trusts into which the collateral underlying the
8 Certificates is deposited.

9 f. "Defendants' Counsel" means any counsel representing any defendant in the
10 Action.

11 g. "Effective Date of Settlement" or "Effective Date" means the date upon which the
12 Settlement contemplated by this Stipulation shall become effective, as set forth in paragraph 27
13 below.

14 h. "Escrow Agent" means Susan J. Schumacher, Senior Vice President, Commercial
15 Deposits Services Manager, EagleBank, 2001 K Street, N.W., Washington, D.C. 20006.

16 i. "Net Settlement Fund" means the Settlement Amount (as defined below), together
17 with any interest earned thereon, less (i) any Taxes, (ii) any amounts incurred for notice and/or
18 administration expenses referred to in paragraphs 6 and 8 hereof, (iii) the attorneys' fees and
19 expenses awarded to Lead Counsel pursuant to any Fee and Expense Application (referred to in
20 paragraph 9 hereof) and (iv) expenses incurred by Plaintiffs as approved by the Court.

21 j. "Notice" means the Notice of Proposed Settlement of Class Action, Motion for
22 Attorneys' Fees and Reimbursement of Expenses and Settlement Fairness Hearing, which is to
23 be sent to members of the Class substantially in the form attached hereto as Exhibit 1 to Exhibit
24 A.

25 k. "Order and Final Judgment" means the proposed order to be entered by the Court
26 approving the Settlement, substantially in the form attached hereto as Exhibit B.

1 l. “Order for Notice and Hearing” means the proposed order preliminarily
2 approving the Settlement and directing notice thereof to the Class, substantially in the form
3 attached hereto as Exhibit A.

4 m. “Person” means an individual, corporation, partnership, limited partnership,
5 limited liability company or partnership, association, joint stock company, estate, legal
6 representative, trust, unincorporated association, government or any political subdivision or
7 agency thereof, and any business or legal entity and their spouses, heirs, predecessors,
8 successors, representatives, or assignees.

9 n. “Plaintiffs’ Counsel” means Lead Counsel together with Tousley.

10 o. “Plan of Allocation” means a plan or formula of allocation of the Net Settlement
11 Fund to be proposed by Plaintiffs and approved by the Court which shall be described in the
12 Notice to be sent to Class Members in connection with the Settlement.

13 p. “Related Parties” means, collectively, JPMorgan Chase & Co., JPMorgan Chase
14 Bank, N.A. and their affiliates (collectively, “JPMC”); Washington Mutual Bank (“WMB”) and
15 all other entities that were owned directly or indirectly by Washington Mutual, Inc. (“WMI”) as
16 of the time immediately prior to the commencement of the FDIC receivership on September 25,
17 2008 (collectively, with WMB, the “WaMu Affiliates”); the Federal Deposit Insurance
18 Corporation in its capacity as receiver for WMB; together with each of Defendants’, JPMC’s and
19 the WaMu Affiliates’ past or present subsidiaries, parents, successors and predecessors, their
20 officers, directors, shareholders, partners, agents, employees, attorneys, insurers, spouses and any
21 person, firm, trust, corporation, officer, director or other individual or entity in which any
22 Defendant has a controlling interest or which is related to or affiliated with any of the
23 Defendants, and the legal representatives, heirs, successors-in-interest or assigns of the
24 Defendants, JPMC and the WaMu Affiliates. WMI itself, WMI Investment Corp. and the
25 Washington Mutual, Inc. Liquidating Trust (“WMILT”), and their successors, are excluded from
26 the definition of “Related Parties”.

1 q. “Released Persons” means, collectively, each and all of Defendants and the
2 Related Parties.

3 r. “Released Claims” shall mean any and all claims, debts, demands, rights or
4 causes of action or liabilities whatsoever, including rights of appeal, whether based on federal,
5 state, local, statutory or common law or any other law, rule or regulation, whether fixed or
6 contingent, accrued or unaccrued, liquidated or un-liquidated, at law or in equity, matured or un-
7 matured, whether class, and/or individual in nature, including both known claims and “Unknown
8 Claims” (as defined below), (1) that have been asserted in this Action by Plaintiffs on behalf of
9 the Class, whether before or after certification of the Class, against any of the Released Persons;
10 or (2) that could have been asserted in this Action, or in any other action or forum by or on
11 behalf of the Plaintiffs and/or the members of the Class or any of them against any of the
12 Released Persons which arise out of or are based upon or relate in any way to the allegations,
13 transactions, facts, matters or occurrences, representations or omissions involved, set forth, or
14 referred to in the Action, except that the Stipulation shall not release claims asserted in
15 *Policemen’s Annuity and Benefit Fund of the City of Chicago v. Bank of America, et al.*, United
16 States District Court, Southern District of New York, Case No. 1:12-cv-02865-KBF (the
17 “Trustee Action”). “Released Claims” shall also include all rights of appeal from any prior
18 decision of the court in this Action. “Released Claims” shall not include any proofs of claim that
19 Plaintiffs have filed in the Bankruptcy Cases (as defined below) or which might be refiled on
20 behalf of the Class upon the satisfaction of conditions contained within the Order and Stipulation
21 Resolving Debtors’ Amended Thirty-Second Omnibus Objection (Substantive) with Respect to
22 Claim Nos. 3812 and 2689 (the “Bankruptcy Stipulation”) and the Order Denying MBS
23 Plaintiffs’ Motion to Classify Asserted Class Claim as a Class 12 Claim, Finding Proofs of Claim
24 Nos. 4064 and 4069 Prematurely Filed by the MBS Plaintiffs and Granting WMI Liquidating
25 Trust Authority to Release the Reserve in Connection Therewith that come within the scope of
26 the foregoing release, including without limitation proof of claim nos. 3812, 2689, 4064 and

1 4069 (collectively, the “Bankruptcy Proofs of Claim”). “Bankruptcy Cases” means the chapter
2 11 cases of WMI and WMI Investment in the United States Bankruptcy Court for the District of
3 Delaware, administratively consolidated as Case No. 08-12229 (MFW).

4 s. “Settled Defendants’ Claims” means any and all claims, rights or causes of action
5 or liabilities whatsoever, whether based on federal, state, local, statutory or common law, or any
6 other law, rule, or regulation, including both known claims and Unknown Claims (as defined
7 below), that have been or could have been asserted in the Action or any forum by the
8 Defendants, or the Related Parties of any of them, against the Plaintiffs, any of the Class
9 Members or their attorneys, experts or consultants which arise out of or relate in any way to the
10 institution, prosecution, or settlement of the Action.

11 t. “Settlement” means the settlement embodied by this Stipulation.

12 v. “Settlement Fund” means the principal amount of Twenty-Six Million Dollars
13 (\$26,000,000) in cash (the “Settlement Amount”) plus any interest that may accrue thereon as
14 provided herein.

15 w. “Summary Notice” means the Summary Notice of Pendency and Proposed
16 Settlement of Class Action for publication substantially in the form attached as Exhibit 3 to
17 Exhibit A.

18 x. “Unknown Claims” means any and all Released Claims which Plaintiffs or any
19 Class Member does not know or suspect to exist in his, her or its favor at the time of the release
20 of the Released Persons, and any Settled Defendants’ Claims which any Defendant does not
21 know or suspect to exist in his, her or its favor, which if known by him, her or it might have
22 affected his, her or its decision(s) with respect to the Settlement. With respect to any and all
23 Released Claims and Settled Defendants’ Claims, the Parties stipulate and agree that upon the
24 Effective Date, the Parties expressly waive, and each Class Member and Released Person shall
25 be deemed to have waived, and by operation of the Order and Final Judgment shall have
26 expressly waived, any and all provisions, rights and benefits conferred by any law of any state or

1 territory of the United States, or principle of common law, which is similar, comparable, or
2 equivalent to Cal. Civ. Code § 1542, which provides:

3 A general release does not extend to claims which the creditor does not know or
4 suspect to exist in his or her favor at the time of executing the release, which if
5 known by him or her must have materially affected his or her settlement with the
6 debtor.

7 The Parties acknowledge, and the Class Members and Released Persons by operation of law
8 shall be deemed to have acknowledged, that the inclusion of “Unknown Claims” in the definition
9 of Released Claims and Settled Defendants’ Claims was separately bargained for and was a key
10 element of the Settlement.

11 **SCOPE AND EFFECT OF SETTLEMENT**

12 2. The obligations incurred pursuant to this Stipulation shall be in full and final
13 disposition of the Action and any and all Released Claims as against all Released Persons and
14 any and all Settled Defendants’ Claims.

15 3. Upon the Effective Date of this Settlement:

16 a. Plaintiffs and members of the Class on behalf of themselves and each of
17 their past and present subsidiaries, affiliates, parents, successors and predecessors, estates, heirs,
18 executors, administrators, and the respective officers, directors, shareholders, agents, legal
19 representatives, spouses and any persons they represent, shall, with respect to each and every
20 Released Claim, release and forever discharge, and shall forever be enjoined from instituting,
21 commencing or prosecuting, any Released Claims against any of the Released Persons; and

22 b. Each of the Defendants, on behalf of themselves and each of their past or
23 present subsidiaries, affiliates, parents, successors and predecessors, estates, heirs, executors,
24 administrators, and the respective officers, directors, shareholders, agents, legal representatives,
25 spouses and any persons they represent, shall, with respect to each and every one of Settled
26 Defendants’ Claims, release and forever discharge each and every one of the Settled Defendants’
Claims, and shall forever be enjoined from instituting, commencing or prosecuting the Settled

1 Defendants' Claims. If any Related Party institutes, commences or prosecutes any Settled
2 Defendants' Claim, that person shall no longer be a Released Person.

3 **THE SETTLEMENT CONSIDERATION**

4 4. Within twenty-one (21) calendar days of entry of the Order for Notice and
5 Hearing in substantially the form of Exhibit A, the Defendants shall pay or cause to be paid \$26
6 million into an interest-bearing escrow account on behalf of Plaintiffs and the Class designated
7 and controlled by Lead Counsel (the "Escrow"). Plaintiffs may use up to \$200,000 of the
8 Settlement Fund to pay costs incurred for notice and administration of the Settlement. This
9 amount does not limit Lead Counsel's ability to incur additional notice and administrative costs
10 and to seek Court approval for reimbursement of those costs from the Settlement Fund after the
11 balance of the Settlement Fund has been paid.

12 5. The Settlement will be non-recapture; *i.e.*, it is not a claims-made settlement.
13 Defendants have no ability to keep or recover any of the settlement monies unless the Settlement
14 does not become effective.

15 6. (a) The Settlement Fund, net of any Taxes (as defined below) on the income
16 thereof, shall be used to pay (i) the Notice and Administration Costs referred to in paragraph 8
17 hereof, (ii) the attorney's fee and expense award referred to in paragraph 9 hereof, and (iii) the
18 remaining administration expenses referred to in paragraph 8 hereof. The balance of the
19 Settlement Fund after the above payments shall be the Net Settlement Fund which shall be
20 distributed to the Authorized Claimants as provided in paragraphs 11-16 hereof. Any sums
21 required to be held in the Escrow prior to the Effective Date shall be deposited by Lead Counsel
22 in an account with the Escrow Agent. All funds held by the Escrow Agent shall be deemed to be
23 in the custody of the Court and shall remain subject to the jurisdiction of the Court until such
24 time as the funds shall be distributed or returned to the person(s) paying the same pursuant to this
25 Stipulation and/or further order of the Court. The Escrow Agent, upon instructions from Lead
26 Counsel, shall invest any funds in excess of \$200,000 in short-term United States Agency or

1 Treasury Securities, and shall collect and reinvest all interest accrued thereon. Any funds held in
2 escrow in an amount of less than \$200,000 may be held in an interest-bearing bank account
3 insured by the FDIC. The Parties hereto agree that the Settlement Fund is intended to be a
4 Qualified Settlement Fund within the meaning of Treasury Regulation § 1.468B-1 and that, upon
5 instructions from Lead Counsel, the Claims Administrator, as administrator of the Settlement
6 Fund within the meaning of Treasury Regulation § 1.46B-2(k)(3), shall be responsible for filing
7 tax returns for the Settlement Fund and paying from the Settlement Fund any Taxes owed with
8 respect to the Settlement Fund. Defendants agree to reasonably cooperate with the Claims
9 Administrator and Lead Counsel to provide information available to them that is needed for
10 filing tax returns for the Settlement Fund and will give their consent to the Settlement Fund's
11 filing of any relation back election.

12 (b) All (i) taxes on the income of the Settlement Fund and (ii) expenses and
13 costs incurred in connection with the taxation of the Settlement Fund (including, without
14 limitation, expenses of tax attorneys and accountants) (collectively, "Taxes") shall be paid out of
15 the Settlement Fund, shall be considered to be a cost of administration of the Settlement and
16 shall be timely paid by the Claims Administrator and Lead Counsel without prior order of the
17 Court. The Defendants and other Released Persons shall have no liability or responsibility for
18 the payment of any Taxes. The Settlement Fund shall indemnify and hold the Released Persons
19 harmless for any Taxes (including, without limitation, Taxes payable by reason of any such
20 indemnification).

21 ADMINISTRATION

22 7. The Claims Administrator shall administer the Settlement under Lead Counsel's
23 supervision and subject to the jurisdiction of the Court. The Released Persons shall have no
24 liability, obligation or responsibility for the administration of the Settlement or disbursement of
25 the Net Settlement Fund, except for Defendants' obligation to pay or cause to be paid the
26 Settlement Amount, as provided herein, and, if not already made available, to make Defendants'

1 transfer records and certificate holder information available to Lead Counsel or their agent to the
2 extent necessary to identify and give notice to the Class within five (5) business days of the
3 Court's entry of the Order for Notice and Hearing.

4 8. The Settlement Fund shall be applied to pay all reasonable costs and expenses of
5 notice to members of the Class and administration of the Settlement Fund, escrow fees, taxes,
6 custodial fees and expenses incurred in connection with processing Proofs of Claim or
7 distributing the Settlement Fund. After entry of the Order for Notice and Hearing, and prior to
8 Final Approval, up to \$200,000 may be disbursed from the Settlement Fund for this purpose
9 without further approval of the Court. Upon the Effective Date, Lead Counsel may pay from the
10 Settlement Fund the costs and expenses associated with the administration of the Settlement and
11 the processing of submitted claims in excess of \$200,000, upon Court approval.

12 **ATTORNEY'S FEES AND EXPENSES**

13 9. Plaintiffs' Counsel will apply to the Court for an award from the Settlement Fund
14 of attorney's fees and reimbursement of costs and expenses (the "Fee and Expense
15 Application"), plus interest earned in the Settlement Fund on both amounts. Such attorney's fees
16 and expenses, as are awarded by the Court, shall be paid from the Settlement Fund to Plaintiffs'
17 Counsel immediately upon the Court's entry of the Order and Final Judgment, notwithstanding
18 the existence of any timely-filed objections thereto, potential for appeal therefrom, or any
19 collateral attack on the Settlement or any part thereof, subject to the obligation of Plaintiffs'
20 Counsel to refund or repay to the Settlement Fund all such amounts that are not finally approved,
21 plus accrued interest at the rate paid on the Settlement Fund by the financial institution holding
22 it, if and when, as a result of any appeal and/or further proceedings on remand, or successful
23 collateral attack, the fee or expense award is reduced or reversed. The Released Parties shall
24 have no obligation to pay any attorney's fees or expenses that may be awarded by the Court,
25 which shall be paid exclusively from the Settlement Fund. Defendants will not contest or
26 otherwise negatively comment on Plaintiffs' Counsel's Fee and Expense Application, or any

1 request for an award to the Lead Plaintiffs (if any such request is made), and such matters are not
2 the subject of any agreement between the Parties other than what is already set forth above in
3 this paragraph. The procedure for and the allowance or disallowance of any application for
4 attorney's fees and expenses are matters separate and apart from the Settlement and shall be
5 requested to be considered by the Court separately from the Court's consideration of the fairness,
6 reasonableness, and adequacy of the Settlement. Any order or proceeding relating solely to an
7 award of attorney's fees and expenses, or any appeal from any order relating thereto, or any
8 reversal or modification thereof, shall have no effect on the Settlement and shall not operate to,
9 or be grounds to, terminate or cancel the Settlement or to affect or delay the finality of the final
10 judgment approving the Settlement.

11 **ADMINISTRATION EXPENSES AND DISTRIBUTION ORDER**

12 10. Lead Counsel will apply to the Court, on notice to Defendants' Counsel, for an
13 order (the "Class Distribution Order") approving the Claims Administrator's administrative
14 determinations concerning the acceptance and rejection of the claims submitted herein and
15 approving any fees and expenses not previously applied for, including the fees and expenses of
16 the Claims Administrator, and, if the Effective Date has occurred, directing payment of the Net
17 Settlement Fund to Authorized Claimants.

18 **DISTRIBUTION TO AUTHORIZED CLAIMANTS**

19 11. The Claims Administrator shall determine each Authorized Claimant's *pro rata*
20 share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim (as
21 defined in the Plan of Allocation described in the Notice annexed hereto as Exhibit 1 to Exhibit
22 A, or in such other Plan of Allocation as the Court approves). The Plan of Allocation proposed
23 in the Notice is not a necessary term of this Stipulation and it is not a condition of this
24 Stipulation that the Plan of Allocation be approved. Defendants will take no position with
25 respect to such proposed Plan of Allocation or such plan as may be approved by the Court.
26

1 12. Each Authorized Claimant shall be allocated a *pro rata* share of the Net
2 Settlement Fund based on his, her, or its Recognized Claim compared to the total Recognized
3 Claims of all Authorized Claimants.

4 13. The Defendants shall not have any responsibility for or liability, or any rights or
5 claims, whatsoever with respect to: (i) any act, omission, or determination of Lead Counsel, the
6 escrow agents or the Claims Administrator, or any of their respective designees or agents, in
7 connection with the administration of the Settlement or otherwise; (ii) the management,
8 investment or distribution of the Settlement Fund; (iii) the Plan of Allocation; (iv) the
9 determination, administration, calculation, or payment of any claims asserted against the
10 Settlement Fund; (v) any losses suffered by, or fluctuations in the value of, the Settlement Fund;
11 or (vi) the payment or withholding of any Taxes, expenses, and/or costs incurred in connection
12 with the taxation of the Settlement Fund or the filing of any returns.

13 14. Any member of the Class who does not submit a valid Proof of Claim will not be
14 entitled to receive any of the proceeds from the Net Settlement Fund but will otherwise be bound
15 by all of the terms of this Stipulation and the Settlement, including the terms of the Order and
16 Final Judgment to be entered in the Action and the releases provided for herein, and will be
17 barred from bringing any action against the Released Persons concerning the Released Claims.

18 15. The Claims Administrator and Lead Counsel shall have the right, but not the
19 obligation, to waive what they deem to be formal or technical defects in any Proofs of Claim
20 submitted in the interests of achieving substantial justice.

21 16. For purposes of determining the extent, if any, to which a Class Member shall be
22 entitled to be treated as an “Authorized Claimant,” the following conditions shall apply:

23 (a) Each Class Member shall be required to submit a Proof of Claim (see
24 Exhibit 2 to Exhibit A), supported by such documents as are designated therein, including proof
25 of the claimant’s loss, or such other documents or proof as the Claims Administrator, in its
26 discretion, may deem acceptable;

1 (b) All Proofs of Claim must be submitted by the date specified in the Notice
2 unless such period is extended by Order of the Court. Any Class Member who fails to submit a
3 Proof of Claim by such date shall be forever barred from receiving any payment pursuant to this
4 Stipulation (unless, by Order of the Court, a later submitted Proof of Claim by such Class
5 Member is approved), but shall in all other respects be bound by all of the terms of this
6 Stipulation and the Settlement including the terms of the Order and Final Judgment to be entered
7 in the Action and the releases provided for herein, and will be barred from bringing any action
8 against the Released Persons concerning the Released Claims. Provided that it is received before
9 the motion for the Class Distribution Order is filed, a Proof of Claim shall be deemed to have
10 been submitted when posted, if received with a postmark indicated on the envelope and if mailed
11 by first-class mail, or registered or certified mail, postage prepaid, and addressed in accordance
12 with the instructions thereon. In all other cases, the Proof of Claim shall be deemed to have been
13 submitted when actually received by the Claims Administrator;

14 (c) Each Proof of Claim shall be submitted to and reviewed by the Claims
15 Administrator, who shall determine in accordance with this Stipulation the extent, if any, to
16 which each claim shall be allowed, subject to review by the Court pursuant to subparagraph (e)
17 below. Lead Counsel will submit the Claims Administrator's recommendations to the Court;

18 (d) Proofs of Claim that do not meet the submission requirements may be
19 rejected. Prior to rejection of a Proof of Claim, the Claims Administrator shall communicate
20 with the claimant in order to remedy the curable deficiencies in the Proofs of Claim submitted.
21 The Claims Administrator shall notify, in a timely fashion and in writing, all claimants whose
22 Proofs of Claim they propose to reject in whole or in part, setting forth the reasons therefor, and
23 shall indicate in such notice that the claimant whose claim is to be rejected has the right to a
24 review by the Court if the claimant so desires and complies with the requirements of
25 subparagraph (e) below;

1 (e) If any claimant whose claim has been rejected in whole or in part desires
2 to contest such rejection, the claimant must, within twenty (20) calendar days after the date of
3 mailing of the notice required in subparagraph (d) above, serve upon the Claims Administrator a
4 notice and statement of reasons indicating the claimant's grounds for contesting the rejection
5 along with any supporting documentation, and requesting a review thereof by the Court. If a
6 dispute concerning a claim cannot be otherwise resolved, Lead Counsel shall thereafter present
7 the request for review to the Court; and

8 (f) The Claims Administrator's recommendations accepting and rejecting
9 claims shall be presented to the Court for its approval in the Class Distribution Order.

10 17. Each claimant shall be deemed to have submitted to the jurisdiction of the Court
11 with respect to the claimant's claim, and the claim will be subject to investigation and discovery
12 under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall
13 be limited to that claimant's status as a Class Member and the validity and amount of the
14 claimant's claim. No discovery shall be allowed on the merits of the Action or Settlement in
15 connection with processing of the Proofs of Claim.

16 18. Payment pursuant to this Stipulation shall be deemed final and conclusive against
17 all Class Members. All Class Members whose claims are not approved by the Court shall be
18 barred from participating in distributions from the Net Settlement Fund, but otherwise shall be
19 bound by all of the terms of this Stipulation and the Settlement, including the terms of the Order
20 and Final Judgment to be entered in the Action and the releases provided for herein, and will be
21 barred from bringing any action against the Released Persons concerning the Released Claims.

22 19. All proceedings with respect to the administration, processing and determination
23 of claims and the determination of all controversies relating thereto, including disputed questions
24 of law and fact with respect to the validity of claims, shall be subject to the jurisdiction of the
25 Court.

26

1 20. The Net Settlement Fund shall be distributed to Authorized Claimants by the
2 Claims Administrator only after the Effective Date and after: (i) all claims have been processed,
3 and all claimants whose claims have been rejected or disallowed, in whole or in part, have been
4 notified and provided the opportunity to be heard concerning such rejection or disallowance; (ii)
5 all objections with respect to all rejected or disallowed claims have been resolved by the Court;
6 (iii) all matters with respect to attorney’s fees, costs, and disbursements have been resolved by
7 the Court; and (iv) all costs of administration have been paid.

8 21. If any funds remain in the Net Settlement Fund by reason of uncashed checks, or
9 otherwise, after the Claims Administrator has made reasonable and diligent efforts to have
10 Authorized Claimants who are entitled to participate in the distribution of the Net Settlement
11 Fund cash their distribution checks, then any balance remaining in the Net Settlement Fund six
12 (6) months after the initial distribution of such funds shall be used: (a) first to pay any amounts
13 mistakenly omitted from the initial distribution to Authorized Claimants or to pay any late, but
14 otherwise valid and fully documented claims received after the cut-off date used to make the
15 initial distribution, which were not previously authorized by the Court to be paid, provided that
16 such distributions to any late post-distribution claimants meet all of the other criteria for
17 inclusion in the initial distribution; (b) second to pay any additional settlement administration
18 fees and expenses, including those of Lead Counsel as may be approved by the Court; and (c)
19 finally, to be distributed as recommended by Lead Counsel and approved by the Court.

20 **TERMS OF ORDER FOR NOTICE AND HEARING**

21 22. Concurrently with their application for preliminary Court approval of the
22 Settlement contemplated by this Stipulation, Lead Counsel shall apply to the Court for entry of
23 an Order for Notice and Hearing, substantially in the form annexed hereto as Exhibit A.
24
25
26

1 **TERMS AND ORDER OF FINAL JUDGMENT**

2 23. If the Settlement contemplated by this Stipulation is approved by the Court,
3 counsel for the Parties shall request that the Court enter an Order and Final Judgment
4 substantially in the form annexed hereto as Exhibit B.

5 **RIGHT OF EXCLUSION AND OBJECTION**

6 24. As the Class in this Action was certified on October 21, 2011, and the time for
7 Class Members to exclude themselves from the Class has elapsed, the Parties shall apply for an
8 Order preliminarily approving the Settlement without a further right of exclusion. If pursuant to
9 Fed. R. Civ. P. 23(e)(4) the Court requires that a new opportunity to request exclusion be
10 provided to individual Class Members who had an earlier opportunity to request exclusion but
11 did not do so, then any person may seek to be excluded from the Class and the Settlement
12 provided for by this Stipulation by submitting a written request for exclusion (“Request for
13 Exclusion”). Any Request for Exclusion must be received by the Claims Administrator no later
14 than fourteen (14) calendar days before the Settlement Fairness Hearing date established by the
15 Court. Any Class Member so excluded shall not be bound by the terms of the Stipulation, nor
16 entitled to any of its benefits, and shall not be bound by any Order and Final Judgment and/or
17 other order of the Court entered herein, whether pursuant to this Stipulation or otherwise.

18 25. Any Class Member who does not exclude himself, herself, or itself from the Class
19 and the Settlement shall have the right to submit written objections concerning the Settlement,
20 Plan of Allocation, and/or Lead Counsel’s application for attorney’s fees and expenses, which
21 objections shall state all of the reasons for the objection(s). Any written objection(s), and any
22 briefs, affidavits or other evidence submitted in support thereof must be filed with the Clerk of
23 the Court no later than fourteen (14) calendar days before the Settlement Fairness Hearing date
24 established by the Court. All persons and/or entities desiring to attend the Settlement Fairness
25 Hearing and be heard as objectors must have filed written objections as provided herein, as a
26 condition of appearing and being heard at such hearing. Any Class Member who does not timely

1 file written objections to the Settlement pursuant to this paragraph and the Notice shall not be
2 permitted to object to the Settlement at the Settlement Fairness Hearing, and shall be foreclosed
3 from objecting to, challenging or otherwise seeking review of the Settlement by appeal or
4 otherwise, in this Action or in any other action.

5 26. To retract or withdraw a Request for Exclusion, a member of the Class must file a
6 written notice with the Claims Administrator stating the person's or entity's desire to retract or
7 withdraw his, her, or its Request for Exclusion and that person's or entity's desire to be bound by
8 any judgment or settlement in this Action; provided, however, that the filing of such written
9 notice may be effected by Lead Counsel. Lead Counsel shall promptly notify Defendants'
10 Counsel of any retraction or withdrawal of a Request for Exclusion.

11 **EFFECTIVE DATE OF SETTLEMENT, WAIVER OR TERMINATION**

12 27. The Effective Date of Settlement shall be the date when all the following shall
13 have occurred:

- 14 (a) funding in conformity with paragraph 4;
- 15 (b) entry of the Order for Notice and Hearing in all material respects in the
16 form annexed hereto as Exhibit A;
- 17 (c) approval by this Court of the Settlement, following notice to the Class and
18 a hearing, as prescribed by Rule 23 of the Federal Rules of Civil Procedure; and
- 19 (d) entry by the Court of an Order and Final Judgment, in all material respects
20 in the form set forth in Exhibit B annexed hereto, and the expiration of any time for appeal or
21 review of such Order and Final Judgment, or, if any appeal is filed and not dismissed, after such
22 Order and Final Judgment is upheld on appeal in all material respects and is no longer subject to
23 review upon appeal or review by writ of certiorari, or, in the event that the Court enters an order
24 and final judgment in the form other than that provided above ("Alternative Judgment") and
25 none of the Parties hereto elect to terminate this Settlement, the date that such Alternative
26 Judgment becomes final and no longer subject to appeal or review.

1 28. Defendants' Counsel or Lead Counsel shall have the right to terminate the
2 Settlement and this Stipulation by providing written notice of their election to do so
3 ("Termination Notice") to all other Parties hereto within thirty (30) calendar days of: (a) the
4 Court's declining to enter the Order for Notice and Hearing in any material respect; (b) the
5 Court's refusal to approve this Stipulation or any material part of it; (c) the Court's declining to
6 enter the Order and Final Judgment in any material respect; (d) the date upon which the Order
7 and Final Judgment is modified or reversed in any material respect by the U.S. Court of Appeals
8 or the U.S. Supreme Court; or (e) the date upon which an Alternative Judgment is modified or
9 reversed in any material respect by the U.S. Court of Appeals or the U.S. Supreme Court.

10 29. If the Court grants Class members a new right of exclusion and if, prior to the
11 Settlement Fairness Hearing, any Persons who otherwise would be members of the Class have
12 timely requested exclusion ("Requests for Exclusion") from the Settlement Class in accordance
13 with the provisions of the Order for Notice and Hearing and the Notice given pursuant thereto,
14 and such Persons in the aggregate purchased or otherwise acquired Certificates having a face
15 amount greater than the sum specified in a separate "Supplemental Stipulation" between
16 Plaintiffs and Defendants, Defendants shall have, in their sole and absolute discretion, the option
17 to terminate this Stipulation on behalf of all Parties in accordance with the procedures set forth in
18 the Supplemental Stipulation. Plaintiffs shall also have the right to seek a retraction of any
19 Request for Exclusion pursuant to the Supplemental Stipulation. The Supplemental Stipulation
20 will not be filed with the Court. If required by the Court, the Supplemental Stipulation and/or
21 any of its terms may be disclosed *in camera* to the Court for purposes of approval of the
22 Settlement, but such disclosure shall be carried out to the fullest extent possible in accordance
23 with the practices of the Court so as to preserve the confidentiality of the Supplemental
24 Stipulation, particularly the threshold aggregate face value of Certificates. Copies of all
25 Requests for Exclusion received, together with copies of all written revocations of Requests for
26 Exclusion, shall be delivered to Defendants' Counsel as soon as possible after receipt by

1 Plaintiffs or Lead Counsel but in no event later than ten (10) calendar days before the Settlement
2 Hearing.

3 30. An order of the Court or modification or reversal on appeal of any order of the
4 Court concerning the Plan of Allocation or the amount of any attorney's fees, costs, expenses,
5 and interest awarded by the Court to Lead Plaintiff or Lead Counsel shall not constitute grounds
6 for cancellation or termination of this Stipulation or the Settlement.

7 31. Except as otherwise provided herein, in the event the Settlement is terminated or
8 fails to become effective for any reason, then the Parties to this Stipulation shall be deemed to
9 have reverted to their respective litigation positions as of September 4, 2012, and, except as
10 otherwise expressly provided, the Parties shall proceed in all respects as if this Stipulation and
11 any related orders had not been entered, and any portion of the Settlement Amount previously
12 paid or caused to be paid by Defendants, together with any interest earned thereon, less any
13 Taxes due with respect to such income, and less the costs of administration and notice actually
14 incurred whether paid or not paid, shall be returnable within ten (10) business days to the payor
15 of the Settlement Amount.

16 **NO ADMISSION OF WRONGDOING**

17 32. This Stipulation and all negotiations, statements, and proceedings in connection
18 herewith shall not, in any event, be construed or deemed to be evidence of an admission or
19 concession on the part of Plaintiffs, any member of the Class, the Defendants, or any other
20 person or entity, of any liability or wrongdoing by them, or any of them, and shall not be offered
21 or received in evidence in any action or proceeding (except an action to enforce this Stipulation
22 and Settlement contemplated hereby), or be used in any way as an admission, concession, or
23 evidence of any liability or wrongdoing of any nature, and shall not be construed as, or deemed
24 to be evidence of, an admission or concession that Plaintiffs, any member of the Class, any
25 present or former certificate holder, or any other person or entity, has or has not suffered any
26 damage, except that the Released Persons may file this Stipulation and/or the Judgment in any

1 action that may be brought against them in order to support a defense or counterclaim based on
2 principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or
3 reduction or any other theory of claim preclusion or issue preclusion or similar defense or
4 counterclaim.

5 **REPURCHASE AND SERVICING CLAIMS**

6 33. Class Members acknowledge that the Covered Trusts have asserted or may assert
7 that they may have certain repurchase, servicing, or other similar claims related to the
8 origination, sale, and servicing of the mortgage loans owned by the Covered Trusts that relate to
9 the 13 tranches whose investors comprise the Class (the “Alleged Repurchase and Servicing
10 Claims”) that could result in funds being (1) deposited in the Covered Trusts and thereafter
11 distributed for the direct or indirect benefit of certificate holders of the Covered Trusts (such
12 benefits including but not limited to distribution to certificate holders or increased subordination
13 in the Covered Trusts) or (2) otherwise designated for distribution to such certificate holders (the
14 “Trust Recoveries”).

15 34. Class Members acknowledge that value received by each of them pursuant to this
16 Settlement Agreement shall offset portions of the Trust Recoveries that may be received by them
17 as a result of Alleged Repurchase and Servicing Claims, regardless of which persons or entities
18 (including but not limited to JPMorgan Chase Bank or the FDIC) bear the immediate or ultimate
19 responsibility for the Alleged Repurchase and Servicing Claims. Class Members shall not act as
20 part of a quorum of certificate holders to direct an action seeking any duplicative recovery with
21 respect to the Covered Trusts, except that Class Members may pursue their direct claims against
22 the trustees in the Trustee Action.

23 35. No Admission of Liability. Neither the execution of this Agreement, nor of any
24 other agreement as provided for in paragraph 29, shall operate or be construed as any admission
25 of liability, fault as to, or validity of, any of the Alleged Repurchase and Servicing Claims for
26 any of the Covered Trusts.

MISCELLANEOUS PROVISIONS

1
2 36. All of the exhibits attached hereto are material and integral parts hereof and are
3 hereby incorporated by reference as though fully set forth herein.

4 37. After the filing of this Stipulation but before distribution of any portion of the
5 Settlement Fund, if a case is commenced in respect of any Defendant under Title 11 of the
6 United States Code (Bankruptcy), or a trustee, receiver or conservator is appointed under any
7 similar law, and in the event of the entry of a final order of a court of competent jurisdiction
8 determining the transfer of money to the Settlement Fund or any portion thereof by or on behalf
9 of such Defendant to be a preference, voidable transfer, fraudulent transfer or similar transaction
10 and any portion thereof is required to be returned, and such amount is not promptly deposited to
11 the Settlement Fund by other Released Parties, then, at the election of Lead Counsel, the Parties
12 may jointly move the Court to vacate and set aside the releases given and Order and Final
13 Judgment entered in favor of such Defendant pursuant to this Stipulation, which releases and
14 Order and Final Judgment shall be null and void, and the Parties shall be restored to their
15 respective positions in the Action immediately prior to the execution of this Stipulation and any
16 cash amounts in the Settlement Fund shall be returned to the persons or entities that paid such
17 amounts, as provided above.

18 38. The Parties to this Stipulation intend the Settlement to be a final and complete
19 resolution of all disputes asserted or which could be asserted by the Class Members against the
20 Released Persons with respect to the Released Claims. Accordingly, Plaintiffs, on behalf of
21 themselves and the Class, and Defendants agree not to assert in any forum that the Action was
22 brought by Plaintiffs or defended by Defendants in bad faith or without a reasonable basis. The
23 Parties hereto shall assert no claims of any violation of Rule 11 of the Federal Rules of Civil
24 Procedure relating to the prosecution, defense, or settlement of the Action. The Parties agree that
25 the amount paid and the other terms of the Settlement were negotiated at arm's-length in good
26

1 faith by the Parties and reflect a Settlement that was reached voluntarily after consultation with
2 experienced legal counsel.

3 39. This Stipulation may not be modified or amended, nor may any of its provisions
4 be waived, except by a writing signed by the Parties to the Action or their successors-in-interest.

5 40. The headings herein are used for the purpose of convenience only and are not
6 meant to have legal effect.

7 41. The administration and consummation of the Settlement as embodied in this
8 Stipulation shall be under the authority of the Court, and the Court shall retain jurisdiction for the
9 purpose of entering orders providing for awards of attorney's fees and expenses to Lead Counsel
10 and enforcing the terms of this Stipulation.

11 42. The waiver by one party of any breach of this Stipulation by any other party shall
12 not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

13 43. This Stipulation and its exhibits constitute the entire agreement among the Parties
14 hereto concerning the Settlement of the Action, and no representations, warranties, or
15 inducements have been made by any party hereto concerning this Stipulation and its exhibits
16 other than those contained and memorialized in such documents.

17 44. This Stipulation may be executed in one or more counterparts. All executed
18 counterparts and each of them shall be deemed to be one and the same instrument provided that
19 counsel for the Parties to this Stipulation shall exchange among themselves original signed
20 counterparts.

21 45. This Stipulation is binding upon and shall inure to the benefit of the Parties and
22 their respective agents, successors, executors, heirs and assigns.

23 46. The construction, interpretation, operation, effect and validity of this Stipulation,
24 and all documents necessary to effectuate it, shall be governed by the laws of the State of
25 Washington without regard to any choice of law provision, except to the extent that federal law
26 requires that federal law governs.

1 47. This Stipulation shall not be construed more strictly against one party than
2 another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel
3 for one of the Parties, it being recognized that it is the result of arm's-length negotiations
4 between the Parties, and all Parties have contributed substantially and materially to the
5 preparation of this Stipulation.

6 48. All counsel and any other person executing this Stipulation and any of the
7 exhibits hereto, or any related settlement documents, warrant and represent that they have the full
8 authority to do so and that they have the authority to take appropriate action required or
9 permitted to be taken pursuant to the Stipulation to effectuate its terms.

10 49. Lead Counsel and Defendants' Counsel agree to cooperate fully with one another
11 in seeking Court approval of the Order for Notice and Hearing, the Stipulation and the
12 Settlement, and to promptly agree upon and execute all such other documentation as may be
13 reasonably required to obtain final approval by the Court of the Settlement.

14 50. The Parties agree that the mediator shall continue to assist them with any disputes
15 over the terms of the Settlement and shall have the authority to resolve any such disputes until
16 such time as the Court grants preliminary approval.


17
18 Dated this 4th day of September, 2012. **SCOTT+SCOTT LLP**

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30 *Lead Counsel for the Class*

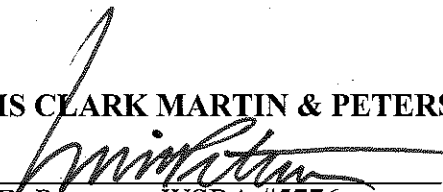
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40 *Liaison Counsel for Plaintiffs and the Class*

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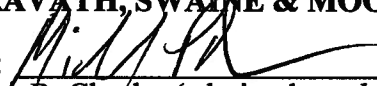
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Attorneys for Defendants WaMu Asset Acceptance Corp. and WaMu Capital Corp.

CERTIFICATE OF SERVICE

I hereby certify that on September 4, 2012, I caused the foregoing to be electronically filed with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses denoted on the Electronic Mail Notice List, and I hereby certify that I caused the foregoing document or paper to be mailed via the United States Postal Service to the non-CM/ECF participants indicated on the Manual Notice List.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on September 4, 2012.

/s/ Beth Kaswan
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EXHIBIT A

The Honorable Marsha J. Pechman

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

IN RE: WASHINGTON MUTUAL
MORTGAGE BACKED SECURITIES
LITIGATION

Master Case No.: C09-0037 (MJP)

CLASS ACTION

This Document Relates to: ALL CASES

ORDER FOR NOTICE AND HEARING

WHEREAS, a consolidated class action is pending before this Court entitled *In re: Washington Mutual Mortgage Backed Securities Litigation*, No. C09-0037 (the “Action”); and

WHEREAS, the Court has received the Stipulation of Settlement dated September 4, 2012 (the “Stipulation”), that has been entered into by Lead Plaintiff Policemen’s Annuity Benefit Fund of the City of Chicago, Lead Plaintiff Doral Bank of Puerto Rico and Plaintiff Boilermakers National Annuity Trust (collectively, “Plaintiffs”) and defendants WaMu Asset Acceptance Corp. (“WMAAC”), WaMu Capital Corp. (“WCC”), David Beck, Diane Novak, Rolland Jurgens, and Richard Careaga (together, the “Defendants”). Defendants and Plaintiffs are the “Parties”;

WHEREAS, the Parties, having applied for an order determining certain matters in connection with the proposed settlement of the Action (the “Settlement”), in accordance with the Stipulation entered into by the Parties, and for the ultimate final approval of the Settlement and

1 dismissal of the Action as against the Defendants upon the terms and conditions set forth in the
2 Stipulation;

3 NOW, upon consent of the Parties, after review and consideration of the Stipulation filed
4 with the Court and the exhibits annexed thereto, and after due deliberation, IT IS HEREBY
5 ORDERED that:

6 1. The Court, for purposes of this Order for Notice and Hearing, adopts all defined
7 terms as set forth in the Stipulation.

8 2. Lead Counsel is authorized to act on behalf of the Class with respect to all acts
9 required by, or which may be given pursuant to, the Stipulation or such other acts that are
10 reasonably necessary to consummate the proposed Settlement set forth in the Stipulation.

11 3. Lead Counsel is hereby authorized to retain the firm Garden City Group, Inc.
12 (“GCG”) as Claims Administrator to supervise and administer the notice and claims procedures.

13 4. The Court preliminarily approves the Settlement as set forth in the Stipulation and
14 the proposed Plan of Allocation described in the Notice, subject to the right of any Class
15 Member to challenge the fairness, reasonableness, and adequacy of the Settlement, the proposed
16 Plan of Allocation, or the fairness and adequacy of their representation by Lead Counsel, and to
17 show cause, if any exists, why a final judgment dismissing the Action based on the Stipulation
18 should not be ordered herein after due and adequate notice to the Class has been given in
19 conformity with this Order.

20 5. A hearing (the “Settlement Fairness Hearing”) shall be held on ____ at ___, in
21 the United States District Court for the Western District of Washington in Courtroom ___, 700
22 Stewart Street, Seattle, Washington, 98101, the Honorable Marsha J. Pechman presiding, to:

23 a. determine whether the Settlement should be approved by the Court as fair,
24 reasonable and adequate;

1 b. determine whether judgment should be entered pursuant to the Stipulation, *inter*
2 *alia*, dismissing the Action with prejudice and extinguishing and releasing all Settled Claims and
3 Settled Defendants' Claims (as defined therein);

4 c. determine whether the Plan of Allocation should be approved;

5 d. rule on Lead Counsel's application for an award of attorney's fees and the
6 reimbursement of expenses; and

7 e. rule on such other matters as the Court may deem appropriate.

8 6. The Court reserves the right to adjourn the Settlement Fairness Hearing, including
9 the consideration of the application for attorney's fees and reimbursement of expenses, without
10 further notice to Class Members. The Court may, for good cause, extend any of the deadlines set
11 forth in this Order without further notice to Class Members.

12 7. The Court reserves the right to approve the Settlement at or after the Settlement
13 Fairness Hearing with such modification as may be consented to by the Parties to the Stipulation
14 and without further notice to the Class.

15 8. The Claims Administrator shall make reasonable efforts to identify all persons
16 and entities who are members of the Class, including beneficial owners whose Certificates are
17 held by banks, brokerage firms, or other nominees. To the extent not already provided,
18 Defendants shall provide to Lead Counsel within (5) business days of the entry of this Order the
19 information from Defendants' transfer records required by the Claims Administrator to send
20 copies of the Notice to members of the Class who can be identified through reasonable efforts
21 from those transfer records.

22 9. Within thirty (30) calendar days after the entry of this Order, the Claims
23 Administrator shall cause a copy of the Notice (substantially in the form of Exhibit 1) and Proof
24 of Claim (substantially in the form of Exhibit 2) to be mailed by United States mail, postage
25 prepaid, to all members of the Class, at their last known address appearing in the transfer records
26

1 maintained by or on behalf of Defendants, and to identifiable nominees for Class Members. The
2 thirtieth (30th) day after the entry of this Order shall be termed the “Notice Date.”

3 10. Pursuant to the Notice, each nominee shall either: send the Notice and Proof of
4 Claim to Class Members for which they act as nominee by first class mail within ten (10)
5 calendar days after the nominee receives the Notice; or send a list of the names and addresses of
6 such beneficial owners to the Claims Administrator within ten (10) calendar days after the
7 nominee receives the Notice and, in the event of the latter, the Claims Administrator shall send
8 by first class mail the Notice and Proof of Claim to all Class Members named on the list received
9 from the nominee within ten (10) calendar days of the receipt of such information. The Claims
10 Administrator shall, if requested, reimburse banks, brokerage houses, or other nominees for their
11 reasonable out-of-pocket expenses incurred in providing notice to beneficial owners who are
12 Class Members, which expenses would not have been incurred except for the sending of such
13 notice, subject to further order of this Court with respect to any dispute concerning such
14 compensation. Lead Counsel shall file with the Court and serve upon Defendants’ Counsel no
15 later than twenty-one (21) calendar days prior to the Settlement Fairness Hearing an affidavit or
16 declaration describing the efforts taken to comply with this Order and stating that the mailings
17 have been completed in accordance with the terms of this Order.

18 11. Within ten (10) calendar days of the Notice Date, Lead Counsel shall publish a
19 Summary Notice, substantially in the form of Exhibit 3, once in the *Investor’s Business Daily*,
20 and shall post the full Notice and any other appropriate documents on a website concerning the
21 Settlement. Lead Counsel shall file with the Court and serve upon Defendants’ Counsel no later
22 than twenty-one (21) calendar days prior to the Settlement Fairness Hearing an affidavit or
23 declaration stating that the Summary Notice has been published in accordance with the terms of
24 this Order.

25 12. The form and method of notice specified herein is the best notice practicable and
26 shall constitute due and sufficient notice to all persons and entities entitled to receive such notice

1 and fully satisfies the requirements of due process and Fed. R. Civ. P. 23.

2 13. Any member of the Class who objects to the Settlement, the representation of the
3 Class by Lead Counsel, and/or the application for attorney's fees and reimbursement of
4 expenses, or who otherwise wishes to be heard, may appear in person or by his, her, or its
5 attorney at the Settlement Fairness Hearing and present evidence or argument that may be proper
6 or relevant; provided, however, that no person other than the Parties and their counsel shall be
7 heard, and no papers, briefs, pleadings, or other documents submitted by any person or entity
8 shall be considered by the Court unless at least fourteen (14) calendar days before the Settlement
9 Fairness Hearing such person or entity files with the Court and delivers to counsel listed below:
10 (a) a written notice of intention to appear; (b) a statement of such person's or entity's
11 objection(s) to any matters before the Court; (c) the grounds therefor or the reasons that such
12 person or entity desires to appear and be heard, as well as all documents or writings such person
13 or entity desires the Court to consider; and (d) documents evidencing that such person is a Class
14 Member. Such filings shall be served upon the Court and the following counsel so that they are
15 received at least 14 calendar days before the Settlement Fairness Hearing:

16 *Plaintiffs' Lead Counsel:*

17 Steven J. Toll, Esq.
18 Joshua S. Devore, Esq.
19 Christopher Lometti, Esq.
20 Cohen Milstein Sellers & Toll PLLC
21 1100 New York Avenue, N.W.
West Tower, Suite 500
Washington, DC 20005

Anne L. Box, Esq.
John T. Jasnoch, Esq.
Scott+Scott LLP
707 Broadway, Suite 1000
San Diego, CA 92101

22 *Counsel for Defendants WaMu Capital Corp. and WaMu Asset Acceptance Corp:*

23 Evan R. Chesler, Esq.
24 Daniel Slifkin, Esq.
25 Michael A. Paskin, Esq.
26 Wes Earnhardt, Esq.
Cravath, Swaine & Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019

1 *Counsel for Defendants:*

2 David M. Balabanian, Esq.
3 John D. Pernick, Esq.
4 Frank Busch, Esq.
5 Bingham McCutchen LLP
6 Three Embarcadero Center
7 San Francisco, CA 94111-4067

8 14. Any Class Member who does not object to the Settlement and/or the Plan of
9 Allocation and/or Lead Counsel's application for an award of attorney's fees and reimbursement
10 of expenses in the manner prescribed in the Notice shall be deemed to have waived such
11 objection and shall forever be foreclosed from making any objection to the fairness, adequacy or
12 reasonableness of the proposed Settlement, the judgment(s) / order(s) to be entered approving the
13 Settlement, the Plan of Allocation or Lead Counsel's application for an award of attorney's fees
14 and reimbursement of expenses.

15 15. The Court previously certified the Class in this action by Order dated October 21,
16 2011. In connection with certifying the Class, the Court afforded all putative members of the
17 Class an opportunity to opt out and pursue their claims individually. Because persons who
18 elected to remain members of the Class would reasonably have been aware that this action might
19 proceed to judgment or, alternatively, be settled, Class Members should not be afforded a second
20 opportunity to opt out of the Class. Any Class Member who is dissatisfied with the terms of the
21 Settlement has the right to file an objection.

22 [15. *Alternative if the Court grants Class Members a second opportunity to opt out:*
23 Persons who earlier had an opportunity to exclude themselves from the Class but did not do so
24 may, upon request, be excluded from the Settlement. Any such person or entity must submit to
25 the Claims Administrator a request for exclusion ("Request for Exclusion"). A Request for
26 Exclusion must be received by the Claims Administrator at least fourteen (14) calendar days
before the Settlement Fairness Hearing and state: (i) the name, address, and telephone number of
the person or entity requesting exclusion; (ii) the person's or entity's purchases, acquisitions and
sales of the Certificates up to and including August 1, 2008, including the dates for each such

1 purchase, acquisition, or sale; and (iii) that the person or entity wishes to be excluded from the
2 Class. All persons and entities who submit valid and timely Requests for Exclusion in the
3 manner set forth in this paragraph shall have no rights under the Stipulation and shall not share in
4 the distribution of the Settlement.]

5 16. Any Class Member who wishes to participate in the Settlement Fund must submit
6 a valid Proof of Claim to the Claims Administrator, at the Post Office Box indicated in the
7 Notice, postmarked not later than one hundred and fifty (150) calendar days following the Notice
8 Date. Such deadline may be further extended by Court order. Proofs of Claim shall be deemed
9 to have been submitted when postmarked, if mailed by first class, or registered or certified mail,
10 postage prepaid, addressed in accordance with the instructions given in the Proof of Claim. All
11 other Proofs of Claim shall be deemed to have been submitted at the time they are actually
12 received by the Claims Administrator. To be valid, a Proof of Claim must: (i) be completed in a
13 manner that permits the Claims Administrator to determine the eligibility of the claim as set forth
14 in the Proof of Claim; (ii) include the release by the claimant of all Released Parties as set forth
15 in the Stipulation; and (iii) be signed with an affirmation (notarization not required) that the
16 information is true and correct. All Class Members who do not submit valid and timely Proofs
17 of Claim shall be forever barred from receiving any payments from the Settlement Fund, but will
18 in all other respects be subject to and bound by the provisions of the Stipulation and the Order
19 and Final Judgment, if entered.

20 17. If this Settlement is not approved by the Court or does not become effective for
21 any reason whatsoever, the Settlement (including any modification thereof) made with the
22 consent of the Parties as provided for in the Stipulation and any actions taken or to be taken in
23 connection therewith (including this Order and any judgment entered herein), may be terminated
24 as provided for in the Stipulation and shall become void and of no further force and effect except
25 for the Lead Plaintiffs' obligations to pay for any expense incurred in connection with the notice
26 and administration provided for by this Order.

1 18. All proceedings in the Action, other than such proceedings as may be necessary to
2 carry out the terms and conditions of the Settlement, are hereby stayed and suspended until
3 further order of this Court. Pending final determination whether the Settlement should be
4 approved, Plaintiffs and all members of the Class are barred and enjoined from commencing or
5 prosecuting any action asserting any claims that are or relate in any way to the Released Claims
6 as defined in the Stipulation.

7 19. Neither the Stipulation nor any provisions contained in the Stipulation, nor any
8 negotiations, statements, or proceedings in connection therewith, nor any action undertaken
9 pursuant thereto shall be construed as, or deemed to be evidence of, an admission or concession
10 on the part of the Plaintiffs, the Defendants, any member of the Class, or any other person or
11 entity, of any liability or wrongdoing by them, or any of them, or as to the strength or weakness
12 of any claim or defense, and shall not be offered or received in evidence in any action or
13 proceeding (except an action to enforce the Stipulation and Settlement contemplated hereby), or
14 be used in any way as an admission, concession, or evidence of any liability or wrongdoing of
15 any nature, and shall not be construed as, or deemed to be evidence of, an admission or
16 concession that Plaintiffs, any member of the Class, any present or former certificate holder, or
17 any other person or entity, has or has not suffered any damage.

18 20. Any submission to the Court in support of approval of the Settlement or the Plan
19 of Allocation, or in support of Lead Counsel's application for an award of attorney's fees and
20 reimbursement of expenses, shall be filed no later than twenty-one (21) calendar days before the
21 date scheduled for the Settlement Fairness Hearing.

22 21. Any response to any timely-filed objection to the Settlement, Plan of Allocation
23 or application for an award of attorney's fees and reimbursement of expenses shall be filed no
24 later than seven (7) calendar days before the date scheduled for the Settlement Fairness Hearing.

25 22. The Court authorizes payment out of the Settlement Fund of the expenses
26 described in ¶ 8 of the Stipulation.

1 23. The passage of title and ownership of the Settlement Fund to the Escrow Agent in
2 accordance with the terms of the Stipulation is approved. No person or entity that is not a Class
3 Member or counsel for the Lead Plaintiffs shall have any right to any portion of, or interest in the
4 distribution of, the Settlement Fund unless otherwise ordered by the Court or otherwise provided
5 in the Stipulation.

6
7 SIGNED this ____ day of _____ 2012.

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9
10 THE HONORABLE MARSHA J. PECHMAN
11 UNITED STATES DISTRICT JUDGE
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EXHIBIT 1

THE HONORABLE MARSHA J. PECHMAN

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

IN RE: WASHINGTON MUTUAL
MORTGAGE BACKED SECURITIES
LITIGATION

This Document Relates to: ALL CASES

Master Case No.: C09-0037 (MJP)

**[PROPOSED] NOTICE OF PROPOSED
SETTLEMENT OF CLASS ACTION,
MOTION FOR ATTORNEY'S FEES AND
REIMBURSEMENT OF EXPENSES AND
SETTLEMENT FAIRNESS HEARING**

EXHIBIT 1

IF YOU PURCHASED OR OTHERWISE ACQUIRED ANY OF THE FOLLOWING SECURITIES (“CERTIFICATES”) ON OR BEFORE AUGUST 1, 2008, YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT, AND YOUR RIGHTS WILL BE AFFECTED BY IT.

THE INCLUDED CERTIFICATES ARE:

Series	Tranche	CUSIP
WAMU 2006 - AR7	2A	93363CAB5
WAMU 2006 - AR17	1A	92925DAA8
WAMU 2006 - AR18	2A	933637AC4
WAMU 2006 - AR12	1A1	93363NAA3
WAMU 2006 - AR16	3B1	92925GAP8
	3B2	92925GAQ6
	3B3	92925GAR4
	LB1	92925GAL7
	LB2	92925GAM5
	LB3	92925GAN3
	2A1	92925GAC7
WAMU 2007 - HY1	3A3	92925VAK6
	1A1	92925VAA8

A federal court authorized this Notice. This is not a solicitation from a lawyer.

Settlement Fund: \$26,000,000 in cash.

The Lawsuit: The Settlement resolves class action litigation over whether WaMu Capital Corp., WaMu Asset Acceptance Corp. and certain of their current and former officers and directors (David Beck, Diane Novak, Rolland Jurgens and Richard Careaga) issued or signed false or misleading registration statements or prospectus supplements in connection with the offerings of the Certificates (the “Action”).

Attorney’s Fees and Expenses: Plaintiffs’ Counsel have litigated this Action on a contingent basis. They have conducted this litigation and advanced the expenses of litigation with the expectation that if they were successful in recovering money for the Class, they would receive fees and be reimbursed for their expenses from the Settlement Fund. This is customary in this type of litigation. Plaintiffs’ Counsel will apply to the Court for attorney’s fees not to exceed 17% of the \$26 million Settlement Fund and reimbursement of out-of-pocket expenses not to exceed \$4 million (exclusive of ongoing costs of the administration of the Settlement), plus interest, all to be paid from the Settlement Fund.

Deadlines:

Submit Claim: Postmarked not later than _____

[Request Exclusion: Received no later than _____]

File Objection: Received no later than _____
Court Hearing on Fairness of Settlement: _____

For More Information:

Claims Administrator:
WaMu MBS Litigation
c/o The Garden City Group, Inc.
P.O. Box 9875
Dublin, OH 43017-5775
Tel.: (800) 757-9279

Plaintiff's Lead Counsel:

Steven J. Toll, Esq.
Joshua S. Devore, Esq.
Christopher Lometti, Esq.
Cohen Milstein Sellers & Toll PLLC
1100 New York Avenue, N.W.
West Tower, Suite 500
Washington, DC 20005
Tel.: (202) 408-4600
Fax: (202) 408-4699

David Scott, Esq.
Beth Kaswan, Esq.
Anne Box, Esq.
John Jasnoch, Esq.
Scott+Scott LLP
707 Broadway, Suite 1000
San Diego, CA 92101
Tel.: (619) 233-4565
Fax: (619) 233-0508

Your legal rights are affected whether you act or do not act. Read this Notice carefully.

Statement of Recovery

Your recovery will depend on the amount of Certificates you purchased and the timing of your purchase, and any sales and pay-downs received. Depending on the number of eligible Certificates that participate in the Settlement and when that Certificate was purchased and sold, the estimated average recovery is approximately 5% of the estimated maximum damages without any allowance for negative causation. The actual recovery will depend on: (1) the number of claims filed; (2) when Class Members purchased or otherwise acquired their Certificates; (3) administrative costs, including the costs of notice; and (4) the amount awarded by the Court for attorneys' fees, costs, and expenses. Distributions to Class Members will be made based on the Plan of Allocation set forth in this Notice. See the Plan of Allocation in ¶9.

The Circumstances of the Settlement

The principal reason for Lead Plaintiffs' consent to the Settlement is the limited ability of Defendants to pay a judgment, and to provide a benefit to the Class Members now. This benefit must be compared to the risk that no recovery might be achieved after a contested trial, and likely appeals, possibly years into the future. While Lead Counsel were prepared to go to trial and were confident in their ability to present a case, they recognize that a trial is a risky proposition and that Lead Plaintiffs and the Class might not have prevailed. The claims advanced by the Class involve numerous complex legal and factual issues, requiring extensive

expert testimony. Lead Counsel recognize that there are substantial obstacles that Lead Plaintiffs and the Class would have had to overcome to prevail on their liability claims. Even if Lead Plaintiffs had prevailed on their liability claims, they would still need to prevail over Defendants’ defense that the losses incurred in the Certificates were caused by factors other than the alleged misrepresentations in the offering documents, such as the general decline in the economy and housing market. Moreover, even if Lead Plaintiffs had prevailed and obtained a judgment for damages, collecting on such a judgment would have been difficult or impossible, as the Defendants had limited resources and would have been unable to pay the full amount of the judgment Lead Plaintiffs would have sought at trial. If in response to a judgment, Defendants filed for bankruptcy, any recovery would likely have been delayed for years.

In the face of these risks, this Settlement enables the Class to recover a substantial amount now. As a result, Lead Plaintiffs and Lead Counsel believe this Settlement is fair and reasonable and provides a reasonable recovery to the Class.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

SUBMIT A CLAIM FORM – The only way to receive a payment.

[EXCLUDE YOURSELF – Receive no payment. This is the only option that allows you to participate in another lawsuit against the Defendants or the Released Parties concerning the legal claims being released in this case.]

OBJECT – You may write to the Court if you do not like this Settlement, the Plan of Allocation, or the request for attorney’s fees and expenses.

GO TO A HEARING – You may ask to speak in Court about the fairness of the Settlement.

DO NOTHING – Receive no payment.

- These rights and options – *and the deadlines to exercise them* – are explained in this Notice.
- The Court in charge of this case must decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and, if there are any appeals, after they are resolved. Please be patient.

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Field Code Changed

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BASIC INFORMATION

1. Why did I receive this Notice package?

You or someone in your family or organization may have purchased WaMu Mortgage Pass-Through Certificates Series 2006-AR7 tranche 2A; 2006-AR12 tranche 1A1; 2006-AR16 tranche 2A1, LB1, LB2, LB3, 3B1, 3B2 and 3B3; 2006 AR-17 tranche 1A; 2006-AR18 tranche 2A1; and 2007-HY1 tranches 1A1 and 3A3 (the “Certificates”).

If this description applies to you, you have a right to know about a proposed settlement of this class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement and Plan of Allocation. If the Court approves them, and after any objection or appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the Settlement allows.

This package explains the lawsuit, the Settlement, the Plan of Allocation, your legal rights, what benefits are available, who is eligible for them, and how to receive them.

2. What is this lawsuit about?

The Settlement resolves class action litigation over whether WaMu Capital Corp., WaMu Asset Acceptance Corp. and certain of their current and former officers and directors (David Beck, Diane Novak, Rolland Jurgens and Richard Careaga) issued or signed false or misleading registration statements or prospectus supplements in connection with the offerings of the Certificates.

3. Why is this Action a class action?

In a class action, one or more people called class representatives sue on behalf of people who have similar claims. All of these people who have similar claims are referred to collectively as a "Class" or individually as "Class Members." One court resolves the issues for all Class Members, except for those who exclude themselves from the Class. U.S. District Court Judge Marsha J. Pechman of the United States District Court for the Western District of Washington is in charge of this class action. The case is known as *In re: Washington Mutual Mortgage Backed Securities Litigation*, Case No. C09-0037 (MJP).

4. Why is there a Settlement?

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. That way, they avoid the cost and risks of further litigation and trial. As explained above, Plaintiffs and their attorneys think the Settlement is best for all Class Members.

WHO IS IN THE SETTLEMENT

To see if you will receive money from this Settlement, you first have to determine whether you are a Class Member.

5. How do I know if I am part of the Settlement?

The Class includes all persons or entities who *purchased or otherwise acquired the Certificates listed on the first page of this Notice on or before August 1, 2008, and who were damaged thereby*. If you did not sell all your Certificates before February 25, 2008, you may have suffered damages.

6. I am still not sure whether I am included.

If you are still not sure whether you are included, you can ask for free help. For more information, you can contact the Claims Administrator Garden City Group, Inc., by phone at (800) 757-9279, by facsimile at (855) 687-2630, email at info@WAMUMBSLitigation.com, visit their website at www.WAMUMBSLitigation.com, or you can fill out and return the Proof of Claim and Release form ("Claim Form") described in question 11, to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU RECEIVE

7. What does the Settlement provide?

Defendants have agreed to pay \$26 million in cash into the Settlement Fund. The balance of this fund, after payment of Court-approved attorneys' fees and expenses, taxes, and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice (the "Net Settlement Fund"), will be divided among all Class Members who submit valid Claim Forms.

8. How much will my payment be?

If you are entitled to a payment, your share of the Net Settlement Fund will depend on the number of valid Claim Forms that Class Members submit, how many Certificates you purchased, and when you bought and sold your Certificates. By following the Plan of Allocation described below, you can calculate your "Recognized Claim." The Claims Administrator will distribute the Net Settlement Fund according to the Plan of Allocation after the deadline for submission of Claim Forms has passed.

The Claims Administrator will determine each Class Member's *pro rata* share of the Net Settlement Fund based upon each Class Member's valid "Recognized Claim." The Recognized

Claim formula is not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial; it also is not an estimate of the amount that will be paid to Class Members pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Class Members with valid claims.

PLAN OF ALLOCATION

9. How much of the Settlement do I get in comparison to other Class Members?

The Net Settlement Fund will be distributed to Class Members who submit valid, timely Claim Forms (“Authorized Claimants”) under the following Plan of Allocation proposed by Plaintiffs. Defendants deny that they made any material misrepresentations or failed to disclose any material information, or that the prices of the Certificates were artificially inflated.

Lead Counsel has consulted its damage expert and developed the Plan of Allocation to calculate how Class Members will share in the Net Settlement Fund. Defendants have had, and will have, no involvement or responsibility for the terms or application of the Plan of Allocation set forth here.

To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant’s approved claim. If, however, as expected, the amount in the Net Settlement Fund is not sufficient to permit payment of the total approved claim of each Authorized Claimant, then each Authorized Claimant will be paid the percentage of the Net Settlement Fund that each Authorized Claimant’s approved claim bears to the total of the approved claims of all Authorized Claimants – *i.e.*, the Class Member’s *pro rata* share of the Net Settlement Fund. Receipt of these monies by each Authorized Claimant will be deemed full and complete payment from the Settlement of his/her/its approved claim.

Eligible Certificates and Principal Amounts

The Certificates in the certified Class and the total principal amounts outstanding for each Certificate in U.S. dollars as of August 1, 2008 and July 31, 2012 are as follows:

<u>CUSIP</u>	<u>Description</u>	<u>Original Principal</u>	<u>Remaining Principal- August 1, 2008</u>	<u>Remaining Principal- July 31, 2012</u>
93363CAB5	WAMU 2006-AR7-2A	477,031,000	325,061,940	215,567,631
93363NAA3	WAMU 2006-AR12-1A1	429,891,000	208,103,808	39,611,592
92925GAC7	WAMU 2006-AR16-2A1	176,137,000	121,885,656	52,192,638
92925GAL7	WAMU 2006-AR16-LB1	19,043,000	19,024,873	-
92925GAM5	WAMU 2006-AR16-LB2	7,616,000	7,608,750	-
92925GAN3	WAMU 2006-AR16-LB3	4,760,000	4,755,469	-
92925GAP8	WAMU 2006-AR16-3B1	7,594,000	7,588,984	-
92925GAQ6	WAMU 2006-AR16-3B2	3,796,000	3,793,493	-

92925GAR4	WAMU 2006-AR16-3B3	2,277,000	2,275,496	-
92925DAA8	WAMU 2006-AR17-1A	496,869,000	358,734,284	256,781,420
9336374AC4	WAMU 2006-AR18-2A1	133,944,000	96,578,502	39,486,960
92925VAA8	WAMU 2007-HY1-1A1	603,886,000	496,519,646	496,519,646
92925VAK6	WAMU 2007-HY1-3A3	77,090,000	77,090,000	74,924,817
	Totals/Average	2,439,934,000	1,729,020,900	1,175,084,704

You are eligible to participate in the Settlement if you: (i) purchased the Certificate between June 1, 2006 and August 1, 2008; and (ii) sold the Certificate or continued to hold the Certificate after February 25, 2008, provided you suffered losses of your principal basis and meet certain statutory requirements.

Method for Calculating Your Recognized Claim

Definitions and General Method

With certain statutory limitations, your eligible claim is generally equal to your deemed basis in the Certificate minus the price you have been deemed to receive upon the sale of the Certificate, or the current value of your Certificate if you continue to hold it.

Your deemed basis is equal to your deemed purchase price less the principal payments you have received before your sale of the Certificates, or to the time of this Settlement if you continue to hold the Certificates.

The deemed purchase price is the lesser of (i) your purchase price in dollars (excluding fees, commissions and interest adjustments); or (ii) the “par value” or principal balance remaining on the Certificate at the date of your purchase.

The deemed sales price is subject to certain limitations depending upon the date of your sale of the Certificates. If you sold your Certificates before the complaint in this case was filed on August 1, 2008, the deemed sales price will be what you sold the Certificates for (excluding fees, commissions or interest adjustments). If you sold after August 1, 2008, but before this Settlement (assuming a cut-off of July 31, 2012), your deemed sales price can be no lower than the value of the Certificates on August 1, 2008. The August 1, 2008 values for each of the Certificates are set forth in Table 1 below. If you continue to hold your Certificates or have sold them after this Settlement (*i.e.*, July 31, 2012), the deemed sales price can also be no less than the values at the time of the Settlement. Those values are set forth in Table 2 below.

Detailed Calculations and Reference Tables

In order to calculate your recognized claim (“Recognized Claim”) for purposes of allocating the Settlement proceeds, perform the following calculations depending upon the date of the sale of your Certificates:

1. For each Certificate sold on or before August 1, 2008, the Recognized Claim shall be the following:

The deemed purchase price less the principal payments you received prior to sale (your basis) minus your sale proceeds (excluding adjustments for fees, commissions and interest).

2. For each Certificate sold after August 1, 2008, but on or before July 31, 2012, the Recognized Claim shall be the lesser of the following:
 - a. your basis minus your sale proceeds (excluding adjustments for fees, commissions and interest); or
 - b. your basis minus the amount of principal remaining at the time of sale times the values as set forth in Table 1 below.

3. For each Certificate held (not sold) until at least the time of Settlement (July 31, 2012), the Recognized Claim shall be the lesser of the following:
 - a. your basis minus the amount of principal remaining at the time of sale times the values as set forth in Table 1 below; or
 - b. your basis minus the amount of principal remaining as of the Settlement times the values as set forth in Table 2 below.

These calculations are only applicable for Certificates purchased *before* August 1, 2008.

Table 1 Values as of August 1, 2008

CUSIP	Description	Value as a Percentage of Principal Remaining
93363CAB5	WAMU 2006-AR7-2A	45.00
93363NAA3	WAMU 2006-AR12-1A1	94.74
92925GAC7	WAMU 2006-AR16-2A1	90.00
92925GAL7	WAMU 2006-AR16-LB1	41.80
92925GAM5	WAMU 2006-AR16-Pd LB2	5.83
92925GAN3	WAMU 2006-AR16-LB3	4.49
92925GAP8	WAMU 2006-AR16-3B1	12.00
92925GAQ6	WAMU 2006-AR16-3B2	5.37
92925GAR4	WAMU 2006-AR16-Pd3B3	3.32
92925DAA8	WAMU 2006-AR17-1A	57.23
9336374AC4	WAMU 2006-AR18-2A1	90.53
92925VAA8	WAMU 2007-HY1-1A1	72.69
92925VAK6	WAMU 2007-HY1-3A3	69.44

Table 2: Values as of Settlement

CUSIP	Description	Value as a Percentage of Principal Remaining
93363CAB5	WAMU 2006-AR7-2A	67.85
93363NAA3	WAMU 2006-AR12-1A1	72.92
92925GAC7	WAMU 2006-AR16-2A1	73.34
92925GAL7	WAMU 2006-AR16-LB1	0.00
92925GAM5	WAMU 2006-AR16-Pd LB2	0.00
92925GAN3	WAMU 2006-AR16-LB3	0.00
92925GAP8	WAMU 2006-AR16-3B1	0.00
92925GAQ6	WAMU 2006-AR16-3B2	0.00
92925GAR4	WAMU 2006-AR16-Pd3B3	0.00
92925DAA8	WAMU 2006-AR17-1A	68.95
9336374AC4	WAMU 2006-AR18-2A1	74.36
92925VAA8	WAMU 2007-HY1-1A1	69.28
92925VAK6	WAMU 2007-HY1-3A3	82.24

Purchases and sales of Certificates shall be matched on a first-in-first-out (FIFO) basis.

Additional Information

The Court has not made any finding that the Released Persons are liable to the Class or that the Class has suffered any compensable damages, nor has the Court made any finding that the Recognized Claims under this Plan of Allocation are an accurate measure of damages.

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim" from transactions in the Certificates. **The Recognized Claim formulas set forth above are not intended to be an estimate of the amount that a Class Member might have been able to recover after a trial; nor is the Recognized Claim an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement.** The Recognized Claim formulas are the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if a Class Member had a net loss, after all profits from transactions in the Certificates are subtracted from all losses. There will be no Recognized Claim attributable to short sales.

Acquisition by Gift, Inheritance or Operation of Law

If a Class Member acquired Certificates by way of gift, inheritance, or operation of law, such a claim will be computed by using the date and price of the original purchase and not the date and price of transfer. In such instances, the recipient must provide documentation of the original purchase in addition to the transfer.

Payments Less than \$10.00

A payment to any Class Member that would amount to less than \$10.00 in total will not be included in the calculation of the Net Settlement Fund, and no payment will be distributed to these Class Members because of the excessive administrative costs that would be incurred.

HOW YOU RECEIVE A PAYMENT – SUBMITTING A CLAIM FORM

The Net Settlement Fund shall be distributed to Class Members (or the representative of such Class Members including, without limitation, agents, administrators, executors, heirs, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b) and assigns) who submit a Proof of Claim in such form and manner, and within such time, as the Court shall prescribe ("Authorized Claimants").

10. What purchase and sale information do I need to obtain and submit with the Proof of Claim?

In order for us to determine your share of the Settlement and for you to receive a payment in this Settlement, you must submit the following information for each Certificate you purchased:

- (i) the trade (not the settlement) date of purchase;
- (ii) the amount of principal remaining on the Certificate(s) at the date of purchase;
- (iii) the purchase price paid excluding fees, commissions and interest adjustments or the purchase price per \$1.00 or \$100 of principal excluding such adjustments;
- (iv) the trade date of sale (not settlement date);
- (v) the amount of principal remaining on the Certificate(s) at the date of sale;
- (vi) the amount of principal remaining on the Certificates as of July 31, 2012 if the Certificates are held through that date; and

- (vii) the sales proceeds in dollars for the Certificate(s) excluding adjustments for fees, commissions and interest or the sales price per \$1.00 or \$100 of principal excluding such adjustments.

If available, also submit (a) the amount of principal payments received for each Certificate between the purchase date and sale date or through July 31, 2012; (b) the principal factor at the date of purchase and at the date of sale.

11. How will I receive a payment?

To qualify for a payment, you must be an eligible Class Member and you must submit a Claim Form. This form is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form requests, sign it, and mail it in an envelope postmarked not later than _____. Retain a copy of everything you mail in case the materials are lost or destroyed during shipping. Do not send originals of your brokerage or other statements.

12. When will I receive my payment?

The Court will hold a hearing on ___ to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether appeals, if any are filed, can be resolved, and resolving them can take time, perhaps several years. In addition, the Claims Administrator must process all of the Claim Forms. The processing is complicated and will take many months. Please be patient.

13. What am I giving up through the Settlement?

If the Settlement is approved and you are a member of the Class, you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants or the Released Parties (defined below) about the claims being released in this Settlement.

Pursuant to the proposed Settlement, and on the Effective Date, Plaintiffs and other members of the Class who do not exclude themselves will release and forever discharge, and will forever be enjoined from prosecuting, the Released Claims (defined below) against the Released Parties (also defined below).

The "Defendants" include WaMu Asset Acceptance Corp. ("WMAAC"), WaMu Capital Corp ("WCC"), David Beck, Diane Novak, Rolland Jurgens, and Richard Careaga. "Released Persons" include: the Defendants; JPMorgan Chase & Co., JPMorgan Chase Bank, N.A. and their affiliates (collectively, "JPMC"); Washington Mutual Bank ("WMB") and all other entities that were owned directly or indirectly by Washington Mutual, Inc. ("WMI") as of the time immediately prior to the commencement of the FDIC receivership on September 25, 2008 (collectively, with WMB, the "WaMu Affiliates"); the Federal Deposit Insurance Corporation in its capacity as receiver for WMB; together with each of Defendants', JPMC's and the WaMu Affiliates' past or present subsidiaries, parents, successors and predecessors, their officers, directors, shareholders, partners, agents, employees, attorneys, insurers, spouses and any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest or which is related to or affiliated with any of the Defendants, and the legal representatives, heirs, successors-in-interest or assigns of the Defendants, JPMC and the WaMu Affiliates. "Released Persons" does not include WMI itself, WMI Investment Corp. and the Washington Mutual, Inc. Liquidating Trust ("WMILT"), and their successors.

"Released Claims" means any and all claims, debts, demands, rights or causes of action or liabilities whatsoever, including rights of appeal, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or un-liquidated, at law or in equity, matured or un-matured, whether class, and/or individual in nature, including both known claims and "Unknown Claims"

(as defined below), (1) that have been asserted in this Action by Plaintiffs on behalf of the Class, whether before or after certification of the Class, against any of the Released Persons; or (2) that could have been asserted in this Action, or in any other action or forum by or on behalf of the Plaintiffs and/or the members of the Class or any of them against any of the Released Persons which arise out of or are based upon or relate in any way to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Action, excluding claims asserted in *Policemen's Annuity and Benefit Fund of the City of Chicago v. Bank of America, et al.*, United States District Court, Southern District of New York, Case No. 1:12-cv-02865-KBF (the "Trustee Action"). "Released Claims" also includes all rights of appeal from any prior decision of the Court in this Action. "Released Claims" shall not include any proofs of claims that Plaintiffs have filed in the Bankruptcy Cases or which might be refiled on behalf of the Class upon the satisfaction of conditions contained within the Order and Stipulation Resolving Debtors' Amended Thirty-Second Omnibus Objection (Substantive) with Respect to Claim Nos. 3812 and 2689 (the "Bankruptcy Stipulation") and the Order Denying MBS Plaintiffs' Motion to Classify Asserted Class Claim as a Class 12 Claim, Finding Proofs of Claim Nos. 4064 and 4069 Prematurely Filed by the MBS Plaintiffs and Granting WMI Liquidating Trust Authority to Release the Reserve in Connection Therewith that come within the scope of the foregoing release, including without limitation proof of claim nos. 3812, 2689, 4064 and 4069.

"Unknown Claims" includes any and all Released Claims which Plaintiffs or any Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Persons, which if known by him, her or it might have affected his, her, or its decision(s) with respect to the Settlement, including any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

"Bankruptcy Cases" means the chapter 11 cases of WMI and WMI Investment in the United States Bankruptcy Court for the District of Delaware, administratively consolidated as Case No. 08-12229 (MFW).

If the proposed Settlement is approved by the Court and becomes final, all Released Claims will be dismissed on the merits and with prejudice as to all Class Members who have not excluded themselves from the Class. All Defendants will also release all claims they hold against the Plaintiffs and the Class Members that relate to the institution, prosecution or settlement of this Action.

[EXCLUDING YOURSELF FROM THE SETTLEMENT]

If you do not want a payment from this Settlement, and you want to keep the right to sue or continue to sue the Defendants on your own about the same claims being released in this Settlement, then you must take steps to exclude yourself from the Settlement. This is referred to as "opting out" of the Class. If you have previously opted out of the Class in connection with a prior notice informing you of the certification of the Class, you are already excluded from the Class and do not need to opt out again.

14. How do I exclude myself from the Settlement?

To exclude yourself from the Settlement, you must send a letter by U.S. mail (or an express mail carrier) stating that you want to be excluded from *In re: Washington Mutual Mortgage Backed Securities Litigation*, Case No. C09-0037 (MJP). You must include your name; address; telephone number; your signature; the amount of Certificates you purchased or otherwise acquired up to and including August 1, 2008; the amount sold during this time period,

if any; and the dates of such purchase, acquisitions, and sales. Your Request for Exclusion must be sent to:

WaMu MBS Litigation
c/o The Garden City Group, Inc.
P.O. Box 9875
Dublin, OH 43017-5775

Please keep a copy of everything you send by mail, in case it is lost or destroyed during shipping.

Your Request for Exclusion must be **received** no later than _____. You cannot exclude yourself over the phone or by e-mail. If you ask to be excluded, you are not eligible to receive any Settlement payment, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit and you will be able to pursue the claims that are being released in this Settlement at your own expense.

15. If I do not exclude myself, can I sue the Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue the Defendants or the Released Parties for the claims being released by this Settlement. If you have a pending lawsuit relating to the claims being released in this case against any of the Defendants, speak to your lawyer in that case immediately and give him/her this packet. Remember, the exclusion deadline is _____.

16. If I exclude myself, can I receive a payment from this Settlement?

No. If you exclude yourself, you cannot send in a Claim Form. But, you may sue, continue to sue, or be part of a different lawsuit asserting the claims being released in this Settlement against the Defendants or the Released Parties.]

THE LAWYERS REPRESENTING YOU

17. Do I have a lawyer in this case?

The Court has decided that the law firms of Cohen Milstein Sellers & Toll PLLC and Scott + Scott LLP are qualified to represent you and the other Class Members. These law firms are called "Lead Counsel." You will not be individually charged for the lawyers' work. If you want to be represented by your own lawyer, you may hire one at your own expense.

18. How will the lawyers be paid?

Plaintiffs' Counsel will apply to the Court for attorney's fees not to exceed 17% of the \$26 million Settlement Fund and for reimbursement of their out-of-pocket expenses up to \$4 million, which they paid or are payable in this litigation, plus interest on these amounts at the same rate as earned by the Settlement Fund. *The amounts approved by the Court will be paid from the Settlement Fund.* Class Members are not personally liable for any fees or expenses of Plaintiffs' Counsel.

The attorney's fees and expenses requested will be the only payment to Plaintiffs' Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Plaintiffs' Counsel have not been paid for their services for conducting this litigation on behalf of Plaintiffs and the Class nor for their substantial out-of-pocket expenses. The request is well within the range of fees awarded to class

counsel under similar circumstances in other cases of this type. The Court may, however, award less than this amount.

OBJECTING TO THE SETTLEMENT

19. How do I tell the Court that I do not like the Settlement?

If you are a Class Member, you can object to the Settlement if you do not like any part of it. To object, you must send a letter saying that you object to the Settlement in *In re: Washington Mutual Mortgage Backed Securities Litigation*, Case No. C09-0037 (MJP). Be sure to include your name; address; telephone number; your signature; the face value of the Certificates you purchased or otherwise acquired; the number sold, if any; and the reasons you object to the Settlement. Any objection to the Settlement must be mailed or delivered such that it is received by each of the following no later than _____:

Court:

Clerk of the Court
UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
700 Stewart Street
Seattle, Washington, 98101

Plaintiffs' Lead Counsel:

Steven J. Toll, Esq.
Joshua S. Devore, Esq.
Christopher Lometti, Esq.
Cohen Milstein Sellers & Toll PLLC
1100 New York Avenue, N.W.
West Tower, Suite 500
Washington, DC 20005
Tel.: (202) 408-4600
Fax: (202) 408-4699

David Scott, Esq.
Beth Kaswan, Esq.
Anne Box, Esq.
John Jasnoch, Esq.
Scott+Scott LLP
707 Broadway, Suite 1000
San Diego, CA 92101
Tel.: (619) 233-4565
Fax: (619) 233-0508

Counsel for Defendants WaMu Capital Corp. and WaMu Asset Acceptance Corp:

Evan R. Chesler, Esq.
Daniel Slifkin, Esq.
Michael A. Paskin, Esq.
Wes Earnhardt, Esq.
Cravath, Swaine & Moore LLP
Worldwide Plaza
825 Eighth Avenue
New York, NY 10019

Counsel for Defendants:

David M. Balabanian, Esq.
John D. Pernick, Esq.
Frank Busch, Esq.
Bingham McCutchen LLP
Three Embarcadero Center
San Francisco, CA 94111-4067

[20. What is the difference between objecting to the Settlement and excluding myself from the Class?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object *only if* you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement. If you exclude yourself, you have no basis to object because the case no longer affects you.]

THE COURT'S FAIRNESS HEARING

21. When and where will the Court decide whether to approve the Settlement?

The Court will hold a hearing at _____, on _____, at the United States District Courthouse, Courtroom _____, 700 Stewart Street, Seattle, Washington, 98101. At this hearing the Court will consider whether the Settlement and the Plan of Allocation are fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have requested in writing by _____ to speak at the hearing. The Court may also consider Plaintiffs' Counsel's application for attorney's fees and reimbursement of expenses.

22. Do I have to come to the hearing?

No. Lead Counsel will answer any questions Judge Pechman may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as your written objection is received on time, the Court will consider it. You may also pay your own lawyer to attend, but this is not necessary.

23. May I speak at the hearing?

You may ask the Court for permission to speak at the hearing. To do so, you must send a letter stating your intention to appear in *In re: Washington Mutual Mortgage Backed Securities Litigation*, Case No. C09-0037 (MJP). Be sure to include your full name, address, telephone number, your signature, and the face value of Certificates you purchased or otherwise acquired. Your notice of intention to appear must be **received** no later than _____, and be sent to the Clerk of the Court, Lead Counsel, and Defendants' Counsel, at the addresses listed in question 18. [You cannot speak at the hearing if you exclude yourself from the Settlement.]

IF YOU DO NOTHING

24. What happens if I do nothing at all?

If you do nothing, you will receive no money from this Settlement. But, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or the Released Parties about the same claims being released in this Settlement.

OBTAINING MORE INFORMATION

25. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation of Settlement dated September 4, 2012. You can obtain a copy of the Stipulation or more information about the Settlement by contacting the Claims Administrator by facsimile at _____, by phone at (800) 757-9279, or by visiting [<http://www.gcginc.com/>]. You can also obtain a copy of the Stipulation from the Clerk's Office at the United States District Court for the Western District of Washington, U.S. Courthouse, 700 Stewart Street, Lobby Level, Seattle, Washington 98101, during regular business hours.

SPECIAL NOTICE TO NOMINEES

If you purchased or otherwise acquired Certificates up to and including August 1, 2008, for the beneficial interest of a person or organization other than yourself, the Court has directed that within ten (10) calendar days after you receive this Notice, you must either: (1) send a copy of this Notice by first class mail to all such persons or entities, or (2) provide a list of the names and addresses of such persons or entities to the Claims Administrator:

WaMu MBS Litigation
c/o The Garden City Group, Inc.
P.O. Box 9875
Dublin, OH 43017-5775
Tel.: (800) 757-9279

If you choose to mail the Notice and Claim Form yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

In either case, you may obtain reimbursement for your advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

DATED: September __, 2012

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON

EXHIBIT 2

Must Be
Postmarked
No Later Than
_____, 2012

WAMU MBS LITIGATION
c/o The Garden City Group, Inc.
P.O. Box 9875
Dublin, OH 43017-5775
1-800-757-9279



MBS



Claim Number:

Control Number:

PROOF OF CLAIM FORM

YOU MUST SUBMIT THIS PROOF OF CLAIM FORM POSTMARKED BY _____, 2012
TO BE ELIGIBLE TO SHARE IN THE SETTLEMENT.

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Important - This form should be completed IN CAPITAL LETTERS using BLACK or DARK BLUE ballpoint/fountain pen. Characters and marks used should be similar in the style to the following:

A B C D E F G H I J K L M N O P Q R S T U V W X Y Z 1 2 3 4 5 6 7 0



PART I - CLAIMANT IDENTIFICATION

Claimant or Representative Contact Information:

The Claims Administrator will use this information for all communications relevant to this Claim (including the check, if eligible for payment). If this information changes, you MUST notify the Claims Administrator in writing at the address above.

Beneficial Owner's Name (First, Middle, Last)

/ Joint Owner's Name:

[Grid for name entry]

Street Address:

[Grid for street address entry]

City:

[Grid for city entry]

State

Zip Code:

[Grid for state and zip code entry]

Foreign Province

Foreign Country

[Grid for foreign province and country entry]

Daytime Telephone Number:

Evening Telephone Number:

[Grid for telephone numbers]

Last 4 digits of Claimant Social Security Number/Taxpayer ID Number:

[Grid for last 4 digits]

Record Owner's Name (if known and different from Beneficial Owner listed above):

[Grid for record owner's name]

Check appropriate box (check only one box):

- Individual/Sole Proprietor
- Corporation
- IRA
- Joint Owners
- Partnership
- Other(describe: _____)
- Pension Plan
- Trust

NOTE: Separate Proof of Claim Forms should be submitted for each separate legal entity (e.g., a claim from Joint Owners should not include separate transactions of just one of the Joint Owners, an Individual should not combine his or her IRA transactions with transactions made solely in the Individual's name). Conversely, a single Proof of Claim Form should be submitted on behalf of one legal entity including all transactions made by that entity no matter how many separate accounts that entity has (e.g., a Corporation with multiple brokerage accounts should include all transactions in certificates on one Proof of Claim Form, no matter how many accounts the transactions were made in).

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request to, or may be requested to, submit information regarding their transactions in electronic files. To obtain the mandatory electronic filing requirements and file layout, you may visit the website at www.gcginc.com or you may email the Claims Administrator at eClaim@gcginc.com. Any file not in accordance with the required electronic filing format will be subject to rejection. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues an email after processing your file with your claim numbers and respective account information. Do not assume that your file has been received or processed until you receive this email. If you do not receive such an email within 10 days of your submission, you should contact the electronic filing department at eClaim@gcginc.com to inquire about your file and confirm it was received and acceptable.



PART II - SCHEDULE OF TRANSACTIONS IN MORTGAGE PASS-THROUGH CERTIFICATES

The eligible securities include the following:

Code	Series	Tranche	CUSIP
C01	WAMU 2006 - AR7	2A	93363CAB5
C02	WAMU 2006 - AR17	1A	92925DAA8
C03	WAMU 2006 - AR18	2A	933637AC4
C04	WAMU 2006 - AR12	1A1	93363NAA3
C05	WAMU 2006 - AR16	3B1	92925GAP8
C06	WAMU 2006 - AR16	3B2	92925GAQ6
C07	WAMU 2006 - AR16	3B3	92925GAR4

Code	Series	Tranche	CUSIP
C08	WAMU 2006 - AR16	LB1	92925GAL7
C09	WAMU 2006 - AR16	LB2	92925GAM5
C10	WAMU 2006 - AR16	LB3	92925GAN3
C11	WAMU 2006 - AR16	2A1	92925GACT7
C12	WAMU 2007 - HY1	3A3	92925VAK6
C13	WAMU 2007 - HY1	1A1	92925VAA8

1. **PURCHASES AND ACQUISITIONS:** List all Purchases and Acquisitions of Mortgage Pass-Through Certificates between **June 1, 2006** and **August 1, 2008**, inclusive (Must be documented):

Code*	Trade Date(s) List Chronologically (Month/Day /Year)	Face Value at Time of Purchase	Price Per \$1,000 of Original Face Value	Total Cost (Excluding fees, commissions and interest adjustments)
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* use information in table above

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST
 PHOTOCOPY THIS PAGE AND CHECK THIS BOX
 IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED



PART II - SCHEDULE OF TRANSACTIONS IN MORTGAGE PASS-THROUGH CERTIFICATES (CONT.)

2. PURCHASES AND ACQUISITIONS: Total Face Value of Purchases and Acquisitions of Mortgage Pass-Through Certificates between **August 2, 2008** through the close of business on **July 31, 2012** (For balance purposes only):

Code*	Face Value at Time of Purchase	Price Per \$1,000 of Original Face Value

3. SALES: List all Sales of Mortgage Pass-Through Certificates that were sold through the close of business on **July 31, 2012** (Must be documented):

Code*	Trade Date(s) List Chronologically (Month/Day/Year)	Face Value at Time of Sale	Price Per \$1,000 of Original Face Value	Total Proceeds (Excluding fees, commissions and interest adjustments)
	/ /			
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* use information in table on page 3 of this claim form

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST PHOTOCOPY THIS PAGE AND CHECK THIS BOX
IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED

PART II - SCHEDULE OF TRANSACTIONS IN MORTGAGE PASS-THROUGH CERTIFICATES (CONT.)

- 4. PRINCIPAL PAYMENTS:** List all Principal Payments received on Mortgage Pass-Through Certificates through the close of business on **July 31, 2012** (Attach documentation if available):

Code*	Total Proceeds (Excluding fees, commissions and interest adjustments)

- 5. CERTIFICATES HELD:** List all Mortgage Pass-Through Certificates that continue to be held at the close of business on **July 31, 2012**. (Attach documentation if available):

Code*	Face Value Held

* use information in table on page 3 of this claim form

IF YOU NEED ADDITIONAL SPACE TO LIST YOUR TRANSACTIONS YOU MUST
 PHOTOCOPY THIS PAGE AND CHECK THIS BOX
 IF YOU DO NOT CHECK THIS BOX THESE ADDITIONAL PAGES WILL NOT BE REVIEWED



PART III - RELEASE OF CLAIMS AND SIGNATURE

The Release

Pursuant to the proposed Settlement, and on the Effective Date, Plaintiffs and other members of the Class who do not exclude themselves will release and forever discharge, and will forever be enjoined from prosecuting, the Released Claims (defined below) against the Released Parties (also defined below).

Definitions

The "Defendants" include WaMu Asset Acceptance Corp. ("WMAAC"), WaMu Capital Corp ("WCC"), David Beck, Diane Novak, Rolland Jurgens, and Richard Careaga. "Released Persons" include: the Defendants; JPMorgan Chase & Co., JPMorgan Chase Bank, N.A. and their affiliates (collectively, "JPMC"); Washington Mutual Bank ("WMB") and all other entities that were owned directly or indirectly by Washington Mutual, Inc. ("WMI") as of the time immediately prior to the commencement of the FDIC receivership on September 25, 2008 (collectively, with WMB, the "WaMu Affiliates"); the Federal Deposit Insurance Corporation in its capacity as receiver for WMB; together with each of Defendants', JPMC's and the WaMu Affiliates' past or present subsidiaries, parents, successors and predecessors, their officers, directors, shareholders, partners, agents, employees, attorneys, insurers, spouses and any person, firm, trust, corporation, officer, director or other individual or entity in which any Defendant has a controlling interest or which is related to or affiliated with any of the Defendants, and the legal representatives, heirs, successors-in-interest or assigns of the Defendants, JPMC and the WaMu Affiliates. "Released Persons", however, does not include WMI itself, WMI Investment Corp. or Washington Mutual, Inc. Liquidating Trust ("WMILT"), or their successors.

"Released Claims" means any and all claims, debts, demands, rights or causes of action or liabilities whatsoever, including rights of appeal, whether based on federal, state, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or unaccrued, liquidated or un-liquidated, at law or in equity, matured or un-matured, whether class, and/or individual in nature, including both known claims and "Unknown Claims" (as defined below), (1) that have been asserted in this Action by Plaintiffs on behalf of the Class, whether before or after certification of the Class, against any of the Released Persons; or (2) that could have been asserted in this Action, or in any other action or forum by or on behalf of the Plaintiffs and/or the members of the Class or any of them against any of the Released Persons which arise out of or are based upon or relate in any way to the allegations, transactions, facts, matters or occurrences, representations or omissions involved, set forth, or referred to in the Action, excluding claims asserted in *Policemen's Annuity and Benefit Fund of the City of Chicago v. Bank of America, et al.*, United States District Court, Southern District of New York, Case No. 1:12-cv-02865-KBF (the "Trustee Action"). "Released Claims" also includes all rights of appeal from any prior decision of the Court in this Action. "Released Claims" shall not include any proofs of claims that Plaintiffs have filed in the Bankruptcy Cases (as defined below) or which might be refiled on behalf of the Class upon the satisfaction of conditions contained within the Order and Stipulation Resolving Debtors' Amended Thirty-Second Omnibus Objection (Substantive) with Respect to Claim Nos. 3812 and 2689 (the "Bankruptcy Stipulation") and the Order Denying MBS Plaintiffs' Motion to Classify Asserted Class Claim as a Class 12 Claim, Finding Proofs of Claim Nos. 4064 and 4069 Prematurely Filed by the MBS Plaintiffs and Granting WMI Liquidating Trust Authority to Release the Reserve in Connection Therewith that come within the scope of the foregoing release, including without limitation proof of claim nos. 3812, 2689, 4064 and 4069. "Bankruptcy Cases" means the chapter 11 cases of WMI and WMI Investment in the United States Bankruptcy Court for the District of Delaware, administratively consolidated as Case No. 08-12229 (MFW).

"Unknown Claims" includes any and all Released Claims which Plaintiffs or any Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Persons, which if known by him, her or it might have affected his, her, or its decision(s) with respect to the Settlement, including any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."



PART III - RELEASE OF CLAIMS AND SIGNATURE (CONT.)

I (We) hereby acknowledge full and complete satisfaction of, and do hereby release, dismiss, and forever discharge each and every Released Claim (including Unknown Claims) against each and all of the Released Persons as defined above,

- 1. that the Claimant(s) is (are) a Class Member(s), as defined herein and in the Notice;
2. that I (we) have not filed a request for exclusion from the Class and that I (we) do not know of any request for exclusion from the Class filed on my (our) behalf with respect to my (our) transactions in the Certificates at issue herein;
3. that I (we) own(ed) the Certificates identified in the Proof of Claim Form, or that, in signing and submitting this Proof of Claim Form, I (we) have the authority to act on behalf of the owner(s) thereof;
4. that Claimant(s) may be eligible to receive a distribution from the Net Settlement Fund;
5. that I (we) agree to furnish such additional information with respect to this Proof of Claim Form as the parties, the Claims Administrator or the Court may require;
6. that I (we) waive trial by jury, to the extent it exists, and agree to the Court's summary disposition of the determination of the validity or amount of the claim made by this Proof of Claim Form;
7. that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof; and
8. that I (we) have included information requested above about all of my (our) transactions in the Certificates;

I (We) declare, under penalty of perjury under the laws of the United States of America, that the statements made and answers given in this Proof of Claim Form are true and correct and that the documents submitted herewith are true and genuine.

Executed this ___ day of ___ in ___ (Month) (Year) (City, State, Country)

Signature of Claimant

Date

Print your name here

Signature of Joint Claimant, if any

Date

Print your name here

If the Claimant is other than an individual, or is not the person completing this form, the following also must be provided:

Signature of person signing on behalf of Claimant

Date

Print your name here

Capacity of person signing on behalf of Claimant, if other than an individual, e.g., executor, president, custodian, etc.

REMINDER CHECKLIST

1. Please sign the Release of Claims and Signature Section of the Proof of Claim Form.
2. If this Claim is being made on behalf of Joint Claimants, then both must sign.
3. Please remember to attach supporting documents.
4. **DO NOT SEND ORIGINALS OF ANY SUPPORTING DOCUMENTS.**
5. Keep a copy of your Proof of Claim Form and all documentation submitted for your records.
6. The Claims Administrator will acknowledge receipt of your Claim Form by mail, within 60 days. Your claim is not deemed filed until you receive an acknowledgement postcard. If you do not receive an acknowledgement postcard within 60 days, please call the Claims Administrator toll free at 1-800-757-9279.
7. If you move, please send your new address to:

**WAMU MBS LITIGATION
c/o The Garden City Group, Inc.
P.O. Box 9875
Dublin, OH 43017-5775
1-800-757-9279**

Do not use highlighter on the Proof of Claim Form or supporting documentation.

**THIS PROOF OF CLAIM FORM MUST BE POSTMARKED NO LATER THAN
_____, 2012, AND MUST BE MAILED TO:**

**WAMU MBS LITIGATION
c/o The Garden City Group, Inc.
P.O. Box 9875
Dublin, OH 43017-5775
1-800-757-9279**

EXHIBIT 3

THE HONORABLE MARSHA J. PECHMAN

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

<p>IN RE: WASHINGTON MUTUAL MORTGAGE BACKED SECURITIES LITIGATION</p> <p>This Document Relates to: ALL CASES</p>	<p>Master Case No.: C09-0037 (MJP)</p> <p>SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION</p>
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IF YOU PURCHASED OR OTHERWISE ACQUIRED ANY OF THE FOLLOWING SECURITIES (“CERTIFICATES”) ON OR BEFORE AUGUST 1, 2008, YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT, AND YOUR RIGHTS WILL BE AFFECTED BY IT.

THE INCLUDED CERTIFICATES ARE:

Series	Tranche	CUSIP
WAMU 2006 - AR7	2A	93363CAB5
WAMU 2006 - AR17	1A	92925DAA8
WAMU 2006 - AR18	2A	933637AC4
WAMU 2006 - AR12	1A1	93363NAA3
WAMU 2006 - AR16	3B1	92925GAP8
	3B2	92925GAQ6
	3B3	92925GAR4
	LB1	92925GAL7
	LB2	92925GAM5
	LB3	92925GAN3

EXHIBIT 3

	2A1	92925GAC7
WAMU 2007 - HY1	3A3	92925VAK6
	1A1	92925VAA8

YOU ARE HEREBY NOTIFIED that a settlement of this Class Action for Twenty Six Million Dollars (\$26,000,000) has been proposed. A hearing will be held before the Honorable Marsha J. Pechman in the United States District Court for the Western District of Washington in Courtroom ____, 700 Stewart Street, Seattle, Washington, 98101, at __:___.m., on _____, 2012 to determine whether: (1) the proposed Settlement should be approved by the Court as fair, reasonable, and adequate; (2) Lead Counsel's application for an award of attorney's fees and reimbursement of expenses should be approved; and (3) the claims against Defendants should be dismissed with prejudice.

IF YOU ARE A MEMBER OF THE CLASS DESCRIBED ABOVE, YOUR RIGHTS WILL BE AFFECTED AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT FUND. If you have not yet received the full printed Notice of Proposed Settlement of Class Action, Motion for Attorney's Fees and Reimbursement of Expenses and Settlement Fairness Hearing (the "Notice") and Proof of Claim and Release form ("Proof of Claim") you may obtain copies of these documents by contacting:

WaMu MBS Litigation
c/o The Garden City Group, Inc.
P.O. Box 9875
Dublin, OH 43017-5775
Tel.: (800) 757-9279

or at www.WAMUMBSLitigation.com.

Inquiries, other than requests for the forms of Notice and Proof of Claim, may be made to Lead Counsel:

Steven J. Toll, Esq.

Anne L. Box, Esq.
John T. Jasnoch, Esq.

EXHIBIT 3

Joshua S. Devore, Esq.
Christopher Lometti, Esq.
Cohen Milstein Sellers & Toll PLLC
1100 New York Avenue, N.W.
West Tower, Suite 500
Washington, DC 20005
Tel.: (202) 408-4600
Fax: (202) 408-4699

Scott+Scott LLP
707 Broadway, Suite 1000
San Diego, CA 92101
Tel.: (619) 233-4565
Fax: (619) 233-0508

To participate in the Settlement, you must submit a Proof of Claim no later than _____, 2012. As more fully described in the Notice, the deadline for submitting objections to the Settlement [and requests for exclusions from the Class] is _____, 2012.

Further information may also be obtained by directing your inquiry in writing to the Claims Administrator, Garden City Group, Inc., at the address listed above. Please do not contact the Court.

By Order of the Court.

Dated: September ____, 2012

United States District Court
Western District of Washington

EXHIBIT B

The Honorable Marsha J. Pechman

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UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

IN RE: WASHINGTON MUTUAL
MORTGAGE BACKED SECURITIES
LITIGATION

Master Case No.: C09-0037 (MJP)

CLASS ACTION

This Document Relates to: ALL CASES

ORDER AND FINAL JUDGMENT

On the ____ day of _____, 2012, a hearing having been held before this Court to determine: (a) whether the terms of the proposed settlement (“Settlement”) described in the Stipulation of Settlement dated September 4, 2012 (the “Stipulation”), are fair, reasonable and adequate, and should be approved by the Court; (b) whether the proposed allocation of the Net Settlement Fund (the “Plan of Allocation”) is fair and reasonable and should be approved by the Court; (c) whether the Order and Final Judgment as provided under the Stipulation should be entered, dismissing the Action on the merits and with prejudice, and to determine whether the release of the Released Claims as against the Released Persons, as set forth in the Stipulation, should be ordered; (d) whether the application of Lead Counsel for an award of attorneys’ fees and reimbursement of expenses should be approved; and (e) such other matters as the Court might deem appropriate; and

1 The Court having considered all matters submitted to it at the hearing held on _____,
2 2012 and otherwise; and

3 It appearing that a Notice of Proposed Settlement of Class Action, Motion for Attorneys'
4 Fees and Reimbursement of Expenses and Settlement Fairness Hearing ("Notice") substantially
5 in the form approved by the Order for Notice and Hearing dated _____ was mailed
6 to all persons and entities reasonably identifiable who purchased the Certificates that are the
7 subject of the Action, except those persons and entities excluded from the definition of the Class;
8 and

9 It appearing that a Summary Notice of Pendency and Proposed Settlement of Class
10 Action ("Summary Notice") substantially in the form approved by the Court in the Order for
11 Notice and Hearing was published pursuant to the specifications of the Court, and that a website
12 was used for further availability of the Notice to the Class;

13 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED
14 THAT:

15 1. The Court has jurisdiction over the subject matter of the Action, Plaintiffs, all
16 Class Members and Defendants.

17 2. Unless otherwise defined herein, all capitalized terms used herein shall have the
18 same meanings as set forth and defined in the Stipulation.

19 3. The Court hereby finds that the Notice distributed to the Class provided the best
20 notice practicable under the circumstances. The Notice provided due and adequate notice of
21 these proceedings and the matters set forth herein, including the Settlement and Plan of
22 Allocation of the Settlement Fund, to all persons and entities entitled to such notice, and the
23 Notice fully satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure,
24 Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. 78u-4(a)(7) as amended by
25 the Private Securities Litigation Reform Act of 1995, due process, and any other applicable law.
26 A full opportunity has been offered to the Class Members to object to the proposed Settlement

1 and to participate in the hearing thereon. Thus, it is hereby determined that all Class Members
2 are bound by this Order and Final Judgment.

3 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Settlement is
4 approved as fair, reasonable and adequate. Plaintiffs and Defendants are directed to consummate
5 the Settlement in accordance with the terms and provisions of the Stipulation.

6 5. The Action is hereby dismissed with prejudice and without costs.

7 6. Plaintiffs and the Class, on behalf of themselves and each of their respective past
8 or present officers, directors, shareholders, employees, agents, attorneys, general or limited
9 partners, managers, members, affiliates, parents, subsidiaries, issues, heirs, spouses,
10 representatives, successors and assigns, and any persons they represent, shall release and forever
11 discharge, and shall forever be enjoined from instituting, commencing or prosecuting, any and all
12 Released Claims against any and all of the Released Persons, whether or not they have submitted
13 a Proof of Claim.

14 7. Upon the Effective Date of this Settlement, each of the Defendants, on behalf of
15 themselves and their successors and assigns, shall release and forever discharge each and every
16 one of the Settled Defendants' Claims, and shall forever be enjoined from instituting,
17 commencing or prosecuting the Settled Defendants' Claims.

18 8. The Court finds that all parties to the Action and their counsel have complied with
19 each requirement of Rule 11 of the Federal Rules of Civil Procedure as to all proceedings herein.

20 9. Neither this Order and Final Judgment, the Stipulation, nor any of the
21 negotiations, documents or proceedings connected with them shall be:

22 (a) offered or received against Defendants as evidence of or construed as or deemed
23 to be evidence of any presumption, concession, or admission by any of the Defendants with
24 respect to the truth of any fact alleged by any of the Plaintiffs or the validity of any claim that has
25 been or could have been asserted in the Action or in any litigation, or the deficiency of any
26 defense that has been or could have been asserted in the Action or in any litigation, or of any

1 liability, negligence, fault, or wrongdoing of Defendants;

2 (b) offered or received against Defendants as evidence of a presumption, concession
3 or admission of any fault, misrepresentation or omission with respect to any statements or
4 written document approved or made by any Defendant;

5 (c) offered or received against Defendants as evidence of a presumption, concession
6 or admission with respect to any liability, negligence, fault or wrongdoing, or in any way
7 referred to, or for any other reason, as against any of the Defendants, in any other civil, criminal
8 or administrative action or proceeding, other than such proceedings as may be necessary to
9 effectuate the provisions of the Stipulation; provided, however, that if the Stipulation is approved
10 by the Court, Defendants may refer to it to effectuate the liability protection granted them
11 hereunder including to support a defense of *res judicata*, collateral estoppel, release, good faith
12 settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion
13 or similar defense or counterclaim;

14 (d) construed against Defendants or the Class as an admission or concession that the
15 consideration to be given hereunder represents the amount which could be or would have been
16 recovered after trial; or

17 (e) construed as, or received in evidence as, an admission, concession or presumption
18 against the Plaintiffs or the Class that any of its claims are without merit or that damages
19 recoverable under any of the complaints filed in the Action would not have exceeded the
20 Settlement Fund.

21 10. The Released Persons may file the Stipulation and/or this Order and Judgment in
22 any action that may be brought against them in order to support a defense or counterclaim based
23 on principles of *res judicata*, collateral estoppel, full faith and credit, release, good faith
24 settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion
25 or similar defense or counterclaim.

1 11. The Plan of Allocation is approved as fair and reasonable, and Lead Counsel and
2 the Claims Administrator are directed to administer the Stipulation in accordance with its terms
3 and provisions.

4 12. A separate order shall be entered to approve Plaintiffs' Counsel's application for
5 fees and reimbursement of costs and expenses, and the reimbursement of costs and expenses of
6 Lead Plaintiffs, as allowed by the Court. The finality of this Order and Final Judgment shall not
7 be affected, in any manner, by rulings that the Court may make on the Plan of Allocation or
8 Plaintiffs' Counsel's application for an award of attorneys' fees and reimbursement of expenses.

9 13. Exclusive jurisdiction is hereby retained over the Parties and the Class Members
10 for all matters relating to the Action, including the administration, interpretation, effectuation or
11 enforcement of the Stipulation and this Order and Final Judgment, and including any application
12 for fees and expenses incurred in connection with administering and distributing the settlement
13 proceeds to the Class Members.

14 14. Without further order of the Court, the Parties may agree to reasonable extensions
15 of time to carry out any of the provisions of the Stipulation.

16 15. In the event that the Settlement does not become effective in accordance with the
17 terms of the Stipulation, then this Judgment shall be rendered null and void to the extent
18 provided by and in accordance with the Stipulation and shall be vacated and, in such event, all
19 orders entered and releases delivered in connection herewith shall be null and void to the extent
20 provided by and in accordance with the Stipulation.

21 16. There is no just reason for delay in the entry of this Order and Final Judgment and
22 immediate entry by the Clerk of the Court is directed pursuant to Rule 54(b) of the Federal Rules
23 of Civil Procedure.

24 SIGNED this ____ day of _____ 2012.

25 _____
26 THE HONORABLE MARSHA J. PECHMAN
UNITED STATES DISTRICT JUDGE