

UNITED STATES JUDICIAL PANEL
on
MULTIDISTRICT LITIGATION

IN RE: COUNTRYWIDE FINANCIAL CORP.
MORTGAGE-BACKED SECURITIES LITIGATION

Federal Deposit Insurance Corp. as Receiver for Strategic Capital)		
Bank v. J.P. Morgan Securities L.L.C., et al.,)		MDL No. 2265
S.D. New York, C.A. No. 1:12-4001)		

TRANSFER ORDER

Before the Panel: Pursuant to Panel Rule 7.1, plaintiff Federal Deposit Insurance Corp. (FDIC) as Receiver for Strategic Capital Bank (Strategic Capital), moves to vacate our order that conditionally transferred its action to MDL No. 2265. Responding defendants¹ oppose the motion and favor inclusion of this action in MDL No. 2265.

After considering all argument of counsel, we find this action involves common questions of fact with the actions previously transferred to MDL No. 2265, and that transfer will serve the convenience of the parties and witnesses and promote the just and efficient conduct of the litigation. Moreover, transfer is warranted for reasons set out in our order directing centralization. In that order, we held that the Central District of California was an appropriate Section 1407 forum for actions sharing factual questions arising from allegations that Countrywide and affiliated defendants misrepresented to investors in Countrywide mortgage-backed securities (MBS) origination practices for, and the credit quality of, the mortgage loans Countrywide originated from 2004 to 2007. *See In re: Countrywide Fin. Corp. Mortgage-Backed Sec. Litig.*, 812 F. Supp. 2d 1380 (J.P.M.L. 2011). Plaintiff alleges that Strategic Capital purchased Countrywide mortgage-backed securities, and thus this action shares questions of fact with the actions in MDL No. 2265.

In opposition to inclusion of this action in MDL No. 2265, plaintiff FDIC repeats arguments the Panel rejected in denying FDIC's motions to vacate conditional transfer of four other actions to MDL No. 2265.² Inclusion of all *Strategic Capital* Countrywide MBS claims ensures that a single judge presides over these Countrywide MBS actions, providing consistency, preventing conflicting rulings, and greatly reducing the duplicative expenditure of judicial and party resources.

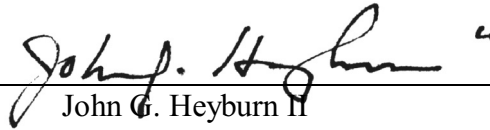
¹ Banc of America Securities L.L.C., Citigroup Global Markets Inc., Deutsche Bank Securities Inc., and J.P. Morgan Securities L.L.C.

² *See* MDL No. 2265, Transfer Order, Aug. 3, 2012; MDL No. 2265, Transfer Order, Apr. 16, 2012; MDL No. 2265, Transfer Order, Dec. 14, 2011.

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IT IS THEREFORE ORDERED that pursuant to 28 U.S.C. § 1407, this action is transferred to the Central District of California and, with the consent of that court, assigned to the Honorable Mariana R. Pfaelzer for inclusion in the coordinated or consolidated pretrial proceedings.

PANEL ON MULTIDISTRICT LITIGATION



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