IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY,

Plaintiff,

v.

RBS FINANCIAL PRODUCTS INC. (F/K/A GREENWICH CAPITAL FINANCIAL PRODUCTS, INC.); RBS ACCEPTANCE INC. (F/K/A GREENWICH CAPITAL ACCEPTANCE, INC.); FINANCIAL ASSET SECURITIES CORP.; RBS SECURITIES INC. (F/K/A GREENWICH CAPITAL MARKETS, INC.); JOSEPH N. WALSH III; ROBERT J. MCGINNIS; CAROL P. MATHIS; JOHN C. ANDERSON; and JAMES M. ESPOSITO,

Defendants.

Civil Action No.

COMPLAINT

JURY TRIAL DEMANDED

Plaintiff Massachusetts Mutual Life Insurance Company ("MassMutual"), by and through its attorneys, brings this action against RBS Financial Products Inc. (f/k/a Greenwich Capital Financial Products, Inc.); RBS Acceptance Inc. (f/k/a Greenwich Capital Acceptance, Inc.); Financial Asset Securities Corp.; RBS Securities Inc. (f/k/a Greenwich Capital Markets, Inc.) (collectively, "Greenwich" or the "Greenwich Defendants"); and Joseph N. Walsh III; Robert J. McGinnis; Carol P. Mathis; John C. Anderson; and James M. Esposito (collectively, the "Officer Defendants"), and alleges as follows:

NATURE OF ACTION

1. This action arises out of the sale of certain residential mortgage-backed securities (the "Certificates") to MassMutual. The Certificates were sold pursuant to public filings and offering materials that contained untrue statements and omissions of material facts, in violation of the Massachusetts Uniform Securities Act, Mass. Gen. Laws ch. 110A, § 410.

2. Greenwich Capital Financial Products, Inc. was formed in November 1990 to issue securities backed by residential mortgage loans that it purchased from its affiliates, Greenwich Capital Acceptance, Inc. and Financial Asset Securities Corp. The affiliates did not originate any mortgage loans themselves, but instead purchased mortgage loans from third-party originators. Generally, these mortgage loans could not be sold to the Federal Home Loan Mortgage Corporation ("Freddie Mac") or the Federal National Mortgage Association ("Fannie Mae"). Instead, the Greenwich Defendants securitized these non-conforming loans for sale to investors, such as MassMutual. They earned substantial profits securitizing and selling the loans, but they sought to avoid any loss if the loans defaulted.

3. In marketing the Certificates to MassMutual, the Greenwich Defendants represented that the loans backing the securities were underwritten in accordance with prudent underwriting standards that ensured a borrower could repay the loan. The Greenwich

Defendants also represented that the loans had certain characteristics, including defined loan-to-value ratios and specific owner-occupancy statistics.

4. These representations were material to MassMutual's decision to purchase the Certificates. The Greenwich Defendants were the exclusive source of information regarding the loans backing the securities. Unlike the Greenwich Defendants, MassMutual did not have access to loan files. MassMutual therefore depended on the Greenwich Defendants to verify that the information presented to it and other investors was true and accurate.

5. In reality, however, the loans backing the Certificates deviated substantially from what was represented to MassMutual. To obtain an ever-growing volume of loans to sell to investors, the Greenwich Defendants disregarded underwriting guidelines, often purchasing loans issued to borrowers regardless of ability to repay. The loans were issued on the basis of overstated incomes, inflated appraisals, false verifications of employment, and exceptions to underwriting criteria that had no proper justification.

6. Just years after MassMutual purchased the Certificates, they now qualify as junk. In a majority of the 10 securitizations in which MassMutual purchased Certificates, approximately 25% or more of the loans backing the securities have now defaulted, have been foreclosed upon, or are delinquent. Indeed, the defaults, foreclosures, and delinquencies have reached more than 50% in one securitization. A subsequent forensic analysis commissioned by MassMutual has demonstrated that the representations about the loans in all the securitizations were materially false. Under the Massachusetts Uniform Securities Act, MassMutual is entitled to rescind its purchase of these securities and/or recover appropriate damages.

PARTIES

A. Plaintiffs

7. Plaintiff Massachusetts Mutual Life Insurance Company is a Massachusetts mutual life insurance company with its principal place of business in Springfield, Massachusetts. Founded in 1851, MassMutual is a leading, diversified financial services organization providing life insurance, disability income insurance, long-term care insurance, annuities, retirement and income products, investment management, mutual funds, and trust services to individual and institutional customers.

B. Greenwich Defendants

8. Defendant RBS Financial Products Inc. is a Delaware corporation with its principal place of business in Stamford, Connecticut. Prior to April 2009, RBS Financial Products Inc. was known as Greenwich Capital Financial Products, Inc. ("Financial Products"). Financial Products was the Seller and/or Sponsor for all 10 securitizations at issue in this action.

9. Defendant RBS Acceptance Inc. is a Delaware corporation with its principal place of business in Stamford, Connecticut. Prior to August 2009, RBS Acceptance Inc. was known as Greenwich Capital Acceptance, Inc. ("Acceptance"). Acceptance was the Depositor for 9 of the 10 securitizations at issue in this action.

10. Defendant Financial Asset Securities Corp. ("Financial Asset") is a Delaware corporation with its principal place of business in Stamford, Connecticut. Financial Asset was the Depositor for one of the securitizations at issue in this action.

11. Defendant RBS Securities Inc. is a Delaware corporation with its principal place of business in Stamford, Connecticut. Prior to April 2009, RBS Securities Inc. was known as Greenwich Capital Markets, Inc. ("Capital Markets"). Capital Markets was the Underwriter for all 10 securitizations at issue in this action.

C. Officer Defendants

12. Defendant Joseph N. Walsh III is an individual residing in Greenwich, Connecticut. Walsh was Head of Mortgage and Asset-Backed Trading, Origination and Finance at Capital Markets. In April 2008, he was appointed by Capital Market's parent, The Royal Bank of Scotland Group plc ("RBS"), as Global Co-Head of Credit Markets, Americas. Walsh also served as the President, a Managing Director, and a Director of Acceptance and Financial Asset. Walsh signed registration statements for all 10 securitizations at issue in this action.

13. Defendant Robert J. McGinnis is an individual residing in Greenwich, Connecticut. McGinnis was a Managing Director and the Head of Asset-Backed Finance and Trading of Capital Markets. He also served as the President, a Managing Director, and a Director of Acceptance and Financial Asset. McGinnis signed registration statements for all 10 securitizations at issue in this action.

14. Defendant Carol P. Mathis is an individual residing in Darien, Connecticut. Mathis was a Managing Director and the Chief Financial Officer of Capital Markets. She also served as the Chief Financial Officer and a Managing Director of Acceptance and Financial Asset. Mathis signed registration statements for all 10 securitizations at issue in this action.

15. Defendant John C. Anderson is an individual residing in Darien, Connecticut. Anderson was head of RBS's United States structured finance and principal investment businesses. Anderson also served as a Managing Director and Director of Acceptance and Financial Asset. Anderson signed registration statements for all 10 securitizations at issue in this action.

16. Defendant James M. Esposito is an individual residing in Cheshire, Connecticut. Esposito was Deputy General Counsel and a Managing Director of Capital Markets. He also served as the General Counsel and Secretary and a Managing Director and Director of

Acceptance and Financial Asset. Esposito signed registration statements for all 10 securitizations at issue in this action.

D. Relevant Non-Parties

17. The Certificates for each securitization relevant to this action were issued by a trust established by the Depositor. The 10 issuing trusts (collectively, the "Trusts") were: DSLA Mortgage Loan Trust 2005-AR3; DSLA Mortgage Loan Trust 2005-AR6; Harborview Mortgage Loan Trust 2005-8; Harborview Mortgage Loan Trust 2005-13; HarborView Mortgage Loan Trust 2006-4; HarborView Mortgage Loan Trust 2006-SB1; Soundview Home Loan Trust 2006-WF1; HarborView Mortgage Loan Trust 2007-2; RBSGC Mortgage Loan Trust 2007-A; and RBSGC Mortgage Loan Trust 2007-B.

18. At all relevant times, the defendants committed the acts, caused or directed others to commit the acts, or permitted others to commit the acts alleged in this Complaint. Any allegations about acts of corporate defendants means that those acts were committed through their officers, directors, employees, agents, and/or representatives while those individuals were acting within the actual or implied scope of their authority.

JURISDICTION AND VENUE

19. This Court has diversity jurisdiction pursuant to 28 U.S.C. § 1332(a), as there is complete diversity of citizenship between the parties, and the amount in controversy exceeds $75,000, exclusive of interest and costs.

20. This Court has personal jurisdiction over the defendants by virtue of their securities sales to MassMutual in Massachusetts.

21. Venue is proper in the District of Massachusetts pursuant to 28 U.S.C. § 1391, because substantial events giving rise to this Complaint took place in Massachusetts.

SUBSTANTIVE ALLEGATIONS

22. Financial Products was formed in November 1990 as a wholly owned subsidiary of Greenwich Capital Holdings, Inc. ("Holdings") "for the purpose of issuing securities through its affiliates [Acceptance] and [Financial Asset], private secondary mortgage market conduits." During the time that MassMutual purchased the Certificates, the Greenwich Defendants were all wholly owned subsidiaries of Holdings and operated collectively to structure and market the 10 securitizations at issue in this action.

I. THE MARKET FOR RESIDENTIAL MORTGAGE-BACKED SECURITIES

23. In the 1980's and 1990's, mortgage originators followed a traditional model for originating mortgage loans. Under the traditional model, they either held the mortgage loans they provided to borrowers through the terms of the loans, or sold the mortgage loans to governmental agencies Fannie Mae and Freddie Mac.

24. Loans held by mortgage originators were typically conservative, first-lien loans to prime borrowers because the originator would profit if the borrower made timely interest and principal payments, but would bear the loss if the borrower defaulted and the property value was insufficient to repay the loan. As a result, the originator had economic incentives to establish the creditworthiness of the borrower and the true value of the underlying property by appraising it fairly before issuing the mortgage loan.

25. Loans sold to Fannie Mae and Freddie Mac were also conservative loans to prime borrowers because the loans had to meet specific guidelines for sale. By law, Fannie Mae and Freddie Mac can purchase only those mortgage loans that conform to certain regulatory guidelines. These loans are known in the industry as conforming loans, and are historically the most conservative loans with the lowest rates of delinquency and default. Mortgage loans that fail to meet the regulatory guidelines are known in the industry as non-conforming loans.

26. In the 1980's and 1990's, Fannie Mae and Freddie Mac securitized the loans they purchased from mortgage originators and sold the securities backed by the loans, referred to as residential mortgage-backed securities, to investors. Investors in these early mortgage-backed securities were provided protections not only because the underlying loans conformed to strict regulatory guidelines, but also because Fannie Mae and Freddie Mac guaranteed that investors would receive timely payments of principal and interest. Because Fannie Mae and Freddie Mac were perceived as being backed by the federal government, investors viewed the guarantees as diminishing credit risk, if not removing it altogether.

27. In the early 2000's, the demand for securities backed by mortgage loans increased. Private financial institutions stepped in to meet the demand by originating an ever-growing number of non-conforming loans, such as loans based on reduced documentation, loans issued to subprime borrowers, and adjustable loans where the interest rate increases after a period of time. These loans were then securitized for sale to private investors. By 2001, $240 billion in residential mortgage-backed securities were issued through private securitizations. By 2006, that amount had increased by almost five times – to $1.033 trillion.

28. Between January 2000 and December 2006, Financial Products securitized approximately $132.4 billion in mortgage loans. It securitized only a small volume of mortgage loans in 2000, 2001, and 2002 – less than $1 billion in each of 2000 and 2001, and $2.4 billion in 2002. In 2003, the volume of mortgage loans that Financial Products securitized more than quadrupled to $10.7 billion. In 2004, the volume of mortgage loans that were securitized jumped substantially again – from $10.7 billion to $30.4 billion. In 2005, Financial Products securitized its largest volume of mortgage loans – almost $50 billion. The volume of mortgage loans securitized by Financial Products in 2006 remained high, totaling almost $40 billion.

II. THE SECURITIZATION PROCESS

29. To create residential mortgage-backed securities, such as the Certificates purchased by MassMutual, a process known as mortgage securitization is used. Mortgage loans are acquired from mortgage originators and pooled together, with securities constituting interests in the cash flow from the mortgage pools then sold to investors. The securities are also referred to as mortgage pass-through securities because the cash flow from the pool of mortgages is passed through to the securities holders when payments are made by the underlying mortgage borrowers.

30. Each securitization involves several entities that perform distinct tasks. The first step in creating a residential mortgage-backed security, such as the Certificates, is the acquisition by the Depositor of an inventory of mortgage loans from a Sponsor or Seller, which either originates the loans or acquires the loans from other mortgage originators in exchange for cash. The Depositor is often a subsidiary or other affiliate of the Sponsor or Seller.

31. The Depositor then securitizes the pool of loans by forming one or more mortgage pools with the inventory of loans, and creating tranches of interests in the mortgage pools with various levels of seniority. Interests in these tranches are then issued by the Depositor (who serves as the Issuer) through a trust in the form of bonds, or certificates.

32. Each tranche has a different level of purported risk and reward, and, often, a different credit rating. The most senior tranches often receive the highest investment grade rating (triple-A). Junior tranches, which usually have lower ratings, are more exposed to risk, but offer higher potential returns. The most senior tranches of securities will be entitled to payment in full before the junior tranches. Conversely, losses on the underlying loans in the asset pool – whether due to default, delinquency, or otherwise – are allocated first to the most

subordinate or junior tranche of securities, then to the tranche above that. This hierarchy in the division of cash flows is referred to as the flow of funds or waterfall.

33. The Depositor works with one or more of the nationally recognized credit-rating agencies to ensure that each tranche of the mortgage-backed securities receives the rating desired by the Depositor (and Underwriter). Once the asset pool is securitized, the certificates are issued to one or more Underwriters (typically Wall Street banks), who resell them to investors, such as MassMutual.

34. Because the cash flow from the loans in the mortgage pool of a securitization is the source of funds to pay the holders of the securities issued by the trust, the credit quality of the securities depends primarily on the credit quality of the loans in the mortgage pool, which often includes thousands of loans. Detailed information about the credit quality of the loans is contained in the loan files developed and maintained by the mortgage originators when making the loans. For residential mortgage loans, such as the loans that backed the Certificates purchased by MassMutual, each loan file normally contains documents including the borrower's application for the loan, verification of income, assets, and employment, references, credit reports, and an appraisal of the property that will secure the loan and provide the basis for other measures of credit quality, such as loan-to-value ratios, and occupancy status. The loan file should also include notes from the person who underwrote the loan describing the loan's purported compliance with underwriting guidelines, and documentation of compensating factors that justified any departure from those standards.

35. Investors do not have access to the loan files. Instead, the Sponsor, Depositor, and Underwriter are responsible for gathering and verifying information about the credit quality and characteristics of the loans that are deposited into the trust, and presenting this information in

the registration statements, prospectuses, and prospectus supplements (collectively, the "Offering Materials") prepared for potential investors. This due diligence process is a critical safeguard for investors and a fundamental legal obligation of the Sponsor, Depositor, and Underwriter.

III. MASSMUTUAL'S PURCHASES OF GREENWICH CERTIFICATES

36. MassMutual purchased Certificates sponsored by Financial Products between May 2005 and September 2007. MassMutual made the following purchases of Certificates, representing a total investment of almost $235 million, from the following defendants:

Asset	Full Name of Offering	Purchase Price	Seller Defendants
DSLA Mortgage Loan Trust 2005-AR3, Class 2A1A	DSLA Mortgage Pass-Through Certificates, Series 2005-AR3	$75,000,000.00	Greenwich Capital Financial Products, Inc. (Seller) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)
DSLA Mortgage Loan Trust 2005-AR6, Class 2A1A	DSLA Mortgage Pass-Through Certificates, Series 2005-AR6	$8,000,000.00	Greenwich Capital Financial Products, Inc. (Seller) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)
Harborview Mortgage Loan Trust 2005-8, Class 1A2A	Harborview Mortgage Loan Trust 2005-8 Mortgage Loan Pass-Through Certificates, Series 2005-8	$40,000,000.00	Greenwich Capital Financial Products, Inc. (Seller) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)

Asset	Full Name of Offering	Purchase Price	Seller Defendants
Harborview Mortgage Loan Trust 2005-13, Class 2A11	Harborview Mortgage Loan Trust 2005-13 Mortgage Loan Pass-Through Certificates, Series 2005-13	$23,500,000.00	Greenwich Capital Financial Products, Inc. (Seller) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)
HarborView Mortgage Loan Trust 2006-4, Class 2A1A	HarborView Mortgage Loan Trust Mortgage Loan Pass-Through Certificates, Series 2006-4	$39,900,000.00	Greenwich Capital Financial Products, Inc. (Sponsor) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)
Soundview Home Loan Trust 2006-WF1, Classes M6 and M8	Soundview Home Loan Trust 2006-WF1 Asset-Backed Certificates, Series 2006-WF1	$4,000,000.00	Greenwich Capital Financial Products, Inc. (Sponsor) Financial Asset Securities Corp. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)
HarborView Mortgage Loan Trust 2006-SB1, Class M6	HarborView Mortgage Loan Trust Mortgage Loan Pass-Through Certificates, Series 2006-SB1	$2,221,000.00	Greenwich Capital Financial Products, Inc. (Sponsor) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)

Asset	Full Name of Offering	Purchase Price	Seller Defendants
RBSGC Mortgage Loan Trust 2007-A, Class B1	RBSGC Mortgage Loan Trust Mortgage Loan Pass-Through Certificates, Series 2007-A	$7,826,824.17	Greenwich Capital Financial Products, Inc. (Sponsor) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)
RBSGC Mortgage Loan Trust 2007-B, Class 1B1	RBSGC Mortgage Loan Trust Mortgage Loan Pass-Through Certificates, Series 2007-B	$10,754,068.86	Greenwich Capital Financial Products, Inc. (Sponsor) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)
HarborView Mortgage Loan Trust 2007-2, Class 2A1A	HarborView Mortgage Loan Trust Mortgage Loan Pass-Through Certificates, Series 2007-2	$23,491,007.08	Greenwich Capital Financial Products, Inc. (Sponsor) Greenwich Capital Acceptance, Inc. (Depositor) Greenwich Capital Markets, Inc. (Underwriter)
TOTAL		$234,692,900.11	

IV. DEFENDANTS' DISREGARD AND ABANDONMENT OF UNDERWRITING STANDARDS TO FACILITATE SALE OF LOW-QUALITY LOANS TO INVESTORS

A. Greenwich's Representations That Underwriting Standards Were Consistently Followed

37. The fundamental basis upon which residential mortgage-backed securities are valued is the ability of the borrowers to repay the principal and interest on the underlying loans and the adequacy of the collateral for those loans. If the borrowers cannot pay, and the collateral is insufficient, the investors incur losses. For this reason, the underwriting standards and

practices of the mortgage originator that issued the loans backing the certificates, and the representations in the Offering Materials regarding those standards, are critically important to the value of the securities, and to investors' decisions to purchase the securities.

38. As Seller and/or Sponsor of the securitizations at issue, Financial Products purchased loans from third-party originators. Each loan was purportedly underwritten according to a set of underwriting guidelines, which are specified criteria that the mortgage loans must meet depending upon the individual loan program and circumstances of each mortgage loan. In general, the underwriting guidelines stipulated what documentation was required to be included in the mortgage loan files for each loan product (which may include, depending upon the loan product, verifications of income, assets, closing funds, and payment histories, among other things) and criteria for eligibility, including tests for debt-to-income ("DTI") and combined loan-to-value ("CLTV") ratios.

39. In the Prospectuses for all the securitizations at issue, the Greenwich Defendants represented to investors, including MassMutual, that the securitized loans were generally underwritten according to meaningful prudent standards that verified a borrower's ability to repay and the adequacy of the collateral:

> Underwriting standards are applied by or on behalf of a lender to evaluate a prospective borrower's credit standing and repayment ability, and the value and adequacy of the mortgaged property as collateral. In general, a prospective borrower applying for a loan is required to fill out a detailed application designed to provide to the underwriting officer pertinent credit information, including the principal balance and payment history of any senior lien loan on the related mortgaged property. As part of the description of the borrower's financial condition, the borrower generally is required to provide a current list of assets and liabilities and a statement of income and expenses, as well as an authorization to apply for a credit report which summarizes the borrower's credit history with local merchants and lenders and any record of bankruptcy. Generally, an employment verification is obtained from an

> independent source, which is typically the borrower's employer. . . . The borrower may also be required to authorize verification of deposits at financial institutions where the borrower has demand or savings accounts.

40. The Prospectuses assured investors that the underwriting standards verified that borrowers had sufficient monthly income to repay the loans:

> Once all applicable employment, credit and property information is received, a determination generally is made as to whether the prospective borrower has sufficient monthly income available
>
> ° to meet the borrower's monthly obligations on the proposed loan, generally determined on the basis of the monthly payments due in the year of origination, and other expenses related to the mortgaged property such as property taxes and hazard insurance, and
>
> ° to meet monthly housing expenses and other financial obligations and monthly living expenses.

41. The Prospectuses also assured investors that the Greenwich Defendants purchased mortgage loans only from experienced mortgage originators with "prudent guidelines":

> Each seller must
>
> ° be an institution experienced in originating and servicing loans of the type contained in the related pool in accordance with accepted practices and prudent guidelines,
>
> ° maintain satisfactory facilities to originate and service the loans,
>
> ° be a seller/servicer approved by either Fannie Mae or Freddie Mac, and
>
> ° be a mortgagee approved by the FHA or an institution the deposit accounts in which are insured by the Federal Deposit Insurance Corporation (FDIC).

42. Moreover, as detailed below, for each securitization, the Prospectus Supplements made specific representations about the originators' underwriting standards.

(1) DSLA Mortgage Loan Trust Series 2005-AR3

43. For the DSLA Series 2005-AR3 securitization, Financial Products purchased all the mortgage loans backing the securities from Downey Savings and Loan Association, F.A. ("Downey").

44. The Prospectus Supplement for the DSLA Series 2005-AR3 securitization represented that Downey's underwriting standards were consistently applied to confirm a borrower's ability to repay and to produce performing loans:

> Downey's underwriting standards are applied by or on behalf of Downey to evaluate the prospective borrower's credit standing and repayment ability, and the value and adequacy of the mortgaged property as collateral. Under those standards, a prospective borrower must generally demonstrate that the ratio of the borrower's monthly housing expenses (including principal and interest on the proposed mortgage loan and, as applicable, the related monthly portion of property taxes, hazard insurance, homeowners association dues and mortgage insurance) to the borrower's monthly gross income and the ratio of total monthly debt, which includes the proposed monthly housing costs and all other obligations with 10 or more monthly payments remaining, to the borrower's monthly gross income (the "debt-to-income ratios") are within acceptable limits.

45. The Prospectus Supplement also stated that Downey collected information about the borrower's income as part of its evaluation of potential borrowers:

> Downey generally requires a 2-year employment history on the application. Employment and income may be verified with either or a combination of paystubs, W-2 forms, Federal tax returns, or verification of employment form completed by the employer, or other acceptable means.

46. The Prospectus Supplement described the checks and balances Downey used in underwriting all loans, regardless of the documentation required:

> Under each program [Full/Alternative Documentation, Lite/Reduced Documentation, or Express Documentation], Downey obtains a credit report relating to the applicant from a credit reporting company. Credit scores from each of the three

> credit repositories is required, if available. The credit report typically contains information relating to such matters as credit history with local and national merchants and lenders, installment debt payments and any record of defaults, bankruptcy, dispossession, lawsuits and judgments. Adverse information in the credit report may be required to be explained by the prospective borrower.
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> The Lite Doc program requires verification of reserves, if required, and permits stated income. Downey obtains from a prospective borrower either a verification of deposit or a bank statement for the one-month period immediately preceding the date of the mortgage loan application.
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> The Downey Express program is a stated income/stated assets program. Under the program the mortgage loan application is reviewed to determine that the stated income is reasonable for the borrower's employment, and that the stated assets are consistent with the borrower's income.

(2) DSLA Mortgage Loan Trust Series 2005-AR6

47. For the DSLA Series 2005-AR6 securitization, Financial Products purchased all mortgage loans backing the securities from Downey.

48. The Prospectus Supplement for the DSLA Series 2005-AR6 securitization represented that Downey's underwriting standards were consistently applied to confirm a borrower's ability to repay and to produce performing loans:

> Downey's underwriting standards are applied by or on behalf of Downey to evaluate the prospective borrower's credit standing and repayment ability, and the value and adequacy of the mortgaged property as collateral. Under those standards, a prospective borrower must generally demonstrate that the ratio of the borrower's monthly housing expenses (including principal and interest on the proposed mortgage loan and, as applicable, the related monthly portion of property taxes, hazard insurance, homeowners association dues and mortgage insurance) to the borrower's monthly gross income and the ratio of total monthly debt, which includes the proposed monthly housing costs and all

> other obligations with 10 or more monthly payments remaining, to the borrower's monthly gross income (the "debt-to-income ratios") are within acceptable limits.

49. The Prospectus Supplement also stated that Downey collected information about the borrower's income as part of its evaluation of potential borrowers:

> Downey generally requires a 2-year employment history on the application. Employment and income may be verified with either or a combination of paystubs, W-2 forms, Federal tax returns, or verification of employment form completed by the employer, or other acceptable means.

50. The Prospectus Supplement described the checks and balances Downey used in underwriting all loans, regardless of the documentation required:

> Under each program [Full/Alternative Documentation, Lite/Reduced Documentation, or Express Documentation], Downey obtains a credit report relating to the applicant from a credit reporting company. Credit scores from each of the three credit repositories is required, if available. The credit report typically contains information relating to such matters as credit history with local and national merchants and lenders, installment debt payments and any record of defaults, bankruptcy, dispossession, lawsuits and judgments. Adverse information in the credit report may be required to be explained by the prospective borrower.
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> The Lite Doc program requires verification of reserves, if required, and permits stated income. Downey obtains from a prospective borrower either a verification of deposit or a bank statement for the one-month period immediately preceding the date of the mortgage loan application.
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> The Downey Express program is a stated income/stated assets program. Under the program the mortgage loan application is reviewed to determine that the stated income is reasonable for the borrower's employment, and that the stated assets are consistent with the borrower's income.

(3) HarborView Mortgage Loan Trust Series 2005-8

51. For the HarborView Series 2005-8 securitization, Financial Products purchased all the mortgage loans backing the securities from Countrywide Home Loans, Inc. ("Countrywide").

52. The Prospectus Supplement for the HarborView Series 2005-8 securitization assured investors that Countrywide underwrote loans based on a borrower's ability to repay and the sufficiency of the collateral:

> Countrywide's underwriting standards are applied by or on behalf of Countrywide to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral. Under those standards, a prospective borrower must generally demonstrate that the ratio of the borrower's monthly housing expenses (including principal and interest on the proposed mortgage loan and, as applicable, the related monthly portion of property taxes, hazard insurance and mortgage insurance) to the borrower's monthly gross income and the ratio of total monthly debt to the monthly gross income (the "debt-to-income" ratios) are within acceptable limits.

53. The Prospectus Supplement also represented that credit reports were obtained to verify a borrower's credit profile:

> For all mortgage loans originated or acquired by Countrywide, Countrywide obtains a credit report relating to the applicant from a credit reporting company. The credit report typically contains information relating to such matters as credit history with local and national merchants and lenders, installment debt payments and any record of defaults, bankruptcy, dispossession, suits or judgments. All adverse information in the credit report is required to be explained by the prospective borrower to the satisfaction of the lending officer.

(4) HarborView Mortgage Loan Trust Series 2005-13

54. For the HarborView Series 2005-13 securitization, Financial Products purchased all the mortgage loans backing the securities from Countrywide.

55. The Prospectus Supplement for the HarborView Series 2005-13 securitization assured investors that Countrywide underwrote loans based on a borrower's ability to repay and the sufficiency of the collateral:

> Countrywide's underwriting standards are applied by or on behalf of Countrywide to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral. Under those standards, a prospective borrower must generally demonstrate that the ratio of the borrower's monthly housing expenses (including principal and interest on the proposed mortgage loan and, as applicable, the related monthly portion of property taxes, hazard insurance and mortgage insurance) to the borrower's monthly gross income and the ratio of total monthly debt to the monthly gross income (the "debt-to-income" ratios) are within acceptable limits.

56. The Prospectus Supplement also represented that credit reports were obtained to verify a borrower's credit profile:

> For all mortgage loans originated or acquired by Countrywide, Countrywide obtains a credit report relating to the applicant from a credit reporting company. The credit report typically contains information relating to such matters as credit history with local and national merchants and lenders, installment debt payments and any record of defaults, bankruptcy, dispossession, suits or judgments. All adverse information in the credit report is required to be explained by the prospective borrower to the satisfaction of the lending officer.

(5) HarborView Mortgage Loan Trust Series 2006-4

57. For the HarborView Series 2006-4 securitization, Financial Products purchased all the mortgage loans backing the securities from Countrywide.

58. The Prospectus Supplement for the HarborView Series 2006-4 securitization assured investors that Countrywide underwrote loans based on a borrower's ability to repay and the sufficiency of the collateral:

> Countrywide Home Loans' underwriting standards are applied by or on behalf of Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment ability and

> the value and adequacy of the mortgaged property as collateral. Under those standards, a prospective borrower must generally demonstrate that the ratio of the borrower's monthly housing expenses (including principal and interest on the proposed mortgage loan and, as applicable, the related monthly portion of property taxes, hazard insurance and mortgage insurance) to the borrower's monthly gross income and the ratio of total monthly debt to the monthly gross income (the "debt-to-income" ratios) are within acceptable limits.

59. The Prospectus Supplement also represented that credit reports were obtained to verify a borrower's credit profile:

> For all mortgage loans originated or acquired by Countrywide Home Loans, Countrywide Home Loans obtains a credit report relating to the applicant from a credit reporting company. The credit report typically contains information relating to such matters as credit history with local and national merchants and lenders, installment debt payments and any record of defaults, bankruptcy, dispossession, suits or judgments. All adverse information in the credit report is required to be explained by the prospective borrower to the satisfaction of the lending officer.

(6) Soundview Home Loan Trust Series 2006-WF1

60. For the Soundview Series 2006-WF1 securitization, Financial Products purchased all the mortgage loans backing the securities from Wells Fargo Bank, N.A. ("Wells Fargo").

61. The Prospectus Supplement for the Soundview Series 2006-WF1 securitization assured investors that Wells Fargo underwrote loans based on a borrower's ability to repay and the sufficiency of the collateral:

> Wells Fargo's underwriting standards are applied by or on behalf of Wells Fargo to evaluate the applicant's credit standing and ability to repay the loan, as well as the value and adequacy of the mortgaged property as collateral. The underwriting standards that guide the determination represent a balancing of several factors that may affect the ultimate recovery of the loan amount, including, among others, the amount of the loan, the ratio of the loan amount to the property value (i.e., the lower of the appraised value of the mortgaged property and the purchase price), the borrower's means of support and the borrower's credit history.

62. The Prospectus Supplement assured investors that Wells Fargo's underwriting standards verified that borrowers had sufficient monthly income to repay the loans:

> In general, borrowers applying for loans must demonstrate that the ratio of their total monthly debt to their monthly gross income does not exceed a certain maximum level. Such maximum level varies depending on a number of factors including Loan-to-Value Ratio, a borrower's credit history, a borrower's liquid net worth, the potential of a borrower for continued employment advancement or income growth, the ability of the borrower to accumulate assets or to devote a greater portion of income to basic needs such as housing expense, a borrower's Mortgage Score and the type of loan for which the borrower is applying.

63. The Prospectus Supplement also assured investors that any deviation from underwriting guidelines was supported by documented compensating factors:

> Wells Fargo permits debt-to-income ratios to exceed guidelines when the applicant has documented compensating factors for exceeding ratio guidelines such as documented excess funds in reserves after closing, a history of making a similar sized monthly debt payment on a timely basis, substantial residual income after monthly obligations are met, evidence that ratios will be reduced shortly after closing when a financed property under contract for sale is sold, or additional income has been verified for one or more applicants that is ineligible for consideration as qualifying income.

(7) HarborView Mortgage Loan Trust Series 2006-SB1

64. For the HarborView Series 2006-SB1 securitization, Financial Products purchased all the mortgage loans backing the securities from Secured Bankers Mortgage Company ("SBMC").

65. The Prospectus Supplement for the HarborView Series 2006-SB1 securitization assured investors that SBMC underwrote loans based on a borrower's ability to repay and the sufficiency of the collateral:

> SBMC applies its underwriting standards to evaluate a prospective borrower's credit standing, repayment ability, financial standing, employment, income stability and the value and adequacy of the mortgaged property as collateral. Under these standards, a

> prospective borrower must demonstrate that the ratio of the borrower's monthly housing expenses (including principal and interest on the proposed mortgage loan and, as applicable, the related monthly portion of property taxes, hazard insurance, homeowners association dues and mortgage insurance) to the borrower's monthly gross income and the ratio of total monthly debt, which includes the proposed monthly housing costs and all other obligations with 10 or more monthly payments remaining, to the borrower's monthly gross income (the "debt-to-income ratios") are within acceptable limits.

66. The Prospectus Supplement also represented that SBMC accepted only those borrowers with credit scores of 620 and above, unless evidence of sufficient compensating factors existed:

> The lowest credit score that SBMC will accept is 620 unless a credit exception is approved by an SBMC corporate underwriter. SBMC may grant exceptions to its underwriting guidelines if the borrower provides evidence of compensating factors that offset the increased risk due to the exception(s). Examples of compensating factors that may offset the risk of an exception are:
>
> - Low debt-to-income ratio;
> - Minimal increase in monthly housing expense;
> - Good and established credit history/high credit score;
> - Amount of disposable monthly income available after payment of total debt obligations;
> - Long term housing or employment history;
> - Excellent mortgage history; and
> - Low LTV/CLTV.

(8) RBSGC Mortgage Loan Trust Series 2007-A

67. For the RBSGC Series 2007-A securitization, Financial Products purchased all the mortgage loans backing the securities from Wells Fargo. Wells Fargo had originated approximately 61.43% of the mortgage loans; First Magnus Financial Corporation had originated approximately 19.33% of the mortgage loans; and MortgageIT, Inc. had originated approximately 19.24% of the mortgage loans.

68. The Prospectus Supplement for the RBSGC Series 2007-A securitization assured investors that Wells Fargo underwrote loans based on a borrower's ability to repay and the sufficiency of the collateral:

> Wells Fargo Bank's underwriting standards are applied by or on behalf of Wells Fargo Bank to evaluate the applicant's credit standing and ability to repay the loan, as well as the value and adequacy of the mortgaged property as collateral. The underwriting standards that guide the determination represent a balancing of several factors that may affect the ultimate recovery of the loan amount, including, among others, the amount of the loan, the ratio of the loan amount to the property value (i.e., the lower of the appraised value of the mortgaged property and the purchase price), the borrower's means of support and the borrower's credit history.

69. The Prospectus Supplement assured investors that Wells Fargo's underwriting standards verified that borrowers had sufficient monthly income to repay the loans:

> In general, borrowers applying for loans must demonstrate that the ratio of their total monthly debt to their monthly gross income does not exceed a certain maximum level. Such maximum level varies depending on a number of factors including Loan-to-Value Ratio, a borrower's credit history, a borrower's liquid net worth, the potential of a borrower for continued employment advancement or income growth, the ability of the borrower to accumulate assets or to devote a greater portion of income to basic needs such as housing expense, a borrower's Mortgage Score and the type of loan for which the borrower is applying.

70. The Prospectus Supplement also assured investors that any deviation from underwriting guidelines was supported by documented compensating factors:

> Wells Fargo Bank permits debt-to-income ratios to exceed guidelines when the applicant has documented compensating factors for exceeding ratio guidelines such as documented excess funds in reserves after closing, a history of making a similar sized monthly debt payment on a timely basis, substantial residual income after monthly obligations are met, evidence that ratios will be reduced shortly after closing when a financed property under contract for sale is sold, or additional income has been verified for

> one or more applicants that is ineligible for consideration as qualifying income.

(9) RBSGC Mortgage Loan Trust Series 2007-B

71. For the securities purchased by MassMutual in the RBSGC Series 2007-B securitization, Financial Products split the mortgage loans backing the securities into two pools. Wells Fargo originated approximately 96.14% of the mortgage loans in Pool 1 and approximately 98.59% of the mortgage loans in Pool 2.

72. The Prospectus Supplement for the RBSGC Series 2007-B securitization assured investors that Wells Fargo underwrote loans based on a borrower's ability to repay and the sufficiency of the collateral:

> Wells Fargo Bank's underwriting standards are applied by or on behalf of Wells Fargo Bank to evaluate the applicant's credit standing and ability to repay the loan, as well as the value and adequacy of the mortgaged property as collateral. The underwriting standards that guide the determination represent a balancing of several factors that may affect the ultimate recovery of the loan amount, including, among others, the amount of the loan, the ratio of the loan amount to the property value (i.e., the lower of the appraised value of the mortgaged property and the purchase price), the borrower's means of support and the borrower's credit history.

73. The Prospectus Supplement assured investors that Wells Fargo's underwriting standards verified that borrowers had sufficient monthly income to repay the loans:

> In general, borrowers applying for loans must demonstrate that the ratio of their total monthly debt to their monthly gross income does not exceed a certain maximum level. Such maximum level varies depending on a number of factors including Loan-to-Value Ratio, a borrower's credit history, a borrower's liquid net worth, the potential of a borrower for continued employment advancement or income growth, the ability of the borrower to accumulate assets or to devote a greater portion of income to basic needs such as housing expense, a borrower's Mortgage Score and the type of loan for which the borrower is applying.

74. The Prospectus Supplement also assured investors that any deviation from underwriting guidelines was supported by documented compensating factors:

> Wells Fargo Bank permits debt-to-income ratios to exceed guidelines when the applicant has documented compensating factors for exceeding ratio guidelines such as documented excess funds in reserves after closing, a history of making a similar sized monthly debt payment on a timely basis, substantial residual income after monthly obligations are met, evidence that ratios will be reduced shortly after closing when a financed property under contract for sale is sold, or additional income has been verified for one or more applicants that is ineligible for consideration as qualifying income.

(10) HarborView Mortgage Loan Trust Series 2007-2

75. For the HarborView Series 2007-2 securitization, Financial Products purchased approximately 22.52% of the mortgage loans backing the securities (based on total principal balance) from American Home Mortgage Corp. ("American Home"); 21.18% of the mortgage loans from Paul Financial, LLC ("Paul Financial"); 15.91% of the mortgage loans from Kay-Co Investment Inc.; 10.28% of the mortgage loans from Residential Funding Company, LLC; and the remaining mortgage loans from various originators, each of which originated less than 10% of the loans.

76. The Prospectus Supplement for the HarborView Series 2007-2 securitization assured investors that American Home and Paul Financial underwrote the mortgage loans to ensure a borrower's ability to repay.

77. For American Home, the Prospectus Supplement stated:

> American Home underwrites a borrower's creditworthiness based solely on information that American Home believes is indicative of the applicant's willingness and ability to pay the debt they would be incurring.
>
> Non-conforming loans are generally documented to the requirements of Fannie Mae and Freddie Mac, in that the borrower provides the same information on the loan application along with

> documentation to verify the accuracy of the information on the application such as income, assets, other liabilities, etc. Certain non-conforming stated income or stated asset products allow for less verification documentation than Fannie Mae or Freddie Mac require. Certain non-conforming Alt-A products also allow for less verification documentation than Fannie Mae or Freddie Mac require. . . . Alt-A products with less verification documentation generally have other compensating factors such as higher credit score or lower loan-to-value requirements.

78. For Paul Financial, the Prospectus Supplement stated:

> Paul Financial's underwriting standards are applied by or on behalf of Paul Financial to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral. Except under the No Income programs, a prospective borrower must generally demonstrate that the ratio of the borrower's monthly housing expenses (including interest on the proposed mortgage loan and, as applicable, the related monthly portion of property taxes, hazard insurance and mortgage insurance) to the borrower's monthly gross income and the ratio of total monthly debt to the monthly gross income (the "debt-to-income" ratios) are within acceptable limits.

B. Greenwich's Disregard of Underwriting Standards to Generate a Large Volume of Loans for Securitization and Sale to Investors

79. The securitization process incentivized Greenwich to disregard underwriting standards so that it could purchase huge volumes of low-quality loans to securitize.

80. As the private residential mortgage-backed securities market expanded, the traditional "originate to hold" model morphed into the "originate to distribute" model. Under the "originate to distribute" model, mortgage companies, such as the Greenwich Defendants, no longer held the mortgage loans to maturity. Rather, they purported to shift the risk of loss to the investors who purchased an interest in the securitized pool of loans.

81. The new distribution model was highly profitable for the Greenwich Defendants and other mortgage companies. By securitizing and selling mortgage loans to investors through underwriters, mortgage companies received immediate payment for the loans, shifted the loans

off their books, and were able to purchase more loans for securitization. The securitization process enabled the mortgage companies to earn most of their income from transaction and loan-servicing fees. Because the mortgage companies were seeking to transfer the risk of loss, they had an unchecked incentive to purchase more and more loans to feed into the securitization machine.

82. The Attorney General for the Commonwealth of Massachusetts explained this unchecked incentive in her investigation into the subprime mortgage industry:

> Historically, the vast majority of home mortgages were written by banks which held the loans in their own portfolios, knew their borrowers, and earned profit by writing good loans and collecting interest over many years. Those banks had to live with their "bad paper" and thus had a strong incentive to avoid making bad loans. In recent years, however, the mortgage market has been driven and funded by the sale and securitization of the vast majority of loans. Lenders now frequently make mortgage loans with the intention to promptly sell the loan and mortgage to one or more entities. . . . The lenders' incentives thus changed from writing good loans to writing a huge volume of loans to re-sell, extracting their profit at the front end, with considerably less regard to the ultimate performance of the loans.

83. To take advantage of the exploding market for residential mortgage-backed securities, the Greenwich Defendants disregarded underwriting guidelines and failed to conduct adequate due diligence so that they could purchase as many loans as possible for securitization.

84. The Greenwich Defendants conducted due diligence on an expedited basis, with a very small percentage of the loan pool receiving any review. The Greenwich Defendants hired outside firms to review an originator's compliance with underwriting guidelines, and then conducted limited oversight of these subcontractors' activities. Although the subcontractors provided reports of loans that did not comply with underwriting guidelines, the Greenwich Defendants routinely overrode exclusion of those loans from purchase and securitization.

Instead, the Greenwich Defendants used non-conforming loans as a means to negotiate a lower price for the loans.

85. Unbeknownst to MassMutual, the Greenwich Defendants purchased loans that had been issued to borrowers, regardless of their ability to pay. The loans were often issued on the basis of overstated incomes, inflated appraisals, false verifications of employment, or exceptions to underwriting criteria that had no proper justification. The origination practices engaged in by the Greenwich Defendants and the originators from which they purchased were in blatant disregard of disclosed underwriting standards, and any semblance of reasonable and prudent underwriting.

C. Widespread Defaults That Confirm the Greenwich Defendants' Disregard and Abandonment of Underwriting Standards

86. Even though the Certificates purchased by MassMutual were supposed to be long-term, stable investments, just years after their issuance, a substantially high percentage of the mortgage loans backing the Certificates have defaulted, have been foreclosed upon, or are delinquent, resulting in massive losses to the Certificateholders, including MassMutual. The following table contains the most recent performance data available for the loan pools:

Transaction	Number of Loans in Pool at Closing	Current Number of Loans in Pool	Number of Loans Liquidated or Foreclosed Upon	Number of Loans in Default or Delinquent	% of Loans Liquidated, Foreclosed Upon, in Default or Delinquent
DSLA 2005-AR3	2822	439	430	30	16.35%
DSLA 2005-AR6	2539	511	594	30	24.58%
HarborView 2005-8	7098	1264	998	564	22.01%
HarborView 2005-13	3083	599	446	220	21.60%
HarborView 2006-4	5474	1227	1372	563	35.35%
Soundview 2006-WF1	4340	1444	1399	162	35.97%
HarborView 2006-SB1	935	313	255	25	29.95%
RBSGC 2007-A	1921	995	384	89	24.62%
RBSGC 2007-B	2163	1255	310	69	17.52%
HarborView 2007-2	3174	1159	1485	110	50.25%

87. Many of MassMutual's investments initially received the highest possible Standard & Poor's rating—AAA—which has historically represented an expected loss rate of less than .05%. This is the same rating typically given to bonds backed by the full faith and credit of the United States government, such as treasury bills. According to S&P's whitepaper, "Understanding Standard & Poor's Rating Definitions," a AAA rating represents an "extremely strong capacity to meet its financial commitments."

88. Because of the high delinquency and default rates, among other things, however, all Certificates have since been downgraded (many have been significantly downgraded), as can be seen in the following table:

Certificate	Original S&P Rating	Current S&P Rating	Original Moody's Rating	Current Moody's Rating
DSLA 2005-AR3 2A1A	AAA	AA+	Aaa	B3
DSLA 2005-AR6 2A1A	AAA	AA	Aaa	B2
HarborView 2005-8 1A2A	AAA	BBB+	Aaa	Caa3
HarborView 2005-13 2A11	AAA	B-	Aaa	Caa3
HarborView 2006-4 2A1A	AAA	CCC	Aaa	Caa3
Soundview 2006-WF1 M6	A-	No Longer Rated[1]	A3	No Longer Rated
Soundview 2006-WF1 M8	BBB	No Longer Rated	Baa2	No Longer Rated
HarborView 2006-SB1 M6	BBB	No Longer Rated	Baa2	No Longer Rated
RBSGC 2007-A B1	AA	D	Aa2	C
RBSGC 2007-B 1B1	AA	D	Aa2	C
HarborView 2007-2 2A1A	AAA	B	Aaa	Caa3

89. The poor performance of the loan pools and the rapidly dropping credit ratings of the Certificates have caused a massive decline in the market values of the Certificates. According to the most recent data, the Certificates should be worth approximately $106 million, but their market value is substantially lower – approximately $54 million.

90. The economic downturn cannot explain the abnormally high percentage of defaults, foreclosures, and delinquencies observed in the loan pools. Loan pools that were properly underwritten and contained loans with the represented characteristics would have

[1] Each bond indicated "No Longer Rated" has been entirely written off due to losses.

experienced substantially fewer payment problems and substantially lower percentages of defaults, foreclosures, and delinquencies.

V. MISREPRESENTATIONS ABOUT APPRAISALS AND LOAN-TO-VALUE RATIOS REVEALED BY A FORENSIC REVIEW OF THE MORTGAGE LOANS

A. Appraisal and LTV Testing

91. MassMutual commissioned a forensic review of the mortgage loans underlying the Certificates to determine whether the characteristics of the mortgage loans, as represented in the Offering Materials, were accurate.

92. As part of the forensic review, data relating to the collateral loans underlying each of the securitizations was gathered from multiple public sources, including assessor, DMV, credit, and tax records, as well as proprietary sources such as loan servicing, securitization, and mortgage application records. The data relating to individual mortgage loans was then compared to the representations made in the Offering Materials.

93. The forensic review tested the appraised values and loan-to-value ratio ("LTV") of each property, as represented in the Offering Materials, through an industry-standard automated valuation model ("AVM").

94. The LTV is the ratio of a mortgage loan's original principal balance to the appraised value of the mortgaged property. This ratio was material to MassMutual and other investors because higher ratios are correlated with a higher risk of default. A borrower with a small equity position in a property has less to lose if he or she defaults on the loan. There is also a greater likelihood that a foreclosure will result in a loss for the lender if the borrower fully leveraged the property. LTV is a common metric for analysts and investors to evaluate the price and risk of mortgage-backed securities.

95. For each of the loans reviewed, the underlying property was valued by an industry-standard AVM. AVMs are routinely used in the industry as a way of valuing properties during prequalification, origination, portfolio review, and servicing. AVMs have become ubiquitous enough that their testing and use is specifically outlined in regulatory guidance and discussed in the Dodd-Frank Act. AVMs rely upon similar data as in-person appraisals—primarily county assessor records, tax rolls, and data on comparable properties. AVMs produce independent, statistically-derived valuation estimates by applying modeling techniques to this data. The AVM that MassMutual used incorporates a database of 500 million mortgage transactions covering ZIP codes that represent more than 97% of the homes, occupied by more than 99% of the population, in the United States. Independent testing services have determined that this AVM is the most accurate of all such models.

96. For purposes of MassMutual's forensic review, a retrospective AVM was conducted for each loan to calculate the value of the underlying property at the time each loan was originated. The inputs for each calculation included, *inter alia*, (1) any subsequent sale prices of the target property, (2) sale prices and appraisals of comparable properties in the neighborhood, and (3) changes in home price indices over time.

97. Applying the AVM results to the available data for the loans underlying the Certificates shows that the appraised values given to the properties were often significantly higher than what the properties were actually worth. This affected the LTV ratios by decreasing the actual value of the properties relative to the loan amounts, which increased the overall ratios. This overvaluation affected numerous statistics in the Offering Materials, as described in detail for each transaction in the next section (Section V.B).

B. Specific Misrepresentations in the Offering Materials.

(1) DSLA Mortgage Loan Trust Series 2005-AR3

98. The Prospectus Supplement for the DSLA Series 2005-AR3 securitization represented that the weighted average LTV ratio of the mortgage loans was 71.62%. It also represented that none of the loans would have an LTV above 90%.

99. Additionally, the Offering Materials represented that Downey, which originated the mortgage loans, obtained appraisals in conformity with the Uniform Standards of Professional Appraisal Practices. The Prospectus Supplement for the Series 2005-AR3 securitization represented as follows:

> Under each program, Downey obtains appraisals using staff appraisers, automated valuation models, independent appraisers or appraisal services for properties that are to secure mortgage loans. The appraisal report includes a market data analysis based on recent sales and/or listings of comparable homes in the area; a replacement cost analysis based on the current cost of constructing a similar home. All appraisals are required to conform to Uniform Standards of Professional Appraisal Practices. These are the standards accepted by Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

100. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

101. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's

forensic review revealed that these representations were false. The true LTV ratios for the totality of the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	71.62%	75.00%
Percentage of Collateral Loans with LTV of Greater than 90%	0% (0 loans)[2]	8.75% (221 loans)

102. In total, 21% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 15% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

103. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

[2] The percentages shown are based on the initial principal balances of the loans.

(2) DSLA Mortgage Loan Trust Series 2005-AR6

104. The Prospectus Supplement for the DSLA Series 2005-AR6 securitization represented that the weighted average LTV ratio of the mortgage loans was 73.63%. It also represented that only 38 mortgage loans would have an LTV above 90%, which was 1.44% of the collateral pool.

105. Additionally, the Offering Materials represented that Downey, which originated the mortgage loans, obtained appraisals in conformity with the Uniform Standards of Professional Appraisal Practices. The Prospectus Supplement for the Series 2005-AR6 securitization represented as follows:

> Under each program, Downey obtains appraisals using staff appraisers, automated valuation models, independent appraisers or appraisal services for properties that are to secure mortgage loans. The appraisal report includes a market data analysis based on recent sales and/or listings of comparable homes in the area; a replacement cost analysis based on the current cost of constructing a similar home. All appraisals are required to conform to Uniform Standards of Professional Appraisal Practices. These are the standards accepted by Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

106. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

107. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's

forensic review revealed that these representations were false. The true LTV ratios for the totality of the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	73.63%	78.20%
Percentage of Collateral Loans with LTV of Greater than 90%	1.44% (38 loans)	13.85% (320 loans)

108. In total, 26% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 20% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

109. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

(3) HarborView Mortgage Loan Trust Series 2005-8

110. The Prospectus Supplement for the HarborView Series 2005-8 securitization represented that the weighted average LTV ratio of the mortgage loans was 77.54% with respect to Group 1-A1 mortgage loans, 75.29% with respect to Group 1-A2 mortgage loans, 77.21% with respect to Group 2-A1 mortgage loans, and 74.12% with respect to Group 2-A2 mortgage loans. It also represented that only 142 Group 1-A1 mortgage loans, 34 Group 1-A2 mortgage loans, 116 Group 2-A1 mortgage loans, and 10 Group 2-A2 mortgage loans would have an LTV above 90%, which was 6.52%, 1.88%, 4.79%, and 0.59% of the Group 1-A1, Group 1-A2, Group 2-A1, and Group 2-A2 collateral pool, respectively.

111. Additionally, the Offering Materials represented that independent appraisals were obtained for certain of the mortgage loans. The Prospectus Supplement for the HarborView Series 2005-8 securitization represented as follows:

> Except with respect to mortgage loans originated pursuant to its Streamlined Documentation Program, Countrywide obtains appraisals from independent appraisers or appraisal services for properties that are to secure mortgage loans. The appraisers inspect and appraise the proposed mortgaged property and verify that the property is in acceptable condition. Following each appraisal, the appraiser prepares a report which includes a market data analysis based on recent sales of comparable homes in the area and, when deemed appropriate, a replacement cost analysis based on the current cost of constructing a similar home. All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect.

112. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed,

as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

113. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's forensic review revealed that these representations were false. The true LTV ratios for the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	77.54% (Group 1-A1) 75.29% (Group 1-A2) 77.21% (Group 2-A1) 74.12% (Group 2-A2)	83.64% (Group 1-A1) 85.28% (Group 1-A2) 82.31% (Group 2-A1) 82.89% (Group 2-A2)
Percentage of Collateral Loans with LTV of Greater than 90%	6.52% (142 loans) (Group 1-A1)	23.59% (511 loans) (Group 1-A1)
	1.88% (34 loans) (Group 1-A2)	24.64% (334 loans) (Group 1-A2)
	4.79% (116 loans) (Group 2-A1)	19.16% (451 loans) (Group 2-A1)
	0.59% (10 loans) (Group 2-A2)	16.17% (197 loans) (Group 2-A2)

114. In total, 35% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 27% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate

appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

115. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

(4) HarborView Mortgage Loan Trust Series 2005-13

116. The Prospectus Supplement for the HarborView Series 2005-13 securitization represented that the weighted average LTV ratio of the mortgage loans was 77.60%. It also represented that only 173 mortgage loans would have an LTV above 90%, which was 5.21% of the collateral pool.

117. Additionally, the Offering Materials represented that independent appraisals were obtained for the mortgage loans. The Prospectus Supplement for the HarborView Series 2005-13 represented as follows:

> Countrywide obtains appraisals from independent appraisers or appraisal services for properties that are to secure mortgage loans. The appraisers inspect and appraise the proposed mortgaged property and verify that the property is in acceptable condition. Following each appraisal, the appraiser prepares a report which includes a market data analysis based on recent sales of comparable homes in the area and, when deemed appropriate, a replacement cost analysis based on the current cost of constructing a similar home. All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect.

118. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

119. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's forensic review revealed that these representations were false. The true LTV ratios for the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	77.60%	86.35%
Percentage of Collateral Loans with LTV of Greater than 90%	5.21% (173 loans)	18.04% (561 loans)

120. In total, 41% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 34% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

121. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

(5) HarborView Mortgage Loan Trust Series 2006-4

122. The Prospectus Supplement for the HarborView Series 2006-4 securitization represented that the weighted average LTV ratio of the mortgage loans was 75.94%. It also represented that only 580 mortgage loans would have an LTV above 90%, which was 8.12% of the collateral pool.

123. Additionally, the Offering Materials represented that independent appraisals were obtained for certain of the mortgage loans. The Prospectus Supplement for the HarborView Series 2006-4 securitization represented as follows:

> Except with respect to the mortgage loans originated pursuant to its Streamlined Documentation Program, whose values were confirmed with a Fannie Mae proprietary automated valuation model, Countrywide Home Loans obtains appraisals from independent appraisers or appraisal services for properties that are to secure mortgage loans. The appraisers inspect and appraise the proposed mortgaged property and verify that the property is in acceptable condition. Following each appraisal, the appraiser prepares a report which includes a market data analysis based on recent sales of comparable homes in the area and, when deemed appropriate, a replacement cost analysis based on the current cost of constructing a similar home. All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect.

124. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

125. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's forensic review revealed that these representations were false. The true LTV ratios for the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	75.94%	87.87%
Percentage of Collateral Loans with LTV of Greater than 90%	8.12% (580 loans)	24.04% (1,315 loans)

126. In total, 46% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 35% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

127. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

(6) Soundview Home Loan Trust Series 2006-WF1

128. The Prospectus Supplement for the Soundview Series 2006-WF1 securitization represented that the weighted average LTV ratio of the mortgage loans was 82.74%. It also represented that only 2,127 mortgage loans would have an LTV above 90%, which was 45.70% of the collateral pool.

129. Additionally, the Offering Materials represented that separate appraisals for the mortgage loans were obtained and verified. The Prospectus Supplement for the Soundview Series 2006-WF1 securitization represented as follows:

> In addition, Wells Fargo's underwriting of every Mortgage Loan submitted consists of a separate appraisal conducted by (i) a third-party appraiser, (ii) an appraiser approved by RELS [Valuation], or (iii) RELS itself. Appraisals generally conform to current Fannie Mae and Freddie Mac secondary market requirements for residential property appraisals. All appraisals are subject to an internal appraisal review by the loan underwriter irrespective of the loan-to-value ratio, the amount of the Mortgage Loan or the identity of the appraiser. Certain loans require a third-party review in the form of either a desk review or field review. At the discretion of Wells Fargo, each Mortgage Loan is subject to further review in the form of a desk review, field review or additional full appraisal.

130. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

131. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's forensic review revealed that these representations were false. The true LTV ratios for the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	82.74%	93.10%

132. In total, 42% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 37% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

133. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to

verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

(7) HarborView Mortgage Loan Trust Series 2006-SB1

134. The Prospectus Supplement for the HarborView Series 2006-SB1 securitization represented that the weighted average LTV ratio of the mortgage loans was 72.22%. It also represented that only 11 mortgage loans would have an LTV above 90%, which was 0.94% of the collateral pool.

135. Additionally, the Offering Materials represented that independent appraisals were obtained for certain of the mortgage loans. The Prospectus Supplement for the HarborView Series 2006-SB1 securitization represented as follows:

> SBMC requires that the mortgage broker obtain at least one appraisal using an independent appraiser or appraisal service for properties that are to secure mortgage loans. The appraisal report includes a market data analysis based on recent sales and/or listings of comparable homes in the area and a replacement cost analysis based on the current cost of constructing a similar home. All appraisals are required to conform to Uniform Standards of Professional Appraisal Practices. If an SBMC underwriter is not satisfied with the appraisal provided by the mortgage broker, the underwriter may order another independent assessment of the property. The additional assessment may take the form of a full new appraisal, field review appraisal, or a desk review appraisal to verify that the appraised value is reasonable.

136. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market

> value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

137. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's forensic review revealed that these representations were false. The true LTV ratios for the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	72.22%	81.49%
Percentage of Collateral Loans with LTV of Greater than 90%	0.94% (11 loans)	19.75% (167 loans)

138. In total, 41% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 33% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

139. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to

verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

(8) RBSGC Mortgage Loan Trust Series 2007-A

140. The Prospectus Supplement for the RBSGC Series 2007-A securitization represented that the weighted average LTV ratio of the mortgage loans was 73.38%. It also represented that only 199 mortgage loans would have an LTV above 90%, which was 7.17% of the collateral pool.

141. Additionally, the Offering Materials represented that separate appraisals for the mortgage loans were obtained and verified. The Prospectus Supplement for the RBSGC Series 2007-A securitization represented as follows:

> In addition, Wells Fargo Bank's underwriting of every Mortgage Loan submitted consists of a separate appraisal conducted by (i) a third-party appraiser, (ii) an appraiser approved by RELS [Valuation], or (iii) RELS itself. Appraisals generally conform to current Fannie Mae and Freddie Mac secondary market requirements for residential property appraisals. All appraisals are subject to an internal appraisal review by the loan underwriter irrespective of the loan-to-value ratio, the amount of the Mortgage Loan or the identity of the appraiser. Certain loans require a third-party review in the form of either a desk review or field review. At the discretion of Wells Fargo Bank, each Mortgage Loan is subject to further review in the form of a desk review, field review or additional full appraisal.

142. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market

> value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

143. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's forensic review revealed that these representations were false. The true LTV ratios for the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	73.38%	83.37%
Percentage of Collateral Loans with LTV of Greater than 90%	7.17% (199 loans)	19.27% (342 loans)

144. In total, 43% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 32% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

145. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to

verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

(9) RBSGC Mortgage Loan Trust Series 2007-B

146. The Prospectus Supplement for the RBSGC Series 2007-B securitization represented that the weighted average LTV ratio of the mortgage loans was 72.35% with respect to Pool 1 mortgage loans and 63.65% with respect to Pool 2 mortgage loans. It also represented that only 246 Pool 1 mortgage loans and 8 Pool 2 mortgage loans would have an LTV above 90%, which was 7.47% and 2.33% of the Pool 1 and Pool 2 collateral pool, respectively.

147. Additionally, the Offering Materials represented that separate appraisals for the mortgage loans were obtained and verified. The Prospectus Supplement for the RBSGC Series 2007-B securitization represented as follows:

> In addition, Wells Fargo Bank's underwriting of every Mortgage Loan submitted consists of a separate appraisal conducted by (i) a third-party appraiser, (ii) an appraiser approved by RELS [Valuation], or (iii) RELS itself. Appraisals generally conform to current Fannie Mae and Freddie Mac secondary market requirements for residential property appraisals. All appraisals are subject to an internal appraisal review by the loan underwriter irrespective of the loan-to-value ratio, the amount of the Mortgage Loan or the identity of the appraiser. Certain loans require a third-party review in the form of either a desk review or field review. At the discretion of Wells Fargo Bank, each Mortgage Loan is subject to further review in the form of a desk review, field review or additional full appraisal.

148. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and

> verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

149. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's forensic review revealed that these representations were false. The true LTV ratios for the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	72.35% (Pool 1) 63.65% (Pool 2)	80.96% (Pool 1) 84.10% (Pool 2)
Percentage of Collateral Loans with LTV of Greater than 90%	7.47% (246 loans) (Pool 1) 2.33% (8 loans) (Pool 2)	16.88% (309 loans) (Pool 1) 18.14% (21 loans) (Pool 2)

150. In total, 40% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 29% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

151. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

(10) HarborView Mortgage Loan Trust Series 2007-2

152. The Prospectus Supplement for the HarborView Series 2007-2 securitization represented that the weighted average LTV ratio of the mortgage loans was 76.41%. It also represented that only 157 mortgage loans would have an LTV above 90%, which was 4.59% of the collateral pool.

153. The Offering Materials also represented that American Home, one of the loan originators for the securitization, obtained appraisals conducted in accordance with the Uniform Standards of Professional Appraisal Practice that were later reviewed for accuracy and consistency. The Prospectus Supplement for the HarborView Series 2007-2 securitization represented as follows:

> Every mortgage loan is secured by a property that has been appraised by a licensed appraiser in accordance with the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. The appraisers perform on-site inspections of the property and report on the neighborhood and property condition in factual and specific terms. Each appraisal contains an opinion of value that represents the appraiser's professional conclusion based on market data of sales of comparable properties and a logical analysis with adjustments for differences between the comparable sales and the subject property and the appraiser's judgment. In addition, each appraisal is reviewed for accuracy and consistency by American Home's vendor management company or an

> underwriter of American Home or a mortgage insurance company contract underwriter.

154. Additionally, the Prospectus Supplement represented that Paul Financial, another loan originator for the securitization, obtained independent appraisals:

> Paul Financial obtains appraisals from independent appraisers or appraisal services for properties that are to secure mortgage loans. The appraisers inspect and appraise the proposed mortgaged property and verify that the property is in acceptable condition. Following each appraisal, the appraiser prepares a report which includes a market data analysis based on recent sales of comparable homes in the area and, when deemed appropriate, a replacement cost analysis based on the current cost of constructing a similar home. All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect.

155. The Prospectus also stated:

> In determining the adequacy of the mortgaged property as collateral, an appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good repair and that construction, if new, has been completed. The appraisal generally is based on the market value of comparable homes, the estimated rental income (if considered applicable by the appraiser) and the cost of replacing the subject home. . . . [T]he value of the property being financed, as indicated by the appraisal, must be such that it currently supports, and is anticipated to support in the future, the outstanding loan balance.

156. These representations regarding appraisals were material to MassMutual and other investors because they signaled the reliability of the LTV ratios discussed above. MassMutual's forensic review revealed that these representations were false. The true LTV ratios for the collateral loans were actually much higher than represented, as shown in the chart below:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Weighted Average LTV of the Collateral Loans	76.41%	90.42%
Percentage of Collateral Loans with LTV of Greater than 90%	4.59% (157 loans)	34.38% (1086 loans)

157. In total, 56% of the loans tested were shown to have appraisals that were inflated by 10% or more, and 48% of the loans tested had LTVs that were 10 or more percentage points more than was represented. These results not only demonstrate that the loan statistics in the Offering Materials were false, but also that the representations relating to appraisal practices were false. Independent appraisers following proper practices would not systematically generate appraisals that deviate so significantly (and so consistently upward) from the true values of the appraised properties.

158. The Greenwich Defendants had full access to the appraisal records and all data relating to the collateral loans, along with an affirmative obligation to conduct due diligence to verify the accuracy of the LTV and appraisal representations. Based on these defendants' involvement in securitizing the loans and conducting due diligence, they knew that the estimations of the properties' values bore no reasonable relationship to the actual data and characteristics of the properties. They therefore knew that the estimations of the properties' values were unreasonable, inaccurate, and not justified.

VI. MISREPRESENTATIONS ABOUT OWNER-OCCUPANCY STATISTICS REVEALED BY A FORENSIC REVIEW OF THE MORTGAGE LOANS

A. Owner-Occupancy Testing

159. The forensic review commissioned by MassMutual also tested the accuracy of the representations of owner-occupancy in the Offering Materials.

160. Owner-occupancy statistics were material to MassMutual and other investors because high owner-occupancy rates would have made the Certificates safer investments than Certificates backed by second homes or investment properties. Homeowners who reside in mortgaged properties are less likely to default than owners who purchase homes as investments or second homes and live elsewhere.

161. MassMutual's forensic review tested the accuracy of the representations of owner-occupancy in the Offering Materials. To determine whether a given borrower actually occupied the property as claimed, MassMutual investigated tax information for the loans. One would expect that a borrower residing at a property would have the tax bills sent to that address, and would take applicable tax exemptions available to residents of that property. If a borrower had his or her tax records sent to another address, that is evidence that the borrower was not actually residing at the mortgaged property. If a borrower declined to make certain tax exemption elections that depend on the borrower living at the property, that also is evidence the borrower was living elsewhere. MassMutual also reviewed: (1) borrower credit records, because one would expect that people have bills sent to their primary address. If a borrower was telling creditors to send bills to another address, even six months after buying the property, that is evidence the borrower was living elsewhere; (2) property records, because it is unlikely that a borrower lives in any one property if in fact that borrower owns multiple properties. It is even more unlikely that the borrower resides at the mortgaged property if a concurrently-owned

separate property did not have its own tax bills sent to the property included in the mortgage pool; and (3) records of other liens, because if the property was subject to additional liens but those materials were sent elsewhere, that is evidence the borrower was not living at the mortgaged property. If the other lien involved a conflicting declaration of residency, that too would be evidence that the borrower did not live in the subject property.

162. If a property fails more than one of the above tests, that is strong evidence the borrower did not in fact reside at the mortgaged property. As described more fully in the next section (Section VI.B), the results of MassMutual's loan-level analysis of true owner-occupancy rates on the mortgage loans underlying its Certificates show that, despite the prospectus representations, a much higher percentage of borrowers did not occupy the mortgaged properties than was represented.

B. <u>Specific Misrepresentations in the Offering Materials.</u>

(1) DSLA Mortgage Loan Trust Series 2005-AR3

163. The Offering Materials for the DSLA Series 2005-AR3 securitization represented that 2,610 of the mortgage loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 15.02% of the mortgage loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, as shown in the chart below, instead of 2,610 loans being owner occupied, as represented in the Offering Materials, only 2,218 were:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	2,610 loans (92.49%)[3]	2,218 loans (78.60%)

[3] The percentages shown are based on the total number of loans.

(2) DSLA Mortgage Loan Trust Series 2005-AR6

164. The Offering Materials for the DSLA Series 2005-AR6 securitization represented that 2,379 of the mortgage loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 15.30% of the mortgage loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, as shown in the chart below, instead of 2,379 of the loans being owner occupied, as represented in the Offering Materials, only 2,015 were:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	2,379 loans (93.40%)	2,015 loans (79.36%)

(3) HarborView Mortgage Loan Trust Series 2005-8

165. The Offering Materials for the HarborView Series 2005-8 securitization represented that 1,395 of the Group 1-A1 Mortgage Loans, 1,156 of the Group 1-A2 Mortgage Loans, 1,344 of the Group 2-A1 Mortgage Loans and 1,000 of the Group 2-A2 Mortgage Loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 16.79% of the Group 1-A1 Mortgage Loans , 20.52% of the Group 1-A2 Mortgage Loans, 14.67% of the Group 2-A1 Mortgage Loans and 18.47% of the Group 2-A2 Mortgage Loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, the number of mortgage loans that actually were owner occupied were much lower than represented, as shown in the following chart:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	1, 395 loans (64.43%) (Group 1-A1)	1,161 loans (53.63%) (Group 1-A1)
	1,156 loans (85.25%) (Group 1-A2)	919 loans (67.77%) (Group 1-A2)
	1,344 loans (57.04%) (Group 2-A1)	1,147 loans (48.68%) (Group 2-A1)
	1,000 loans (82.24%) (Group 2-A2)	815 loans (67.02%) (Group 2-A2)

(4) HarborView Mortgage Loan Trust Series 2005-13

166. The Offering Materials for the HarborView Series 2005-13 securitization represented that 1,848 of the mortgage loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 11.32% of the mortgage loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, as shown in the chart below, instead of 1,848 of the loans being owner occupied, as represented in the Offering Materials, only 1,639 were:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	1,848 loans (73.83%)	1,639 loans (65.48%)

(5) HarborView Mortgage Loan Trust Series 2006-4

167. The Offering Materials for the HarborView Series 2006-4 securitization represented that 4,200 of the mortgage loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 13.29% of the mortgage

loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, as shown in the chart below, instead of 4,200 of the loans being owner occupied, as represented in the Offering Materials, only 3,642 were:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	4,200 loans (76.78%)	3642 loans (66.58%)

(6) Soundview Home Loan Trust Series 2006-WF1

168. The Offering Materials for the Soundview Series 2006-WF1 securitization represented that 2,746 of the mortgage loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 14.78% of the mortgage loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, as shown in the chart below, instead of 2,746 of the loans being owner occupied, as represented in the Offering Materials, only 2,340 were:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	2,746 loans (63.29%)	2,340 loans (53.93%)

(7) HarborView Mortgage Loan Trust Series 2006-SB1

169. The Offering Materials for the HarborView Series 2006-SB1 securitization represented that 857 of the mortgage loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 12.95% of the mortgage loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, as shown

in the chart below, instead of 857 of the loans being owner occupied, as represented in the Offering Materials, only 746 were:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	857 loans (91.66%)	746 loans (79.79%)

(8) RBSGC Mortgage Loan Trust Series 2007-A

170. The Offering Materials for the RBSGC Series 2007-A securitization represented that 1,344 of the mortgage loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 14.29% of the mortgage loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, as shown in the chart below, instead of 1,334 of the loans being owner occupied, as represented in the Offering Materials, only 1,152 were:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	1,344 loans (69.96%)	1,152 loans (59.97%)

(9) RBSGC Mortgage Loan Trust Series 2007-B

171. The Offering Materials for the RBSGC Series 2007-B securitization represented that 1,159 of the Pool 1 Mortgage Loans and 61 of the Pool 2 Mortgage Loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 17.32% of the Pool 1 Mortgage Loans and 5.88% of the Pool 2 Mortgage Loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, the number of

mortgage loans that actually were owner occupied were much lower than represented, as shown in the following chart:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Number of Loans Covering Primary Residences	1,159 loans (63.30%) (Pool 1)	958 loans (52.32%) (Pool 1)
	61 loans (53.51%) (Pool 2)	57 loans (50.00%) (Pool 2)

(10) HarborView Mortgage Loan Trust Series 2007-2

172. The Offering Materials for the HarborView Series 2007-2 securitization represented that 2,077 of the mortgage loans were for primary residences, i.e., owner-occupied properties. In MassMutual's subsequent loan-level analysis, however, 12.74% of the mortgage loans reported to be owner-occupied failed multiple tests for owner occupancy. Thus, as shown in the chart below, instead of 2,077 of the loans being owner occupied, as represented in the Offering Materials, only 1,812 were:

	As Represented in the Offering Materials	Actual Values Per Forensic Review
Percentage of Loans Covering Primary Residences	2,077 loans (87.64%)	1,812 loans (76.46%)

VII. LIABILITY OF THE SPONSOR, DEPOSITORS, AND UNDERWRITER AS SELLERS OF SECURITIES TO MASSMUTUAL

173. The defendants that qualify as sellers of securities under the Massachusetts Uniform Securities Act are the Sponsor/Seller (Financial Products), Depositors (Acceptance and Financial Asset), and Underwriter (Capital Markets). Each of these is primarily liable for

misrepresentations in the Offering Materials under Massachusetts General Laws, Chapter 110A, Section 410(a)(2).

174. As the Sponsor and/or Seller for all 10 securitizations at issue, Financial Products acquired the mortgage loans that were pooled together in the securitizations, and then sold, transferred, or otherwise conveyed title to those loans to the Depositors. Financial Products had responsibility for preparing the Offering Materials that were used to solicit purchases of the Certificates, and was identified as the Sponsor and/or Seller on the Prospectuses and Prospectus Supplements. Financial Products profited from the sales of the Certificates.

175. As the Depositors for the securitizations at issue, Acceptance and Financial Asset purchased the mortgage loans from Financial Products. The Depositors then sold, transferred, or otherwise conveyed the mortgage loans to the Trusts, which held the loans as collateral for the Certificates. The Depositors had responsibility for preparing the Offering Materials that were used to solicit purchases of the Certificates, and were identified on the Prospectuses and Prospectus Supplements. In addition, the Depositors were responsible for registering the offerings with the Securities and Exchange Commission. The Depositors profited from the sales of the Certificates.

176. The Trusts issued the Certificates that were sold to investors, including MassMutual. The Trusts had no autonomy or assets of their own, but were mere agents of the Depositors created for the sole purposes of holding the pools of mortgage loans assembled by the Sponsor/Seller and Depositors and issuing the Certificates for sale to the investors.

177. The Sponsor/Seller and Depositors used Capital Markets as the Underwriter to market and sell the Certificates. The Underwriter was responsible for underwriting and managing the sale of Certificates, including screening the mortgage loans for compliance with

the appropriate underwriting guidelines. The Underwriter also profited from the sales of the Certificates.

178. The Sponsor/Seller, Depositors, and Underwriter successfully solicited MassMutual's purchase of the Certificates at issue. The Underwriter transferred title in the Certificates to MassMutual.

VIII. LIABILITY OF THE REMAINING DEFENDANTS AS CONTROL PERSONS

Joseph N. Walsh III

179. As Head of Mortgage and Asset-Backed Trading, Origination and Finance of Capital Markets, Walsh was involved in the day-to-day financial affairs of this primary violator. As the President, a Managing Director, and a Director of the Depositors, Walsh was also involved in the day-to-day affairs of these primary violators. Walsh had control over the securitizations at issue, as evidenced by his signature on the registration statements for all the securitizations at issue.

Robert J. McGinnis

180. As a Managing Director and the Head of Asset-Backed Finance and Trading at Capital Markets, McGinnis was involved in the day-to-day financial affairs of this primary violator. As the President, a Managing Director, and a Director of the Depositors, McGinnis was also involved in the day-to-day affairs of these primary violators. McGinnis had control over the securitizations at issue, as evidenced by his signature on the registration statements for all the securitizations at issue.

Carol P. Mathis

181. As a Managing Director and the Chief Financial Officer of Capital Markets, Mathis was involved in the day-to-day financial affairs of this primary violator. As Chief Financial Officer and a Managing Director of the Depositors, Mathis was also involved in the

day-to-day affairs these primary violators. Mathis had control over the securitizations at issue, as evidenced by her signature on the registration statements for all the securitizations at issue.

John C. Anderson

182. As head of RBS's United States structured finance and principal investment businesses, Anderson led the Greenwich Defendants' securitization strategy. As a Managing Director and Director of the Depositors, Anderson was also involved in the day-to-day affairs of these primary violators. Anderson had control over the securitizations at issue, as evidenced by his signature on the registration statements for all the securitizations at issue.

James M. Esposito

183. As Deputy General Counsel and a Managing Director of Capital Markets, Esposito was involved in the day-to-day affairs of this primary violator. As the General Counsel and Secretary and a Managing Director and Director of the Depositors, Esposito was also involved in the day-to-day affairs of these primary violators. Esposito had control over the securitizations at issue, as evidenced by his signature on the registration statements for all the securitizations at issue.

FIRST CAUSE OF ACTION
(Primary Violations of the Massachusetts Uniform Securities Act)

184. MassMutual incorporates by reference and realleges each and every allegation as set forth above in paragraphs 1 through 183 as if fully set forth herein.

185. Under Massachusetts General Laws, Chapter 110A, Section 410(a)(2), any person who "offers or sells a security by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading," is liable to the purchaser of the security.

186. The Sponsor and/or Seller (Financial Products), Depositors (Acceptance and Financial Asset), and Underwriter (Capital Markets) qualify as sellers of the Certificates because they issued, marketed, and/or sold the Certificates to the public for their own financial benefit.

187. The Sponsor/Seller, Depositors, and Underwriter offered to sell and sold the Certificates to MassMutual in the State of Massachusetts.

188. The Sponsor/Seller, Depositors, and Underwriter offered and sold the Certificates to MassMutual by means of false and misleading statements of material fact and omissions of material facts necessary to make the statements made not misleading.

189. As set forth in more detail in paragraphs 37 to 172 above, the public statements of the Sponsor/Seller, Depositors, and Underwriter in the Offering Materials were materially false and misleading because, among other things, they misrepresented the underwriting standards applicable to the mortgage loans backing the Certificates, misrepresented the LTV and appraisal information for the loans, and misrepresented the owner-occupancy information for the loans.

190. MassMutual did not know, and in the exercise of due diligence could not have known, of the untruths and omissions.

191. MassMutual will elect its remedy before the entry of judgment. For each Certificate, MassMutual will seek statutory damages, including interest, or will make or arrange a tender before entry of judgment.

SECOND CAUSE OF ACTION
(Joint and Several Liability Under the Massachusetts Uniform Securities Act)

192. MassMutual incorporates by reference and realleges each and every allegation as set forth above in paragraphs 1 through 191 as if fully set forth herein.

193. Under Massachusetts General Laws, Chapter 110A, Section 410(b), "[e]very person who directly or indirectly controls a seller liable under subsection (a), every partner,

officer, or director of such a seller, [and] every person occupying a similar status or performing similar functions" is liable jointly and severally with and to the same extent as the seller.

194. As set forth above, the Sponsor and/or Seller (Financial Products), Depositors (Acceptance and Financial Asset), and Underwriter (Capital Markets) are liable as sellers under subsection (a).

195. Defendant Joseph N. Walsh III is jointly and severally liable to the same extent as the primary violators because he was an officer and director of one or more primary violators and controlled their operations, including the securitizations at issue.

196. Defendant Robert J. McGinnis is jointly and severally liable to the same extent as the primary violators because he was an officer and director of one or more primary violators and controlled their operations, including the securitizations at issue.

197. Defendant Carol P. Mathis is jointly and severally liable to the same extent as the primary violators because she was an officer of one or more primary violators and controlled their operations, including the securitizations at issue.

198. Defendant John C. Anderson is jointly and severally liable to the same extent as the primary violators because he was an officer and director of one or more primary violators and controlled their operations, including the securitizations at issue.

199. Defendant James M. Esposito is jointly and severally liable to the same extent as the primary violators because he was an officer and director of one or more primary violators and controlled their operations, including the securitizations at issue.

PRAYER FOR RELIEF

WHEREFORE MassMutual prays for relief as follows:

1. On the first cause of action, for primary violations of the Massachusetts Uniform Securities Act, relief in the form of damages and/or statutory recovery upon tender;

2. On the second cause of action, for joint and several liability under the Massachusetts Uniform Securities Act, relief in the form of damages and/or statutory recovery upon tender; and

3. Such other and further relief as the Court may deem just and proper.

JURY TRIAL DEMANDED

Pursuant to Federal Rule of Civil Procedure 38(b), MassMutual hereby demands a trial by jury on all issues triable by jury.

DATED: February 24, 2011

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