

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

---

MASSACHUSETTS BRICKLAYERS AND	:	Civil Action No. 2:08-cv-03178-LDW-ARL
MASONS TRUST FUNDS, Individually and	:	
On Behalf of All Others Similarly Situated,	:	<u>CLASS ACTION</u>
	:	
Plaintiff,	:	STIPULATION AND AGREEMENT OF
	:	SETTLEMENT
vs.	:	
	:	
DEUTSCHE ALT-A SECURITIES, INC., et	:	
al.,	:	
	:	
Defendants.	:	

---

X

This Stipulation and Agreement of Settlement, dated as of March 15, 2012 (the “Stipulation”) is submitted pursuant to Rule 23 of the Federal Rules of Civil Procedure. Subject to the approval of the Court, this Stipulation is made and entered into by and among the following Settling Parties (as defined below) to the above-entitled Litigation: (i) the Lead Plaintiffs (on behalf of themselves and each of the Settlement Class Members), by and through their counsel of record in the Litigation; and (ii) the Defendants, by and through their counsel of record in the Litigation. Upon and subject to the terms and conditions hereof, the Stipulation is intended by the Settling Parties to fully, finally and forever resolve, discharge and settle the Released Claims (as defined below) and result in the complete dismissal of this Action with prejudice as against all Defendants and Kevin P. Burns (“Burns”).

#### **I. THE LITIGATION**

On June 27, 2008 an action was filed in the Supreme Court of the State of New York, County of Nassau asserting claims under the Securities Act of 1933 (the “Securities Act”) on behalf of all purchasers of Mortgage Pass-Through Certificates of Deutsche Alt-A Securities, Inc. (“Deutsche Alt-A”). On August 5, 2008, the action was removed to the United States District Court for the Eastern District of New York. The action is referred to herein as the “Litigation.” On October 2, 2008, Massachusetts Bricklayers and Masons Trust Funds moved to remand the Litigation back to the Supreme Court of New York, County of Nassau. That motion was denied on January 8, 2009. On May 18, 2009, the Court appointed Massachusetts Bricklayers and Mason Trust Funds and the Pipefitters’ Retirement Fund Local 597 as lead plaintiffs pursuant to Section 27 of the Securities Act, 15 U.S.C. §77z-1(a)(3)(B), as amended by the Private Securities Litigation Reform Act of 1995, and approved their selection of Robbins Geller Rudman & Dowd LLP (then Coughlin Stoia Geller Rudman & Robbins LLP) and Labaton Sucharow LLP as Lead Counsel.

On June 18, 2009, Lead Plaintiffs filed their Amended Complaint for Violation of §§ 11, 12(a)(2) and 15 of the Securities Act. The amended complaint asserted claims related to fourteen (14) offerings issued pursuant to one common registration statement filed with the United States Securities and Exchange Commission (“SEC”) by certain defendants on May 1, 2006. Defendants filed a motion to dismiss, which the Court granted in part on April 6, 2010. The Court allowed claims to proceed on behalf of investors who acquired certificates in either of the two trusts that Lead Plaintiffs’ purchased only: Deutsche Alt-B Securities Mortgage Loan Trust, Series 2006-AB4 and Deutsche Alt-A Securities Mortgage Loan Trust, Series 2006-AR5. The Court also granted Lead Plaintiffs leave to file a second amended complaint.

The operative complaint in the Litigation is the Second Amended Complaint for Violation of §§ 11, 12(a)(2) and 15 of the Securities Act of 1933 (the “Complaint”) filed May 24, 2010. The Complaint alleges violations of §§ 11, 12(a)(2) and 15 of the Securities Act on behalf of a class of all persons or entities who, between May 2006 and May 2007, acquired Mortgage Pass-Through Certificates issued by Deutsche Alt-A Securities Mortgage Loan Trust, Series 2006-AR5 or Deutsche Alt-B Securities Mortgage Loan Trust, Series 2006-AB4 pursuant and/or traceable to the Registration Statement filed with the SEC on May 1, 2006.

On July 9, 2010, Defendants moved to dismiss the Complaint. After the motion to dismiss was fully briefed, it was denied by the Court on December 23, 2010. Discovery commenced, including: (i) party and third-party document production of over four (4) million documents; and (ii) depositions of Lead Plaintiffs and their investment managers, as well as the class certification experts retained by Lead Plaintiffs and Defendants.

On July 11, 2011, Lead Plaintiffs moved to certify a class of all persons or entities who purchased or otherwise acquired Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4

Mortgage Pass-Through Certificates and/or Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 Mortgage Pass-Through Certificates between May 2006 and May 2007 and who were damaged thereby. The motion for certification was fully briefed and pending Court consideration. The Court denied the motion for class certification without prejudice to renew pending the results of a mediation scheduled between the parties.

On November 18, 2011, Lead Plaintiffs and Defendants participated in a full-day mediation regarding potential settlement of the Litigation facilitated by Hon. Layn R. Phillips (Ret.). In connection with the mediation process, Lead Plaintiffs conducted arm's-length negotiations with respect to a potential compromise and settlement of the Litigation with a view toward achieving the best relief possible consistent with the interests of the Settlement Class. Lead Plaintiffs and Defendants were unable to reach agreement as to a settlement at the conclusion of the one-day mediation session. However, following the mediation session, Judge Phillips submitted a mediator's proposal to both Lead Plaintiffs and Defendants. The mediator's proposal of \$32.5 million in cash was accepted by Lead Plaintiffs and Defendants.

## **II. ASSERTIONS AND DENIALS OF THE SETTLING PARTIES AND THE BENEFITS OF THE SETTLEMENT**

Lead Plaintiffs believe that the claims asserted in the Litigation have merit and that the evidence developed to date supports the claims. However, Lead Plaintiffs recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against Defendants through trial and likely appeals. Lead Plaintiffs have also taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as the Litigation, as well as the difficulties and delays inherent in such litigation. Lead Plaintiffs are also mindful of the problems of proof, and possible defenses to the securities law violations asserted in the Litigation. Lead Plaintiffs believe that the Settlement set forth in the

Stipulation confers substantial immediate benefits upon the Settlement Class Members, is in the best interests of the Lead Plaintiffs and the Settlement Class Members, and is fair, reasonable, and adequate.

Defendants, individually and collectively, have denied and continue to deny each and all of the claims and contentions alleged by Lead Plaintiffs in the Litigation. Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Litigation. Defendants further deny that Lead Plaintiffs or the Settlement Class have suffered damages, that the prices of the Certificates were artificially inflated during the Relevant Time Period (as defined below) as the result of any alleged misrepresentations, omissions, non-disclosures or otherwise by Defendants, and that Lead Plaintiffs or the Settlement Class were harmed by the conduct alleged in the Complaint.

### **III. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

NOW THEREFORE, without any admission or concession on the part of Lead Plaintiffs of any lack of merit of the Litigation, and without any admission or concession of any liability or wrongdoing or lack of merit in the defenses whatsoever by any of Defendants, it is hereby

STIPULATED AND AGREED, by and among Lead Plaintiffs, acting on behalf of themselves and all Settlement Class Members, and Defendants, by and through their respective counsel or attorneys of record, that, subject to the approval of the Court, in consideration of the benefits flowing to the parties to the Stipulation, the Litigation, the Released Claims, and all matters encompassed within the scope of the releases set forth or referenced in this Stipulation shall be finally, fully and forever compromised, settled, released, and discharged and the Litigation shall be dismissed with prejudice as to all Defendants and Burns, upon and subject to the following terms and conditions:

## **1. Definitions**

As used in this Stipulation, the following terms have the meanings specified below:

1.1 “Authorized Claimant” means any Settlement Class Member whose claim for recovery has been allowed pursuant to the terms of the Stipulation.

1.2 “Certificates” means the Mortgage Pass-Through Certificates issued by Deutsche Alt-A Securities Mortgage Loan Trust, Series 2006-AR5 and Deutsche Alt-B Securities Mortgage Loan Trust, Series 2006-AB4 pursuant to the registration statement filed with the SEC on May 1, 2006.

1.3 “Claimant” means any Settlement Class Member who submits a Proof of Claim and Release in such form and manner, and within such time, as the Court shall prescribe.

1.4 “Claims Administrator” means Gilardi & Co. LLC.

1.5 “Complaint” means the Second Amended Complaint for Violations of §§11, 12(a)(2) and 15 of the Securities Act of 1933, filed in the Litigation on May 24, 2010.

1.6 “Court” means the United States District Court for the Eastern District of New York.

1.7 “DBSI” means Deutsche Bank Securities Inc.

1.8 “DBSP” means DB Structured Products, Inc.

1.9 “Defendants” means the Deutsche Bank Defendants and the Individual Defendants.

1.10 “Defendants’ Counsel” means Latham & Watkins LLP.

1.11 “Deutsche Alt-A” means Deutsche Alt-A Securities, Inc.

1.12 “Deutsche Bank Defendants” means Defendants Deutsche Alt-A, DBSI, and DBSP.

1.13 “Effective Date” means the first date by which all of the events and conditions specified in ¶ 8.1 of the Stipulation have been met and have occurred and the Settlement contemplated by the Stipulation shall become effective.

1.14 “Escrow Account” means the escrow account established and controlled by the Escrow Agent into which the settlement amount of Thirty-Two Million Five Hundred Thousand Dollars (\$32,500,000) shall be deposited.

1.15 “Escrow Agent” means the law firms of Robbins Geller Rudman & Dowd LLP and Labaton Sucharow LLP, or their successors.

1.16 “Final” means when the last of the following with respect to the Judgment approving the Stipulation, substantially in the form of Exhibit B attached hereto, shall occur: (i) the expiration of the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) has passed without any such motion having been filed; (ii) the expiration of the time in which to appeal the Judgment has passed without any appeal having been taken, which date shall be deemed to be thirty (30) days following the entry of the Judgment, unless the date to take such an appeal shall have been extended by Court order or otherwise, or unless the thirtieth (30th) day falls on a weekend or a Court holiday, in which case the date for purposes of this Stipulation shall be deemed to be the next business day after such thirtieth (30th) day; and (iii) if a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) is filed or if an appeal is taken, immediately after the determination of that motion or appeal so that it is no longer subject to any further judicial review or appeal whatsoever, whether by reason of affirmance by a court of last resort, lapse of time, voluntary dismissal of the appeal or otherwise, and in such a manner as to permit the consummation of the Settlement substantially in accordance with the terms and conditions of

this Stipulation. For purposes of this paragraph, an “appeal” shall include any petition for a writ of certiorari or other writ that may be filed in connection with approval or disapproval of this Settlement, but shall not include any appeal that concerns only the issue of payment or allocation of attorneys’ fees and award of costs or the Plan of Allocation of the Net Settlement Fund.

1.17 “Final Approval Hearing” means the hearing to determine whether the proposed Settlement embodied by this Stipulation is fair, reasonable and adequate to the Settlement Class, and whether the Court should enter a Judgment approving the proposed Settlement.

1.18 “Gross Settlement Fund” means the principal amount of Thirty-Two Million Five Hundred Thousand Dollars (\$32,500,000), plus any accrued interest earned thereon.

1.19 “Individual Defendants” means Anilesh Ahuja, Jeffrey Lehocky, Richard W. Ferguson, Joseph J. Rice, and Richard D’Albert.

1.20 “Judgment” means the judgment to be rendered by the Court, substantially in the form attached hereto as Exhibit B, or such other substantially similar form agreed to by the Settling Parties.

1.21 “Lead Counsel” means Robbins Geller Rudman & Dowd LLP and Labaton Sucharow LLP.

1.22 “Lead Plaintiffs” means Massachusetts Bricklayers and Mason Trust Funds and the Pipefitters’ Retirement Fund Local 597.

1.23 “Net Settlement Fund” has the meaning defined in ¶ 6.2 below.

1.24 “Person” means a natural person, individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated

association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives or assignees.

1.25 “Plan of Allocation” means a plan or formula of allocation of the Net Settlement Fund whereby the Net Settlement Fund shall be distributed to Authorized Claimants after payment of expenses of notice and administration of the Settlement, Taxes and Tax Expenses, and such attorneys’ fees, costs, expenses and interest as may be awarded by the Court.

1.26 “Preliminary Approval Order” means the order (substantially in the form attached hereto as Exhibit A) to be entered by the Court preliminarily approving the Settlement and directing that notice be provided to the Settlement Class Members.

1.27 “Related Parties” means each of a Defendant’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, attorneys, accountants, auditors, underwriters, investment advisors, agents, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, affiliates, joint ventures, assigns, assignees, spouses, heirs, estates, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of an Individual Defendant’s immediate family, any trust of which an Individual Defendant is the settlor or which is for the benefit of an Individual Defendant and/or any member of an Individual Defendant’s immediate family, and any entity in which a Defendant and/or any member of an Individual Defendant’s immediate family has or have a controlling interest (directly or indirectly). “Related Parties” specifically includes, but is not limited to: (i) Kevin P. Burns, who is named as a defendant in the Second Amended Complaint; (ii) Deutsche Alt-A

Securities Mortgage Loan Trust, Series 2006-AR5; and (iii) Deutsche Alt-B Securities Mortgage Loan Trust, Series 2006-AB4.

1.28 “Released Claims” shall collectively mean all claims (including “Unknown Claims” as defined in ¶ 1.39 below), demands, rights (including the right to appeal the Court’s dismissal of any claims in the Litigation related to securities originally pled but no longer at issue in this Litigation), liabilities and causes of action of every nature and description whatsoever, known or unknown, contingent or absolute, mature or immature, discoverable or undiscoverable, whether concealed or hidden, suspected or unsuspected, which now exist, or heretofore have existed, asserted or that could have been asserted under federal, state, common or foreign law by Lead Plaintiffs or any Settlement Class Member against Defendants and their Related Parties based upon or arising out of (i) both (a) the allegations, facts, transactions, events, occurrences, disclosures, statements, representations, acts, omissions or failures to act which were or could have been alleged in the Litigation, and (b) the purchase or other acquisition or disposition or holding of the Certificates or any interest therein by Lead Plaintiffs or any Settlement Class Member during the Relevant Time Period; or (ii) the administration of the Net Settlement Fund. Released Claims shall not include: (i) claims to enforce the Settlement; or (ii) claims brought in *Dexia SA/NV. et al. v. Deutsche Bank AG, et al.*, No. 11-cv-5672 (S.D.N.Y.); *Mass. Mut. Life Ins. Co. v. DB Structured Prods., Inc., et al.*, No. 11-cv-30039 (D. Mass.); *Fed. Home Loan Bank of Boston v. Ally Fin., Inc. et al.*, No. 11-cv-10952 (D. Mass.); and *Teachers Ins. & Annuity Assoc. of Am. v. Deutsche Bank AG, et al.*, No. 11-cv-6141 (S.D.N.Y.).

1.29 “Released Parties” means each and all of the Defendants and each and all of their Related Parties.

1.30 “Relevant Time Period” means the period between May 1, 2006 through May 30, 2007, inclusive.

1.31 “Settlement” means the settlement contemplated by this Stipulation.

1.32 “Settlement Amount” means Thirty-Two Million Five Hundred Thousand Dollars (\$32,500,000).

1.33 “Settlement Class,” “Settlement Class Members,” or “Members of the Settlement Class” mean all Persons who purchased or otherwise acquired Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 Mortgage Pass-Through Certificates and/or Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 Mortgage Pass-Through Certificates during the Relevant Time Period and who were damaged thereby. Excluded from the Settlement Class are: the Defendants, IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage, Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; the officers, directors, successors and assigns of Deutsche Alt-A, DBSI, DBSP, IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; members of the immediate families, the legal representatives, heirs, successors or assigns of the Individual Defendants; any entity in which any excluded Person has or had a controlling interest; and any Person who timely and validly seeks exclusion from the Settlement Class.

1.34 “Settling Parties” means, collectively, Defendants and Lead Plaintiffs, on behalf of themselves and the Settlement Class Members.

1.35 “Stipulation” means this Stipulation of Settlement, including the recitals and exhibits hereto.

1.36 “Supplemental Agreement” means the agreement described in ¶ 8.3 below.

1.37 “Taxes” means all taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned on the Settlement Amount described in ¶ 2.1 below.

1.38 “Tax Expenses” means expenses and costs incurred in connection with the calculation and payment of taxes or the preparation of tax returns and related documents including, without limitation, expenses of tax attorneys and/or accountants and mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in ¶ 2.7.

1.39 “Unknown Claims” means collectively any Released Claims that Lead Plaintiffs or any Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Parties, or might have affected his, her or its decision not to object to or opt out of this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive, and each of the Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights and benefits of California Civil 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.**

Lead Plaintiffs shall expressly waive and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived 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 California Civil Code §1542. Lead Plaintiffs and Settlement Class Members may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiffs shall expressly, fully, finally and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

## **2. The Settlement**

### **a. Settlement Consideration**

2.1 In consideration of the terms of this Stipulation, Deutsche Bank Defendants shall pay or cause the Settlement Amount to be paid into the Escrow Account no later than fifteen (15) business days after entry of the Court's Preliminary Approval Order and the provision of wiring instructions, Form W-9 for the payee, and email address for the payee are

sent to Jamie L. Wine, Esq. If the agreed upon sum is not timely transferred to the Escrow Account, the Settlement may be voided at the option of Lead Plaintiffs.

**b. The Escrow Agent**

2.2 The Escrow Agent shall invest funds in the Escrow Account in instruments backed by the full faith and credit of the United States Government or an agency thereof (or a mutual fund invested solely in such instruments), or deposit some or all of the funds in non-interest-bearing transaction accounts up to the limit of Federal Deposit Insurance Corporation insurance. Defendants and Defendants' Counsel shall have no responsibility for, interest in, or liability whatsoever with respect to investment decisions executed by the Escrow Agent. The Gross Settlement Fund shall bear all risks related to the investments of the Settlement Amount in accordance with the guidelines set forth in this paragraph.

2.3 The Escrow Agent shall not disburse the Gross Settlement Fund except as provided in the Stipulation, by an order of the Court, or with the written agreement of Lead Counsel and Defendants' Counsel.

2.4 Subject to further order and/or direction as may be made by the Court, the Escrow Agent is authorized to execute such transactions as are consistent with the terms of the Stipulation.

2.5 All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to this Stipulation and/or further order(s) of the Court.

2.6 The Escrow Agent shall establish a "Notice and Administration Fund," and may deposit up to \$500,000 from the Gross Settlement Fund into it. The Notice and Administration Fund shall be used by Lead Counsel to pay the costs and expenses reasonably

and actually incurred in connection with providing notice to the Settlement Class, locating Settlement Class Members, assisting with the filing of claims, administering and distributing the Net Settlement Fund to Authorized Claimants, and processing Proof of Claim and Release forms. The Notice and Administration Fund may also be invested and earn interest as provided in ¶ 2.2 above. If the costs of notice and administration do not exceed \$500,000, the balance with any interest earned shall be refunded to the balance of the Gross Settlement Fund by the Escrow Agent. If the reasonable costs of notice and administration exceed \$500,000, plus any interest earned, then, after the occurrence of the Effective Date, the Escrow Agent may authorize payment of such amounts from the balance of the Gross Settlement Fund. Except as required by ¶ 2.1 concerning payment of the Settlement Amount and subject to ¶¶ 2.8 and 6.1 below, Defendants are not responsible for, and shall not be liable for, any costs incurred in connection with providing notice to the Settlement Class, locating Settlement Class Members, assisting with the filing of claims, administering and distributing the Net Settlement Fund, or processing Proof of Claim and Release forms.

**c. Taxes**

2.7 The Settling Parties and the Escrow Agent agree:

(i) The Gross Settlement Fund, which includes the Notice and Administration Fund, is intended at all times to be treated as a “qualified settlement fund” within the meaning of Treasury Regulation § 1.468B-1. In addition, the Escrow Agent shall timely make such elections as necessary or advisable to carry out the provisions of this ¶ 2.7, including the “relation-back election” (as defined in Treasury Regulation § 1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to

timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

(ii) For the purpose of §1.468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the Escrow Agent shall be the “administrator” of the Gross Settlement Fund, as that term is defined in §1.468B. The Escrow Agent shall timely and properly cause to be filed all informational and other tax returns necessary or advisable with respect to the Gross Settlement Fund (including, without limitation, the returns described in Treasury Regulation §1.468B-2(k)). Such returns (as well as the election described in ¶ 2.7(i) hereof) shall be consistent with this ¶ 2.7 and in all events shall reflect that all Taxes (including any estimated Taxes, interest or penalties) on the income earned on the Settlement Amount shall be paid out of the Gross Settlement Fund as provided in ¶ 2.7(iii) hereof.

(iii) All (a) Taxes (including any estimated Taxes, interest or penalties) arising with respect to the income earned on the Settlement Amount, including any Taxes or tax detriments that may be imposed upon Defendants or their Related Parties with respect to any income earned on the Settlement Amount for any period during which the Gross Settlement Fund does not qualify as a “qualified settlement fund” for federal or state income tax purposes, and (b) Tax Expenses shall be paid out of the Gross Settlement Fund; in no event shall Defendants, their Related Parties, or Defendants’ Counsel have any responsibility for, or liability whatsoever with respect to, the Taxes or the Tax Expenses. Further, Taxes and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Gross Settlement Fund and shall be timely paid by the Escrow Agent out of the Gross Settlement Fund without prior order from the Court and the Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to

withhold from distribution to Authorized Claimants any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be withheld under Treasury Regulation § 1.468B-2(1)(2)); neither Defendants, their Related Parties, nor their counsel are responsible, therefore nor shall they have any liability with respect thereto. The Settling Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this paragraph.

(iv) Except as required by ¶ 2.1 concerning payment of the Settlement Amount and subject to ¶¶ 2.8 and 6.1 below, Defendants and the Related Parties shall not have any responsibility for Taxes or Tax Expenses, nor shall they be liable for any claims with respect thereto.

**d. Termination of the Settlement**

2.8 In the event that the Stipulation is not approved, or is terminated, canceled, or fails to become effective for any reason, the Settlement Amount, including accrued interest, less the expenses, Taxes and Tax Expenses described in ¶¶ 2.6 and 2.7 hereof actually incurred or due and owing, shall be refunded to such Persons that paid the Settlement Amount pursuant to written instructions from Defendants' Counsel.

**3. Certification of the Settlement Class**

3.1 Solely for purposes of this Settlement, and subject to approval by the Court, the Settling Parties agree that the Settlement Class shall be certified and Lead Plaintiffs and Lead Counsel shall be appointed as representatives of the Settlement Class pursuant to Federal Rule of Civil Procedure 23, as set forth in the Preliminary Approval Order. Should the Settlement Class not be certified, or should any court amend the scope of the Settlement Class, each of the Settling Parties reserve the right to void this Stipulation in accordance with ¶ 8.5 hereof.

#### **4. Preliminary Approval Order and Final Approval Hearing**

4.1 Promptly after execution of the Stipulation (and, in no event, later than March 23, 2012), Lead Counsel shall submit the Stipulation together with its Exhibits to the Court and shall apply for entry of the Preliminary Approval Order, substantially in the form of Exhibit A attached hereto, requesting, inter alia, the preliminary approval of the Settlement set forth in the Stipulation, and approval for mailing a settlement notice (“Notice”), substantially in the form of Exhibit A-1 attached hereto, and publication of a summary notice (“Summary Notice”), substantially in the form of Exhibit A-3 attached hereto. The Notice shall include the general terms of the Settlement set forth in the Stipulation, the proposed Plan of Allocation, the general terms of the Fee and Expense Application as defined in ¶ 7.1 below, and the date of the Final Approval Hearing.

4.2 Lead Counsel shall request that after notice is given, the Court hold a Final Approval Hearing and approve the Settlement of the Litigation as set forth herein. Lead Counsel also will request that the Court approve the proposed Plan of Allocation and the Fee and Expense Application.

#### **5. Releases**

5.1 The obligations incurred pursuant to this Stipulation shall be in full and final disposition of the Litigation and any and all Released Claims as against all Released Parties.

5.2 Upon the Effective Date, the Lead Plaintiffs shall have, and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, fully, finally and forever released, relinquished, dismissed, and discharged all Released Claims against the Released Parties, with prejudice and on the merits, whether or not such Settlement Class Member executes and delivers a Proof of Claim and Release form. The Settling Parties acknowledge, and the Settlement Class Members shall be deemed by operation

of law to acknowledge, that the waiver of Unknown Claims, and of the provisions, rights and benefits of §1542 of the California Civil Code, was bargained for and is a key element of the Settlement of which the release in this paragraph is a part.

5.3 The Proof of Claim and Release form (“Proof of Claim”) to be executed by Settlement Class Members shall release all Released Claims against the Released Parties and shall be substantially in the form contained in Exhibit A-2 attached hereto.

5.4 Upon the Effective Date, Lead Plaintiffs and all Settlement Class Members and anyone claiming through or on behalf of any of them, are forever barred and enjoined from commencing, instituting, or continuing to prosecute any action or proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind, asserting against any of the Released Parties, and each of them, any of the Released Claims.

5.5 Upon the Effective Date, each of the Released Parties shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished and discharged the Lead Plaintiffs, Settlement Class Members, and their attorneys, employees, heirs, successors, and assigns from all claims (including, without limitation, Unknown Claims) arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement or resolution of the Litigation or the Released Claims.

## **6. Administration and Calculation of Claims, Final Awards and Supervision and Distribution of Net Settlement Fund**

6.1 The Claims Administrator shall administer and calculate the claims submitted by Settlement Class Members. The Claims Administrator will be subject to such supervision and direction from the Court and/or Lead Counsel as may be necessary or as circumstances may require. Deutsche Alt-A, DBSI, and/or DBSP shall provide or cause to be provided to the Claims Administrator, without any charge to Lead Plaintiffs or the Settlement Class, its lists of

Persons who held or purchased the Certificates during the Relevant Time Period in electronic and searchable form, such as an Excel file, within seven (7) calendar days of execution of this Stipulation, as appropriate for providing notice to the Settlement Class. To the extent such lists have already been produced to Lead Plaintiffs, they need not be provided again.

6.2 The Gross Settlement Fund shall be applied as follows:

(a) to pay all the fees and expenses reasonably and actually incurred in connection with providing notice to the Settlement Class, locating Settlement Class Members, assisting with the filing of claims, administering and distributing the Net Settlement Fund to Authorized Claimants, processing Proofs of Claim and paying escrow fees and costs, if any;

(b) to pay the Taxes and Tax Expenses described in ¶ 2.7 above;

(c) to pay Lead Plaintiffs' attorneys' fees and expenses and Lead Plaintiffs' expenses, including lost wages, if and to the extent allowed by the Court (the "Fee and Expense Award"); and

(d) after the Effective Date, to distribute the balance of the Gross Settlement Fund (the "Net Settlement Fund") to Authorized Claimants as allowed by the Stipulation, the Plan of Allocation, or the Court.

6.3 Upon the Effective Date and thereafter, and in accordance with the terms of the Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as may be necessary or as circumstances may require, the Claims Administrator, under the supervision of Lead Counsel and subject to the Court's jurisdiction, shall distribute the Net Settlement Fund to Authorized Claimants, subject to and in accordance with the following:

(a) Within one-hundred and twenty (120) days after the mailing of the Notice or such other time as may be set by the Court, each Person claiming to be an Authorized

Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim, substantially in the form of Exhibit A-2 attached hereto, signed under penalty of perjury and supported by such documents as are specified in the Proof of Claim and as are reasonably available to the Authorized Claimant.

(b) Except as otherwise ordered by the Court, all Settlement Class Members who fail to timely submit a Proof of Claim within such period, or such other period as may be ordered by the Court, or otherwise allowed, shall be forever barred from receiving any payments pursuant to the Stipulation and the Settlement set forth herein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the releases contained herein, and the Judgment, and will be permanently barred and enjoined from bringing any action, claim or other proceeding of any kind against any Released Parties concerning any Released Claims. Notwithstanding the foregoing, Lead Counsel shall have the discretion to accept late-submitted claims for processing so long as distribution of the Net Settlement Fund is not materially delayed thereby.

(c) The Net Settlement Fund shall be distributed to Authorized Claimants substantially in accordance with a Plan of Allocation to be described in the Notice and approved by the Court. If there is any balance remaining in the Net Settlement Fund after six (6) months from the date of distribution of the Net Settlement Fund (whether by reason of tax refunds, uncashed checks or otherwise), Lead Counsel shall, if feasible, reallocate such balance among Authorized Claimants in an equitable and economic fashion. Thereafter, any balance which still remains in the Net Settlement Fund shall be donated to Consumers Union .

6.4 This Settlement is not a claims-made settlement and, if all conditions of the Stipulation are satisfied and the Settlement becomes Final, no portion of the Gross Settlement

Fund will be returned to the Defendants. Defendants and their Related Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the maintenance, investment or distribution of the Gross Settlement Fund; the establishment of the Escrow Account; the establishment or administration of the Plan of Allocation; the determination, administration, or calculation of claims, the payment or withholding of Taxes or Tax Expenses; the distribution of the Net Settlement Fund; the administration of the Settlement; or any losses incurred in connection with such matters.

6.5 No Person shall have any claim against Lead Plaintiffs, Lead Counsel, the Released Parties, the Claims Administrator or other entity designated by Lead Counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court. This does not include any claim by any party for breach of this Stipulation. The Released Parties shall have no responsibility for, interest in, or liability whatsoever with respect to the maintenance, investment or distribution of the Gross Settlement Fund; the establishment or maintenance of the Escrow Account; the establishment or administration of the Plan of Allocation; the determination, administration, or calculation of claims; the payment or withholding of Taxes; the distribution of the Net Settlement Fund; the administration of the Settlement; or any losses incurred in connection with such matters. Defendants take no position with respect to the provisions of this Stipulation governing those issues. The Released Parties shall have no further or other liability or obligations to Lead Plaintiffs, Lead Counsel or any Settlement Class Member with respect to the Released Claims, except as expressly stated in this Stipulation.

6.6 It is understood and agreed by the Settling Parties that any proposed Plan of Allocation of the Net Settlement Fund including, but not limited to, any adjustments to an Authorized Claimant's claim set forth therein, is not a part of this Stipulation and is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness and adequacy of the Settlement set forth in this Stipulation, and any order or proceeding relating to the Plan of Allocation shall not operate to terminate or cancel this Stipulation or affect or delay the finality of the Court's Judgment approving this Stipulation and the Settlement set forth herein (including the releases contained herein), or any other orders entered pursuant to this Stipulation. The Plan of Allocation is not a necessary term of this Stipulation, and it is not a condition of this Stipulation that any particular plan of allocation be approved by the Court. Lead Plaintiffs and Lead Counsel may not cancel or terminate the Stipulation or the Settlement based on the Court's or any appellate court's ruling with respect to the Plan of Allocation or any plan of allocation in this Litigation.

6.7 The Court shall maintain jurisdiction over all proceedings with respect to the Plan of Allocation, including disputed questions of law and fact with respect to the administration, processing and validity of Proofs of Claims submitted to the Claims Administrator.

## **7. Lead Plaintiffs' Attorneys' Fees and Expenses**

7.1 Counsel for Lead Plaintiffs may submit an application or applications (the "Fee and Expense Application") for distributions to them from the Gross Settlement Fund for: (a) an award of attorneys' fees; plus (b) payment of expenses, including Lead Plaintiffs' expenses (including lost wages) paid pursuant to 15 U.S.C. § 77z-1(a)(4), and the fees of any experts or consultants, incurred in connection with prosecuting the Litigation; plus (c) any interest on such fees and expenses at the same rate and for the same time periods as earned by the Gross

Settlement Fund (until paid), as may be awarded by the Court. Lead Counsel reserves the right to make additional applications for distributions from the Gross Settlement Fund for fees and expenses incurred.

7.2 The Fee and Expense Award, as awarded by the Court, shall be paid to Lead Counsel from the Gross Settlement Fund, as ordered, immediately after the Court executes an order awarding such fees and expenses. Lead Counsel may thereafter allocate the attorneys' fees and expenses among counsel for plaintiffs in a manner in which they in good faith believe reflects the contributions of such counsel to the institution, prosecution and resolution of the Litigation. In the event that the Effective Date does not occur, or the Judgment or the order making the Fee and Expense Award is reversed or modified by final non-appealable order, or the Stipulation is canceled or terminated for any other reason, and in the event that the Fee and Expense Award has been paid to any extent, then, without regard to whether Lead Counsel has allocated the attorneys' fees and expenses among counsel for plaintiffs, Lead Counsel shall be obligated, within ten (10) business days from receiving notice from Defendants' Counsel or from a court of appropriate jurisdiction, to refund to the Gross Settlement Fund the fees and expenses previously paid to Lead Counsel from the Gross Settlement Fund plus interest thereon at the same rate as earned by the Gross Settlement Fund in an amount consistent with such reversal or modification.

7.3 The procedure for and the allowance or disallowance by the Court of any applications by Lead Counsel for attorneys' fees and expenses, including the fees of experts and consultants as well as any application of Lead Plaintiffs for an award of expenses, including lost wages, to be paid out of the Gross Settlement Fund, are not part of the Settlement set forth in this Stipulation, and are to be considered by the Court separately from

the Court's consideration of the fairness, reasonableness and adequacy of the Settlement set forth in this Stipulation. Any order or proceeding relating to the Fee and Expense Application, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Stipulation, or affect or delay the finality of the Judgment approving the Stipulation and the Settlement of the Litigation set forth herein (including the releases contained herein).

7.4 Defendants and their Related Parties shall have no responsibility for or liability with respect to the payment of any Fee and Expense Award to any counsel for plaintiffs over and above payment of the Settlement Amount, or with respect to the allocation among plaintiffs' counsel.

**8. Conditions of Settlement, Effect of Disapproval, Cancellation or Termination**

8.1 The Effective Date of this Stipulation shall be conditioned on the occurrence of all of the following events:

(a) the Settlement Amount has been deposited into the Escrow Account maintained by the Escrow Agent, as required by ¶ 2.1 hereof;

(b) the Court has entered the Preliminary Approval Order, as required by ¶ 4.1 above;

(c) Defendants have not exercised their option to terminate the Stipulation pursuant to ¶ 8.3 below;

(d) the Court has entered the Judgment in the form of Exhibit B attached hereto, or such other substantially similar form agreed to by the Settling Parties; and

(e) the Judgment has become Final, as defined in ¶ 1.16 above.

8.2 Upon the occurrence of all of the events referenced in ¶ 8.1 above, any and all remaining interest or right of Defendants in or to the Gross Settlement Fund, if any, shall be absolutely and forever extinguished. If all of the conditions specified in ¶ 8.1 hereof are not met, then the Stipulation shall be canceled and terminated subject to ¶ 8.5 hereof unless Lead Counsel and Defendants' Counsel mutually agree in writing to proceed with the Stipulation.

8.3 Defendants shall have the option to terminate the Settlement if the aggregate damages of Settlement Class Members, as computed according to the Plan of Allocation, who would otherwise be entitled to participate as Members of the Settlement Class, but who timely and validly request exclusion pursuant to ¶¶ 9.1 and 9.2 below, equals or exceeds the amount (the "Opt-Out Threshold") set forth in a separate agreement (the "Supplemental Agreement") executed between Lead Counsel and Defendants' Counsel, which is incorporated by reference into this Stipulation. The Opt-Out Threshold may be disclosed to the Court for purposes of approval of the Settlement, as may be required by the Court, but such disclosure shall be carried out to the fullest extent possible in accordance with the practices of the Court so as to maintain the Opt-Out Threshold as confidential. In the event of a termination of this Settlement pursuant to the Supplemental Agreement, this Stipulation shall become null and void and of no further force and effect.

8.4 Unless otherwise ordered by the Court, in the event the Stipulation shall terminate, or be canceled, or shall not become effective for any reason, then within ten (10) business days after written notification of such event is sent by Defendants' Counsel or Lead Counsel to the other, the Settlement Amount (including accrued interest if any), less any expenses and costs reasonably and actually incurred pursuant to ¶ 2.6 above and/or actually and properly paid from the Notice and Administration Fund and Taxes and Tax Expenses that

have been paid pursuant to ¶ 2.7 above, shall be refunded by the Escrow Agent pursuant to written instructions from Defendants' Counsel. At the request of Defendants' Counsel, the Escrow Agent or its designee shall apply for any tax refund owed on the Gross Settlement Fund and pay the proceeds, after deduction of any fees or expenses incurred in connection with such application(s) for refund, pursuant to written direction from Defendants' Counsel.

8.5 In the event that the Stipulation is not approved by the Court or the Settlement set forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the Settling Parties shall be restored to their respective positions in the Litigation immediately prior to November 18, 2011. In such event, the terms and provisions of the Stipulation, with the exception of ¶¶ 2.6-2.8, 8.4-8.6, and 11.5-11.6 hereof, shall have no further force and effect with respect to the Settling Parties and shall not be used in this Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as *vacated, nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning the Plan of Allocation or any Fee and Expense Award shall constitute grounds for cancellation or termination of the Stipulation.

8.6 If the Effective Date does not occur, or if the Stipulation is terminated pursuant to its terms, neither the Lead Plaintiffs nor Lead Counsel shall have any obligation to repay any amounts actually and properly disbursed for notice costs and Taxes and Tax Expenses pursuant to ¶¶ 2.6-2.7 above. In addition, any expenses already incurred and properly chargeable pursuant to ¶ 2.6 above at the time of such termination or cancellation, but which have not been paid, shall be paid by the Escrow Agent in accordance with the terms of the Stipulation prior to the balance being refunded in accordance with ¶¶ 2.8 and 8.4 above.

8.7 If a case is commenced with respect to any Defendant under Title 11 of the United States Code (Bankruptcy), or a trustee, receiver or conservator is appointed under any similar law, and in the event of the entry of a final order of a court of competent jurisdiction determining the transfer of the Settlement Amount, or any portion thereof, by or on behalf of such Defendant to be a preference, voidable transfer, fraudulent transfer or similar transaction and any portion thereof is required to be returned, and such amount is not deposited into the Escrow Account by others within fifteen (15) business days thereafter, then, at the election of Lead Plaintiffs, the Settling Parties shall jointly move the Court to vacate and set aside the releases given and the Judgment entered and the Defendants, Lead Plaintiffs and the Settlement Class Members shall be restored to their litigation positions immediately prior to November 18, 2011, and the Settlement Amount (including accrued interest if any), less any expenses and costs reasonably and actually incurred pursuant to ¶ 2.6 above and/or actually and properly paid from the Notice and Administration Fund and Taxes and Tax Expenses that have been paid pursuant to ¶ 2.7 above, shall be refunded by the Escrow Agent as provided in ¶ 8.4 above.

## **9. Requests for Exclusion**

9.1 A Settlement Class Member requesting exclusion from the Settlement Class shall be requested to provide the following information to the Claims Administrator: (i) name; (ii) address; (iii) telephone number; (iv) identity and original face value of mortgage pass-through certificates purchased (or otherwise acquired) or sold, which are traceable to Deutsche Alt-A Securities Mortgage Loan Trust, Series 2006-AR5 or Deutsche Alt-B Securities Mortgage Loan Trust, Series 2006-AB4; (v) prices or other consideration paid or received for such mortgage pass-through certificates; (vi) the date of each purchase or sale transaction; and (vii) a statement that the Person wishes to be excluded from the Settlement Class. Unless

otherwise ordered by the Court, any Settlement Class Member who does not submit a timely written request for exclusion as provided by ¶¶ 9.1 and 9.2 shall be bound by the Settlement in this Stipulation. Lead Plaintiffs shall request that the deadline for submitting requests for exclusion be twenty-one (21) calendar days prior to the Final Approval Hearing.

9.2 The Claims Administrator shall scan and send electronically copies of all requests for exclusion in PDF format (or such other format as shall be agreed) to Defendants' Counsel and to Lead Counsel expeditiously (and not more than five (5) business days) after the Claims Administrator receives such a request. As part of the motion papers in support of the Settlement of the Litigation, Lead Counsel will cause to be provided a list of all the persons who have requested exclusion from the Settlement Class, and shall cause to be certified that all requests for exclusion received by the Claims Administrator have been copied and provided to Defendants' Counsel.

#### **10. No Admission of Wrongdoing**

10.1 Whether or not the Settlement in this Stipulation is approved by the Court, and whether or not it is consummated, the fact and terms of this Stipulation, including Exhibits, all negotiations, discussions, drafts, and proceedings in connection with the Settlement, and any act performed or document signed in connection with the Settlement:

(a) shall not be offered or received against any of Defendants or their Related Parties as evidence of or construed as or deemed to be evidence of any presumption, concession, or admission by any of Defendants or their Related Parties with respect to the truth of any fact alleged by Lead Plaintiffs or the validity of any claim that has been or could have been asserted in this Litigation or in any litigation, or the deficiency of any defense that has been or could have been asserted in this Litigation or in any litigation, or of any liability, negligence, fault, or wrongdoing of any of Defendants or their Related Parties;

(b) shall not be offered or received against any of Defendants or their Related Parties as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any of Defendants;

(c) shall not be offered or received against any of the Defendants as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Defendants, in any arbitration proceeding or other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Stipulation; provided, however, that if this Stipulation is approved by the Court, the Released Parties may refer to it to effectuate the liability protection granted them hereunder;

(d) shall not be construed against any of Defendants or their Related Parties as an admission or concession that the consideration to be given hereunder represents the amount which could be or would have been recovered after trial; and

(e) shall not be construed as or received into evidence as an admission, concession or presumption against Lead Plaintiffs or any other Settlement Class Members that any of their claims are without merit, or that any defenses asserted by any of Defendants have any merit, or that damages recoverable under the Complaint would not have exceeded the Gross Settlement Fund.

## **11. Miscellaneous Provisions**

11.1 The headings herein are used for the purposes of convenience only and are not meant to have legal effect.

11.2 The Settling Parties (a) acknowledge that it is their intent to consummate this Settlement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and

implement all terms and conditions of the Stipulation and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of the Stipulation.

11.3 The Settling Parties to this Stipulation intend the Settlement of the Litigation to be the full, final and complete resolution of all claims asserted or which could have been asserted by the Settlement Class Members against the Released Parties with respect to the Released Claims. Accordingly, the Settling Parties agree not to assert in any forum or tribunal that the Litigation was brought, prosecuted or defended in bad faith or without a reasonable basis. The Judgment shall contain a finding that at all times each Settling Party and his, her, or its counsel has complied fully with Rule 11 of the Federal Rules of Civil Procedure in connection with the maintenance, prosecution, defense and settlement of the Litigation. The Settling Parties agree that the amount paid and the other terms of the Settlement were negotiated at arm's length in good faith by the Settling Parties, and their respective counsel, and reflect a settlement that was reached voluntarily based upon adequate information and after consultation with experienced legal counsel.

11.4 The Settling Parties shall refrain from any accusations of wrongful or actionable conduct by either party concerning the prosecution and resolution of the Litigation, and shall not otherwise suggest that the Settlement constitutes an admission of any claim or defense alleged.

11.5 Neither the Stipulation nor the Settlement contained herein, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim, or of any wrongdoing or liability of the Released Parties; or (b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault

or omission of any of the Released Parties in any civil, criminal or administrative proceeding in any court, arbitration proceeding, or any administrative agency or other tribunal. The Released Parties may file the Stipulation and/or the Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of, without limitation, claim preclusion or issue preclusion or similar defense or counterclaim.

11.6 All agreements made and orders entered during the course of the Litigation relating to the confidentiality of information shall survive this Stipulation, pursuant to their terms.

11.7 All of the Exhibits to the Stipulation are hereby incorporated by reference as though fully set forth herein. Notwithstanding the foregoing, in the event that there exists a conflict or inconsistency between the terms of this Stipulation and the terms of any Exhibit hereto, the terms of this Stipulation shall prevail.

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

11.9 The Stipulation may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

11.10 The Stipulation and the Exhibits attached hereto and the Supplemental Agreement constitute the entire agreement among the Settling Parties hereto and no

representations, warranties or inducements have been made to any Settling Party concerning the Stipulation or its Exhibits or the Supplemental Agreement other than the representations, warranties and covenants contained and memorialized in such documents. Except as otherwise provided herein, each Settling Party shall bear its own costs.

11.11 Lead Counsel, on behalf of the Settlement Class, are expressly authorized by the Lead Plaintiffs to take all appropriate action required or permitted to be taken by the Settlement Class pursuant to the Stipulation to effectuate its terms and also are expressly authorized to enter into any modifications or amendments to the Stipulation on behalf of the Settlement Class which they deem appropriate.

11.12 Each counsel or other Person executing the Stipulation or any of its Exhibits on behalf of any Settling Party hereto hereby warrants that such Person has the full authority to do so.

11.13 The Stipulation may be executed in one or more counterparts, including by signature transmitted via facsimile or by email in pdf format. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set of original executed counterparts shall be filed with the Court.

11.14 The Stipulation shall be binding upon, and inure to the benefit of the successors and assigns of the parties hereto, including any and all Released Parties and any corporation, partnership, or other entity into or with which any party hereto may merge, consolidate or reorganize.

11.15 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and all Settling Parties submit to the jurisdiction

of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

11.16 The Stipulation and the Exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to the Stipulation shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of New York without giving effect to that State's choice-of-law principles, except to the extent that federal law requires that federal law governs.

11.17 The Settling Parties agree that, prior to final approval of the Settlement, the Hon. Layn R. Phillips (Ret.) will continue to serve as a mediator for any disputes between them arising out of the Settlement. The Settling Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

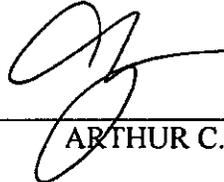
11.18 A waiver by one party of any breach of this Stipulation by any other party shall not be deemed a waiver of any other prior or subsequent breach of this Stipulation.

11.19 The Settling Parties and their respective counsel of record agree that they will use their best efforts to obtain all necessary approvals of the Court required by this Stipulation.

IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed, by their duly authorized attorneys dated as of March 15, 2012.

DATED: March 15, 2012

ROBBINS GELLER RUDMAN  
& DOWD LLP  
ARTHUR C. LEAHY  
JONAH H. GOLDSTEIN  
RYAN A. LLORENS  
NATHAN R. LINDELL  
IVY T. NGO  
L. DANA MARTINDALE



---

ARTHUR C. LEAHY

655 West Broadway, Suite 1900  
San Diego, CA 92101  
Telephone: 619/231-1058  
619/231-7423 (fax)

ROBBINS GELLER RUDMAN  
& DOWD LLP  
SAMUEL H. RUDMAN  
DAVID A. ROSENFELD  
58 South Service Road, Suite 200  
Melville, NY 11747  
Telephone: 631/367-7100  
631/367-1173 (fax)

Co-Lead Counsel for Plaintiffs

DATED: March \_\_\_\_, 2012

LABATON SUCHAROW LLP  
CHRISTOPHER J. KELLER  
JONATHAN GARDNER

---

JONATHAN GARDNER

140 Broadway, 34th Floor  
New York, NY 10005  
Telephone: 212/907-0700  
212/818-0477 (fax)

Co-Lead Counsel for Plaintiffs

DATED: March \_\_, 2012

ROBBINS GELLER RUDMAN  
& DOWD LLP  
ARTHUR C. LEAHY  
JONAH H. GOLDSTEIN  
RYAN A. LLORENS  
NATHAN R. LINDELL  
IVY T. NGO  
L. DANA MARTINDALE

---

ARTHUR C. LEAHY

655 West Broadway, Suite 1900  
San Diego, CA 92101  
Telephone: 619/231-1058  
619/231-7423 (fax)

ROBBINS GELLER RUDMAN  
& DOWD LLP  
SAMUEL H. RUDMAN  
DAVID A. ROSENFELD  
58 South Service Road, Suite 200  
Melville, NY 11747  
Telephone: 631/367-7100  
631/367-1173 (fax)

Co-Lead Counsel for Plaintiffs

DATED: March 15, 2012

LABATON SUCHAROW LLP  
CHRISTOPHER J. KELLER  
JONATHAN GARDNER



---

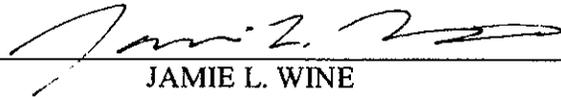
JONATHAN GARDNER

140 Broadway, 34th Floor  
New York, NY 10005  
Telephone: 212/907-0700  
212/818-0477 (fax)

Co-Lead Counsel for Plaintiffs

DATED: March 9, 2012

LATHAM & WATKINS LLP  
RICHARD D. OWENS  
JAMIE L. WINE  
JOHN M. FALZONE  
JASON C. HEGT

  
JAMIE L. WINE

885 Third Avenue, Suite 1000  
New York, NY 10022  
Telephone: 212/906-1200  
212/751-4864 (fax)

Attorneys for Defendants

# EXHIBIT A



WHEREAS, a class action is pending before the Court entitled *Massachusetts Bricklayers and Masons Trust Funds, and the Pipefitters' Retirement Fund Local 597 v. Deutsche Alt-A Securities, Inc.*, No. 08 Civ. 3178 (LDW) (the "Litigation");

WHEREAS, the Court has received the Stipulation of Settlement, dated as of March 15, 2012 (the "Stipulation"), that has been entered into by Lead Plaintiffs and Defendants, and the Court has reviewed the Stipulation and its attached Exhibits;

WHEREAS, Lead Plaintiffs having made an application, pursuant to Federal Rule of Civil Procedure 23(e), for an order preliminarily approving the Settlement of this Litigation, in accordance with the Stipulation which, together with the Exhibits annexed thereto, sets forth the terms and conditions for a proposed settlement of the Litigation and for dismissal of the Litigation with prejudice upon the terms and conditions set forth therein; and the Court having read and considered the Stipulation and the Exhibits annexed thereto; and

WHEREAS, all defined terms contained herein shall have the same meanings as set forth in the Stipulation;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court does hereby preliminarily approve the Stipulation and the Settlement set forth therein, subject to further consideration at the Final Approval Hearing described below.

2. A hearing (the "Final Approval Hearing") shall be held before this Court on \_\_\_\_, \_\_\_\_, 2012, at \_\_:\_\_\_.m., at the Long Island Federal Courthouse, 944 Federal Plaza, Central Islip, New York 11722, to determine whether the proposed Settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair, reasonable and adequate to the Settlement Class and should be approved by the Court; whether a Judgment as provided in ¶ 1.20 of the

Stipulation should be entered herein; whether the proposed Plan of Allocation should be approved; and to determine the amount of fees and expenses that should be awarded to Lead Counsel and the amount that each Lead Plaintiff should be reimbursed for its expenses including lost wages. The Court may adjourn the Final Approval Hearing without further notice to Settlement Class Members.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court preliminarily certifies, for purposes of effectuating this Settlement only, a Settlement Class of all Persons who purchased or otherwise acquired Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 Mortgage Pass-Through Certificates and/or Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 Mortgage Pass-Through Certificates during the period between May 1, 2006 through May 30, 2007, inclusive (the “Relevant Time Period”) and who were damaged thereby. Excluded from the Settlement Class are: the Defendants, IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; the officers, directors, successors and assigns of Deutsche Alt-A Securities, Inc., Deutsche Bank Securities, Inc., Deutsche Bank Structured Products, Inc., IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; members of the immediate families, the legal representatives, heirs, successors or assigns of the Individual Defendants; and any entity in which any excluded Person has or had a controlling interest. Also excluded from the

Settlement Class are those Persons who timely and validly request exclusion from the Settlement Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action and Motion for Attorneys' Fees and Expenses ("Notice").

4. With respect to the Settlement Class, this Court preliminarily finds, for purposes of effectuating this Settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (i) the Members of the Settlement Class are so numerous that joinder of all Settlement Class Members in the Litigation is impracticable; (ii) there are questions of law and fact common to the Settlement Class which predominate over any individual questions; (iii) the claims of the Lead Plaintiffs are typical of the claims of the Settlement Class; (iv) the Lead Plaintiffs and Lead Counsel will fairly and adequately represent and protect the interests of all of the Settlement Class Members; and (v) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

5. The Court approves, as to form and content, the Notice, the Proof of Claim and Release form (the "Proof of Claim") and the Summary Notice ("Summary Notice") annexed as Exhibits A-1, A-2 and A-3 hereto, and finds that the mailing and distribution of the Notice and publishing of the Summary Notice substantially in the manner and form set forth in ¶¶ 6-8 of this Order meet the requirements of Federal Rule of Civil Procedure 23, the Private Securities Litigation Reform Act of 1995 and due process, and is the best notice practicable under the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court appoints Gilardi & Co. LLC ("Claims Administrator") to supervise and administer the notice procedure as well as the processing of claims as more fully set forth below:

(a) No later than ten (10) business days after entry of this Order (the “Notice Date”), Lead Counsel shall cause a copy of the Notice and Proof of Claim, substantially in the forms annexed as Exhibits A-1 and A-2 hereto, to be mailed by first class mail to all Settlement Class Members who can be identified with reasonable effort;

(b) No later than fourteen (14) calendar days after the Notice Date, Lead Counsel shall cause the Summary Notice to be published once in *Investor’s Business Daily* and transmitted over *PR Newswire*;

(c) Lead Counsel shall cause the Stipulation, its Exhibits, the Notice, and Proof of Claim to be posted on the Settlement website; and

(d) No later than thirty-eight (38) calendar days prior to the date set herein for the Final Approval Hearing, Lead Counsel shall cause to be served on Defendants’ Counsel and filed with the Court proof, by affidavit or declaration, of such mailing, publishing and posting.

7. Deutsche Alt-A Securities, Inc., Deutsche Bank Securities Inc. and/or DB Structured Products, Inc., to the extent they have not already done so, shall provide, or cause to be provided, to Lead Counsel or the Claims Administrator, at no cost to Lead Plaintiffs, Lead Counsel, the Settlement Class or the Claims Administrator, their lists of Persons who held or purchased the Certificates during the Relevant Time Period, in electronic searchable form within seven (7) calendar days of execution of the Stipulation.

8. Nominees who purchased or otherwise acquired Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 Mortgage Pass-Through Certificates and/or Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 Mortgage Pass-Through Certificates during the Relevant Time Period shall send the Notice and Proof of Claim to all beneficial owners of such Certificates within ten (10) calendar days after receipt thereof, or send a list of the names and

addresses of such beneficial owners to the Claims Administrator within ten (10) calendar days of receipt thereof, in which event the Claims Administrator shall promptly mail the Notice and the Proof of Claim to such beneficial owners. Lead Counsel shall, if requested, reimburse banks, brokerage houses or other nominees solely for their reasonable out-of-pocket expenses incurred in providing notice to beneficial owners who are Settlement Class Members out of the Settlement Fund, which expenses would not have been incurred except for the sending of such notice, subject to further order of this Court with respect to any dispute concerning such compensation.

9. All Settlement Class Members shall be bound by all determinations and judgments in the Litigation concerning the Settlement, whether favorable or unfavorable to the Settlement Class.

10. Settlement Class Members who wish to participate in the Settlement shall complete and submit Proofs of Claim in accordance with the instructions contained therein. Unless the Court orders otherwise, all Proofs of Claim must be postmarked no later one hundred and twenty (120) calendar days after the Notice Date. Any Settlement Class Member who does not timely submit a Proof of Claim within the time provided for shall be barred from sharing in the distribution of the proceeds of the Net Settlement Fund, unless otherwise ordered by the Court or allowed by the Stipulation. However, in all other respects, any such Member of the Settlement Class shall be subject to and bound by all of the terms of the Settlement, including the terms of the Stipulation, the Judgment, and the releases provided for by the Stipulation and the Judgment unless such Member of the Settlement Class has submitted a request to be excluded from the Settlement Class in the manner required by ¶ 11 of this Order.

11. Any Person who desires to request exclusion from the Settlement Class shall do so no later than twenty-one (21) calendar days prior to the Final Approval Hearing and in the

manner described in the Notice. Upon receiving any request(s) for exclusion the Claims Administrator shall promptly notify Lead Counsel and counsel for Defendants of such request(s) and provide them copies of such request(s) and documentation accompanying them by facsimile or email.

12. All Persons who submit valid and timely requests for exclusion in the manner set forth in the Notice shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment entered in the Litigation.

13. Any Settlement Class Member may enter an appearance in the Litigation, at his, her or its own expense, individually or through counsel of his, her or its own choice. If he, she or it does not enter an appearance, he, she or it will be represented by Lead Counsel.

14. Any Settlement Class Member may appear and show cause, if he, she or it has any reason why the proposed Settlement of the Litigation should or should not be approved as fair, reasonable and adequate, why the Judgment should or should not be entered thereon, why the Plan of Allocation should or should not be approved, why attorneys' fees and expenses should or should not be awarded to Lead Counsel or why reimbursement of Lead Plaintiffs' expenses including lost wages should or should not be made; provided, however, that no Settlement Class Member or any other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement, or, if approved, the Judgment to be entered thereon approving the same, or the order approving the Plan of Allocation or the attorneys' fees and expenses to be awarded to Lead Counsel, or reimbursement of Lead Plaintiffs' expenses including lost wages, unless that Person has filed said objection, papers and briefs with the Clerk of the United States District Court for the Eastern District of New York no later than twenty-one

(21) calendar days prior to the Final Approval Hearing, and delivered copies of any such papers to Robbins Geller Rudman & Dowd LLP, Arthur C. Leahy, 655 W. Broadway, Suite 1900, San Diego, CA 92101; Labaton Sucharow LLP, Jonathan Gardner, 140 Broadway, 34th Floor, New York, NY 10005; and Latham & Watkins LLP, Jamie L. Wine, 885 Third Avenue, Suite 1000, New York, NY 10022; such that they are received on or before the same date. Any Settlement Class Member who does not make his, her or its objection in the manner provided shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed Settlement as set forth in the Stipulation, to the Plan of Allocation, or to the award of attorneys' fees and expenses to Lead Counsel, or to reimbursement of Lead Plaintiffs' expenses including lost wages, unless otherwise ordered by the Court.

15. All funds held by the Escrow Agent shall be deemed and considered to be *in custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

16. Lead Plaintiffs shall file and serve their papers in support of final approval of the Settlement, the Plan of Allocation, and the application for attorneys' fees or expenses on or before thirty-eight (38) calendar days prior to the date set herein for the Final Approval Hearing. If reply papers are necessary, they are to be filed with the Court and served no later than seven (7) calendar days prior to the Final Approval Hearing.

17. Neither the Defendants nor their Related Parties shall have any responsibility for, or liability with respect to, the Plan of Allocation or any application for attorneys' fees or

expenses submitted by Lead Counsel, and such matters will be considered separately from the fairness, reasonableness and adequacy of the Settlement.

18. At or after the Final Approval Hearing, the Court shall determine whether the Plan of Allocation proposed by Lead Counsel, and any application for attorneys' fees or expenses shall be approved and any application for reimbursement of Lead Plaintiffs expenses including lost wages.

19. All reasonable expenses incurred in identifying and notifying Settlement Class Members, as well as administering the Settlement Fund, shall be paid as set forth in the Stipulation. In the event the Settlement is not approved by the Court, or otherwise fails to become effective, neither the Lead Plaintiffs nor Lead Counsel shall have any obligation to repay any amounts actually and properly disbursed from the Settlement Fund, as provided in the Stipulation.

20. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be construed as an admission or concession by Defendants of the truth of any of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any kind and shall not be construed as, or deemed to be evidence of, or an admission or concession that Lead Plaintiffs or any Settlement Class Members have suffered any damages, harm or loss.

21. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, or in the event that the Settlement Fund, or any portion thereof, is returned to the Defendants, then this Order shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated

and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

22. The Court reserves the right to adjourn the date of the Final Approval Hearing without further notice to Settlement Class Members, and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the Settlement Class.

DATED: \_\_\_\_\_

\_\_\_\_\_  
THE HONORABLE LEONARD D. WEXLER  
UNITED STATES DISTRICT JUDGE

# EXHIBIT A-1



***IF YOU ACQUIRED MORTGAGE PASS-THROUGH CERTIFICATES IN EITHER: 1) THE DEUTSCHE ALT-A SECURITIES MORTGAGE LOAN TRUST 2006-AR5 ; AND/OR 2) THE DEUTSCHE ALT-B SECURITIES MORTGAGE LOAN TRUST 2006-AB4 (THE "CERTIFICATES") BETWEEN MAY 1, 2006 THROUGH MAY 30, 2007, INCLUSIVE, YOU COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT***

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

**Securities and Time Period:** Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 and Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 Mortgage Pass-Through Certificates purchased between May 1, 2006 through May 30, 2007, inclusive (the "Relevant Time Period"). Please see Table A on page \_\_\_ below for a complete list of all tranches of Certificates included in the Settlement and their CUSIP Numbers.

**Settlement Fund:** \$32,500,000 in cash.

**Statement of Plaintiffs' Recovery:** Pursuant to this proposed Settlement, a Settlement Fund consisting of \$32,500,000 in cash, plus any accrued interest, has been established. A Settlement Class Member's actual recovery will be a portion of the "Net Settlement Fund" (the Settlement Fund minus taxes, the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing newspaper notice, and attorneys' fees and expenses awarded by the Court) determined by comparing his or her loss to the total losses of all eligible Settlement Class Members. Based on the total initial face dollar value of the Certificates as stated in the Prospectus Supplements pursuant to which the Certificates were offered (without subtracting the principal pay-downs received on the Certificates), and assuming claims are submitted for 100% of the eligible Certificates, the estimated average recovery is \$12.80 per \$1,000 in initial certificate value of the Certificates. Members of the Settlement Class may recover more or less than that amount depending on a number of factors, including when the Certificates were purchased or sold, the purchase and sales price, if any, the amount of principal that has been repaid, the price of the Certificates on January 25, 2012, the number of Settlement

Class Members who timely file claims, and the Plan of Allocation, as described more fully below. In addition, the actual recovery of a Settlement Class Member may be further reduced by the payment of fees and costs from the Settlement Fund as explained below.

**Settlement Class:** The Court has preliminarily certified a Settlement Class of all Persons who purchased or otherwise acquired Certificates in the Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 and Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 between May 1, 2006 through May 30, 2007, inclusive, and who were damaged thereby. Excluded from the Settlement Class are: the Defendants, IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; the officers, directors, successors and assigns of Deutsche Alt-A Securities, Inc. (“Deutsche Alt-A”), Deutsche Bank Securities Inc. (“DBSI”), DB Structured Products, Inc. (“DBSP”), IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; members of the immediate families, the legal representatives, heirs, successors or assigns of the Individual Defendants; any entity in which any excluded Person has or had a controlling interest; and any Person who timely and validly seeks exclusion from the Settlement Class.

**Reasons for Settlement:** The principal reasons for Lead Plaintiffs to settle are to avoid the costs and risks associated with continued litigation, including the danger of no recovery, and to provide an immediate benefit to Members of the Settlement Class.

**If the Case Had Not Settled:** The Settlement must be compared to the risk of no recovery after contested motions, trial and likely appeals. A trial is a risky proposition and Lead Plaintiffs might not have prevailed. The claims in this case involve numerous complex legal and factual issues that would require extensive and costly expert testimony. Among the key issues about which the two sides do not agree are: (1) whether any of the Defendants violated the securities laws or otherwise engaged in any wrongdoing; (2) whether the Registration Statement or Prospectus Supplements pursuant to which the Certificates were offered contained a material misstatement or omission; (3) whether the claims asserted by Lead Plaintiffs are time-barred; (4) whether Lead Plaintiffs have standing to represent the entire proposed class, or only a small subset thereof; (5) whether the proposed class would be certified at all; and (6) the amount of and method for determining damages.

**Attorneys' Fees and Expenses:** Lead Counsel have not received any payment for their work investigating the facts, conducting this litigation and negotiating the Settlement on behalf of the Lead Plaintiffs and the Settlement Class. Lead Counsel will ask the Court for attorneys' fees of no more than 29% of the Settlement Fund and expenses of no more than \$950,000, plus any accrued interest on the amounts awarded by the Court, to be paid from the Settlement Fund. The fee request will be equal to or less than Lead Counsel's hourly charges incurred in the case even though the law allows, and courts in comparable cases regularly approve, attorneys' fees that are greater than counsel's hourly charges in order to compensate for the contingent risk of non-payment undertaken by counsel, the result obtained and other factors. Litigation expenses may include reimbursement of the expenses of the Lead Plaintiffs in accordance with 15 U.S.C. § 77z-1(a)(4).

Based on the total initial face dollar value of the Certificates as stated in the Prospectus Supplements (without subtracting the principal pay-downs received in the Certificates), and assuming claims are submitted for 100% of the eligible Certificates and the Court approves Lead Counsels' attorneys' fees and expense application, the estimated average cost of those fees and expenses is \$4.09 per \$1,000 in initial certificate value of the Certificates.

**Deadlines:**

Submit Claim: \_\_\_\_\_, 2012  
 Request Exclusion: \_\_\_\_\_, 2012  
 File Objection \_\_\_\_\_, 2012

**Court Hearing on Fairness of Settlement:** \_\_\_\_\_, 2012

**More Information:** [www.gilardi.com](http://www.gilardi.com)

Claims Administrator:	Lead Counsel:	Lead Counsel:
<i>Deutsche Mortgage Pass Through Certificates Securities Litigation</i> Claims Administrator c/o Gilardi & Co. LLC P.O. Box _____ San Rafael, CA 94912-8040 Tel: 415-	Jonathan Gardner Labaton Sucharow LLP 140 Broadway, 34th Floor New York, NY 10005 Tel: 888-219-6877 <a href="mailto:info@settlementquestions.com">info@settlementquestions.com</a> <a href="http://www.labaton.com">www.labaton.com</a>	Arthur C. Leahy Robbins Geller Rudman & Dowd LLP 655 West Broadway Suite 1900 San Diego, CA 92101 Tel: 619-231-1058 <a href="http://www.rgrdlaw.com">www.rgrdlaw.com</a>

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

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<b>SUBMIT A CLAIM</b>	The only way to receive a payment.
<b>OBJECT</b>	You may write the Court about why you do not like any part of the Settlement.
<b>GO TO HEARING ON FAIRNESS OF SETTLEMENT</b>	You may ask to speak in Court about any part of the Settlement.
<b>DO NOTHING</b>	Receive no payment and release claims.
<b>EXCLUDE YOURSELF</b>	Receive no payment. This is the only option that allows you to participate in another lawsuit against

the Defendants or any of the other Released Parties related to the claims being released in this Settlement.

- 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 the appeals are resolved. Please be patient.

### **BASIC INFORMATION**

#### **1. Why Did I Receive This Notice?**

You may have purchased Certificates in the Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 or the Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 (the “Trusts”) during the Relevant Time Period.

The Court directed that this Notice be sent to you because you have a right to know about a proposed Settlement of a class action lawsuit, and about your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement and after any objections 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, your legal rights, what benefits are available, who is eligible for them and how to get them.

The Court in charge of this case is the United States District Court for the Eastern District of New York, and the case is known as *Massachusetts Bricklayers and Masons Trust Funds, et al. v. Deutsche Alt-A Securities, Inc., et al.*, Civil Action No. 2:08-cv-03178-LDW-ARL. The two pension funds that sued are called the Lead Plaintiffs and the companies and individuals they

sued – Deutsche Alt-A, DBSI, DBSP, Anilesh Ahuja, Jeffrey Lehocky, Richard Ferguson, Joseph Rice, Richard d’Albert and Kevin Burns – are called the Defendants.

## **2. What is This Lawsuit About?**

This lawsuit was brought as a class action alleging that Defendants made false statements and omitted material information in a Registration Statement and two Prospectus Supplements (the “Offering Documents”) pursuant to which the Certificates were offered to investors. More specifically, the lawsuit claims that Defendants misrepresented the quality of bundled and securitized pools of mortgage loans, then sold the rights to payments made on those mortgage loans to the Members of the Settlement Class in the form of the Certificates. It further alleges that the Offering Documents misrepresented that: 1) the mortgage loans supporting the Certificates were originated pursuant to certain underwriting standards – including evaluating whether the borrower could afford to repay the loan – when in fact they were not; 2) the appraisals performed in connection with the underlying loans conformed to the Uniform Standards of Professional Appraisal Practice (“USPAP”) and/or Fannie Mae and Freddie Mac requirements and evaluated the adequacy of the property as collateral for the mortgage loans, when in fact they did not; 3) the underlying loans had certain loan-to-value ratios, when those ratios were falsely understated; and 4) the Certificates had certain “investment grade” credit ratings, when in fact, those ratings should have been much lower. The lawsuit claims that by making the misrepresentations and omissions described above, Defendants violated the Securities Act of 1933. The Defendants have and continue to deny all allegations of misconduct or liability alleged in any of the complaints filed in this Litigation, and deny having engaged in any wrongdoing whatsoever.

### **3. What Has Happened in the Case so Far?**

The lawsuit was originally filed on June 27, 2008, in New York state court by Massachusetts Bricklayers and Masons Trust Funds on behalf of purchasers of certificates in fourteen trusts issued pursuant to a Registration Statement filed with the Securities and Exchange Commission (“SEC”) dated May 1, 2006, and pursuant to prospectus supplements issued for each trust. The lawsuit was subsequently removed to federal court by Defendants, and on May 18, 2009, the Court appointed Massachusetts Bricklayers and Masons Trust Funds and Pipefitters’ Retirement Fund Local 597 to serve as Lead Plaintiffs, and Robbins Geller Rudman & Dowd LLP and Labaton Sucharow LLP as Lead Counsel.

On June 18, 2009, Lead Plaintiffs filed their amended complaint for violations of the Securities Act also on behalf of purchasers in the fourteen trusts arising from the May 1, 2006 Registration Statement. On April 6, 2010, the Court granted, in part, a motion to dismiss filed by Defendants ruling that Lead Plaintiffs only had standing to pursue claims on behalf of the two Trusts in which the Lead Plaintiffs purchased, dismissing the claims of purchasers in the other twelve trusts without prejudice.

On May 24, 2010, at the instruction of the Court, Lead Plaintiffs filed the Second Amended Complaint for Violation of §§11, 12(a)(2) and 15 of the Securities Act of 1933 (the “Second Amended Complaint”) on behalf of purchasers of Certificates in the Deutsche Alt-A Securities Mortgage Loan Trust Series 2006-AR5 and Deutsche Alt-B Securities Mortgage Loan Trust Series 2006-AB4. The Court denied Defendants’ motion to dismiss and sustained the Second Amended Complaint in its entirety. After that, the lawsuit was allowed to proceed to discovery.

The lawsuit was heavily litigated requiring substantial effort on the part of counsel. Following the extensive briefing on the two motions to dismiss, counsel served discovery on

Defendants and numerous third parties. Likewise, Defendants served discovery on Lead Plaintiffs and third parties. Lead Plaintiffs filed motions to compel certain information, and thereafter undertook a review of millions of pages of documents produced by Defendants, third-party loan originators, the Federal Deposit Insurance Corporation, and Defendants' outside due diligence firms.

Lead Plaintiffs also filed a motion for class certification. In connection with the class certification motion, Defendants deposed the Lead Plaintiffs, their investment advisors, and their class certification expert, and Lead Plaintiffs deposed Defendants' class certification expert. The motion for certification was fully briefed, and Lead Plaintiffs had noticed and were prepared to begin depositions of fact witnesses at the time the Settlement was reached.

#### **4. Why Is This A Class Action?**

In a class action, one or more people called class representatives (in this case the Court-appointed Lead Plaintiffs, Massachusetts Bricklayers and Masons Trust Funds and The Pipefitters' Retirement Fund Local 597), sue on behalf of people who have similar claims. Here, all these people are called the Settlement Class or Settlement Class Members. One court resolves the issues for all Settlement Class Members, except for those who timely and validly exclude themselves from the Settlement Class. Judge Leonard Wexler is in charge of this class action.

#### **5. Why Is There a Settlement?**

The Court did not decide in favor of the Lead Plaintiffs or Defendants. Instead, both sides agreed to the Settlement. The Lead Plaintiffs and their attorneys think the Settlement is in the best interest of Settlement Class Members insofar as it avoids the cost and uncertainty of a trial, and eligible Settlement Class Members who submit valid claims ("Authorized Claimants") will receive compensation.

## WHO IS IN THE SETTLEMENT

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

### 6. How Do I Know if I Am Part of the Settlement?

The Settlement Class includes *persons who purchased Certificates in the Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 and/or the Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 between May 1, 2006 through May 30, 2007, inclusive, and who were damaged thereby.*

The table below sets forth the specific tranches, by CUSIP number, of Certificates in each Trust eligible to be included in the Settlement Class.

**TABLE A**

	<u>TRANCHE</u>	<u>CUSIP</u>
1.	DBALT 2006-AR5 IA1	25150NAA2
2.	DBALT 2006-AR5 IA2	25150NAB0
3.	DBALT 2006-AR5 IA3	25150NAC8
4.	DBALT 2006-AR5 IA4	25150NAD6
5.	DBALT 2006-AR5 IM1	25150NAE4
6.	DBALT 2006-AR5 IM2	25150NAF1
7.	DBALT 2006-AR5 IM3	25150NAG9
8.	DBALT 2006-AR5 IM4	25150NAH7
9.	DBALT 2006-AR5 IM5	25150NAJ3
10.	DBALT 2006-AR5 IM6	25150NAK0
11.	DBALT 2006-AR5 IM7	25150NAL8
12.	DBALT 2006-AR5 IM8	25150NAM6
13.	DBALT 2006-AR5 IM9	25150NAN4
14.	DBALT 2006-AR5 IM10	25150NAP9
15.	DBALT 2006-AR5 IIA	25150NAT1
16.	DBALT 2006-AR5 IIM	25150NAZ7
17.	DBALT 2006-AR5 IIB1	25150NBA1
18.	DBALT 2006-AR5 IIB2	25150NBB9
19.	DBALT 2006-AR5 IPO	25150NAW4
20.	DBALT 2006-AR5 IIX2	25150NAY0
21.	DBALT 2006-AR5 IIA2A	25150NAU8
22.	DBALT 2006-AR5 IIX1	25150NAX2
23.	DBALT 2006-AR5 IIA3A	25150NAV6

	<u>TRANCHE</u>	<u>CUSIP</u>
27.	DBALT 2006-AB4 A1C	251513AT4
28.	DBALT 2006-AB4 A2	251513AU1
29.	DBALT 2006-AB4 A3	251513AV9
30.	DBALT 2006-AB4 A3A1	251513AW7
31.	DBALT 2006-AB4 A3A2	251513AX5
32.	DBALT 2006-AB4 A4A	251513AY3
33.	DBALT 2006-AB4 A4B	251513AZ0
34.	DBALT 2006-AB4 A4C	251513BA4
35.	DBALT 2006-AB4 A5	251513BB2
36.	DBALT 2006-AB4 A6A1	251513BC0
37.	DBALT 2006-AB4 A6A2	251513BD8
38.	DBALT 2006-AB4 A7	251513BE6
39.	DBALT 2006-AB4 M1	251513AA5
40.	DBALT 2006-AB4 M2	251513AB3
41.	DBALT 2006-AB4 M3	251513AC1
42.	DBALT 2006-AB4 M4	251513AD9
43.	DBALT 2006-AB4 M5	251513AE7
44.	DBALT 2006-AB4 M6	251513AF4
45.	DBALT 2006-AB4 M7	251513AG2
46.	DBALT 2006-AB4 M8	251513AH0
47.	DBALT 2006-AB4 M9	251513AJ6
48.	DBALT 2006-AB4 M10	251513AK3
49.	DBALT 2006-AB4 M11	251513AL1

24.	DBALT 2006-AB4 A1A	251513AQ0
25.	DBALT 2006-AB4 A1B1	251513AR8
26.	DBALT 2006-AB4 A1B2	251513AS6

50.	DBALT 2006-AB4 M12	251513AM9
51.	DBALT 2006-AB4 M13	251513AN7
52.	DBALT 2006-AB4 M14	251513AP2

**7. What Are the Exceptions to Being Included?**

You are not a Settlement Class Member if you are an excluded Person. Excluded Persons are: the Defendants, IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; the officers, directors, successors and assigns of Deutsche Alt-A, DBSI, DBSP, IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; members of the immediate families, the legal representatives, heirs, successors or assigns of the Individual Defendants; and any entity in which any excluded Person has or had a controlling interest. You are also not a Settlement Class Member if you timely and validly request exclusion from the Settlement Class pursuant to this Notice.

You are a Settlement Class Member only if you purchased Certificates during the Relevant Time Period and suffered damages.

**8. I'm Still Not Sure if I Am Included.**

If you are still not sure whether you are included, you can ask for free help. You can call the Claims Administrator at 800-\_\_\_\_-\_\_\_\_. Or you can call Rick Nelson of Robbins Geller Rudman & Dowd LLP at 800-449-4900 or Colin Holmes of Labaton Sucharow LLP at 888-219-

6877 for more information. Or you can fill out and return the claim form described in question 11, to see if you qualify.

## **THE SETTLEMENT BENEFITS — WHAT YOU GET**

### **9. What Does the Settlement Provide?**

In exchange for the Settlement, the dismissal of this Litigation, and the release of claims against all the Released Parties, certain Defendants have agreed to pay \$32.5 million in cash (the “Gross Settlement Fund”). The balance of the Gross Settlement Fund after payment of Court-approved attorneys’ fees and expenses, payment of taxes and tax expenses, reimbursement of the expenses of the Lead Plaintiffs in accordance with 15 U.S.C. § 77z-1(a)(4), 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 Settlement Class Members who timely send in valid claim forms and qualify for a distribution under the Plan of Allocation described below.

### **10. How Much Will My Payment Be?**

Your share of the Net Settlement Fund will depend on a number of things. A claim will be calculated as follows.

#### **A. THE PROPOSED PLAN OF ALLOCATION: GENERAL PROVISIONS**

i. The Plan of Allocation (the “Plan”) described below will govern how the claims of Authorized Claimants (“Recognized Claims”) are calculated and the Net Settlement Fund distributed. In developing the Plan, Lead Plaintiffs’ counsel conferred with a valuation consultant experienced in mortgage-backed securitizations. The Plan is generally based on the each Authorized Claimant’s out-of-pocket loss resulting from an investment in the Certificates at issue. The Court may approve the Plan, or modify it without additional notice to the Class. Any

order modifying the Plan will be posted on these websites: [www.gilardi.com](http://www.gilardi.com), [www.rgrdlaw.com](http://www.rgrdlaw.com), [www.labaton.com](http://www.labaton.com).

ii. Because the estimated aggregate damages of Authorized Claimants will, in all likelihood, exceed the amount of the Net Settlement Fund, a Recognized Claim amount is not an estimate of the amount that will be distributed to an Authorized Claimant from the Net Settlement Fund. Rather, the Plan provides for a fair and reasonable basis for allocating the Net Settlement Fund, on a *pro rata* basis, to Authorized Claimants.

## **B. CALCULATION OF RECOGNIZED LOSS OR GAIN AMOUNTS**

i. A “Recognized Loss or Gain” will be calculated for each Certificate purchased or acquired for which adequate documentation is provided to the Claims Administrator (each an “Eligible Certificate”). The calculation of the Recognized Loss or Gain will depend on several considerations, including: (i) when the Certificate was purchased or acquired and the price at the time of purchase; (ii) any principal payments received; (iii) whether it was sold, and if so, when it was sold and for how much; and/or (iv) if held on January 25, 2012, the value of the Certificate on that date, which is the last date for which Trustee data is available (the “Measurement Date”). Because of these variables, among others, it is not possible at the present time to determine how much an Authorized Claimant may receive from the Net Settlement Fund.

ii. To assist the claims administrator in determining Recognized Loss(es) or Gain(s), Lead Plaintiffs’ valuation consultant performed certain calculations based on the Trustee reports for each Certificate. Specifically, the valuation consultant identified: (1) the portion of original face value remaining on each Certificate as of specific dates between the time of the initial offering of the Certificate for sale and the Measurement Date reflecting all principal payments received and write-downs incurred, referred to as the “Factor”; and (2) the portion of original

face value on each Certificate as of specific dates between the time of the initial offering of the Certificate for sale and the Measurement Date reflecting all principal payments received but not reflecting write-downs incurred, referred to as the Write-Down Free Factor, or “WFF”. Lead Plaintiffs’ valuation consultant also calculated the price of each Certificate, if any, on the Measurement Date. Complete lists of the Factors (the “Factor Table”), the WFFs (the “WFF Table”), and the prices of the Certificates on the Measurement Date (the “Measurement Date Price Table”) are available via the claims administrator’s website at [www.gilardi.com](http://www.gilardi.com), or you can call [(800) \_\_\_ - \_\_\_\_] and request the information via hard copy. How each of the above amounts will be used by the claims administrator to calculate a Recognized Loss or Gain is explained below.

iii. If the amount received on sale of a Certificate or its value at the Measurement Date exceeds the “Original Principal Amount” (defined and discussed below), then the calculation will result in a Recognized Gain for that Certificate and you will not receive a recovery for that transaction. In addition, if after offsetting all Recognized Gains for a Certificate(s) with all Recognized Losses for Certificate(s) with the same CUSIP number, you have a net Recognized Gain for Certificates with the same CUSIP number, you will not receive a recovery for those transactions. If you purchased Certificates with different CUSIP numbers but within the same Trust, the claims administrator will calculate a separate total Recognized Gain or Loss for each set of Certificates with the same CUSIP number, which will be netted against the total Recognized Gain(s) or Loss(es) for transactions in sets of Certificates with different CUSIP numbers but within the same Trust. If you purchased Certificates of more than one Trust, the claims administrator will calculate a separate total Recognized Gain or Loss for each Trust,

which will not be netted against the total Recognized Gain or Loss for the other Trust. See paragraphs 10 and 11 below.

**C. EXAMPLES OF RECOGNIZED GAIN OR LOSS CALCULATIONS**

SET FORTH BELOW ARE EXAMPLES OF HOW CLAIMS WILL BE CALCULATED.

HOWEVER, THE CLAIMS ADMINISTRATOR WILL CALCULATE YOUR RECOGNIZED GAINS AND LOSSES FOR YOU BASED ON THE INFORMATION YOU SUPPLY ON THE PROOF OF CLAIM FORM WHICH ACCOMPANIES THIS NOTICE.

YOU DO NOT HAVE TO CALCULATE YOUR OWN CLAIM.

i. **Certificates Sold Prior to the Measurement Date:** For each Eligible Certificate sold prior to the Measurement Date, the claims administrator will calculate your Recognized Loss or Gain as follows:

**Step 1: Determine the Original Principal Amount.**

The Original Principal Amount will be calculated by the claims administrator as follows:

**Original Principal Amount = Face Amount of Certificates Purchased x Factor on Date of Purchase x (Purchase Price/100)**

The face amount of the Certificates you purchased and the purchase price can be determined from your records. The value of the Factor on the date of your purchase can be found in the

Factor Table available from the claims administrator. The Factor is determined by identifying the correct date range on the Factor Table within which your purchase falls.

**Step 2: Determine the Principal Payments Received.**

The Principal Payments Received during the time you held your certificates can be calculated from the face amount of Certificates purchased and the WFFs at purchase and sale, as set forth in the WFF Table available from the claims administrator as follows:

$$\text{Principal Payments Received} = \text{Face Amount of Certificates Purchased} \times (\text{WFF at Purchase} - \text{WFF at Sale})$$

The face amount of the Certificates purchased can be determined from your records. The WFF at the date of purchase and the WFF at the date of sale can be found in the WFF Table (available from the claims administrator) and are determined by identifying the correct date range within which each purchase and sale falls.

**Step 3: Determine the Amount Received on Sale.**

The Amount Received on Sale will be:

$$\text{Amount Received on Sale} = \text{Face Amount of Certificates Purchased} \times \text{Factor on Date of Sale} \times (\text{Sale Price}/100)$$

The face amount of the Certificates purchased and the sale price can be determined from your records. The value of the Factor on date of sale can be found in the Factor Table available from the claims administrator and is determined by identifying the correct date range within which your date of sale falls.

**Step 4: Calculate Your Recognized Loss or Gain**

Your Recognized Loss or Gain will be your Original Principal Amount [Step 1] less the Principal Payments Received [Step 2], less the Amount Received on Sale [Step 3].

**Example 1:** Investor A purchased \$100,000.00 face amount of Certificate 25150NAB0 (DBALT 2006-AR5 IA2) on March 7, 2007. The purchase price was 98.50. On November 12, 2009, after receiving monthly principal payments during its holding period, Investor A sold its remaining interest in the Certificate. The sales price was 49.85.

To determine its Recognized Loss or Gain, Investor A first calculates Original Principal Amount (Step 1). By identifying the correct date range for a purchase date of March 7, 2007 in the IA2 Certificate chart of the Factor Table, Investor A determines the appropriate Factor to use in the Step 1 calculation is 0.915498.

$$\text{Original Principal Amount} = \$100,000 \times 0.915498 \times (98.50/100) = \$90,176.55$$

To determine the amount of principal payments received during its holding period (Step 2), Investor A determines the WFFs at the date of purchase and the date of sale. Using the purchase date of March 7, 2007, Investor A determines the WFF at the date of purchase is 0.915498 in the IA2 Certificate chart of the WFF Table. Similarly, Investor A determines, from the same chart, that the WFF on its sale date of November 12, 2009 was 0.559290. Thus,

$$\text{Principal Payments Received} = \$100,000.00 \times (0.915498 - 0.559290) = \$35,620.80$$

Finally, in order to determine its Amount Received on Sale (Step 3), Investor A identifies the Factor at November 12, 2009 in the IA2 Certificate chart of the Factor Table. The Factor during the period appropriate to November 12, 2009 was 0.559290.

$$\text{Amount Received on Sale} = \$100,000.00 \times 0.559290 \times (49.85/100) = \$27,880.61$$

As the final step (Step 4), Investor A calculates its Recognized Loss or Gain by subtracting the Principal Payments Received and Amount Received on Sale from the Original Principal Amount:

$$\$90,176.55 - \$35,620.80 - \$27,880.61 = \$26,675.14$$

Investor A's Recognized Loss is \$26,675.14.

**Example 2:** Investor B purchased \$100,000.00 face amount of Certificate 25150NAZ7 (DBALT 2006-AR5 IIM) on October 31, 2006. The purchase price was 100.00. On July 5, 2011, after receiving principal payments during its holding period, Investor B sold its remaining interest in the Certificate. The sales price was 6.04.

To determine its Recognized Loss or Gain, Investor B first calculates its Original Principal Amount (Step 1). By identifying the correct date range for a purchase date of October 31, 2006 in the IIM Certificate chart of the Factor Table, Investor B determines the appropriate Factor to use in the Step 1 calculation is 1.000000.

$$\text{Original Principal Amount} = \$100,000 \times 1.000000 \times (100.00/100) = \$100,000.00$$

To determine the amount of principal payments received during its holding period (Step 2), Investor B determines the WFFs at the date of purchase and the date of sale. Using the purchase date of October 31, 2006, Investor B determines the WFF at the date of purchase is 1.000000 in the IIM Certificate chart of the WFF Table. Similarly, Investor B determines, from the same chart, that the WFF on its sale date of July 5, 2011 was 0.840252. Thus,

$$\text{Principal Payments Received} = \$100,000.00 \times (1.000000 - 0.840252) = \$15,974.80$$

Finally, in order to determine its Amount Received on Sale (Step 3), Investor B identifies the Factor at July 5, 2011 in the IIM Certificate chart of the Factor Table. The Factor during the period appropriate to July 5, 2011 was 0.154122.

$$\text{Amount Received on Sale} = \$100,000.00 \times 0.154122 \times (6.04/100) = \$930.90$$

As the final step (Step 4), Investor B calculates its Recognized Loss or Gain by subtracting the Principal Payments Received and Amount Received on Sale from the Original Principal Amount:

$$\$100,000.00 - \$15,974.80 - \$930.90 = \$83,094.30$$

Investor B's Recognized Loss is \$83,094.30.

ii. **Certificates Not Sold or Sold After the Measurement Date:** For each Eligible Certificate still held by the Authorized Claimant or sold after the Measurement Date, the Recognized Loss or Gain is calculated using the same steps set forth in ¶6 above except that a sale of the Certificate on the Measurement Date is assumed.

**Step 1: Determine Your Original Principal Amount.**

Your Original Principal Amount will be:

$$\text{Original Principal Amount} = \text{Face Amount of Certificates Purchased} \times \text{Factor on Date of Purchase} \times (\text{Purchase Price}/100)$$

The face amount of the Certificates you purchased and the purchase price can be determined from your records. The value of the Factor on the date of your purchase can be found in the

Factor Table available from the claims administrator. The Factor is determined by identifying the correct date range within which your date of purchase falls.

**Step 2: Determine the Principal Payments Received.**

The Principal Payments Received during the time you held your certificates can be calculated from the face amount of Certificates purchased and the WFFs both at purchase and at the Measurement Date, as set forth in the WFF Table available from the claims administrator, as follows:

$$\text{Principal Payments Received} = \text{Face Amount of Certificates Purchased} \times (\text{WFF at Purchase} - \text{WFF at Measurement Date})$$

The face amount of the Certificates you purchased can be determined from your records. The values of the WFF at the date of purchase and the WFF at the Measurement Date can be found in the WFF Table available from the claims administrator and are individually determined by identifying the correct date range within which each date falls.

**Step 3: Determine the Value on the Measurement Date.**

The Value of your Certificates on the Measurement Date will be:

$$\text{Value on Measurement Date} = \text{Face Amount of Certificates Purchased} \times \text{Factor on Measurement Date} \times (\text{Price on Measurement Date}/100)$$

The face amount of the Certificates purchased can be determined from your records. The value of the Factor on the Measurement Date can be found in the Factor Table available from the claims administrator by identifying the date range that contains January 25, 2012. The Price on

Measurement Date can be found in the Measurement Date Price Table available from the claims administrator.

#### **Step 4: Calculate Your Recognized Loss**

Your Recognized Loss will be your Original Principal Amount [Step 1] less the Principal Payments Received [Step 2], less the Value on Measurement Date [Step 3].

**Example 3:** Investor C purchased \$100,000.00 face amount of Certificate 251513AQ0 (DBALT 2006-AB4 A1A) on February 16, 2007. The purchase price was 99.72. Investor C retains its position in the Certificate.

To determine its Recognized Loss or Gain, Investor C first calculates its Original Principal Amount (Step 1). By identifying the correct date range for a purchase date of February 16, 2007 in the A1A Certificate chart of the Factor Table, Investor C determines the appropriate Factor to use in the Step 1 calculation is 0.829084.

$$\text{Original Principal Amount} = \$100,000 \times 0.829084 \times (99.72/100) = \$82,676.26$$

To determine the principal payments actually received during its holding period (Step 2), Investor C determines the WFFs at the date of purchase and the Measurement Date, as Investor C still retains ownership of the Certificate. Using the purchase date of February 16, 2007, Investor C determines the WFF at the date of purchase is 0.829084 in the A1A Certificate chart of the WFF Table. Similarly, Investor C determines, from the same chart, that the WFF on January 25, 2012, the Measurement Date, was 0.161616. Thus,

$$\text{Principal Payments Received} = \$100,000.00 \times (0.829084 - 0.161616) = \$66,746.80$$

Finally, in order to determine the Value on Measurement Date (Step 3), Investor C identifies the Factor at January 25, 2012 in the A1A Certificate chart of the Factor Table. The Factor during the period appropriate to January 25, 2012 was 0.129391. Additionally, to determine the price on the Measurement Date, Investor C references the Measurement Date Price Table. The price appropriate to the A1A Certificate on the Measurement Date is 54.65.

$$\text{Value on Measurement Date} = \$100,000.00 \times 0.129391 \times (54.65/100) = \$7,071.22$$

As the final step (Step 4), Investor C calculates its Recognized Loss or Gain by subtracting the Principal Payments Received and Value on Measurement Date from the Original Principal Amount:

$$\$82,676.26 - \$66,746.80 - \$7,071.22 = \$8,858.24$$

Investor C's Recognized Loss is \$8,858.24.

**Example 4:** Investor D purchased \$100,000.00 face amount of Certificate 25150NAD6 (DBALT 2006-AR5 IA4) on November 3, 2006. The purchase price was 100.00. Investor D retains its position in the Certificate.

To determine its Recognized Loss or Gain, Investor D first calculates its Original Principal Amount (Step 1). By identifying the correct date range for a purchase date of November 3, 2006 in the IA4 Certificate chart of the Factor Table, Investor D determines the appropriate Factor to use in the Step 1 calculation is 1.000000.

$$\text{Original Principal Amount} = \$100,000 \times 1.000000 \times (100.00/100) = \$100,000.00$$

To determine the principal payments actually received during its holding period (Step 2), Investor D determines the WFFs at the date of purchase and the Measurement Date, as Investor D still retains ownership of the Certificate. Using the purchase date of November 3, 2006, Investor D determines the WFF at the date of purchase is 1.000000 in the IA4 Certificate chart of the WFF Table. Similarly, Investor D determines, from the same chart, that the WFF on January 25, 2012, the Measurement Date, was 0.537265. Thus,

$$\text{Principal Payments Received} = \$100,000.00 \times (1.000000 - 0.537265) = \$46,273.50$$

Finally, in order to determine the Value on Measurement Date (Step 3), Investor D identifies the Factor at January 25, 2012 in the IA4 Certificate chart of the Factor Table. The Factor during the period appropriate to January 25, 2012 was 0.000000. To determine the price on the Measurement Date, Investor D references the Measurement Date Price Table. The price appropriate to the IA4 Certificate on the Measurement Date is 0.00.

$$\text{Value on Measurement Date} = \$100,000.00 \times 0.000000 \times (0.00/100) = \$0.00$$

As the final step (Step 4), Investor D calculates its Recognized Loss or Gain by subtracting the Principal Payments Received and Value on Measurement Date from the Original Principal Amount:

$$\$100,000.00 - \$46,273.50 - \$0.00 = \$53,726.50$$

Investor D's Recognized Loss is \$53,726.50.

iii. In each example above, if only a portion of the Certificate was sold, any Recognized Loss or Gain related to the remaining portion of the Certificate will be calculated separately.

iv. Notwithstanding the above provisions, the Recognized Loss or Gain for any purchases or acquisitions that occurred after May 31, 2007 (the last day of the Settlement Class Period) is zero.

v. A “Total Recognized Loss By CUSIP” will be calculated for each Authorized Claimant on a CUSIP-by-CUSIP basis. Accordingly, multiple transactions by an Authorized Claimant in a single CUSIP will be netted; *i.e.*, the total of all Recognized Gains for that CUSIP will be subtracted from the total of all Recognized Losses for that CUSIP. However, a Total Recognized Loss By CUSIP cannot be less than zero.

vi. A total Recognized Loss by Trust will then be calculated. Thus, an Authorized Claimant’s “2006-AR5 Recognized Claim” and “2006-AB4 Recognized Claim” are the sum of all that Authorized Claimant’s Total Recognized Loss By CUSIPs for just the CUSIPs contained in the respective Trust.

#### **D. DISTRIBUTION OF THE NET SETTLEMENT FUND**

i. The Net Settlement Fund will be allocated to the two Trusts based on the aggregate damages Lead Plaintiffs would have asserted at trial attributable to each of the two Trusts. Accordingly, 75.27% of the Net Settlement Fund will be allocated to the Recognized Claims based on the 2006-AR5 Trust (the “2006-AR5 Allocation”) and 24.73% will be allocated to the Recognized Claims based on the 2006-AB4 Trust (the 2006-AB4 Allocation”) (collectively, the “Net Settlement Fund Allocation”). Each Authorized Claimant will receive his,

her or its pro rata share of the Net Settlement Fund Allocation for that Trust which shall be his, her, or its Recognized Claim for that Trust divided by the total of all Recognized Claims for that Trust multiplied by the Net Settlement Allocation for that Trust. In the event all Authorized Claimants' 2006-AR5 Recognized Claims and/or all Authorized Claimants' 2006-AB4 Recognized Claims are paid in full and there remains a balance in that Trust's allocation of the Net Settlement Fund, the remaining balance shall be allocated to the other Trust. If all Recognized Claims in both Trusts are paid in full and there remains a balance in a Trust's Net Settlement Fund Allocation, the remaining balance(s) in each Trust will be allocated on a pro rata basis to Authorized Claimants for that Trust.

ii. No distributions will be made to Authorized Claimants who would otherwise receive less than \$10. A Recognized Loss or Gain will be calculated only on purchases of Certificates. No Recognized Loss or Gain will be calculated on receipt of Certificates by gift, grant, inheritance, or operation of law.

iii. The Court has reserved jurisdiction to allow, disallow or adjust the claim of any Settlement Class Member on equitable grounds.

iv. Payment pursuant to the Plan of Allocation set forth above shall be conclusive as to all Authorized Claimants. No Person shall have any claim against Plaintiffs, Lead Counsel, any claims administrator, or Defendants or their Related Parties based on distributions made substantially in accordance with the Stipulation and the settlement contained therein, the Plan of Allocation, or further orders of the Court. All Settlement Class Members who fail to complete and file a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound

by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

## **HOW YOU OBTAIN A PAYMENT — SUBMITTING A CLAIM FORM**

### **11. How Can I Obtain a Payment?**

To qualify for payment, you must be an eligible Settlement Class Member, send in a timely and valid claim form, and properly document your claim as requested in the claim form. A claim form is enclosed with this Notice. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign it, and mail it **postmarked no later than \_\_\_\_\_, 2012** to:

*Deutsche Mortgage Pass Through  
Certificates Securities Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box \_\_\_\_\_  
San Rafael, CA 94912-8040

### **12. When Will I Receive My Payment?**

The Court will hold a hearing on \_\_\_\_\_, 2012, to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps several years. Please be patient.

### **13. What Am I Giving Up to Receive a Payment or Stay in the Settlement Class?**

If you are in the Settlement Class, unless you timely and validly exclude yourself, you will remain a Member of the Settlement Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against the Defendants about the Released Claims in this case. It also means that all of the Court's orders will apply to you and legally bind you and you

will release your claims in this case against the Defendants. Upon the “Effective Date” of the Settlement, you will release all “Released Claims” (as defined below) against the “Released Parties” (as defined below):

“Released Claims” shall collectively mean all claims (including “Unknown Claims” as defined below), demands, rights (including the right to appeal the Court’s dismissal of any claims in the Litigation related to securities originally pled but no longer at issue in this Litigation), liabilities and causes of action of every nature and description whatsoever, known or unknown, contingent or absolute, mature or immature, discoverable or undiscoverable, whether concealed or hidden, suspected or unsuspected, which now exist, or heretofore have existed, asserted or that could have been asserted under federal, state, common or foreign law by Lead Plaintiffs or any Settlement Class Member against Defendants and their Related Parties based upon or arising out of (i) both (a) the allegations, facts, transactions, events, occurrences, disclosures, statements, representations, acts, omissions or failures to act which were or could have been alleged in the Litigation, and (b) the purchase or other acquisition or disposition or holding of the Certificates or any interest therein by Lead Plaintiffs or any Settlement Class Member during the Relevant Time Period; or (ii) the administration of the Net Settlement Fund. Released Claims shall not include: (i) claims to enforce the Settlement; or (ii) claims brought in *Dexia SA/NV. at al. v. Deutsche Bank AG., et al.*, No. 11-cv-5672 (S.D.N.Y.); *Mass. Mut. Life Ins. Co. v. DB Structured Prods., Inc., et al.*, No. 11-cv-30039 (D. Mass.); *Fed. Home Loan Bank of Boston v. Ally Fin., Inc. et al.*, No. 11-cv-10952 (D. Mass.); and *Teachers Ins. & Annuity Assoc. of Am. v. Deutsche Bank AG, et al.*, No. 11-cv-6141 (S.D.N.Y.).

“Released Parties” means each and all of the Defendants and each and all of their Related Parties.

“Related Parties” means each of a Defendant’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, attorneys, accountants, auditors, underwriters, investment advisors, agents, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, affiliates, joint ventures, assigns, assignees, spouses, heirs, estates, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of an Individual Defendant’s immediate family, any trust of which an Individual Defendant is the settlor or which is for the benefit of an Individual Defendant and/or any member of an Individual Defendant’s immediate family, and any entity in which a Defendant and/or any member of an Individual Defendant’s immediate family has or have a controlling interest (directly or indirectly). “Related Parties” specifically includes, but is not limited to: (i) Kevin P. Burns, who is named as a defendant in the Second Amended Complaint; (ii) Deutsche Alt-A Securities Mortgage Loan Trust, Series 2006-AR5; and (iii) Deutsche Alt-B Securities Mortgage Loan Trust, Series 2006-AB4.

“Unknown Claims” means collectively any Released Claims that Lead Plaintiffs or any Settlement Class Member does not know or suspect to exist in his, her or its favor at the time of the release of the Released Parties which, if known by him, her or it, might have affected his, her or its settlement with and release of the Released Parties, or might have affected his, her or its decision not to object to or opt out of this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive, and each of the Settlement Class Members shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights and benefits of California Civil 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.

Lead Plaintiffs shall expressly waive and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived 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 California Civil Code §1542. Lead Plaintiffs and Settlement Class Members may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiffs shall expressly, fully, finally and forever settle and release, and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs acknowledge, and the Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

#### **EXCLUDING YOURSELF FROM THE SETTLEMENT**

If you do not want a payment from this Settlement, but you want to keep the right to sue or continue to sue the Defendants or any other Released Parties on your own for the Released

Claims in this case, then you must take steps to get out of the Settlement Class. This is called excluding yourself, or is sometimes referred to as opting out of the Settlement Class.

**14. How Do I Get Out of the Settlement Class?**

To exclude yourself from the Settlement Class you must send a letter by mail stating that you “request to be excluded from *Massachusetts Bricklayers and Masons Trust Funds, et al. v. Deutsche Alt-A Securities, Inc., et al.*, Civil Action No. 08-cv-03178 (E.D.N.Y).” You must include your name, address, telephone number, your signature, and the number of Certificates you purchased between May 1, 2006 through May 30, 2007, inclusive, identify the specific trusts and tranches in which you purchased, the dates of your purchases and any sales, and the purchase prices and sales prices, if any. **TO BE VALID YOUR EXCLUSION REQUEST MUST INCLUDE ALL OF THE INFORMATION REQUESTED.** You must mail your exclusion request **postmarked no later than \_\_\_\_\_, 2012**, to:

*Deutsche Mortgage Pass Through  
Certificates Securities Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box \_\_\_\_\_  
San Rafael, CA 94912-8040

You cannot exclude yourself on 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.

**15. If I Do Not Exclude Myself, Can I Sue the Defendants for the Same Thing Later?**

No. Unless you timely and validly exclude yourself, you give up any right to sue the Defendants or any other Released Parties for any and all Released Claims. If you have a pending lawsuit against any of the Defendants or Released Parties, speak to your lawyer in that case

immediately. You must exclude yourself from this Settlement Class to continue your own lawsuit. Remember, the exclusion deadline is \_\_\_\_\_, 2012.

**16. If I Exclude Myself, Can I Receive Money from This Settlement?**

No. If you timely and validly exclude yourself, do not send in a claim form because you are no longer a Settlement Class Member. But, you may be able to sue, continue to sue, or be part of a different lawsuit involving the Released Claims against the Defendants.

**THE LAWYERS REPRESENTING YOU**

**17. Do I Have a Lawyer in This Case?**

The Court appointed the law firms of Robbins Geller Rudman & Dowd LLP and Labaton Sucharow LLP to represent you and other Settlement Class Members. These lawyers are called Lead Counsel. You will not be directly charged for these lawyers. 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?**

Lead Counsel will ask the Court for attorneys' fees not to exceed 29% of the Settlement Fund and expenses up to \$950,000, plus accrued interest, that were incurred in connection with the litigation. The fee request will be equal to or less than Lead Counsel's hourly charges incurred in the case even though the law allows, and courts in comparable cases regularly approve, attorneys' fees that are greater than counsel's hourly charges in order to compensate for the contingent risk of non-payment undertaken by counsel, the result obtained and other factors. As part of the fee request, Lead Plaintiffs may seek reimbursement of up to \$35,000 for time and expenses (including lost wages) incurred representing the Settlement Class in accordance with 15 U.S.C. §77z-1(a)(4). Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for their efforts in achieving this Settlement and for their risk in undertaking this representation on a wholly contingent basis. Lead Counsel have committed significant time and expenses in litigating this case for the benefit of the Settlement Class. To date, Lead Counsel have not been paid for their services in conducting this litigation on behalf of the Lead Plaintiffs and the Settlement Class, nor for their substantial expenses. The fees requested will compensate Lead Counsel for their work in achieving the Settlement Fund. The Court will ultimately decide what is a reasonable fee award and may award less than the amount requested by Lead Counsel.

### **OBJECTING TO THE SETTLEMENT**

You can tell the Court that you do not agree with the Settlement or some part of it.

#### **19. How Do I Tell the Court that I Do Not Like the Settlement?**

If you are a Settlement Class Member, you can object to the Settlement if you do not like any part of it, including the Plan of Allocation and the request for attorneys' fees or expenses. You can state the reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the Settlement in "*Massachusetts Bricklayers and Masons Trust Funds, et al. v. Deutsche Alt-A Securities, Inc., et al.*, Civil Action No. 08-cv-03178 (E.D.N.Y.)." Be sure to include your name, address, telephone number, your signature, the number of Certificates purchased between May 1, 2006 through May 30, 2007, inclusive, the specific trusts and tranches in which you purchased, the dates of your purchases and any sales, the purchase prices and sales prices, if any, and the reasons you object. **TO BE VALID YOUR OBJECTION MUST INCLUDE ALL OF THE INFORMATION REQUESTED. Any objection must be mailed or delivered such that it is received by *each* of the following no later than \_\_\_\_\_, 2012:**

*Court:*

Clerk of the Court  
UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK  
100 Federal Plaza  
Central Islip, NY 11722-4438

*Counsel for Lead Plaintiffs:*

Arthur C. Leahy  
ROBBINS GELLER RUDMAN & DOWD LLP  
655 West Broadway, Suite 1900  
San Diego, CA 92101

Jonathan Gardner  
LABATON SUCHAROW LLP  
140 Broadway, 34th Floor  
New York, NY 10005

*Counsel for Defendants:*

Jamie L. Wine  
LATHAM & WATKINS LLP  
885 Third Avenue  
New York, NY 10022-4834

**20. What's the Difference Between Objecting and Seeking Exclusion?**

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

**THE COURT'S FAIRNESS HEARING**

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to.

**21. When and Where Will the Court Decide Whether to Approve the Settlement?**

The Court will hold a fairness hearing at \_\_\_\_ .m., on \_\_\_\_\_, 2012, at \_\_\_\_\_. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. The Court will also consider whether to approve the Plan of Allocation and how much to pay to Lead Counsel. The Court may decide these issues at the hearing or take them under consideration. We do not know how long these decisions will take.

**22. Do I Have to Come to the Hearing?**

No. Lead Counsel will answer any questions Judge Wexler 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 you submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

**23. May I Speak at the Hearing?**

You may ask the Court for permission to speak at the fairness hearing. To do so, you must send a letter saying that it is your intention to appear in “*Massachusetts Bricklayers and Masons Trust Funds, et al. v. Deutsche Alt-A Securities, Inc., et al.*, Civil Action No. 08-cv-03178 (E.D.N.Y.)” Be sure to include your name, address, telephone number, your signature, and the number of Certificates purchased between May 1, 2006 through May 30, 2007, inclusive, identify the specific trusts and tranches in which you purchased, the dates of your purchases and any sales, and the purchase prices and sales prices, if any. Your notice of intention to appear must **be received no later than \_\_\_\_\_, 2012**, by the Clerk of the Court, Lead Counsel, and Defendants’ counsel, at the four addresses listed in question 19. If you intend to present evidence or witnesses, you must explain in your letter what information you intend to present,

and identify the specific documents you intend to introduce and the witnesses you intend to present. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

### **IF YOU DO NOTHING**

#### **24. What Happens if I Do Nothing at All?**

If you do nothing and you are a Member of the Settlement Class, you will remain a Settlement Class Member. However, you will not receive any money from this Settlement unless you submit a claim form. Unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against the Defendants or any other Released Parties about the Released Claims in this case.

### **GETTING 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 as of March 15, 2012. You can obtain a copy of the Stipulation of Settlement or receive other information about the Settlement by going to [www.gilardi.com](http://www.gilardi.com), [www.rgrdlaw.com](http://www.rgrdlaw.com), [www.labaton.com](http://www.labaton.com), or by contacting Rick Nelson, c/o Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, 800-449-4900, or Colin Holmes c/o Labaton Sucharow LLP, 140 Broadway, 34th Floor, New York, NY 10005, 888-219-6877.

### ***DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE***

#### **SPECIAL NOTICE TO BANKS, BROKERS AND OTHER NOMINEES**

The Court has ordered that if you held any Certificate purchased between May 1, 2006 through May 30, 2007, inclusive, as nominee for a beneficial owner, then, within ten (10) 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 (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

*Deutsche Mortgage Pass Through  
Certificates Securities Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box \_\_\_\_\_  
San Rafael, CA 94912-8040

If you choose to mail the Notice and Proof of Claim 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.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for, or 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: \_\_\_\_\_, 2012

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

# EXHIBIT A-2



## I. GENERAL INSTRUCTIONS

1. To recover as a Member of the Settlement Class based on your claims in the action entitled *Massachusetts Bricklayers and Masons Trust Funds v. Deutsche Alt-A Securities, Inc., et al.*, Civil Action No. 2:08-cv-03178-LDW-ARL (the "Litigation"), you must complete and, on page \_\_\_ hereof, sign this Proof of Claim and Release form ("Proof of Claim"). If you fail to submit a properly addressed (as set forth in paragraph 3 below) Proof of Claim, your claim may be rejected and you may be precluded from any recovery from the Net Settlement Fund created in connection with the proposed Settlement of the Litigation.

2. Submission of this Proof of Claim, however, does not assure that you will share in the proceeds of settlement in the Litigation.

3. YOU MUST MAIL YOUR COMPLETED AND SIGNED PROOF OF CLAIM POSTMARKED ON OR BEFORE \_\_\_\_\_, ADDRESSED AS FOLLOWS:

*Deutsche Mortgage Pass Through  
Certificates Securities Litigation*  
Claims Administrator  
c/o Gilardi & Co. LLC  
P.O. Box \_\_\_\_\_  
San Rafael, CA 94912-8040

If you are NOT a Member of the Settlement Class, as defined in the Notice of Pendency of Class Action and Proposed Settlement and Motion for Attorneys' Fees and Expenses ("Notice"), DO NOT submit a Proof of Claim.

4. If you are a Member of the Settlement Class, you are bound by the terms of any judgment entered in the Litigation, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

## **II. DEFINITIONS**

1. “Defendants” means Deutsche Alt-A Securities, Inc. (“Deutsche Alt-A”), Deutsche Bank Securities Inc. (“DBSI”), DB Structured Products, Inc. (“DBSP”), and the Individual Defendants, as defined below.

2. “Individual Defendants” means Anilesh Ahuja, Jeffrey Lehocky, Richard W. Ferguson, Joseph J. Rice, and Richard D’Albert.

3. “Released Claims” means the claims defined in the accompanying Notice at page \_\_\_\_.

4. “Released Parties” means each and all of the Defendants and each and all of their Related Parties (as defined in the accompanying Notice).

5. “Unknown Claims” means the claims defined in the accompanying Notice at page \_\_\_\_.

## **III. CLAIMANT IDENTIFICATION**

1. If you acquired mortgage pass-through certificates in either: 1) the Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5; and/or 2) the Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 (the “Certificates”) between May 1, 2006 through May 30, 2007, inclusive (the “Relevant Time Period”), and held the Certificate(s) in your name, you are the beneficial purchaser as well as the record purchaser. If, however, the Certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser and the third party is the record purchaser.

2. Use Part I of this form entitled “Claimant Identification” to identify each purchaser of record (“nominee”), if different from the beneficial purchaser of the Certificates that form the basis of this claim. **THIS CLAIM MUST BE SUBMITTED BY THE ACTUAL BENEFICIAL PURCHASER(S), OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER(S) OF THE CERTIFICATES UPON WHICH THIS CLAIM IS BASED.**

3. All joint purchasers must sign this claim. Executors, administrators, guardians, conservators and trustees must complete and sign this claim on behalf of Persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

#### **IV. CLAIM FORM**

1. Use Part II of this form entitled "Schedule of Transactions in Deutsche Mortgage Pass-Through Certificates" to supply all required details of your transaction(s) in the Certificates. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

2. On the schedules, provide all of the requested information with respect to all of your purchases/acquisitions and all of your sales (or transfers out) of the Certificates, regardless of whether such transactions resulted in a profit or a loss. Failure to report all such transactions may result in the rejection of your claim.

3. List each transaction separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day and year of each transaction you list.

4. Copies of broker confirmations or other documentation of your transactions in the Certificates should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

5. The above requests are designed to provide the minimum amount of information necessary to process the simplest claims. The Claims Administrator may request additional

information as required to efficiently and reliably calculate your losses. In some cases where the Claims Administrator cannot perform the calculation accurately or at a reasonable cost to the Settlement Class with the information provided, the Claims Administrator may condition acceptance of the claim upon the production of additional information and/or the Claimant's responsibility for any increased costs due to the nature and/or scope of the claim.

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK  
*Deutsche Mortgage Pass Through  
Certificates Securities Litigation*  
Civil Action No. 2:08-cv-03178-LDW-ARL  
PROOF OF CLAIM AND RELEASE  
Must Be Postmarked No Later Than:

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

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

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Foreign Province

\_\_\_\_\_  
Foreign Country

\_\_\_\_\_  
Social Security Number or  
Taxpayer Identification Number

\_\_\_\_\_  
Individual

\_\_\_\_\_  
Corporation/Other

\_\_\_\_\_  
Area Code

\_\_\_\_\_  
Telephone Number

(work)

\_\_\_\_\_  
Area Code

\_\_\_\_\_  
Telephone Number

(home)

\_\_\_\_\_  
Record Owner's Name (if different from beneficial owner listed above)

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

A. Purchases/Acquisitions of Certificates (May 1, 2006 – May 30, 2007, inclusive):

Trade Date Month/Day/Year	CUSIP	Face Value	Price	Total Cost*
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

B. Sales of Certificates (May 1, 2006 – January 25, 2012, inclusive):

Trade Date Month/Day/Year	CUSIP	Face Value	Price	Total Proceeds*
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

\*excluding commissions, transfer taxes or other fees

C. Unsold Certificates at the Measurement Date (January 25, 2012).

January 25, 2012:

CUSIP	Face value
_____	_____
_____	_____
_____	_____
_____	_____

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

YOU MUST READ AND SIGN THE RELEASE ON PAGE \_\_\_\_\_. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

**V. SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGMENTS**

I (We) submit this Proof of Claim and Release form under the terms of the Stipulation of Settlement, dated as of March 15, 2012 (“Stipulation”), described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Eastern District of New York

with respect to my (our) claim as a Settlement Class Member (as defined in the Notice) and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Litigation. I (We) agree to furnish additional information to Lead Counsel to support this claim if required to do so. I (We) have not submitted any other claim covering the same purchases of the Certificates during the Relevant Time Period and know of no other Person having done so on my (our) behalf.

## **VI. RELEASE**

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, release, relinquish, dismiss, and discharge all of the Released Claims, including Unknown Claims, (as described in the accompanying Notice), against each and all of the Released Parties, with prejudice and on the merits.

2. This release shall be of no force or effect unless and until the Court approves the Stipulation and it becomes effective on the Effective Date.

3. I (We) hereby acknowledge that upon the Effective Date I (we) am (are) forever barred and enjoined from commencing, instituting, or continuing to prosecute any action or proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind, asserting against any of the Released Parties, and each of them, any of the Released Claims

4. I (We) hereby warrant and represent 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.

5. I (We) hereby warrant and represent that I (we) have included all requested information about all of my (our) transactions in the Certificates, as well as the number of Certificates held by me (us) as of January 25, 2012.

6. I (We) hereby warrant and represent that I am (we are) not excluded from the Settlement Class, as defined in the Notice.

7. The number(s) shown on this form is (are) the correct SSN/TIN(s).

8. I (We) certify that I am (we are) NOT subject to backup withholding under the provisions of Section 3406 (a)(1)(C) of the Internal Revenue Code because: (a) I am (we are) exempt from backup withholding; or (b) I (we) have not been notified by the Internal Revenue Service that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the Internal Revenue Service has notified me (us) that I am (we are) no longer subject to backup withholding.

(NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, you must cross out Item 8 above.).

I (We) declare under penalty of perjury under the laws of the United States of America that the foregoing information supplied by the undersigned is true and correct.

Executed this \_\_\_\_\_ day of \_\_\_\_\_,  
(Month/Year)

in \_\_\_\_\_, \_\_\_\_\_.  
(City) (State/Country)

\_\_\_\_\_  
(Sign your name here)

\_\_\_\_\_  
(Type or print your name here)

\_\_\_\_\_  
(Capacity of person(s) signing, e.g., Beneficial Purchaser, Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A  
SIGNIFICANT AMOUNT OF TIME.  
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above release and declaration.
2. Remember to attach copies of supporting documentation, if available.
3. Do not send the originals of certificates or other documents.
4. Keep a copy of your claim form for your records.
5. If you desire an acknowledgment of receipt of your claim form, please send it

Certified Mail, Return Receipt Requested.

6. If you move, please send us your new address.

# EXHIBIT A-3



TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED DEUTSCHE ALT-B SECURITIES MORTGAGE LOAN TRUST 2006-AB4 MORTGAGE PASS-THROUGH CERTIFICATES AND/OR DEUTSCHE ALT-A SECURITIES MORTGAGE LOAN TRUST 2006-AR5 MORTGAGE PASS-THROUGH CERTIFICATES DURING THE PERIOD BETWEEN MAY 1, 2006 THROUGH MAY 30, 2007, INCLUSIVE, AND WHO WERE DAMAGED THEREBY (THE "SETTLEMENT CLASS").

YOU ARE HEREBY NOTIFIED pursuant to an Order of the United States District Court for the Eastern District of New York, that a hearing will be held on \_\_\_\_\_, 2012, at \_\_\_\_:\_\_\_\_.m., before the Honorable Leonard D. Wexler at the Long Island Federal Courthouse, 944 Federal Plaza, Central Islip, New York 11722, for the purpose of determining: (1) whether the proposed settlement of the claims in the Litigation for the sum of \$32.5 million in cash should be approved by the Court as fair, reasonable and adequate; (2) whether a Settlement Class should be certified for purposes of the Settlement; (3) whether this Litigation should be dismissed with prejudice pursuant to the terms and conditions set forth in the Stipulation of Settlement, dated as of March 15, 2011 ("Stipulation"); (4) whether the Plan of Allocation is fair, reasonable and adequate and therefore should be approved; and (5) whether the application of Lead Counsel for the payment of attorneys' fees and expenses incurred in connection with this Litigation should be approved.

If you purchased Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 Mortgage Pass-Through Certificates and/or Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 Mortgage Pass-Through Certificates during the period between May 1, 2006 through May 30, 2007, inclusive, your rights may be affected by the settlement of this Litigation. If you have not received a detailed Notice of Pendency and Proposed Settlement of Class Action and Motion for Attorneys' Fees and Expenses ("Notice") and a copy of the Proof of Claim and Release form ("Proof of Claim"), you may obtain copies by writing to [Deutsche Mortgage Pass-Through Certificates Securities Litigation], Claims Administrator, c/o Gilardi & Co. LLC, \_\_\_\_\_ or going to [www.gilardi.com](http://www.gilardi.com). If you are a Settlement Class Member, in order to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim postmarked no later than \_\_\_\_\_, 2012, establishing that you are entitled to recovery.

If you desire to be excluded from the Settlement Class, you must submit a request for exclusion postmarked no later than \_\_\_\_\_, 2012, in the manner and form explained in the detailed Notice referred to above. All Settlement Class Members who do not timely and validly request exclusion from the Settlement Class will be bound by any judgment entered in the Litigation pursuant to the terms and conditions of the Stipulation.

Any objection to the Settlement must be mailed or delivered such that it is received by each of the following no later than \_\_\_\_\_, 2012:

Clerk of the Court  
UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK  
100 Federal Plaza  
Central Islip, NY 11722-4438

*Counsel for Lead Plaintiffs:*

Arthur C. Leahy  
ROBBINS GELLER RUDMAN &  
DOWD LLP  
655 West Broadway, Suite 1900  
San Diego, CA 92101

Jonathan Gardner  
LABATON SUCHAROW LLP  
140 Broadway, 34th Floor  
New York, NY 10005

*Counsel for Defendants:*

Jamie L. Wine  
LATHAM & WATKINS LLP  
885 Third Avenue  
New York, NY 10022-4834

**PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE REGARDING THIS NOTICE.** If you have any questions about the Settlement, you may contact counsel for

the Lead Plaintiffs at the address listed above or go to the following websites: [www.gilardi.com](http://www.gilardi.com);  
[www.labaton.com](http://www.labaton.com); [www.rgrdlaw.com](http://www.rgrdlaw.com).

DATED: \_\_\_\_\_, 2012

BY ORDER OF THE COURT  
UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

# EXHIBIT B

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

---

MASSACHUSETTS BRICKLAYERS AND	:	Civil Action No. 2:08-cv-03178-LDW-ARL
MASONS TRUST FUNDS, Individually and	:	
On Behalf of All Others Similarly Situated,	:	<u>CLASS ACTION</u>
	:	
Plaintiff,	:	[PROPOSED] FINAL ORDER AND
	:	JUDGMENT
vs.	:	
	:	
DEUTSCHE ALT-A SECURITIES, INC., et	:	
al.,	:	
	:	
Defendants.	:	

---

X

This matter came before the Court for hearing pursuant to an Order of this Court, dated \_\_\_\_\_, 2012, on the application of the Lead Plaintiffs for approval of the Settlement set forth in the Stipulation of Settlement, dated as of March 15, 2012 (the “Stipulation”). Due and adequate notice having been given of the Settlement as required in said Order, and the Court having considered all papers filed and proceedings held herein and otherwise being fully informed in the premises and good cause appearing therefore, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. This Judgment incorporates by reference the definitions in the Stipulation, and all terms used herein shall have the same meanings set forth in the Stipulation.

2. This Court has jurisdiction over the subject matter of the Litigation and over all parties to the Litigation, including all Members of the Settlement Class.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court hereby certifies, for purposes of effectuating this Settlement, a Settlement Class of all Persons who purchased or otherwise acquired Deutsche Alt-B Securities Mortgage Loan Trust 2006-AB4 Mortgage Pass-Through Certificates and/or Deutsche Alt-A Securities Mortgage Loan Trust 2006-AR5 Mortgage Pass-Through Certificates during the period between May 1, 2006 through May 30, 2007, inclusive (the “Relevant Time Period”) and who were damaged thereby. Excluded from the Settlement Class are: the Defendants, IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America; the officers, directors, successors and assigns of Deutsche Alt-A Securities, Inc., Deutsche Bank Securities, Inc., Deutsche Bank Structured Products, Inc.,

IndyMac Bank, F.S.B., GreenPoint Mortgage Funding, Inc., American Home Mortgage Corp., Dexia SA/NV, Dexia Holdings, Inc., FSA Asset Management LLC, Dexia Credit Local SA, Massachusetts Mutual Life Insurance Company, Federal Home Loan Bank of Boston, and Teachers Insurance and Annuity Association of America;; members of the immediate families, the legal representatives, heirs, successors or assigns of the Individual Defendants; and any entity in which any excluded Person has or had a controlling interest. Also excluded from the Settlement Class are those Persons who timely and validly requested exclusion from the Settlement Class pursuant to the Notice of Pendency and Proposed Settlement of Class Action and Motion for Attorneys' Fees and Expenses ("Notice"), as set forth in Exhibit 1 attached hereto.

4. With respect to the Settlement Class, this Court finds for the purposes of effectuating this Settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedures have been satisfied in that: (i) the Members of the Settlement Class are so numerous that joinder of all Settlement Class Members in the Litigation is impracticable; (ii) there are questions of law and fact common to the Settlement Class which predominate over any individual questions; (iii) the claims of the Lead Plaintiffs are typical of the claims of the Settlement Class; (iv) the Lead Plaintiffs and Lead Counsel will fairly and adequately represent and protect the interests of all of the Settlement Class Members; and (v) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.

5. Except as to any individual claim of those Persons (identified in Exhibit 1 attached hereto) who have validly and timely requested exclusion from the Settlement Class, the Litigation and all claims contained therein, including all of the Released Claims, are dismissed

with prejudice as to the Lead Plaintiffs and the other Settlement Class Members, and as against each and all of the Released Parties. The parties are to bear their own costs, except as otherwise provided in the Stipulation.

6. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, this Court hereby approves the Settlement set forth in the Stipulation and finds that said Settlement is, in all respects, fair, reasonable and adequate to, and is in the best interests of, Lead Plaintiffs and each of the Settlement Class Members. This Court further finds the Settlement set forth in the Stipulation is the result of arm's-length negotiations between experienced counsel representing the interests of the Lead Plaintiffs, Settlement Class Members and Defendants. Accordingly, the Settlement embodied in the Stipulation is hereby approved in all respects and shall be consummated in accordance with its terms and provisions. The Settling Parties are hereby directed to perform the terms of the Stipulation.

7. Upon the Effective Date, Lead Plaintiffs and each of the Settlement Class Members shall be deemed to have, and by operation of this Judgment shall have, fully, finally and forever released, relinquished and discharged all Released Claims against the Released Parties, whether or not such Settlement Class Member executes and delivers a Proof of Claim and Release form. The Settling Parties acknowledge and the Settlement Class Members shall be deemed by operation of law to acknowledge, that the waiver of Unknown Claims, and of the provisions, rights and benefits of Section 1542 of the California Civil Code, was bargained for and is a key element of the Settlement of which the release in this paragraph is a part.

8. Upon the Effective Date, the Lead Plaintiffs and all Settlement Class Members and anyone claiming through or on behalf of any of them, are forever barred and enjoined from commencing, instituting, or continuing to prosecute any action or proceeding in any court of law

or equity, arbitration tribunal, administrative forum or other forum of any kind, asserting against any of the Released Parties, and each of them, any of the Released Claims.

9. Upon the Effective Date, each of the Released Parties shall be deemed to have, and by operation of this Judgment shall have, fully, finally and forever released, relinquished and discharged the Lead Plaintiffs, Settlement Class Members, and their counsel, employees, successors and assigns, from all claims (including, without limitation, Unknown Claims) arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement or resolution of the Litigation or the Released Claims.

10. The distribution of the Notice and the publication of the Summary Notice as provided for in the Order Preliminarily Approving Settlement and Providing for Notice constituted the best notice practicable under the circumstances, including individual notice to Settlement Class Members who could be identified through reasonable effort. Said notice provided the best notice practicable under the circumstances of those proceedings and of the matters set forth therein, including the proposed Settlement set forth in the Stipulation, to all Persons entitled to such notice, and said notice fully satisfied the requirements of Federal Rule of Civil Procedure 23, the requirements of due process, and any other applicable law, including the Private Securities Litigation Reform Act of 1995.

11. Any Plan of Allocation submitted by Lead Counsel or any Fee and Expense Award shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

12. Neither the Stipulation nor the Settlement contained therein, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement: (i) is or may be deemed to be or may be used as an admission of, or evidence of, the

validity of any Released Claim, or of any wrongdoing or liability of the Defendants; or (ii) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or omission of any Defendant in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Defendants and their Related Parties may file the Stipulation and/or this Judgment in any other action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

13. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction over: (a) implementation of this Settlement and any award or distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c) hearing and determining applications for attorneys' fees and expenses in the Litigation; and (d) all Settling Parties for the purpose of construing, enforcing and administering the Stipulation.

14. The Court finds that during the course of the Litigation, the Settling Parties and their respective counsel at all times complied with the requirements of Federal Rule of Civil Procedure 11.

15. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation or the Effective Date does not occur, or in the event that the Settlement Fund, or any portion thereof, is returned to the Defendants, then this Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation.

DATED: \_\_\_\_\_

\_\_\_\_\_  
THE HONORABLE LEONARD D. WEXLER  
UNITED STATES DISTRICT JUDGE

**EXHIBIT 1**