



STATE OF NEW YORK
OFFICE OF THE ATTORNEY GENERAL

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DIVISION OF ECONOMIC JUSTICE
INVESTOR PROTECTION BUREAU

April 10, 2012

BY HAND DELIVERY AND ELECTRONIC FILING

Hon. Barbara R. Kapnick
Supreme Court of the State of New York
60 Centre Street, Room 555
New York, NY 10007

Re: *In the Application of The Bank of New York Mellon, et al.*
(Index No. 651786/2011, Kapnick, J.)

Dear Justice Kapnick,

I write to request that this Court grant the Attorney General's motion to intervene, based on an amended proposed pleading in intervention. The amended proposed pleading in intervention deletes the affirmative counter-claims that were included in the previous pleading in intervention and relies solely on the Attorney General's objections to the proposed settlement.

The Attorney General originally moved to intervene in this matter in August last year. When the case was removed to federal district court, this Court held that the motion was moot. The federal district court granted the Attorney General's motion to intervene on November 18, 2011. *See In the Matter of the Application of The Bank of New York Mellon v. Walnut Place LLC*, 1:11-cv-05988-WHP (S.D.N.Y. Nov. 18, 2011) ("Pauley Decision"). On February 27, 2012, the Second Circuit Court of Appeals remanded the case to this Court.

Despite negotiations, we have been unable to secure consent to the Attorney General's intervention as an objector on terms satisfactory to all parties. Because the parties (including other intervenors) have already begun to brief questions critical to the interests of the Attorney General and the People of the State of New York, we request that this Court grant the Attorney General permission to intervene so that the Office may participate fully in the resolution of those questions.

Attached to this letter for the Court's convenience are the following:

1. NYAG's motion papers in support of its motion to intervene, filed August 4, 2011;
2. BNYM's memorandum in opposition to NYAG's motion to intervene;
3. The Institutional Investors' memorandum in opposition to NYAG's motion to intervene;
4. NYAG's reply brief in further support of its motion to intervene, filed in federal court after the removal;
5. The Court's October 31, 2011 Order finding NYAG's motion to intervene moot;
6. The Pauley Decision; and
7. The Amended Verified Pleading in Intervention.

Respectfully submitted,



Thomas Teige Carroll
Deputy Bureau Chief
Investor Protection Bureau

Enclosures

cc All counsel of record