

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK

----- X
CIFG ASSURANCE NORTH AMERICA, INC.,

Plaintiff,

- against -

GREENPOINT MORTGAGE FUNDING, INC.,

Defendant.
----- X

Index No. _____

SUMMONS WITH NOTICE

TO THE ABOVE-NAMED DEFENDANT:

PLEASE TAKE NOTICE THAT YOU ARE HEREBY SUMMONED to appear in this action by serving a notice of appearance on the Plaintiff CIFG Assurance North America, Inc. ("Plaintiff"), at the address set forth below, within twenty (20) days after the service of this Summons (not counting the day of service itself), or within thirty (30) days after service is complete if this Summons is not personally delivered to you within the State of New York.

YOU ARE HEREBY NOTIFIED THAT should you fail to answer or appear, a judgment will be entered against you by default for the relief demanded below.

PLEASE TAKE NOTICE THAT the nature of this action is for fraud, breach of contract, and declaratory judgment arising from the involvement of Defendant GreenPoint Mortgage Funding, Inc. ("Defendant") in a certain securitization transaction, which closed on or about February 28, 2007, and resulted in the issuance and sale by GSAA Home Equity Trust 2007-S1 (the "Trust") of \$277,251,000 of Mortgage Pass-Through Certificates, Series 2007-S1, one class of which certificates was insured by Plaintiff.

In connection with such securitization, Defendant originated approximately \$58 million in residential mortgage loans which were sold to the Trust by way of, among other instruments, a Flow Mortgage Loan Purchase and Warranties Agreement, dated as of October 1, 2006 (the "Sale Agreement"), between Defendant and Goldman Sachs Mortgage Company ("GSMC") and an Assignment and Recognition Agreement, dated as of February 28, 2007 (the "AR"), among GreenPoint, GSMC and GS Mortgage Securities Corp. CIFG is a third party beneficiary of both of these agreements.

In furtherance of the referenced securitization, GreenPoint provided false information, and made material omissions, about, among other things, the quality and characteristics of the loans that it originated and sold to be securitized. In so doing, GreenPoint fraudulently induced Plaintiff, which relied on Defendant's false statements and omissions, into insuring the certificates issued by the Trust.

Plaintiff, and the trustee of the Trust, demanded that Defendant repurchase the defective loans that it had sold, pursuant to an October 13, 2011 letter from Plaintiff to Defendant and an October 18, 2011 letter from the trustee of the Trust to Defendant, as Defendant was obligated to do in accordance with its contractual obligations under the agreements referenced above. Defendant, however, refused.

Plaintiff has thus been damaged as a result of Defendant's failure to comply with its contractual obligations, and as a result of Defendant fraudulently inducing Plaintiff into issuing its insurance policy in the first place.

The relief sought by Plaintiff is a judgment of this Court:

A. Ordering Defendant to comply with its obligations under the Sale Agreement and the AR, including its obligations to repurchase its defective loans sold to the Trust;

B. Awarding damages to Plaintiff in an amount to be proven at trial for Defendant's breach of the Sale Agreement and AR and for fraud, including but not limited to the costs of enforcing its contractual rights and an award of punitive damages on its cause of action for fraud;

C. Awarding compensatory damages and/or reimbursement, together with interest, court costs, disbursements, attorneys' fees and other expenses;

D. Declaring the parties' respective rights and obligations under the Sale Agreement and AR;

E. For prejudgment interest; and

F. For such other and further relief as the Court deems just and proper.

Venue is proper in New York County pursuant to C.P.L.R. § 503(a) and § 503(c) because Plaintiff has its principal offices within New York County and therefore is deemed to reside therein. In addition, venue is proper pursuant to Section 31 of the Sale Agreement.

Dated: New York, New York
October 1, 2012

Respectfully submitted,

ALLEGAERT BERGER & VOGEL LLP

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