

SERVICING AGREEMENT
BY AND BETWEEN
RCS FRANKLIN VENTURE LLC
AND
RESIDENTIAL CREDIT SOLUTIONS, INC.

Dated as of September 30, 2009

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS AND CONSTRUCTION.....	1
Section 1.1 Definitions.....	1
ARTICLE II SERVICING OBLIGATIONS OF THE SERVICER.....	10
Section 2.1 Appointment and Acceptance as Servicer	10
Section 2.2 Limited Power of Attorney	10
Section 2.3 Servicing Fee	10
Section 2.4 Servicing Standard	10
Section 2.5 Registration with MERS®	11
Section 2.6 Collection Account.	12
Section 2.7 Escrow Accounts	12
Section 2.8 Other Accounts	12
Section 2.9 Maintenance of Insurance Policies; Errors and Omissions and Fidelity Coverage.....	12
Section 2.10 Expenses	13
Section 2.11 Insured or Guaranteed Loans	13
Section 2.12 Loan Modification Program.....	13
ARTICLE III LOAN DEFAULTS; ACQUISITION OF COLLATERAL.....	13
Section 3.1 Delinquency Control.....	13
Section 3.2 Discretion of the Servicer in Responding to Defaults of Borrower.....	14
Section 3.3 Acquisition of Acquired Collateral.....	14
ARTICLE IV SUBSERVICING	14
Section 4.1 Retention of Subservicer.....	14
Section 4.2 Subservicing Agreement Requirements.....	15
Section 4.3 Servicer Liable for Subservicers	17
Section 4.4 Managing Member Approval Required.....	17
Section 4.5 Regulation AB Requirements	17
ARTICLE V REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SERVICER	17
Section 5.1 Representations and Warranties.....	17
Section 5.2 Reporting, Books and Records and Compliance Covenants	18
Section 5.3 Audits.....	20
Section 5.4 No Liens.....	21
Section 5.5 Servicer's Duty to Advise; Delivery of Certain Notices	21
Section 5.6 Notice of Breach	21
ARTICLE VI SECURED PARTY AND INITIAL MEMBER CONSENT	21
Section 6.1 Actions Requiring Secured Party and Initial Member Consent.....	21
Section 6.2 Amendments, Modification and Waivers	22

ARTICLE VII DEFAULTS; TERMINATION; TERMINATION WITHOUT CAUSE	22
Section 7.1 Defaults	22
Section 7.2 Termination with Cause	23
Section 7.3 Termination without Cause	24
Section 7.4 Effective Date	25
Section 7.5 Accounting.....	25
ARTICLE VIII INDEPENDENCE OF PARTIES; INDEMNIFICATION	26
Section 8.1 Independence of Parties	26
Section 8.2 Indemnification	26
Section 8.3 Procedure for Indemnification	26
ARTICLE IX NOTICES.....	27
ARTICLE X GOVERNING LAW; JURISDICTION.....	28
Section 10.1 Governing Law	28
Section 10.2 Jurisdiction; Venue and Service.....	28
Section 10.3 Waiver of Jury Trial.....	29
ARTICLE XI MISCELLANEOUS	29
Section 11.1 No Assignment by Servicer; No Transfer of Ownership Interests in Servicing Rights.....	29
Section 11.2 Legal Fees	30
Section 11.3 Entire Agreement	30
Section 11.4 Counterparts; Facsimile Signatures	30
Section 11.5 Headings	30
Section 11.6 Construction.....	30
Section 11.7 Compliance with Law.....	31
Section 11.8 Severability	31
Section 11.9 Third Party Beneficiaries	32
Section 11.10 Protection of Confidential Information.....	32
Section 11.11 Time of Essence	32
Section 11.12 No Presumption	32
Section 11.13 No Right of Setoff.....	32
Section 11.14 Release of Initial Member and Prior Servicers.....	32

SCHEDULES AND EXHIBITS

Exhibits

<u>Exhibit A</u>	Loan Schedule
<u>Exhibit B</u>	Electronic Tracking Agreement
<u>Exhibit C</u>	Loan Modification Program

Schedules

<u>Schedule 1</u>	Fee Schedule
<u>Schedule 2</u>	Servicing Obligations
<u>Schedule 3</u>	Reimbursement of Servicer Advances
<u>Schedule 4</u>	Form of Electronic Report on the Loans and Collateral
<u>Schedule 5</u>	Termination Without Cause

SERVICING AGREEMENT

THIS SERVICING AGREEMENT (as the same shall be amended or supplemented, this "**Agreement**") is made and entered into as of the 30th day of September, 2009 (the "**Effective Date**"), by and between RCS Franklin Venture LLC, a Delaware limited liability company (including its successors and assigns, the "**Managing Member**"), and Residential Credit Solutions, Inc., a Delaware corporation (including those of its successors and assigns as are expressly permitted pursuant to this Agreement, the "**Servicer**").

RECITALS

WHEREAS, Franklin Ventures, LLC (the "**Company**") owns the Loans (as defined below) described on the Loan Schedule attached hereto as Exhibit A (the "**Loan Schedule**"); and

WHEREAS, the Managing Member is the managing member of the Company and is obligated to service and manage the Loans and related Collateral (as defined below) pursuant to that certain Amended and Restated Limited Liability Company Operating Agreement dated as of the Closing Date (the "**LLC Operating Agreement**"), by and between the Company, the Managing Member and the Federal Deposit Insurance Corporation, as receiver ("**Receiver**") for Franklin Bank, S.S.B., including its successors and assigns (the "**Initial Member**"); and

WHEREAS, the Managing Member and the Servicer desire that the Servicer service and administer the Loans and Collateral on behalf of the Company and the Managing Member in a manner that is, at all times, consistent with the requirements of this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and agreements contained herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Managing Member and the Servicer hereby agree as follows:

ARTICLE I DEFINITIONS AND CONSTRUCTION

Section 1.1 Definitions. For purposes of this Agreement, the following terms shall have the meanings and definitions hereinafter respectively set forth.

"**Acceptable Rating**" shall mean (i) a rating of "Strong" by Standard and Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc., (ii) the applicable "Level 1" servicer rating for residential mortgage servicers by Fitch, Inc., or (iii) a rating of "SQ1" by Moody's Investors Service.

"**Acquired Collateral**" shall mean property to which title is acquired by foreclosure, by deed in lieu of foreclosure, by power of sale or by sale pursuant to the Uniform Commercial Code, in any such case in accordance with the Loan Documents and this Agreement.

"**Affiliate**" shall mean, with respect to any specified Person, (i) any other Person directly or indirectly controlling or controlled by or under common control with such specified Person, (ii) any Person owning or controlling ten percent (10%) or more of the outstanding voting

securities, voting equity interests, or beneficial interests of the Person specified, (iii) any officer, director, general partner, managing member, trustee, employee or promoter of the Person specified or any Immediate Family Member of such officer, director, general partner, managing member, trustee, employee or promoter, (iv) any corporation, partnership, limited liability company or trust for which any Person referred to in clause (ii) or (iii) acts in that capacity, or (v) any Person who is an officer, director, general partner, managing member, trustee or holder of ten percent 10% or more of the outstanding voting securities, voting equity interests or beneficial interests of any Person described in clauses (i) through (iv); provided, however, that, for purposes of this Agreement, neither the Initial Member nor the Secured Party shall be deemed to be an Affiliate of the Company or of any Affiliate of the Company. For the purposes of this definition, the term “**control**” (including the phrases “**controlled by**” and “**under common control with**”) when used with respect to any specified Person means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or interests, by contract or otherwise.

“**Agreement**” shall have the meaning given in the preamble.

“**Borrower**” shall mean any borrower or other obligor with respect to any Loan.

“**Bulk Sale**” shall mean the sale or other disposition, in a single transaction or series of related transactions, of (i) Loans having an aggregate Unpaid Principal Balance of \$20,000,000 or more as of the time of such sale or disposition or (ii) Collateral or Acquired Collateral having an aggregate value of \$10,000,000 or more (based on the most recent appraisal or broker price opinion) as of the time of such sale or disposition.

“**Business Day**” shall mean any day except a Saturday, Sunday or other day on which commercial banks in Washington, D.C. or United States federal government offices are required or authorized by Law to close.

“**Closing Date**” shall mean September 30, 2009.

“**Collateral**” shall mean any and all real or personal property, whether tangible or intangible, securing or pledged to secure a Loan, including any account, equipment, guarantee or contract right, or other interest that is the subject of any Collateral Document, and as the context requires, includes Acquired Collateral, whether or not expressly so specified.

“**Collateral Document**” shall mean any pledge agreement, security agreement, personal or corporate guaranty, deed of trust, deed, mortgage, contract for the sale of real property, assignment, collateral agreement or other agreement or document of any kind, whether an original or a copy, whether similar to or different from those enumerated, (i) securing in any manner the performance or payment by any Borrower of its obligations or the obligations of any other Borrower under any of the Loans or the Notes evidencing the Loans or (ii) evidencing any Acquired Collateral.

“**Contribution Agreement**” shall mean the Contribution and Sale Agreement dated as of the Closing Date between the Initial Member and the Company.

“Collection Account” shall mean the Collection Account established by the Company pursuant to the Custodial and Paying Agency Agreement dated as of the Closing Date between the Company and the Custodian.

“Company” shall have the meaning given in the recitals of this Agreement.

“Custodian” shall mean Citibank, N.A., or any successor thereto as the Company’s custodian.

“Cut-Off Date” shall mean July 31, 2009.

“Default” shall have the meaning given in Section 7.1.

“Eligible Account” shall mean a segregated trust or custodial account or accounts established and maintained with and Eligible Institution, each of which shall be entitled for the benefit of the Company and the Secured Party as required by Article II.

“Eligible Institution” shall mean a Person that is not an Affiliate of the Managing Member and that is a federally insured depository institution that is well capitalized; provided that an Affiliate of the Managing Member may be deemed to be an Eligible Institution if the Secured Party provides a written consent, which consent may be withdrawn by the Secured Party upon written notification to the Managing Member, in which case such Affiliate of the Managing Member shall no longer constitute an Eligible Institution as of the receipt of such notice and any accounts maintained pursuant to this Agreement at such institution shall be moved to an Eligible Institution within three (3) Business Days after the receipt of such notice.

“Effective Date” shall have the meaning given in the preamble.

“Electronic Report” shall have the meaning given in Section 5.2(e).

“Electronic Tracking Agreement” shall mean an agreement substantially in the form of Exhibit B.

“Environmental Hazard” shall mean the presence at, in or under any real property constituting part of the Collateral (whether held in fee simple estate or subject to a ground lease, or otherwise, and including any improvements whether by buildings or facilities, and any personal property, fixtures, leases and other property or rights pertaining thereto) of any “hazardous substance,” as defined in Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9601(14), or any petroleum (including crude oil or any fraction thereof that is liquid at standard conditions of temperature and pressure), at a level or in an amount that requires remediation or abatement under applicable environmental Law.

“Escrow Account” shall have the meaning given in Section 2.7.

“Escrow Advance” shall mean any advance made to pay taxes or insurance premiums or any other cost or expense that, but for a shortfall in the Borrower’s Escrow Account, is payable using funds in the Borrower’s Escrow Account.

“Excluded Expenses” shall mean fees, costs, expenses or indemnified amounts that:

- (a) are not incurred in accordance with the Servicing Standard;
- (b) are paid to any Affiliate of the Company, or any Affiliate of the Servicer or any Subservicer;
- (c) are incurred by the Servicer or any other Person to become a MERS® member or to maintain the Servicer or such Person as a MERS® member in good standing;
- (d) are incurred to pay compensation to or expenses of financial advisers, except to the extent the same are incurred as to pay brokerage fees or sales commissions incurred to market or sell the Loans or any Acquired Collateral in a bulk sale the terms of which bulk sale (including the financial adviser’s or broker’s fees or sales commissions) are approved in advance by the Initial Member and the Secured Party;
- (e) are incurred to pay any fine, tax or other penalty, late fee, service charge, interest or similar charge, costs to release Liens or any other costs or expenses (including legal fees and expenses) incurred by or on behalf of the Servicer or any Subservicer as a result of the Servicer’s or any Subservicer’s failure to service any Loan or Collateral properly in accordance with the applicable Loan Documents, this Agreement, any Subservicing Agreement or otherwise, or failure to make a payment in a timely manner, or failure otherwise to act in a timely manner;
- (f) are incurred to pay any interest on any Servicing Advances or any advances made by any Subservicer;
- (g) constitute or are incurred to pay any overhead or administrative costs incurred by the Servicer or any other Person (including any expenses incurred to comply with Section 5.2);
- (h) are incurred by the Servicer or any Person to comply with the Loan Modification Program; or
- (i) are incurred to pay any servicing, management or similar fees paid to any Subservicer or any other Person.

“Failed Bank” shall mean Franklin Bank, S.S.B.

“Fannie Mae” shall mean the Federal National Mortgage Association of the United States or any successor thereto.

“Fannie Mae Guidelines” shall mean those guidelines governing reimbursement of costs and expenses by Fannie Mae with respect to residential loans owned or securitized by Fannie Mae, as in effect on the date on which an expense or cost is incurred.

“Fee Schedule” shall mean Schedule 1, as the same may be amended from time to time by the Managing Member and the Servicer without the consent of the Secured Party or the Initial Member.

“FDIC” shall mean the Federal Deposit Insurance Corporation, in any capacity.

“Governmental Authority” shall mean any United States or non-United States national, federal, state, local, municipal or provincial or international government or any political subdivision of any governmental, regulatory or administrative authority, agency or commission, or judicial or arbitral body.

“Group of Loans” shall mean all Loans that, as of the Cut-Off Date, are serviced by the same Existing Servicer (as defined in the Contribution Agreement).

“Guarantor” shall mean any guarantor of all or any portion of any Loan or all or any of any Borrower’s obligations set forth and described in the Loan Documents.

“Guidelines” shall mean (i) the Statement on Loss Mitigation Strategies for Servicers of Residential Mortgages (September 2007), issued by the federal financial institutions regulatory agencies and the Conference of State Bank Supervisors, (ii) the Statement on Working with Mortgage Borrowers (April 2007), issued by the federal financial institutions regulatory agencies, and (iii) any amendments, supplements or successors to either of the foregoing.

“HAMP” shall mean the Home Affordable Mortgage Program promulgated by the United States Department of the Treasury, as in effect from time to time, as more fully described in Exhibit C.

“Immediate Family Member” shall mean, with respect to any individual, his or her spouse, parents, parents-in-law, grandparents, descendants, nephews, nieces, brothers, sisters, brothers-in-law, sisters-in-law, children (whether natural or adopted), children-in-law, stepchildren, grandchildren and grandchildren-in-law.

“Indemnified Parties” shall have the meaning given in Section 8.2.

“Initial Member” shall have the meaning given in the recitals of this Agreement.

“Insolvency Event” shall mean, with respect to any specified Person, the occurrence of any of the following events:

- (1) the specified Person makes an assignment for the benefit of creditors;
- (2) the specified Person files a voluntary petition for relief in any Insolvency Proceeding;
- (3) the specified Person is adjudged bankrupt or insolvent or there is entered against the specified Person an order for relief in any Insolvency Proceeding;
- (4) the specified Person files a petition or answer seeking for the specified Person any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under any Law;

(5) the specified Person seeks, consents to, or acquiesces in the appointment of a trustee, receiver or liquidator of the specified Person or of all or any substantial part of the specified Person's properties;

(6) the specified Person files an answer or other pleading admitting or failing to contest the material allegations of a petition filed against the specified Person in any proceeding described in clauses (1) through (5);

(7) the specified Person becomes unable to pay its obligations as they become due; or

(8) within ninety (90) days of any proceeding against the specified Person seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any Law if the proceeding has not been dismissed, or within ninety (90) days after the appointment of a trustee, receiver or liquidator for the specified Person or all or any substantial part of the specified Person's properties without the specified Person's agreement or acquiescence, which appointment is not vacated or stayed, or if the appointment is stayed, for ninety (90) days after the expiration of the stay if the appointment is not vacated.

"Insolvency Proceeding" shall mean any proceeding under Title 11 of the United States Code (11 U.S.C. §§101, et seq.) or any proceeding under the Law of any jurisdiction involving any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief.

"Interest Rate" shall mean the rate at which the outstanding principal balance of a Loan bears interest, as more particularly set forth in a Note, including, without limitation, the rate of any default interest, if applicable.

"LLC Operating Agreement" shall have the meaning given in the recitals of this Agreement.

"Law" shall mean any applicable statute, law, ordinance, regulation, rule, code, injunction, judgment, decree or order (including any executive order) of any Governmental Authority.

"Lien" shall mean any pledge, security interest, charge, restriction on or condition to transfer, voting or exercise or enjoyment of any right or beneficial interest, option, right of first refusal and any other lien, claim or encumbrance of any nature whatsoever.

"Loan" shall mean any loan or Loan Participation listed on the Loan Schedule and any loan into which any such listed loan or Loan Participation is refinanced, and includes with respect to each such loan or Loan Participation: (i) any obligation evidenced by a Note; (ii) all rights, powers or Liens of the Company in or under the Collateral Documents; (iii) any contract for deed or installment land contract and the real property which is subject to any such contract for deed or installment land contract; (iv) any lease and the related leased property; and (v) all rights to causes of action, lawsuits, judgments, claims and demands of any nature available to or being pursued by or for the benefit of the Initial Member with respect to the Loans, the Collateral or the ownership, use, function, value of or other rights pertaining thereto, whether arising by

way of counterclaim or otherwise, other than any claims retained by the Initial Member pursuant to the Contribution Agreement; and (vi) all guaranties, warranties, indemnities and similar rights in favor of the Initial Member with respect to any of the Loans.

“Loan Collections” shall mean all of the following (excluding amounts received with respect to any Loan prior to the Servicing Transfer Date with respect to such Loan): (i) any and all proceeds (net of such proceeds as are payable to others under any Loan Participation Agreement) with respect to any or all of the Loans and any or all of the Collateral, including principal, interest, default interest, prepayment fees, premiums and charges, extension and exit fees, late fees, assumption fees, other fees and charges, insurance proceeds and condemnation payments (or any portion thereof) that are not used and disbursed to repair, replace or restore the related Collateral in accordance with the terms of the Loan Documents, (ii) any and all proceeds from sales or other dispositions of any or all of the Loans or the Collateral, (iii) any proceeds from making a draw under any letter of credit or certificate of deposit held with respect to any Loan, provided that such draw is permitted by the terms of the Loan Documents, (iv) any recoveries from Borrowers or Guarantors of any kind or nature with respect to the Loans, (v) any investor incentive fees received by the Company under any Loan Modification Program (but not any incentive fees payable to servicers under any Loan Modification Program), and (vi) any interest or other earnings accrued and paid on any of the amounts described in the foregoing clauses (i) through (v) while held in the Collection Account or any Other Account.

“Loan Documents” shall mean all documents, agreements, certificates, instruments and other writings (including all Collateral Documents) now or hereafter executed by or delivered or caused to be delivered by any Borrower, any Guarantor or any other obligor evidencing, creating, guaranteeing or securing, or otherwise executed or delivered in respect of, all or any part of a Loan or any Acquired Collateral or evidencing any transaction contemplated thereby, and all Modifications thereto.

“Loan Modification Program” shall mean the loan modification program that meets the criteria described in Exhibit C, or any other or additional loan modification program (i) that may be required by the FDIC upon written notice to the Company or (ii) as proposed by the Company with respect to a group of Loans with similar characteristics, if approved in writing by the FDIC.

“Loan Participation” shall mean any asset subject to a shared credit, participation or similar inter-creditor agreement under which the Failed Bank or the Receiver was the lead or agent financial depository institution or otherwise managed or held the credit or sold participations, or under which the Failed Bank or the Receiver was a participating financial depository institution or purchased participations in a credit managed by another Person.

“Loan Participation Agreement” shall mean an agreement under which the Failed Bank or the Receiver was the lead or agent financial depository institution or otherwise managed or held a shared credit or sold participations, or under which the Failed Bank or the Receiver was a participating financial depository institution or purchased participations in a credit managed by another Person.

“Loan Schedule” shall have the meaning given in the recitals of this Agreement.

“Managing Member” shall have the meaning given in the preamble.

“MERS®” shall mean Mortgage Electronic Registration Systems, Incorporated, or any successor thereto.

“MERS® System” shall mean the MERSCORP, Inc., mortgage electronic registry system, as more particularly described in the MERS® Procedures Manual (a copy of which is attached as an exhibit to the Electronic Tracking Agreement).

“Modification” shall mean any extension, renewal, substitution, replacement, supplement, amendment or modification of any agreement, certificate, document, instrument or other writing, whether or not contemplated in the original agreement, document or instrument.

“Note” shall mean each note or promissory note, lost instrument affidavit, loan agreement, shared credit or Loan Participation Agreement, intercreditor agreement, reimbursement agreement, any other evidence of indebtedness of any kind, or any other agreement, document or instrument evidencing a Loan, and all Modifications to the foregoing.

“Other Accounts” shall have the meaning given in Section 2.8.

“Person” shall mean any individual, corporation, partnership (general or limited), limited liability company, limited liability partnership, firm, joint venture, association, joint-stock company, trust, estate, unincorporated organization, governmental or regulatory body or other entity.

“Qualified Servicer” shall mean any Person that (i) is properly licensed and qualified to conduct business in each jurisdiction in which such licenses and qualifications to conduct business are necessary for the servicing of the Loans and management of the Collateral and the Acquired Collateral, (ii) is a member of MERS®, (iii) has the management capacity and experience to service loans of the type held by the Company, especially performing and non-performing residential loans, including the number and types of loans serviced, and the ability to track, process and post payments, and to furnish tax reports to borrowers, and (iv) either (x) has an Acceptable Rating as a mortgage loan servicer or special servicer or (y) is acceptable to and approved by the Secured Party and the Initial Member in their sole discretion.

“Receiver” shall have the meaning given in the recitals of this Agreement.

“Regulation AB” shall mean the regulations at 17 C.F.R. §§229.1100, et seq., as the same may be amended from time to time.

“Secured Party” shall mean the FDIC as secured party under the Reimbursement and Security Agreement dated as of the Closing Date between the FDIC and the Company.

“Security Agreement” shall mean the Security and Reimbursement Agreement dated as of the Closing Date between the Company and the FDIC.

“Servicer” shall have the meaning given in the preamble.

“Servicer Advances” shall mean advances made by or on behalf of the Servicer to fund Servicing Expenses.

“Servicing Expenses” shall mean all customary and reasonable out-of-pocket fees, costs, expenses and indemnified amounts incurred in connection with servicing the Loans and the Acquired Collateral, including (i) any and all out-of-pocket fees, costs, expenses and indemnified amounts which a Borrower is obligated to pay to any Person or to reimburse to the lender pursuant to the applicable Note or any other Loan Documents, including Escrow Advances, (ii) any and all reasonable out-of-pocket expenses necessary to protect or preserve the value of the Collateral or the priority of the Liens and security interests created by the Loan Documents relating thereto, including taxes, insurance premiums (including forced place insurance premiums), payment of ground rent, the costs of prevention of waste, repairs and maintenance, foreclosure expenses and legal fees and expenses relating to foreclosure or other litigation with respect to the Loans, (iii) any and all direct expenses related to the preservation, operation, demolition, management and sale of the Acquired Collateral (including real estate brokerage fees), and (iv) to the extent not covered by any of clauses (i) through (iii), legal fees and expenses (including judgments, settlements and reasonable attorneys fees) incurred by the Servicer in its defense of claims asserted against the Company that relate to one or more Loans, and (x) arise out of the acts or omissions of the Failed Bank or the Receiver in connection with the origination or servicing of such Loans prior to the Servicing Transfer Date for such Loans, or (y) allege, as the basis for such claims, any act or omission of the Company (or the Managing Member under the LLC Operating Agreement or the Servicer hereunder) and such claims are decided (and there are final non appealable orders) in favor of the Company (or the Managing Member under the LLC Operating Agreement or the Servicer hereunder); provided, however, that Servicing Expenses shall not include Excluded Expenses.

“Servicing Fee” shall have the meaning given in Section 2.3.

“Servicing Obligations” shall have the meaning given in Section 2.4.

“Servicing Standard” shall have the meaning given in Section 2.4.

“Servicing Transfer Date” shall mean, with respect to a given Loan, the date on which the transfer of the Loan servicing records for such Loan to the Servicer’s system of record is completed and the Servicer begins to service such Loan, determined in accordance with the Contribution Agreement.

“Site Assessment” shall have the meaning given in Section 3.3.

“Specified Date” shall mean the 15th day of each month, or such other day as is agreed to by the Servicer and the Managing Member, provided, however, that, in any case, if such day is not a Business Day, the Specified Date shall be the immediately preceding Business Day.

“Subservicer” shall have the meaning given in Section 4.1.

“Subservicing Agreement” shall have the meaning given in Section 4.2.

“Termination Notice” shall mean any written notice of termination required pursuant to **Article VII**.

“Uniform Commercial Code” shall mean the Uniform Commercial Code as in effect in any applicable jurisdiction, as amended from time to time.

“Unpaid Principal Balance” shall mean, at any time, (i) when used in connection with multiple Loans, an amount equal to the aggregate then outstanding principal balance of such Loans, and (ii) when used with respect to a single Loan, an amount equal to the then outstanding principal balance of such Loan. For this purpose, in the case of a Loan for which some or all of the related Collateral has been converted to Acquired Collateral, until such time as the Acquired Collateral (or any portion thereof) is liquidated, the unpaid principal balance of such Loan shall be deemed to equal the sum of (i) the unpaid principal balance of such Loan (adjusted pro rata for partial collateral sales, debt forgiveness or retained indebtedness) at the time at which such Loan was converted to Acquired Collateral *plus* (ii) any outstanding balance remaining on such Loan which is evidenced by a modification agreement or a replacement or successor promissory note executed by the Borrower.

ARTICLE II

SERVICING OBLIGATIONS OF THE SERVICER

Section 2.1 **Appointment and Acceptance as Servicer.** Effective as of the date hereof, the Managing Member appoints the Servicer to service, administer, manage and dispose of the Loans and the Collateral on behalf of and as an agent of the Managing Member.

Section 2.2 **Limited Power of Attorney.** The Managing Member hereby grants to the Servicer a limited power of attorney to execute all documents on its behalf in accordance with the Servicing Standard set forth below and as may be necessary to effectuate the Servicer’s obligations under this Agreement until such time as the Managing Member revokes said limited power of attorney. Revocation of the limited power of attorney shall take effect upon: (i) the receipt by the Servicer of written notice thereof from or on behalf of the Managing Member, or (ii) termination of this Agreement pursuant to **Article VII**.

Section 2.3 **Servicing Fee.** As consideration for servicing the Loans and the Collateral, for each month during the term of this Agreement and commencing on or after the initial Servicing Transfer Date, the Servicer shall be paid such monthly servicing fee as is set forth on the Fee Schedule, payable on the Business Day next succeeding the Distribution Date (as defined in the LLC Operating Agreement) with respect to such month (the **“Servicing Fee”**).

Section 2.4 **Servicing Standard.** The Servicer shall take such actions and perform such duties in connection with the servicing, administration, management and disposition of the Loans and Collateral as are set forth on **Schedule 2**, as the same may be amended from time to time by the Managing Member and the Servicer without the consent of the Secured Party or the Initial Member (the **“Servicing Obligations”**). The Servicer shall perform its Servicing Obligations (i) in the best interests and for the benefit of the Secured Party and the Company, (ii) in accordance with the terms of the Loans (and related Loan Documents), (iii) in accordance with the terms of this Agreement (including this **Article II**), (iv) in accordance with all applicable Law, (v) with

respect to all Loans, in compliance with the Guidelines, to the extent applicable, and the Loan Modification Program and, (vi) to the extent consistent with the foregoing terms, in the same manner in which a prudent servicer would service and administer similar loans and in which a prudent servicer would manage and administer similar properties for its own portfolio or for other Persons, whichever standard is higher, but using no less care and diligence than would be customarily employed by a prudent servicer following customary and usual standards of practice of prudent mortgage lenders, loan servicers and asset managers servicing, managing and administering similar loans and properties on an arms' length basis, provided that in the absence of a customary and usual standard of practice, the Servicer shall comply with the Fannie Mae Guidelines applicable to similar loans or properties in similar situations (the requirements in clauses (i) through (vi) collectively, the "**Servicing Standard**"). In addition, the Servicer shall perform its Servicing Obligations without regard to (a) any relationship that the Servicer, the Company, the Managing Member or any Subservicer or any of their respective Affiliates may have to any Borrower, Guarantor or other obligor or any of their respective Affiliates, including any other banking or lending relationship, (b) the Company's, the Managing Member's the Servicer's, or any Subservicer's, obligation to make disbursements and advances with respect to the Loans and the Collateral, (c) any relationship that the Servicer or any Subservicer may have to each other or to the Company, the Managing Member or any of their respective Affiliates, or any relationship that any of their respective Affiliates may have to the Company, the Managing Member or any of their respective Affiliates (other than the contractual relationship evidenced by this Agreement or any Subservicing Agreement), and (d) the Servicer's or any Subservicer's right to receive compensation (including the Servicing Fee) for its services under this Agreement or any Subservicing Agreement.

Section 2.5 **Registration with MERS®**. The Servicer shall register any Loan on the MERS® System and execute and deliver on behalf of the Company any and all instruments of assignment and other comparable instruments with respect to such assignment or re-recording of a mortgage securing a Loan in the name of MERS®, solely as nominee for the Company and its successors and assigns. The Company shall be designated as the "investor" and the Managing Member as "servicer" with respect to the Loans on the MERS® System, and the Servicer shall be designated as the "subservicer" with respect to the Loans on the MERS® System. No other Person shall be identified on the MERS® System as having any interest in any of the Loans. The Loans shall remain registered on the MERS® System unless default, foreclosure or similar legal or MERS® requirements dictate otherwise. The Servicer shall provide the Company, the Managing Member and the Secured Party with such reports from the MERS® System as the Company, the Managing Member or the Secured Party, from time to time, may request, including to allow the Company, the Managing Member and the Secured Party to verify the Persons identified on the MERS® System as having any interest in any of the Loans and to confirm that the Loans required to be registered on the MERS® System are so registered. The Servicer shall also execute and deliver to the Managing Member and the Secured Party the Electronic Tracking Agreement. Without limiting the foregoing, upon the request of the Managing Member or the Secured Party, the Servicer shall cause MERS® to run a query with respect to any and all specified fields on the MERS® System with respect to any or all of the Loans registered on the MERS® System and provide the results to the Managing Member and the Secured Party and, if requested by the Managing Member or the Secured Party, shall cause MERS® to change the information in such fields, to the extent MERS® will do so in accordance with its policies and procedures, to reflect its instructions.

Section 2.6 Collection Account.

(a) The Servicer shall deposit into the Collection Account all Loan Collections on a daily basis (without deduction or setoff as provided in Section 11.13 hereof) within two Business Days after receipt thereof. Except as otherwise directed by the Managing Member, the Servicer shall not cause or allow funds from any other source (other than interest or earnings on the Loan Collections) to be commingled in the Collection Account.

(b) Except as otherwise directed by the Managing Member, any and all amounts on deposit in (or that are required to have been deposited into) the Collection Account (including interest and earnings thereon) shall be withdrawn and disbursed strictly in accordance with this Agreement; provided, however, that if the Servicer or any Subservicer erroneously deposits any amounts into the Collection Account, it may withdraw such erroneously deposited amount.

(c) Except as otherwise directed by the Managing Member, any and all required to be remitted by the Servicer to the Collection Account under this Agreement shall be remitted by wire transfer, in immediately available funds.

(d) The Collection Account (and all funds therein) will be subject to an account control agreement among the Company, the Secured Party and the Custodian.

Section 2.7 Escrow Accounts. Except as otherwise directed by the Managing Member, the Servicer shall establish and maintain one or more Eligible Accounts, each of which shall be held in trust for the benefit of the Company and the Secured Party (each, an "Escrow Account"). Except as otherwise directed by the Managing Member, the Servicer shall deposit into the applicable Escrow Account on a daily basis all collections from the Borrowers for the payment of taxes, assessments, hazard insurance premiums, and comparable items for the account of the Borrowers, and the Servicer shall pay to the Borrowers interest on funds in Escrow Accounts to the extent required by Law.

Section 2.8 Other Accounts. At the direction of the Managing Member, the Servicer shall establish and maintain such other Eligible Accounts as may be directed by the Managing Member, each of which shall be held in trust for the benefit of the Company and the Secured Party, and shall be funded and disbursed only in accordance with such instructions as are provided by the Managing Member ("Other Accounts").

Section 2.9 Maintenance of Insurance Policies; Errors and Omissions and Fidelity Coverage.

(a) The Servicer and each Subservicer shall cause insurance coverage to be maintained for the Collateral (including any Acquired Collateral) from an insurer reasonably acceptable to the Managing Member for each Loan with respect to which the Borrower has failed to maintain required insurance, fire, hurricane, flood and hazard insurance with extended coverage as is customary in the area in which the Collateral is located and in such amounts and with such deductibles as, from time to time, is directed by the Managing Member.

(b) The Servicer and each Subservicer shall at all times maintain in effect a blanket fidelity bond and an errors and omissions insurance policy affording, in each case, coverage with respect to all officers, directors, employees and other Persons acting on behalf of the Servicer or the Subservicer, as applicable, and covering errors and omissions in the performance of the Servicer's, or the Subservicer's, as applicable, obligations under this Agreement or any Subservicing Agreement. The errors and omissions insurance policy and the fidelity bond shall be, at all times, in such form and amount that would meet the requirements, as amended from time to time, of Fannie Mae if Fannie Mae were the purchaser of the Loans. The Servicer and each Subservicer shall provide the Managing Member with certificates evidencing such coverage.

(c) Copies of fidelity bonds and insurance policies required to be maintained pursuant to this Section 2.9 shall be made available to the Managing Member and its representatives upon request.

Section 2.10 Expenses. Except as otherwise directed by the Managing Member, the Servicer shall use its reasonable best efforts to recover from Borrowers and Guarantors all Servicing Expenses that are Servicer Advances. All such Servicing Expenses not recovered from Borrowers or Guarantors and all other Servicer Advances shall be reimbursed only in accordance with the terms set forth on Schedule 3, as the same may be amended from time to time by the Managing Member and the Servicer with the consent of the Secured Party but without the consent of the Initial Member. In the event the Servicer is reimbursed for any expense that is not, or cannot be documented as, a Servicer Advance, in the reasonable determination of the Managing Member, the Servicer shall be obligated to refund such amounts to the Company on the Specified Date immediately following the Servicer's receipt of notice from the Managing Member requesting the same. No Servicer Advances shall bear interest chargeable in any way to the Company or deductible from any Loan Collections.

Section 2.11 Insured or Guaranteed Loans. If any Loans being serviced pursuant to this Agreement are insured or guaranteed by any Governmental Authority, the Servicer acknowledges and agrees that, if the Managing Member so directs pursuant to the Servicing Obligations with respect to such Loans, it shall take any and all actions as may be necessary to insure such insurance or guarantees remain in full force and effect. The Servicer acknowledges and agrees that, upon assumption of the Servicing Obligations with respect to the Loans pursuant to this Agreement, it agrees to fulfill all of the Company's obligations under the contracts of insurance or guaranty.

Section 2.12 Loan Modification Program. The Servicer shall at its expense take any and all steps as may be necessary to qualify for, and to maintain its qualification for, the Loan Modification Program. The Servicer shall be entitled to retain for its own account any servicer incentive fees paid to it pursuant to the HAMP, if applicable.

ARTICLE III **LOAN DEFAULTS; ACQUISITION OF COLLATERAL**

Section 3.1 Delinquency Control. Except as otherwise directed by the Managing Member, the Servicer shall maintain a collection department that substantially complies with the

Servicing Standard and protect the Company's and the Secured Party's interests in the Loans in accordance with the Servicing Standard with Borrowers who are delinquent or in default.

Section 3.2 Discretion of the Servicer in Responding to Defaults of Borrower. Upon the occurrence of an event of default under any of the Loan Documents, but subject to the other terms and conditions of this Agreement, including the Servicing Obligations of the Servicer and such direction as the Managing Member may otherwise provide that is consistent with the Servicer's compliance with the Servicing Standard, the Servicer shall cause to be determined the response to such default and course of action with respect to such default, including (a) the selection of attorneys to be used in connection with any action, whether judicial or otherwise, to protect the respective interests of the Company and the Secured Party in the Loan and the Collateral, (b) the declaration and recording of a notice of such default and the acceleration of the maturity of the Loan, (c) the institution of proceedings to foreclose the Loan Documents securing the Loan pursuant to the power of sale contained therein or through a judicial action, (d) the institution of proceedings against any Guarantor, (e) the acceptance of a deed in lieu of foreclosure, (f) the purchase of the real property Collateral at a foreclosure sale or trustee's sale or the purchase of the personal property Collateral at a Uniform Commercial Code sale, and (g) the institution or continuation of proceedings to obtain a deficiency judgment against such Borrower or any Guarantor and the collection of such judgment.

Section 3.3 Acquisition of Acquired Collateral. Any acquisition of Collateral shall conform with the terms and conditions of this Agreement (including the Servicing Obligations of the Servicer). With respect to any Loan as to which the Servicer has received actual notice of, or has actual knowledge of, any Environmental Hazard with respect to the related Collateral, the Servicer shall immediately provide written notice of same to the Managing Member. In addition, if the Managing Member so directs, prior to the acquisition of title to any Collateral, the Servicer shall cause to be commissioned with respect to such Collateral (i) a Transaction Screen Process consistent with ASTM Standard E 1528-06, by an environmental professional or (ii) such other site inspections and assessments by a Person who regularly conducts environmental audits using customary industry standards as would customarily be undertaken or obtained by a prudent lender in order to ascertain whether there are any actual or threatened Environmental Hazards (a "Site Assessment"). Except as is otherwise directed by the Managing Member, the Servicer or any Subservicer shall not acquire or otherwise cause the Company or any other ownership entity to acquire all or any portion of any Collateral having any actual or threatened Environmental Hazard by foreclosure, deed in lieu of foreclosure, power of sale or sale pursuant to the Uniform Commercial Code or otherwise.

ARTICLE IV **SUBSERVICING**

Section 4.1 Retention of Subservicer. The Servicer may engage or retain one or more subservicers, including Affiliates of the Managing Member or of the Servicer (individually and collectively, "Subservicer"), as it may deem necessary and appropriate, provided that any Subservicer meets the requirements set forth in clause (i) and, to the extent applicable to the services to be performed by such Subservicer, clauses (ii) and (iii) of the definition of Qualified Servicer.

Section 4.2 Subservicing Agreement Requirements. Any subservicing agreement with any Subservicer ("Subservicing Agreement") shall, among other things:

(a) provide for the servicing of the Loans and management of the Collateral by the Subservicer in accordance with the Servicing Standard and the other terms of this Agreement;

(b) be terminable upon no more than thirty (30) days prior notice in the event of any Default under this Agreement or a default under the Subservicing Agreement as set forth in Section 4.2(n) below;

(c) provide that the Servicer as well as the Managing Member, the Secured Party and the Initial Member shall each be entitled to exercise termination rights thereunder;

(d) provide that the Subservicer and the Servicer acknowledge that the Subservicing Agreement constitutes a personal services agreement between the Servicer and the Subservicer;

(e) provide that each of the Managing Member, the Secured Party, the Initial Member and the Company is a third party beneficiary thereunder and entitled to enforce the Subservicing Agreement;

(f) provide that (i) upon a Default under this Agreement, the Secured Party and, with the consent of the Secured Party, the Initial Member (and, in the case of clause (B) below, the Managing Member) may each exercise all of the rights of (A) the Managing Member under this Agreement and cause the termination or assignment of this Agreement to any other Person, without penalty or payment of any fee, and (B) the Servicer under any or all of the Subservicing Agreements entered into by the Servicer and cause the termination or assignment of the same to any other Person, without penalty or payment of any fee, and (ii) upon a default under any Subservicing Agreement, provide that the Secured Party and, with the consent of the Secured Party, the Managing Member and the Initial Member may each exercise all of the rights of the Servicer under such Subservicing Agreement and cause the termination or assignment of any such Subservicing Agreement to any other Person, without penalty or payment of any fee;

(g) provide that the Managing Member, the Secured Party and the Initial Member (and each of their respective representatives) shall each have access to and the right to review, copy and audit the books and records of the Subservicer and that the Subservicer shall make available its officers, directors, employees, accountants and attorneys to the Managing Member, the Secured Party and the Initial Member (and each of their respective representatives) to answer questions or to discuss any matter relating to the Subservicer's affairs, finances and accounts, as they relate to the Loans, the Collateral, the Servicing Obligations, the Collection Account, the Escrow Accounts or any Other Accounts established or maintained pursuant to this Agreement or the Subservicing Agreement or any matters relating to this Agreement or the Subservicing Agreement or the rights or obligations thereunder;

(h) provide that all Loan Collections are to be deposited into the Collection Account on a daily basis (without reduction or setoff as provided in Section 11.13 hereof) within two Business Days after receipt thereof and that under no circumstances are any funds, other

than Loan Collections and interest and earnings thereon, to be deposited into the Collection Account;

(i) provide that the Subservicer shall not transfer or assign its rights under the Subservicing Agreement with the Servicer and that any prohibited transaction shall be void *ab initio*;

(j) provide that all of the Loans shall be registered on the MERS® System (where applicable) unless default, foreclosure or similar legal or MERS® requirements dictate otherwise;

(k) provide that the Subservicer consents to the immediate termination of the Subservicer pursuant to Section 7.2 of this Agreement;

(l) provide that there shall be no right of setoff on the part of the Subservicer,

(m) provide for such other matters as are necessary or appropriate to ensure that the Subservicer is obligated to comply with the Servicing Obligations of the Servicer hereunder in the conduct of such matters as are delegated to the Subservicer,

(n) (i) contain default provisions that relate to the actions of the Subservicer that parallel the provisions of Sections 7.1(a), (b), (c), (d), (e), (f), (h) and (i) of this Agreement, and (ii) provide that each of the Secured Party and, with the consent of the Secured Party, the Initial Member has the right (x) to terminate the Subservicing Agreement by providing written notice upon the occurrence of any such default (except that, with respect to default under the provision that parallels Section 7.1(c), only with respect to the provisions that parallel Sections 5.2(f) and (g) that shall be referred to therein), without any cure period other than as may be provided for in the default provisions that parallel provisions in Section 7.1, and upon the occurrence of any Default under any of Sections 7.1(a), (b), (c) (but, with respect to a Default under clause (c), only with respect to Sections 5.2(f) and (g) referred to therein), (d), (e), (f), (h) or (i) of this Agreement, and (y) otherwise to enforce the rights of the Servicer under the Subservicing Agreement;

(o) provide that (i) the Subservicer consents to its immediate termination under the Subservicing Agreement upon a Default under Section 7.1(b) of this Agreement and upon the occurrence of any Insolvency Event with respect to the Subservicer or any of its Affiliates, and (ii) the occurrence of any Insolvency Event with respect to the Subservicer or any Affiliate thereof constitutes a default under the Subservicing Agreement; and

(p) provide a full release and discharge of the Initial Member, the Company and any predecessor servicer, and all of their respective officers, directors, employees, agents, attorneys, contractors and representatives, and all of their respective successors and assigns and Affiliates (but excluding, in all cases, the Managing Member), from any and all claims (including any counterclaim or defensive claim), demands, causes of action, judgments or legal proceedings and remedies of whatever kind or nature that the Subservicer had, has or might have in the future, whether known or unknown, which are related in any manner whatsoever to the servicing of the Loans by the Initial Member or such other predecessor servicer prior to the

applicable Servicing Transfer Date (other than due to gross negligence or willful misconduct of the Initial Member or other predecessor servicer).

Section 4.3 Servicer Liable for Subservicers. Notwithstanding anything to the contrary contained herein, the use of any Subservicer shall not release the Servicer from any of its Servicing Obligations or other obligations under this Agreement, and the Servicer shall remain responsible and liable for all acts and omissions of each Subservicer as fully as if such acts and omissions were those of the Servicer. All actions of any Subservicer performed pursuant to the Subservicing Agreement with the Servicer shall be performed as an agent of the Servicer. No Subservicer shall be paid any fees or indemnified out of any Loan Collections.

Section 4.4 Managing Member Approval Required. Each Subservicing Agreement and all amendments and modifications thereto and the selection of the Subservicer, regardless of whether the Subservicer is an Affiliate of the Servicer, shall be subject to the prior written approval of the Managing Member (which approval shall not be unreasonably withheld, delayed or conditioned). A copy of all Subservicing Agreements, as executed and delivered and all amendments thereto, shall be provided to the Managing Member.

Section 4.5 Regulation AB Requirements. The Servicer shall ensure, where applicable, that each Subservicer (A) has in place policies and procedures to comply with the provisions of Section 1122(d)(1)(i) through (iv) of Regulation AB, and (B) complies with the provisions of Sections 1122(d)(2)(i) through (vii), 1122(d)(3)(i) through (iv), and 1122(d)(4)(i) through (xv) of Regulation AB (regardless of whether any such requirements apply, by their terms, only to companies registered or required to file reports with the Securities and Exchange Commission).

ARTICLE V

REPRESENTATIONS, WARRANTIES AND COVENANTS OF THE SERVICER

Section 5.1 Representations and Warranties. The Servicer hereby makes the following representations and warranties as of the date hereof:

(a) The Servicer (i) is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, (ii) has qualified or will qualify to transact business as a foreign entity and will remain so qualified, in the state or states and other jurisdictions where the Loans or the nature of the Servicer's activities under this Agreement makes such qualification necessary; (iii) has all licenses and other governmental approvals necessary to carry on its business as now being conducted and to perform its obligations hereunder; and (iv) has established and shall maintain its principal place of business in the United States.

(b) The Servicer has all requisite power, authority and legal right to service each Loan, and to execute, deliver and perform, and to enter into and consummate the transactions contemplated by, this Agreement, and this Agreement has been duly authorized by all requisite corporate action on the part of the Servicer.

(c) This Agreement and all agreements contemplated hereby to which the Servicer is or will be a party constitute the valid, legal, binding and enforceable obligations of

the Servicer, except as such enforcement may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally, and by general principles of equity (regardless of whether such enforcement is considered in a proceeding in equity or at law); and all requisite corporate action has been taken by the Servicer to make this Agreement and all agreements contemplated hereby to which the Servicer is or will be a party valid and binding upon the Servicer in accordance with their terms and conditions.

(d) The Persons executing this Agreement on behalf of the Servicer are duly authorized to do so.

(e) The execution and delivery of this Agreement by the Servicer, the servicing of the Loans and the Collateral under this Agreement, the consummation of any other of the transactions contemplated by this Agreement, and the fulfillment of or compliance with the terms hereof are in the ordinary course of business of the Servicer and (i) will not result in a breach of any term or provision of the articles or charter or bylaws or other organizational documents of the Servicer; (ii) conflict with, result in a breach, violation or acceleration of, or result in a default (or an event which, with notice or lapse of time, or both, would constitute a default) under the terms of any agreement or other instrument to which the Servicer is a party or by which it may be bound; or (iii) constitute a violation of any Law applicable to the Servicer, and the Servicer is not in breach or violation of any agreement or instrument, or in violation of any Law of any Governmental Authority having jurisdiction over it which breach or violation may impair the Servicer's ability to perform or meet any of its obligations under this Agreement.

(f) No litigation is pending or threatened against the Servicer that would prohibit the Servicer from entering into this Agreement or is likely to materially and adversely affect either the ability of the Servicer to perform its obligations under this Agreement or the financial condition of the Servicer.

(g) Any consent, approval, authorization or order of any Governmental Authority required for the execution, delivery and performance by the Servicer of or compliance by the Servicer with this Agreement or the consummation of the transactions contemplated by this Agreement has been obtained and is effective.

(h) Neither the Servicer nor any Subservicer or their respective Affiliates shall, at any time, (i) be a partner or joint venturer with any Borrower, (ii) be an agent of any Borrower, or allow any Borrower to be an agent of the Servicer or any Subservicer, or (iii) have any interest whatsoever in any Borrower, Guarantor or other obligor with respect to any Loan or any of the Collateral.

(i) The Servicer is, and all times so long as this Agreement is in effect shall remain, a Qualified Servicer.

Section 5.2 Reporting, Books and Records and Compliance Covenants. The Servicer covenants to the Managing Member as follows:

(a) The Servicer shall be responsible for submitting all Internal Revenue Service information returns related to the Loans for all applicable periods commencing with the initial Servicing Transfer Date. Information returns include reports on Forms 1098 and 1099 and

any other reports required by Law. The Servicer shall be responsible for submitting all information returns required under applicable Law of any foreign Governmental Authority, to the extent such are required to be filed by the Company under such Law, relating to the Loans, for the calendar or tax year in which the Effective Date falls and thereafter.

(b) The Servicer shall cause to be kept and maintained (including by any Subservicer and including records transferred by the Managing Member to the Servicer), at all times, at the Servicer's principal place of business, a complete and accurate set of files, books and records regarding the Loans and the Collateral, and the Company's interests in the Loans and the Collateral, including records relating to the Collection Account and any Other Accounts maintained in connection with the Loans and Servicer Advances.

(c) The Servicer shall cause all such books and records to be maintained and retained until the date that is the later of ten (10) years after the Effective Date of this Agreement or three (3) years after the date on which the final Loan Collections are distributed to the Company, which date shall be established by notice to the Servicer from the Managing Member. All such books and records shall be available during such period for inspection by the Managing Member, the Secured Party and the Initial Member (and their respective representatives, including any applicable Governmental Authority) at all reasonable times during business hours on any Business Days (or, in the case of any such inspection after the term hereof, at such other location as is provided by notice to the Managing Member, the Secured Party and the Initial Member, as applicable), in each instance upon two (2) Business Days' prior notice to the Servicer. Upon request by the Managing Member, the Servicer, at the sole cost and expense of the Managing Member, shall promptly send copies (the number of copies of which shall be reasonable) of such books and records to the Managing Member. The Servicer shall provide the Managing Member with reasonable advance notice of the Servicer's intention to destroy or dispose of any documents or files relating to the Loans and, upon the request of the Managing Member, shall allow the Managing Member, at its own expense, to recover the same from the Servicer. The Servicer shall also maintain complete and accurate records reflecting the status of taxes, ground rents and other recurring charges generally accepted by the mortgage servicing industry, which would become a Lien on the security property.

(d) The covenants set forth in Section 5.2(b) and (c) above to maintain a complete and accurate set of records shall encompass all files in the Servicer's custody, possession or control pertaining to the Loans and the Collateral, including all original and other documentation pertaining to the Loans and the Collateral, all documentation relating to items of income and expense pertaining to the Loans and the Collateral, and all of the Servicer's (and Subservicer's) internal memoranda pertaining to the Loans and the Collateral.

(e) The Servicer shall cause to be furnished to the Managing Member, each month on the Specified Date, commencing the first month following the initial Servicing Transfer Date, a monthly Electronic Report on the Loans and Collateral containing such information and substantially in the form set forth on Schedule 4, as the same may be amended from time to time by the Managing Member and the Servicer with the consent of the Secured Party but without the consent of the Initial Member (the "**Electronic Report**"). The Electronic Report shall include, but not be limited to, the information required for the Managing Member to prepare, in accordance with the LLC Operating Agreement, the "Distribution Date Report"

and the "Monthly Report" (each as defined in the LLC Operating Agreement), to the extent such information is reasonably available to the Servicer.

(f) The Servicer shall deliver, and shall cause each Subservicer to deliver to the Managing Member, on or before March 10th of each year, or such other day as the Managing Member and the Servicer may agree, commencing in the year 2010, an officer's certificate stating, as to the signer thereof, that (i) a review of such party's activities during the preceding calendar year (or portion thereof) and of its performance under this Agreement (or, as applicable, any Subservicing Agreement) has been made under such officer's supervision, and (ii) to the best of such officer's knowledge and belief, based on such review, such party has fulfilled all of its obligations under this Agreement (or, as applicable, any Subservicing Agreement) in all material respects throughout such year or portion thereof or, if there has been a failure to fulfill any such obligation in any material respect, specifying each such failure and the nature and status thereof. In the event any Subservicer was terminated, resigned or otherwise performed in such capacity for only part of a year, such party shall provide such annual compliance certificate with respect to such portion of the year.

(g) On or before March 10th of each year, or such other day as the Managing Member and the Servicer agree, commencing in the year 2010, the Servicer shall, and shall cause each Subservicer to, each at its own expense or the expense of the Managing Member, provide a report prepared by a nationally recognized firm of independent certified public accountants to the effect that, with respect to the most recently ended fiscal year, such firm has examined certain records and documents relating to compliance with the servicing requirements in this Agreement and that, on the basis of such examination conducted substantially in compliance with either the Uniform Single Attestation Program for Mortgage Bankers or item 1122 of Regulation AB, such firm is of the opinion that the Servicer (or Subservicer's) activities have been conducted in compliance with this Agreement (including, to the extent applicable, Regulation AB), or that such examination has disclosed no material items of noncompliance except for (i) such exceptions as such firm believes to be immaterial, and (ii) such other exceptions as are set forth in the report.

Section 5.3 Audits. Until the later of the date that is ten (10) years after the Effective Date and the date that is three (3) years after the date on which the final Loan Collections are distributed to the Company, which date shall be established by notice to the Servicer from the Managing Member, the Servicer shall, and shall cause each Subservicer to, (a) provide the Managing Member, the Secured Party and the Initial Member and their respective representatives (including any Governmental Authority), during normal business hours and on reasonable notice, with access to and the right to review all of the books of account, reports and records relating to the Loans or any Collateral, the Servicing Obligations, the Collection Account, the Escrow Accounts, any Other Accounts or any matters relating to this Agreement or the rights or obligations hereunder, (b) permit such representatives to make copies of and extracts from the same, (c) allow the Managing Member, the Secured Party and the Initial Member to cause such books to be audited by accountants selected by the Managing Member, the Secured Party or the Initial Member, as applicable, and (d) allow the Managing Member, the Secured Party and the Initial Member to discuss the Servicer's and Subservicer's affairs, finances and accounts, as they relate to the Loans, the Collateral, the Servicing Obligations, the Collection Account, the Escrow Accounts, and any Other Accounts or any other matters relating to this

Agreement or the rights or obligations hereunder, with its officers, directors, employees, accountants (and by this provision the Servicer hereby authorizes such accountants to discuss such affairs, finances and accounts with such representatives), Subservicers, and attorneys.

Section 5.4 No Liens. The Servicer shall not place or permit (voluntarily or involuntarily) any Lien to be placed on any of the Loans, the Collateral, the Loan Documents or the Loan Collections, and shall not take any action to interfere with the Secured Party's rights as a secured party with respect to the Loans, the Collateral and the Loan Collections.

Section 5.5 Servicer's Duty to Advise; Delivery of Certain Notices. In addition to such other reports and access to records and reports as are required to be provided to the Managing Member, the Secured Party and the Initial Member hereunder, the Servicer shall cause to be delivered to the Managing Member, the Secured Party and the Initial Member, such information relating to the Loans, the Collateral, the Servicer and any Subservicer as the Managing Member, the Secured Party or the Initial Member may reasonably request from time to time and, in any case, shall ensure that the Managing Member, the Secured Party and the Initial Member are promptly advised, in writing, of any matter of which the Servicer or Subservicer becomes aware relating to the Loans, any of the Collateral, the Collection Account, Escrow Accounts, any Other Accounts or any Borrower or Guarantor that materially and adversely affects the interests of the Company, the Secured Party or the Initial Member. Without limiting the generality of the foregoing, the Servicer shall immediately notify the Managing Member, the Secured Party and the Initial Member of any claim, threatened claim or litigation against the Managing Member arising out of any Loan and shall cause to be delivered to the Managing Member, the Secured Party and the Initial Member information indicating any possible Environmental Hazard with respect to any Collateral.

Section 5.6 Notice of Breach. The Servicer shall immediately notify the Managing Member, the Secured Party and the Initial Member of any failure or anticipated failure on its part to observe and perform any warranty, representation, covenant or agreement required to be observed and performed by it as the Servicer.

ARTICLE VI

SECURED PARTY AND INITIAL MEMBER CONSENT

Section 6.1 Actions Requiring Secured Party and Initial Member Consent. Notwithstanding anything to the contrary contained in this Agreement, neither the Managing Member nor the Servicer shall permit to be taken any of the following actions without the prior written consent of the Secured Party and the Initial Member, which may be withheld or conditioned in the sole and absolute discretion of the Secured Party and the Initial Member, respectively:

(a) a Bulk Sale occurring during the 24-month period commencing on the Closing Date;

(b) the sale or other transfer of any Loan or Collateral (or any portion thereof) to any Affiliate of the Company, the Servicer, any Affiliate of the Servicer, any Subservicer, or any Affiliate of any Subservicer;

- (c) the financing of the sale or other transfer of any Loans, Collateral or Acquired Collateral (or any portion thereof);
- (d) the sale of any Loan or Collateral (or any portion thereof) that provides for any recourse against the Company or the Initial Member or any share of the Loan Collections allocable to the Initial Member;
- (e) any disbursement of any funds in the Collection Account or any Other Accounts other than in accordance with the provisions of this Agreement;
- (f) where applicable the Servicer or any Subservicer ceases to be a member in good standing of MERS®;
- (g) other than capitalizing accrued and unpaid interest and other amounts permitted to be capitalized pursuant to the Loan Modification Program, and Servicing Advances, advancing additional funds that would increase the Unpaid Principal Balance; or
- (h) reimbursement for any expense or cost incurred (or paid) to any Affiliate of the Company, any Affiliate of the Servicer or any Affiliate of any Subservicer.

Section 6.2 Amendments, Modification and Waivers. No provision of this Agreement may be amended, modified or waived except in writing executed by the Managing Member and the Servicer, and each such amendment and modification shall be subject to the prior written consent of the Secured Party and, except for those provisions that may be amended without the Initial Member's consent, as and to the extent expressly provided in this Agreement, the Initial Member (which consent, in the case of the Initial Member, shall not be unreasonably withheld, delayed or conditioned). Whenever a consent of the Secured Party or the Initial Member is required under this Agreement, such consent may be given or withheld in the sole and absolute discretion of such Person, except, in the case of the Initial Member, to the extent expressly provided otherwise in this Agreement.

ARTICLE VII

DEFAULTS; TERMINATION; TERMINATION WITHOUT CAUSE

Section 7.1 Defaults. A default ("**Default**") means the occurrence of:

- (a) any failure by the Servicer to remit to the Company or deposit in the Collection Account, the Escrow Accounts or any Other Accounts any amount required to be so remitted or deposited under the terms of this Agreement; or
- (b) any Insolvency Event (without any cure period other than as may be provided for in the definition of Insolvency Event) with respect to the Servicer or any Affiliate thereof, or any Subservicer or any Affiliate thereof; or
- (c) any failure by the Servicer to duly perform its obligations in (i) Section 5.2(e), which failure continues unremedied for a period of five (5) days, or such other period as the Managing Member and the Servicer agree, after the date on which written notice of such failure, requiring the same to be remedied, shall have been given by the Managing Member or

the Secured Party to the Servicer, or (ii) Section 5.2(f) or 5.2(g), which failure continues unremedied for a period of twenty-five (25) days, or such other period as the Managing Member, the Secured Party and the Servicer agree, after the date on which written notice of such failure, requiring the same to be remedied, shall have been given by the Managing Member or the Secured Party to the Servicer; or

(d) any failure by the Servicer at any time (i) to comply with its obligation to be a Qualified Servicer and to renew or maintain any permit or license necessary to carry out its responsibilities under this Agreement in compliance with Law, or (ii) to cause each Subservicer to meet the applicable characteristics of a Qualified Servicer as required under Section 4.1 and to renew or maintain any permit or license necessary to carry out its responsibilities under any Subservicing Agreement, which, in the case of either (i) or (ii), continues unremedied for a period of thirty (30) days after the date on which written notice of such failure requiring the same to be remedied shall have been given by the Managing Member or the Secured Party to the Servicer; or

(e) the occurrence of any event of default or material breach by the Servicer under this Agreement, which continues unremedied for a period of thirty (30) days after the date on which written notice of such failure requiring the same to be remedied shall have been given by the Managing Member or the Secured Party to the Servicer; or

(f) any failure by the Servicer to cause any Subservicer to comply with the terms of its Subservicing Agreement with the Servicer, the occurrence of a default or material breach by any Subservicer under its Subservicing Agreement or the failure by the Servicer to replace any Subservicer upon the occurrence of any such event in accordance with the terms governing material breach or default under the applicable Subservicing Agreement; or

(g) any other failure (other than those specified in any of Sections 7.1(a) through (f)) by the Servicer duly to observe or perform in any material respect any other covenants or agreements on the part of the Servicer contained in this Agreement or to perform any Servicing Obligation in compliance with the Servicing Standard, and such failure continues unremedied for a period of thirty (30) days, or such other period as the Managing Member, the Secured Party and the Servicer agree, after the date on which written notice of such failure, requiring the same to be remedied, shall have been given by the Managing Member or the Secured Party to the Servicer; provided, however, that in the case of a failure that cannot be cured within thirty (30) days (or such other period as the Managing Member, the Secured Party and the Servicer agree), the cure period shall be extended for an additional thirty (30) days if the Servicer can demonstrate to the reasonable satisfaction of the Managing Member and the Secured Party that the Servicer is diligently pursuing remedial action; or

(h) the occurrence of any "Event of Default," as defined in the LLC Operating Agreement; or

(i) the occurrence of any "Event of Default," as defined in the Security Agreement.

Section 7.2 Termination with Cause.

(a) Upon the occurrence of any Default pursuant to this Agreement (without any cure period other than as may be provided for in Section 7.1 above), the Managing Member, in addition to any other rights the Managing Member may have pursuant to this Agreement, at law (including the Uniform Commercial Code), or in equity, including injunctive relief, specific performance or otherwise, may terminate this Agreement by providing a Termination Notice to the Servicer.

(b) Upon the occurrence of a Default pursuant to any of Sections 7.1(a), (b), (c), (d), (e), (f), (h) or (i) (but with respect to a Default under clause (c), only with respect to Sections 5.2(f) and (g) referred to therein), or of this Agreement (in each case, without any cure period other than as may be provided for in Section 7.1 above), the Secured Party or, with the consent of the Secure Party, the Initial Member, in addition to any other rights the Secured Party or the Initial Member may have at law or equity, including injunctive relief, specific performance or otherwise, may (i) terminate this Agreement by providing a Termination Notice to the Servicer, (ii) terminate the Subservicing Agreements by providing a written termination notice to the Subservicers, and (iii) otherwise enforce this Agreement, in any case, without penalty or payment or any fee.

(c) The Servicer hereby consents to its immediate termination under this Agreement by the Secured Party or, with the consent of the Secured Party, the Initial Member upon a Default under Section 7.1(b) of this Agreement.

(d) Upon a default or failure of the Managing Member to perform its obligations under this Agreement in a material manner, including but not limited to, the failure of the Managing Member to pay to the Servicer the Servicing Fee in full and timely, the Servicer, in addition to any other rights it may have pursuant to this Agreement, at law or in equity, may terminate this Agreement by providing a Termination Notice to the Managing Member, with a copy to the Secured Party and the Initial Member. The Termination Notice shall set forth with specificity the nature of the default or failure to perform of the Managing Member and provide the Managing Member with no less than thirty (30) days to cure any such default or failure to perform. In the event that the default or failure to perform is not cured within thirty (30) days from the date of the Termination Notice, the Servicer shall provide a second Termination Notice to the Managing Member with a copy to the Secured Party and the Initial Member, which second Termination Notice shall be prominently labeled as the "Second Termination Notice". Such Second Termination Notice shall confirm to the Managing Member that the Servicer shall continue to perform the Servicing Obligations under this Agreement until the earlier to occur of (i) ninety (90) days after the delivery of the Second Termination Notice to the Managing Member, the Secured Party and the Initial Member, or (ii) the transfer of the Servicing Obligations to a successor Servicer. The duty of the Servicer to continue to perform the Servicing Obligations as provided in the Second Termination Notice is contingent upon the timely and full payment of the Servicing Fee to the Servicer during such period. Servicer shall cooperate fully and completely with the transition of the Servicing Obligations to a successor Servicer in order to assure an orderly transfer.

Section 7.3 Termination without Cause.

(a) The Managing Member may at any time, without cause but with the consent of the Secured Party, terminate this Agreement, upon providing a Termination Notice to the Servicer, but only as and in accordance with the provisions set forth on Schedule 5, as the same may be amended from time to time by the Managing Member and the Servicer with the Secured Party's but without the Initial Member's consent.

(b) The Servicer may at any time after the first anniversary of the Effective Date and thereafter, without cause, terminate this Agreement. No termination of this Agreement by Servicer shall be effective unless the Servicer delivers to the Managing Member, with a copy to the Secured Party and the Initial Member, a Termination Notice, which for the purpose of this Section 7.3(b) shall be a notice of Servicer's intent to terminate this Agreement. Such Termination Notice shall be provided at least sixty (60) days prior to any date specified by the Servicer as the date of termination of Servicer's Obligations under this Agreement. Notwithstanding the foregoing, such Termination Notice shall not be effective unless the Termination Notice contains confirmation of the intent and obligation of the Servicer to continue to perform its Servicing Obligations until the earlier of (i) ninety (90) days after the Termination Notice is given or (ii) such other date on which the Servicing Obligations are transferred to a successor Servicer in an orderly manner. Servicer shall cooperate fully and completely with the transition of the Servicing Obligations to a successor Servicer in order to assure an orderly transfer. The Servicer issuing the Termination Notice shall be liable for all costs associated with the transfer of Servicing Obligations to the successor Servicer, including but not limited to the costs of transporting the servicing files and the provision of any notices to Borrowers.

Section 7.4 Effective Date. Termination as specified in this Article VII shall be effective at such time as is specified in the Termination Notice. In the event of such termination, all authority and power of the Servicer under this Agreement, whether with respect to the Loans or otherwise, shall pass to and be vested in the Managing Member, the Initial Member or the successor servicer as designated by (i) the Secured Party or (ii) with the consent of the Secured Party, the Managing Member in the case of termination by the Managing Member, or as designated solely by the Initial Member in the case of termination by the Initial Member. The Servicer agrees to cooperate with the Managing Member, the Secured Party, the Initial Member and such successor servicer with respect to the timely and orderly transition of its obligations under this Agreement. The Servicer shall be liable for all obligations of the Servicer that have accrued under this Agreement or at Law prior to such termination.

Section 7.5 Accounting. Upon termination of this Agreement as set forth herein, the Servicer shall, unless otherwise directed by the Secured Party, account for and turn over to the Managing Member or its designee funds collected under the terms of this Agreement. The Servicer shall provide written notice in conformance with all applicable Law to the Borrowers to indicate that their Loans will henceforth be serviced by the Managing Member, the Initial Member or any successor servicer designated by either the Secured Party or, with its consent, by the Managing Member or the Initial Member, as the case may be, and transfer its duties as the Servicer to either the Managing Member, the Initial Member or any successor Servicer as applicable.

ARTICLE VIII
INDEPENDENCE OF PARTIES; INDEMNIFICATION

Section 8.1 Independence of Parties. The Servicer shall have the status of, and act as, an independent contractor. Nothing herein contained shall be construed to create a partnership or joint venture or any similar relationship between the Managing Member and the Servicer.

Section 8.2 Indemnification. The Servicer agrees to indemnify, defend and hold harmless the Company, the Managing Member, the Secured Party, the Initial Member and each of their respective Affiliates, directors, officers, employees and agents and each of their respective successors and assigns (the "**Indemnified Parties**") from and against any and all claims, demands, suits, actions, proceedings, assessments, losses, costs, expenses (including attorneys' fees), damages and liabilities of any kind or nature whatsoever directly or indirectly resulting from or arising out of or related to (i) any inaccuracy in any of the Servicer's warranties or representations contained in this Agreement, (ii) any failure by the Servicer to observe or perform any or all of the Servicer's covenants, agreements or warranties contained in this Agreement, (iii) any act taken by the Servicer purportedly pursuant to a power of attorney granted by the Managing Member which act results in a claim related to the unlawful use of such power of attorney, or (iv) failure by the Servicer or any Subservicer to discharge obligations on any Collateral relating to taxes, ground rents or other such recurring charges generally accepted by the mortgage servicing industry, which would become a Lien on the Collateral. The Servicer shall immediately notify the Indemnified Party if a claim is made with respect to this Agreement or any Loans or Collateral, assume (with prior consent of the Indemnified Party) the defense of any such claim and pay all expenses in connection therewith, including attorneys' fees, and promptly pay, discharge and satisfy any judgment or decree which may be entered against it or any Indemnified Party in respect of such claim. No expenses incurred by the Servicer or any Subservicer in connection with its obligations under this Section 8.2 shall constitute a Servicer Advance. The Servicer shall follow any reasonable written instructions received from the Indemnified Party in connection with such claims, it being understood that the Indemnified Party shall have no duty to monitor or give instructions with respect to such claims.

Section 8.3 Procedure for Indemnification. Promptly upon receipt of written notice of any claim, in respect of which indemnity may be sought pursuant to the terms of this Agreement, the Indemnified Party will use its best efforts to notify the Servicer in writing thereof in sufficient time for the Servicer to respond to such claim. Except to the extent that the Servicer is prejudiced thereby, the failure of the Indemnified Party to promptly notify the Servicer of any such claim shall not relieve the Servicer from any liability which it may have to the Indemnified Party in connection therewith. If any claim shall be asserted or commenced against the Indemnified Party, the Servicer will be entitled to participate therein, and to the extent it may wish to assume the defense, conduct or settlement thereof, it shall be entitled to do so with counsel reasonably satisfactory to the Indemnified Party; provided, however, that in the event the Servicer fails, in the reasonable judgment of the Indemnified Party, vigorously to defend or pursue or attempt to settle such claim, the Managing Member shall have the right to assume the conduct, defense or settlement thereof, provided that the Managing Member shall obtain the prior written approval of the Indemnified Party before ceasing to defend against any claim or entering into any settlement, adjustment or compromise of such claim involving injunctive or similar equitable relief being imposed upon any Indemnified Party or any of its Affiliates. After

notice from the Servicer to the Managing Member of its election to assume the defense, conduct or settlement thereof, the Servicer will not be liable to the Managing Member for any legal or other expenses consequently incurred by the Managing Member in connection with the defense, conduct or settlement thereof.

ARTICLE IX
NOTICES

All notices, requests, demands, and other communications required or permitted to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be given by registered or certified mail (postage prepaid and return receipt requested) or delivered by hand or by a nationally recognized air courier service, directed to the address of such Person set forth below:

If to the Managing Member: RCS Franklin Venture LLC
4282 North Freeway
Fort Worth, Texas 76137
Attention: Dennis G. Stowe
Tel: (817) 321-6001

with a copy to: K&L Gates LLP
1601 K Street, N.W.
Washington, D.C. 20006
Attention: Phillip J. Kardis, II
Tel: (202) 778-9401

If to the Initial Member: Senior Capital Markets Specialist
c/o Federal Deposit Insurance Corporation
550 17th Street, NW (F-7026)
Washington, D.C. 20429-0002
Attention: Timothy A. Kruse
Tel: (202) 898-6832

with a copy to: Senior Counsel
FDIC Legal Division
Litigation and Resolutions Branch, Receivership Section
Special Issues Unit
3501 Fairfax Drive (Room E-7056)
Arlington, Virginia 22226
Attention: David Gearin
Tel: (703) 562-2430

If to the Secured Party: Director, Division of Finance
c/o Federal Deposit Insurance Corporation
3501 Fairfax Drive (Room VS-4088)
Arlington, Virginia 2226
Attention: Bret D. Edwards

Tel: (703) 562-6101

with a copy to:

Senior Counsel
FDIC Legal Division
Litigation and Resolutions Branch, Receivership Section
Special Issues Unit
3501 Fairfax Drive (Room E-7056)
Arlington, Virginia 22226
Attention: David Gearin
Tel: (703) 562-2430

If to the Servicer:

Residential Credit Solutions, Inc.
4282 North Freeway
Fort Worth, Texas 76137
Attention: Dennis G. Stowe
Tel: (817) 321-6001

with a copy to:

K&L Gates LLP
1601 K Street, N.W.
Washington, D.C. 20006
Attention: Phillip J. Kardis, II
Tel: (202) 778-9401

Any such notice shall become effective when received (or receipt is refused) by the addressee, provided that any notice or communication that is received (or refused) other than during regular business hours of the recipient shall be deemed to have been given at the opening of business on the next Business Day of the recipient. From time to time, any Person may designate a new address for purposes of notice hereunder by notice to such effect to the other Persons identified above.

ARTICLE X

GOVERNING LAW; JURISDICTION

Section 10.1 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK EXCLUDING ANY CONFLICT OF LAWS RULE OR PRINCIPLE THAT MIGHT REFER THE GOVERNANCE OR THE CONSTRUCTION OF THIS AGREEMENT TO THE LAW OF ANOTHER JURISDICTION. Nothing in this Agreement shall require any unlawful action or inaction by any party hereto.

Section 10.2 Jurisdiction; Venue and Service. Each of the parties hereto, for itself and each of its Affiliates, hereby irrevocably and unconditionally:

(a) agrees that any suit, action or proceeding instituted against it by any other party with respect to this Agreement may be instituted, and that any suit, action or proceeding instituted by it against any other party with respect to this Agreement shall be instituted, only in

the Supreme Court of the State of New York, County of New York, or the U.S. District Court for the Southern District of New York or the United States District Court for the District of Columbia (and appellate courts from any of the foregoing), (ii) consents and submits, for itself and its property, to the jurisdiction of such courts for the purpose of any such suit, action or proceeding instituted against it by any other party and (iii) agrees that a final judgment in any such suit, action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law;

(b) agrees that service of all writs, process and summonses in any suit, action or proceeding pursuant to Section 10.2(a) may be effected by the mailing of copies thereof by registered or certified mail, postage prepaid, to it at its address for notices pursuant to Article IX (with copies to such other Persons as specified therein); provided, however, that nothing contained in this Section 10.2(a) shall affect the ability of any party to be served process in any other manner permitted by Law;

(c) (i) waives any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement brought in any court specified in Section 10.2(a), (ii) waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum and (iii) agrees not to plead or claim either of the foregoing; and

(d) agrees that nothing contained in this Section 10.2 shall be construed to constitute consent to jurisdiction by the Failed Bank or the FDIC, in any capacity, or a limitation on any removal rights the FDIC, in any capacity, may have.

Section 10.3 Waiver of Jury Trial. EACH OF THE PARTIES HERETO, FOR ITSELF AND EACH OF ITS AFFILIATES, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT AND AGREES THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

ARTICLE XI **MISCELLANEOUS**

Section 11.1 No Assignment by Servicer; No Transfer of Ownership Interests in Servicing Rights.

(a) The Servicer hereby acknowledges that this Agreement constitutes a personal services agreement between the Managing Member and the Servicer. The Servicer shall not assign any rights or obligations hereunder to any other Person other than as is expressly provided in this Agreement. Any purported sale, sub-participation or assignment or delegation in violation of this Section 11.1(a) shall be void *ab initio* and of no force or effect whatsoever.

(b) Under no circumstances shall the Servicer transfer to any Subservicer or any other Person any ownership interest in the servicing of the Loans or any right to transfer or sell the servicing to the Loans (other than in connection with the sale of any Loan). The Servicer shall not assign, pledge or otherwise transfer or purport to assign, pledge or otherwise transfer any interest to any Person in the servicing of the Loans (other than in connection with the sale of

any Loan). Any purported assignment, pledge, delegation or other transfer in violation of this Section 11.1(b) shall be void *ab initio* and of no force or effect whatsoever.

Section 11.2 Legal Fees. No party to this Agreement shall be responsible for the payment of the legal fees or expenses incurred by the other party hereto in connection with the negotiation and execution of this Agreement or any subsequent modifications or supplements hereto.

Section 11.3 Entire Agreement. This Agreement contains the entire agreement between the Managing Member and the Servicer and supersedes any and all other prior agreements, whether oral or written, with respect to the subject matter hereof.

Section 11.4 Counterparts; Facsimile Signatures. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same agreement. This Agreement and any amendments hereto, to the extent signed and delivered by facsimile or other electronic means, shall be treated in all manner and respects as an original agreement and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. No signatory to this Agreement shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such Person forever waives any such defense.

Section 11.5 Headings. Paragraph titles or captions contained in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provisions hereof. All Section and paragraph references contained herein shall refer to Sections and paragraphs in this Agreement unless otherwise specified.

Section 11.6 Construction. This Agreement shall be construed and interpreted in accordance with the following:

(a) References to "Affiliates" include, with respect to any specified Person, only such other Persons which from time to time constitute "Affiliates" of such specified Person, and do not include, at any particular time, other Persons that may have been, but at such time have ceased to be, "Affiliates" of such specified Person, except to the extent that any such reference specifically provides otherwise.

(b) The term "or" is not exclusive.

(c) A reference to a Law includes any amendment, modification or replacement to such Law.

(d) References to any document, instrument or agreement (including this Agreement) (a) shall be deemed to include all appendices, exhibits, schedules and other attachments thereto and all documents, instruments or agreements issued or executed in replacement thereof, and (b) shall mean such document, instrument or agreement, or replacement

thereto, as amended, modified and supplemented from time to time in accordance with its terms and as the same is in effect at any given time.

(e) Unless otherwise specified, the words “hereof,” “herein” and “hereunder” and words of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(f) The words “include” and “including” and words of similar import are not limiting, and shall be construed to be followed by the words “without limitation,” whether or not they are in fact followed by such words.

(g) The word “during” when used with respect to a period of time shall be construed to mean commencing at the beginning of such period and continuing until the end of such period.

(h) Unless the context otherwise requires, singular nouns and pronouns when used herein shall be deemed to include the plural and vice versa and impersonal pronouns shall be deemed to include the personal pronoun of the appropriate gender.

Section 11.7 Compliance with Law. Except as otherwise specifically provided herein, each party to this Agreement shall, at its own cost and expense, obey and comply with all applicable Laws, as they may pertain to such party’s performance of its obligations hereunder.

Section 11.8 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall be ineffective, but such ineffectiveness shall be limited as follows: (i) if such provision is prohibited or unenforceable in such jurisdiction only as to a particular Person or Persons and/or under any particular circumstance or circumstances, such provision shall be ineffective, but only in such jurisdiction and only with respect to such particular Person or Persons and/or under such particular circumstance or circumstances, as the case may be; (ii) without limitation of clause (i), such provision shall in any event be ineffective only as to such jurisdiction and only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction; and (iii) without limitation of clauses (i) or (ii), such ineffectiveness shall not invalidate any of the remaining provisions of this Agreement. Without limitation of the preceding sentence, it is the intent of the parties to this Agreement that in the event that in any court proceeding, such court determines that any provision of this Agreement is prohibited or unenforceable in any jurisdiction (because of the duration or scope (geographic or otherwise) of such provision, or for any other reason) such court shall have the power to, and shall, (x) modify such provision (including without limitation, to the extent applicable, by limiting the duration or scope of such provision and/or the Persons against whom, and/or the circumstances under which, such provision shall be effective in such jurisdiction) for purposes of such proceeding to the minimum extent necessary so that such provision, as so modified, may then be enforced in such proceeding and (y) enforce such provision, as so modified pursuant to clause (x), in such proceeding. Nothing in this Section 11.8 is intended to, or shall, limit (1) the ability of any party to this Agreement to appeal any court ruling or the effect of any favorable ruling on appeal or (2) the intended effect of Section 10.1.

Section 11.9 Third Party Beneficiaries. The Company, the Secured Party and the Initial Member shall be and are hereby designated as third party beneficiaries under this Agreement and, as such, each of the Secured Party and, with the Secured Party's consent, each of the Company and the Initial Member is entitled to enforce this Agreement as if such Person were a party hereto. Notwithstanding the foregoing, neither the Secured Party, the Company nor the Initial Member shall have any obligation to undertake any of the duties of the Managing Member hereunder and shall have no liability whatsoever to the Servicer, any Subservicer or any other party related to this Agreement. There shall be no other third party beneficiaries. The rights of the Secured Party as a third party beneficiary hereunder, including any requirement that any action hereunder is subject to the consent of the Secured Party, shall terminate at such time as the Secured Party notifies the Servicer that the secured obligations thereunder have been paid in full, but shall be reinstated in the event that the Secured Party notifies the Servicer that the Security Agreement has been reinstated in accordance with its terms.

Section 11.10 Protection of Confidential Information. The Servicer shall keep confidential and shall not divulge to any party, without the Managing Member's prior written consent, any information pertaining to the LLC Operating Agreement, the Loans or any Borrower or the Collateral thereunder, except as required pursuant to this Agreement and except to the extent that it is necessary and appropriate for the Servicer to do so in working with legal counsel, auditors, taxing authorities, regulatory authorities or other Governmental Authority or in accordance with the Servicing Standard.

Section 11.11 Time of Essence. Time is hereby declared to be of the essence of this Agreement and of every part hereof.

Section 11.12 No Presumption. This Agreement shall be construed fairly as to each party hereto and if at any time any such term or condition is desired or required to be interpreted or construed, no consideration shall be given to the issue of who actually prepared, drafted or requested any term or condition of this Agreement or any agreement or instrument subject hereto.

Section 11.13 No Right of Setoff. The Servicer hereby waives any and all rights it may otherwise have (whether by contract or operation of Law or otherwise) to any setoff, offset, counterclaim or deduction (or to assert any claim for any setoff, offset counterclaim or deduction) against the Loan Collections.

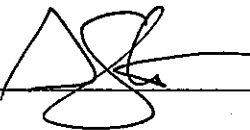
Section 11.14 Release of Initial Member and Prior Servicers. The Servicer hereby releases and discharges the Initial Member and any predecessor servicer, and all of their respective officers, directors, employees, agents, attorneys, contractors and representatives, and all of their respective successors and assigns and Affiliates (but excluding, in all cases, the Managing Member), from any and all claims (including any counterclaim or defensive claim), demands, causes of action, judgments or legal proceedings and remedies of whatever kind or nature that the Servicer had, has or might have in the future, whether known or unknown, which are related in any manner whatsoever to that servicing of the Loans or Collateral by the Initial Member or such other predecessor servicer prior to the applicable Servicing Transfer Date for the Loans in question (other than due to gross negligence or willful misconduct of the Initial Member or other predecessor servicer).

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

RCS FRANKLIN VENTURE LLC

By: Residential Credit Solutions, Inc., its sole Member

By: _____
Name: _____
Title: _____



RESIDENTIAL CREDIT SOLUTIONS, INC.

By: _____
Name: _____
Title: _____

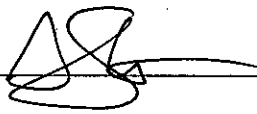


EXHIBIT A

LOAN SCHEDULE

The Loan Schedule is separately being acknowledged and delivered on the Closing Date by the Initial Member, the Company and the Managing Member.

EXHIBIT B

ELECTRONIC TRACKING AGREEMENT

[Attached]

ELECTRONIC TRACKING AGREEMENT
BY AND AMONG
FEDERAL DEPOSIT INSURANCE CORPORATION,
RESIDENTIAL CREDIT SOLUTIONS, INC.,
MERSCORP, INC.
AND
MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

Dated as of September 30, 2009

ELECTRONIC TRACKING AGREEMENT

THIS ELECTRONIC TRACKING AGREEMENT (this "**Agreement**") is made and entered into as of September 30, 2009 by and among the Federal Deposit Insurance Corporation (in any capacity, the "**FDIC**"), in its corporate capacity as the Secured Party (as defined below), Residential Credit Solutions, Inc. (the "**Servicer**"), MERSCORP, Inc. (the "**Electronic Agent**") and Mortgage Electronic Registration Systems, Inc. ("**MERS**").

WHEREAS, RCS Franklin Venture LLC, the sole member of the Company (as defined below), and the Servicer have entered into that certain Servicing Agreement, dated as of September 30, 2009 (the "**Servicing Agreement**"), pursuant to which, among other things, the Servicer is responsible for servicing the Mortgage Loans; and

WHEREAS, pursuant to the Reimbursement and Security Agreement (the "**Reimbursement and Security Agreement**") dated as of September 30, 2009, by and between the Company, and the FDIC in its corporate capacity as the secured party (the "**Secured Party**"), the Company has pledged the Mortgage Loans to the Secured Party and the Secured Party will have a first priority security interest in the Mortgage Loans; and

WHEREAS, the Servicer and the Secured Party desire to continue to have the Mortgage Loans registered on the MERS® System (defined below) such that the mortgagee of record under each Mortgage (defined below) shall be identified as MERS.

NOW, THEREFORE, the parties, intending to be legally bound, agree as follows:

1. Definitions.

Capitalized terms used in this Agreement shall have the meanings assigned to them below.

"**Affected Loans**" shall have the meaning assigned to such term in Section 4(b).

"**Agreement**" shall have the meaning assigned to such term in the preamble.

"**Assignment of Mortgage**" shall mean, with respect to any Mortgage, an assignment of the Mortgage, notice of transfer or equivalent instrument in recordable form, sufficient under the laws of the jurisdiction wherein the related mortgaged property is located to effect the assignment of the Mortgage upon recordation.

"**Company**" shall mean Franklin Venture, LLC.

"**Electronic Agent**" shall have the meaning given in the preamble.

"**Event of Default**" shall mean an Event of Default as defined in the Servicing Agreement.

"**FDIC**" shall have the meaning given in the preamble.

“**MERS**” shall have the meaning given in the preamble.

“**MERS Designated Mortgage Loan**” shall have the meaning given in Section 3.

“**MERS Procedures Manual**” shall mean the MERS Procedures Manual attached as Exhibit B hereto, as it may be amended from time to time.

“**MERS® System**” shall mean the Electronic Agent’s mortgage electronic registry system, as more particularly described in the MERS Procedures Manual.

“**Mortgage**” shall mean a lien, mortgage or deed of trust securing a Mortgage Note.

“**Mortgage Loan**” shall mean each mortgage loan that is pledged to the Secured Party pursuant to the Reimbursement and Security Agreement and that is, as of the date hereof, eligible to be registered on the MERS® System.

“**Mortgage Note**” shall mean a promissory note or other evidence of indebtedness of the obligor thereunder, representing a Mortgage Loan, and secured by the related Mortgage.

“**Notice of Default**” shall mean a notice from the Secured Party that an Event of Default has occurred and is continuing.

“**Opinion of Counsel**” shall mean a written opinion of counsel in form and substance reasonably acceptable to the Secured Party.

“**Person**” shall mean any individual, corporation, company, voluntary association, partnership, joint venture, limited liability company, trust, unincorporated association or government (or any agency, instrumentality or political subdivision thereof).

“**Reimbursement and Security Agreement**” shall have the meaning given in the recitals.

“**Servicing Agreement**” shall have the meaning given in the recitals.

“**Secured Party**” shall have the meaning given in the recitals.

“**Servicer**” shall have the meaning given in the preamble.

2. Appointment of the Electronic Agent.

(a) The Secured Party and the Servicer, by execution and delivery of this Agreement, each does hereby appoint MERSCORP, Inc. as the Electronic Agent, subject to the terms of this Agreement, to perform the obligations set forth herein.

(b) MERSCORP, Inc., by execution and delivery of this Agreement, does hereby (i) agree with the Secured Party and the Servicer, subject to the terms of this Agreement, to perform the services set forth herein, and (ii) accepts its appointment as the Electronic Agent.

3. Designation of MERS as Mortgagee of Record; Designation of Investor and Servicer of Record in MERS.

The Servicer represents, warrants and covenants that (a) it has designated or shall designate MERS as, and has taken or will take such action as is necessary to cause MERS to be, the mortgagee of record, as nominee for the Company, with respect to the pledged Mortgage Loans in accordance with the MERS Procedures Manual and (b) it has designated or will promptly designate the Company as the “investor” and the Servicer as the “servicer” in the MERS® System for each such pledged Mortgage Loan (each pledged Mortgage Loan so designated is a “**MERS Designated Mortgage Loan**”) and the Secured Party as the “interim funder” on the MERS® System with respect to each MERS Designated Mortgage Loan.

4. Obligations of the Electronic Agent.

(a) The Electronic Agent shall ensure that MERS, as the mortgagee of record under each MERS Designated Mortgage Loan, shall promptly forward all properly identified notices MERS receives in such capacity to the person or persons identified in the MERS® System as the servicer as well as, if a subservicer is identified in the MERS® System, the subservicer for such MERS Designated Mortgage Loan.

(b) Upon receipt of a Notice of Default, in the form of Exhibit C, from the Secured Party in which the Secured Party shall identify the MERS Designated Mortgage Loans with respect to which the Servicer’s right to act as servicer or subservicer thereof has been terminated by the Secured Party (the “**Affected Loans**”), the Electronic Agent shall modify the investor fields and/or servicer fields to reflect the investor and/or servicer on the MERS® System as the Secured Party or the Secured Party’s designee with respect to such Affected Loans. Following such Notice of Default, the Electronic Agent shall follow the instructions of the Secured Party with respect to the Affected Loans, without further consent of the Servicer, and shall deliver to the Secured Party any documents and/or information (to the extent such documents or information are in the possession or control of the Electronic Agent) with respect to the Affected Loans requested by the Secured Party.

(c) Upon the Secured Party’s request and instructions, and at the Servicer’s sole cost and expense, the Electronic Agent shall deliver to the Secured Party or the Secured Party’s designee an Assignment of Mortgage from MERS, in blank, in recordable form but unrecorded with respect to each Affected Loan; provided, however, that the Electronic Agent shall not be required to comply with the foregoing unless the costs of doing so shall be paid by the Servicer or a third party.

(d) The Electronic Agent shall promptly notify the Secured Party and the Servicer if it has actual knowledge that any mortgage, pledge, lien, security interest or other charge or encumbrance exists with respect to any of the Mortgage Loans. Upon the reasonable request of the Secured Party or the Servicer, the Electronic Agent shall review the “investor” and “interim funder” fields and shall notify the Secured Party if any Person other than the Company is identified in the “investor” field or if any Person is identified in the “interim funder” field.

(e) In the event that (i) the Secured Party, the Company, the Servicer, the Electronic Agent or MERS shall be served by a third party with any type of levy, attachment, writ or court order with respect to any MERS Designated Mortgage Loan or (ii) a third party shall institute any court proceeding by which any MERS Designated Mortgage Loan shall be required to be delivered otherwise than in accordance with the provisions of this Agreement, the Electronic Agent shall promptly deliver or cause to be delivered to the other parties to this Agreement copies of all court papers, orders, documents and other materials concerning such proceedings.

(f) Upon the request of the Secured Party, the Electronic Agent shall run a query with respect to any and all specified fields with respect to any or all of the MERS Designated Mortgage Loans and, if requested by the Secured Party, shall change the information in the "interim funder" field in accordance with the Secured Party's instructions.

(g) MERS, as mortgagee of record for the MERS Designated Mortgage Loans, shall take all such actions as may be required by a mortgagee in connection with servicing the MERS Designated Mortgage Loans at the request of the applicable servicer identified on the MERS® System, including, but not limited to, executing and/or recording, any modification, waiver, subordination agreement, instrument of satisfaction or cancellation, partial or full release, discharge or any other comparable instruments, at the sole cost and expense of the Servicer.

(h) MERS shall cause certain officers or other representatives of the Secured Party to be appointed officers or agents of MERS with respect to the MERS Designated Mortgage Loans, with the power to wield all of the powers specified in the form of corporate resolution or power of attorney used to appoint such officer or agent, substantially in the forms attached hereto as Exhibits D-1 and D-2.

5. Access to Information.

Upon the Secured Party's request, the Electronic Agent shall furnish to the Secured Party or its respective auditors information in its possession with respect to the MERS Designated Mortgage Loans and shall permit them to inspect the Electronic Agent's and MERS' records relating to the MERS Designated Mortgage Loans at all reasonable times during regular business hours.

6. Representations of the Electronic Agent and MERS.

The Electronic Agent and MERS hereby represent and warrant as of the date hereof that:

(a) each of the Electronic Agent and MERS has the corporate power and authority and the legal right to execute and deliver, and to perform its obligations under this Agreement, and has taken all necessary corporate action to authorize its execution, delivery and performance of this Agreement;

(b) no consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority and no consent of any other Person is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement;

(c) this Agreement has been duly executed and delivered on behalf of the Electronic Agent and MERS and constitutes a legal, valid and binding obligation of the Electronic Agent and MERS enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity (whether enforcement is sought in proceedings in equity or at law);

(d) the Electronic Agent and MERS will maintain at all times insurance policies for fidelity and errors and omissions in amounts of at least three million dollars (\$3,000,000) and five million dollars (\$5,000,000) respectively, and a certificate and policy of the insurer shall be furnished to the Secured Party upon request and shall contain a statement of the insurer that such insurance will not be terminated prior to thirty (30) days' written notice to the Secured Party.

7. Covenants of MERS.

(a) MERS shall (i) not incur any indebtedness other than in the ordinary course of its business, (ii) not engage in any dissolution, liquidation, consolidation, merger or sale of assets, (iii) not engage in any business activity in which it is not currently engaged, (iv) not take any action that might cause MERS to become insolvent, (v) not form, or cause to be formed, any subsidiaries, (vi) maintain books and records separate from any other Person, (vii) maintain its bank accounts separate from any other Person, (viii) not commingle its assets with those of any other Person and hold all of its assets in its own name, (ix) conduct its own business in its own name, (x) pay its own liabilities and expenses only out of its own funds, (xi) observe all corporate formalities, (xii) enter into transactions with affiliates only if each such transaction is intrinsically fair, commercially reasonable, and on the same terms as would be available in an arm's length transaction with a Person that is not an affiliate, (xiii) pay the salaries of its own employees from its own funds, (xiv) maintain a sufficient number of employees in light of its contemplated business operations, (xv) not guarantee or become obligated for the debts of any other Person, (xvi) not hold out its credit as being available to satisfy the obligation of any other Person, (xvii) not acquire the obligations or securities of its affiliates or owners, including partners, members or shareholders, as appropriate, (xviii) not make loans to any other Person or buy or hold evidence of indebtedness issued by any other Person (except for cash and investment-grade securities), (xix) allocate fairly and reasonably any overhead expenses that are shared with an affiliate, including paying for office space and services performed by any employee of any affiliate, (xx) use separate stationery, invoices, and checks bearing its own name, (xxi) not pledge its assets for the benefit of any other Person, (xxii) hold itself out as a separate identity, (xxiii) correct any known misunderstanding regarding its separate identity and not identify itself as a division of any other Person, and (xxiv) maintain adequate capital in light of its contemplated business operations.

(b) MERS agrees that in no event shall MERS' status as mortgagee of record with respect to any MERS Designated Mortgage Loan confer upon MERS any rights or obligations as an owner of any MERS Designated Mortgage Loan or the servicing rights related thereto, and MERS will not exercise such rights unless directed to do so by the Secured Party.

8. Covenants of the Servicer.

(a) The Servicer covenants with respect to itself that it is a member of MERS in good standing.

(b) The Servicer hereby covenants and agrees with the Secured Party and each other that, with respect to each MERS Designated Mortgage Loan, it will not identify any party except the Company in the "investor" field and will not identify any party except the Secured Party in the "interim funder" field on the MERS® System.

(c) The Servicer will provide the Secured Party with MERS Identification Numbers for each MERS Designated Mortgage Loan.

9. No Adverse Interest of the Electronic Agent or MERS.

By execution of this Agreement, the Electronic Agent and MERS each represents and warrants that it currently holds, and during the existence of this Agreement shall hold, no adverse interest, by way of security or otherwise, in any MERS Designated Mortgage Loan. The MERS Designated Mortgage Loans shall not be subject to any security interest, lien or right to set-off by the Electronic Agent, MERS, or any third party claiming through the Electronic Agent or MERS, and neither the Electronic Agent nor MERS shall pledge, encumber, hypothecate, transfer, dispose of, or otherwise grant any third party interest in, the MERS Designated Mortgage Loans.

10. Indemnification of the Secured Party.

The Electronic Agent agrees to indemnify and hold the Secured Party and its designees harmless against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements, including reasonable attorneys' fees, that the Secured Party may sustain arising out of any breach by the Electronic Agent of this Agreement, the Electronic Agent's negligence, bad faith or willful misconduct, its failure to comply with the Secured Party's instructions hereunder or to the extent caused by delays or failures arising out of the inability of the Secured Party or the Electronic Agent to access information on the MERS® System. The foregoing indemnification shall survive any termination or assignment of this Agreement.

11. Reliance of the Electronic Agent.

(a) In the absence of bad faith on the part of the Electronic Agent, the Electronic Agent may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any request, instruction, certificate or other document furnished to the Electronic Agent, reasonably believed by the Electronic Agent to be genuine and to have been signed or presented by the proper party or parties and conforming to the requirements of this Agreement.

(b) Notwithstanding any contrary information which may be delivered to the Electronic Agent by the Servicer, the Electronic Agent may conclusively rely on any information or Notice of Default delivered by the Secured Party, and the Servicer shall indemnify and hold the Electronic Agent harmless for any and all claims asserted against it for any actions taken in

good faith by the Electronic Agent in connection with the delivery of such information or Notice of Default.

12. Fees.

It is understood that the Electronic Agent or its successor will charge such fees and expenses for its services hereunder as set forth in a separate agreement between the Electronic Agent and the Servicer. The Electronic Agent shall give prompt written notice of any disciplinary action instituted with respect to the Servicer's failure to pay any fees required in connection with its use of the MERS® System, and will give written notice to the Secured Party at least thirty (30) days prior to any revocation of the Servicer's membership in the MERS® System.

13. Resignation of the Electronic Agent; Termination.

(a) The Secured Party has entered into this Agreement with the Electronic Agent and MERS in reliance upon the independent status of the Electronic Agent and MERS, and the representations as to the adequacy of their facilities, personnel, records and procedures, its integrity, reputation and financial standing, and the continuance thereof. Neither the Electronic Agent nor MERS shall assign this Agreement or the responsibilities hereunder or delegate their rights or duties hereunder (except as expressly disclosed in writing to, and approved by, the Secured Party) or any portion hereof or sell or otherwise dispose of all or substantially all of its property or assets without providing the Secured Party with at least sixty (60) days' prior written notice thereof.

(b) Neither the Electronic Agent nor MERS shall resign from the obligations and duties hereby imposed on them except by mutual consent of the Electronic Agent, MERS and the Secured Party, or upon the determination that the duties of the Electronic Agent and MERS hereunder are no longer permissible under applicable law and such incapacity cannot be cured by the Electronic Agent and MERS. Any such determination permitting the resignation of the Electronic Agent and MERS shall be evidenced by an Opinion of Counsel to such effect delivered to the Secured Party, which Opinion of Counsel shall be in form and substance acceptable to the Secured Party. No such resignation shall become effective until the Electronic Agent and MERS have delivered to the Secured Party all of the Assignments of Mortgage, in blank, in recordable form but unrecorded for each MERS Designated Mortgage Loan identified by the Secured Party as the Secured Party's collateral.

14. Removal of the Electronic Agent.

(a) The Secured Party, with or without cause, may remove and discharge the Electronic Agent and MERS from the performance of its duties under this Agreement with respect to some or all of the MERS Designated Mortgage Loans by written notice from the Secured Party to the other parties hereto.

(b) In the event of termination of this Agreement, at the Servicer's sole cost and expense (except as provided in Section 16), the Electronic Agent shall follow the instructions of the Secured Party for the disposition of the documents in its possession pursuant to this

Agreement, and deliver to the Secured Party an Assignment of Mortgage, in blank, in recordable form but unrecorded for each MERS Designated Mortgage Loan identified by the Secured Party as the Secured Party's collateral. Notwithstanding the foregoing, in the event that the Secured Party terminates this Agreement with respect to some, but not all, of the MERS Designated Mortgage Loans, this Agreement shall remain in full force and effect with respect to any MERS Designated Mortgage Loans for which this Agreement is not terminated hereunder. Notwithstanding any termination of this Agreement, the provisions of Section 10 shall survive any termination.

15. Notices.

All written communications hereunder shall be delivered, by overnight courier, to the Electronic Agent and/or the Secured Party and/or the Servicer as indicated on the signature page hereto, or at such other address as designated by such party in a written notice to the other parties. All such communications shall be deemed to have been duly given upon receipt (or refusal thereof), in each case given or addressed as aforesaid.

16. Term of Agreement.

(a) This Agreement shall continue to be in effect until terminated by the Secured Party or the Electronic Agent sending written notice to the other parties of this Agreement at least thirty (30) days prior to said termination.

(b) Upon the termination of this Agreement by the Electronic Agent or the termination of this Agreement by the Secured Party for cause as provided above, the Electronic Agent shall, at the Electronic Agent's sole cost and expense, execute and deliver to the Secured Party or its designee an Assignment of Mortgage with respect to each MERS Designated Mortgage Loan identified by the Secured Party, in blank, in recordable form but unrecorded. In the event that this Agreement is terminated by the Secured Party without cause, the duties of the Electronic Agent in the preceding sentence shall be at the sole cost and expense of the Servicer. In addition, the Secured Party and the Electronic Agent may, at the sole option of the Secured Party, enter into a separate agreement which shall be mutually acceptable to the parties with respect to any or all of the MERS Designated Mortgage Loans with respect to which this Agreement is terminated.

17. Authorizations.

Any of the persons whose signatures and titles appear on Exhibit A hereto are authorized, acting singly, to act for the Secured Party, the Servicer, the Electronic Agent or MERS, as the case may be, under this Agreement. The parties may change the information on Exhibit A hereto from time to time but each of the parties shall be entitled to rely conclusively on the then current Exhibit A until receipt of a superseding exhibit.

18. Amendments.

This Agreement may be amended from time to time only by written agreement signed by the Secured Party, the Servicer, the Electronic Agent and MERS.

19. Severability.

If any provision of this Agreement is declared invalid by any court of competent jurisdiction, such invalidity shall not affect any other provision, and this Agreement shall be enforced to the fullest extent required by law.

20. Binding Effect.

This Agreement shall be binding and inure to the benefit of the parties hereto and their respective successors and assigns.

21. Governing Law.

THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY THE LAW OF THE COMMONWEALTH OF VIRGINIA.

THE SECURED PARTY (OTHER THAN THE FDIC IN ANY OTHER CAPACITY), THE SERVICER, THE ELECTRONIC AGENT AND MERS EACH IRREVOCABLY AGREES THAT ANY ACTION OR PROCEEDING ARISING OUT OF OR IN ANY MANNER RELATING TO THIS AGREEMENT MAY BE BROUGHT IN ANY COURT OF THE COMMONWEALTH OF VIRGINIA, OR IN THE U.S. DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA, AND BY THE EXECUTION AND DELIVERY OF THIS AGREEMENT EXPRESSLY AND IRREVOCABLY ASSENT AND SUBMIT TO THE NONEXCLUSIVE JURISDICTION OF ANY SUCH COURTS IN ANY SUCH ACTION OR PROCEEDING.

22. Waiver of Jury Trial.

THE SECURED PARTY, THE SERVICER, THE ELECTRONIC AGENT AND MERS EACH IRREVOCABLY AGREES TO WAIVE ITS RIGHT TO A JURY TRIAL IN ANY ACTION OR PROCEEDING AGAINST IT ARISING OUT OF, OR RELATED IN ANY MANNER TO, THIS AGREEMENT OR ANY RELATED AGREEMENT.

23. Execution.

This Agreement may be executed in one or more counterparts and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed to be an original; such counterparts, together, shall constitute one and the same agreement.

24. Cumulative Rights.

The rights, powers and remedies of the Electronic Agent, MERS, the Secured Party, the Servicer under this Agreement shall be in addition to all rights, powers and remedies given to the Electronic Agent, MERS, the Servicer, and the Secured Party by virtue of any statute or rule of law, or any other agreement, all of which rights, powers and remedies shall be cumulative and

may be exercised successively or concurrently without impairing the Secured Party's rights in the Mortgage Loans.

25. Status of Electronic Agent.

Nothing herein contained shall be deemed or construed to create a partnership or joint venture between the parties hereto, and the services of the Electronic Agent and MERS shall be rendered as independent contractors for the Secured Party, the Servicer. Other than the obligations of the Electronic Agent and MERS expressly set forth herein, the Electronic Agent and MERS shall have no power or authority to act as agent for the Secured Party or the Servicer pursuant to any grant of authority made under or pursuant to this Agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Secured Party, the Servicer, the Electronic Agent and MERS have duly executed this Agreement as of the date first above written.

**FEDERAL DEPOSIT INSURANCE
CORPORATION, in its corporate capacity**

By: _____

Name:

Title:

Address for Notices:

Director, Division of Finance
c/o Federal Deposit Insurance Corporation
550 17th Street, NW (Room VS-4088)
Arlington, Virginia 2226
Attention: Bret D. Edwards
Tel: (703) 562-6101

with a copy to:

Senior Counsel
FDIC Legal Division
Litigation and Resolutions Branch, Receivership
Section
Special Issues Unit
3501 Fairfax Drive (Room E-7056)
Arlington, Virginia 22226
Attention: David Gearin
Tel: (703) 562-2430

**RESIDENTIAL CREDIT SOLUTIONS,
INC.**

By: _____

Name:

Title: Authorized Signatory

Address for Notices:

Residential Credit Solutions, Inc.
4282 North Freeway
Fort Worth, Texas 76137
Attention: Dennis G. Stowe
Tel: (817) 321-6001

with a copy to:

K&L Gates LLP
1601 K Street, N.W.
Washington, D.C. 20006
Attention: Phillip J. Kardis, II
Tel: (202) 778-9401

MERSCORP, INC.

By: _____

Name:

Title:

Address for Notices:

1818 Library Street

Suite 300

Reston, VA 20190

Attention: [_____]

Tel: [_____]

**MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC.**

By: _____

Name:

Title:

Address for Notices:

1818 Library Street

Suite 300

Reston, VA 20190

Attention: [_____]

Tel: [_____]

EXHIBIT A

LIST OF AUTHORIZED PERSONS

SECURED PARTY AUTHORIZATIONS:

Any of the persons whose signatures and titles appear below, or attached hereto, are authorized, acting singly, to act for the Secured Party under this Agreement:

By: _____	By: _____	By: _____
Name: <u>Timothy A. Kruse</u>	Name: <u>Herbert J. Held</u>	Name: <u>William P. Stewart</u>
Title: <u>Senior Capital Markets Specialist</u>	Title: <u>Associate Director</u>	Title: <u>Senior Capital Markets Specialist</u>

SERVICER AUTHORIZATIONS:

Any of the persons whose signatures and titles appear below, or attached hereto, are authorized, acting singly, to act for the Servicer under this Agreement:

By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
By: _____	By: _____	By: _____
Name: _____	Name: _____	Name: _____
Title: _____	Title: _____	Title: _____
By: _____		
Name: _____		
Title: _____		

ELECTRONIC AGENT AUTHORIZATIONS:

Any of the persons whose signatures and titles appear below, or attached hereto, are authorized, acting singly, to act for the Electronic Agent under this Agreement:

By: _____ By: _____ By: _____
Name: _____ Name: _____ Name: _____
Title: _____ Title: _____ Title: _____

MERS AUTHORIZATIONS:

Any of the persons whose signatures and titles appear below, or attached hereto, are authorized, acting singly, to act for MERS under this Agreement:

By: _____ By: _____ By: _____
Name: _____ Name: _____ Name: _____
Title: _____ Title: _____ Title: _____

EXHIBIT B

MERS PROCEDURES MANUAL

The MERS Procedures Manual shall be found on the MERS website at: <http://www.mersinc.org>

EXHIBIT C

NOTICE OF DEFAULT

Attention: []

MERSCORP, Inc.
1818 Library Street, Suite 300
Reston, VA 20190

Ladies and Gentlemen:

Please be advised that this Notice of Default is being issued pursuant to Section 4(b) of that certain Electronic Tracking Agreement (the "**Electronic Tracking Agreement**"), dated as of September 30, 2009, by and among the Federal Deposit Insurance Corporation, in its corporate capacity (the "**Secured Party**"), Residential Credit Solutions, Inc. (the "**Servicer**"), MERSCORP, Inc. (the "**Electronic Agent**") and Mortgage Electronic Registration Systems, Inc. ("**MERS**"). The Affected Loans are listed on the attached Schedule 1 (including the mortgage identification numbers). Accordingly, the Electronic Agent shall not accept instructions from the Servicer or any party other than the Secured Party with respect to such Mortgage Loans, until otherwise notified by the Secured Party.

Any terms used herein and not otherwise defined shall have such meaning specified in the Electronic Tracking Agreement.

By: _____
Title: _____

EXHIBIT D-1

CORPORATE RESOLUTION

26. **Be it Resolved that the list of candidates, attached on Schedule A, are employees of the Federal Deposit Insurance Corporation in its corporate capacity, as Secured Party, a Member of Mortgage Electronic Registration Systems, Inc. (MERS) (the "Member"), and are hereby appointed as assistant secretaries and vice presidents of MERS, and, as such, are authorized to:**
- (1) release the lien of any mortgage loan registered on the MERS System that is shown to be registered to the Member;
 - (2) assign the lien of any mortgage loan naming MERS as the mortgagee when the Member is also the current promissory note-holder, or if the mortgage loan is registered on the MERS System, is shown to be registered to the Member;
 - (3) execute any and all documents necessary to foreclose upon the property securing any mortgage loan registered on the MERS System that is shown to be registered to the Member, including but not limited to (a) substitution of trustee on Deeds of Trust, (b) Trustee's Deeds upon sale on behalf of MERS, (c) Affidavits of Non-military Status, (d) Affidavits of Judgment, (e) Affidavits of Debt, (f) quitclaim deeds, (g) Affidavits regarding lost promissory notes, and (h) endorsements of promissory notes to VA or HUD on behalf of MERS as a required part of the claims process;
 - (4) take any and all actions and execute all documents necessary to protect the interest of the Member, the beneficial owner of such mortgage loan, or MERS in any bankruptcy proceeding regarding a loan registered on the MERS System that is shown to be registered to the Member, including but not limited to: (a) executing Proofs of Claim and Affidavits of Movant under 11 U.S.C. Sec. 501-502, Bankruptcy Rule 3001-3003, and applicable local bankruptcy rules, (b) entering a Notice of Appearance, (c) vote for a trustee of the estate of the debtor, (d) vote for a committee of creditors, (e) attend the meeting of creditors of the debtor, or any adjournment thereof, and vote on behalf of the Member, the beneficial owner of such mortgage loan, or MERS, on any question that may be lawfully submitted before creditors in such a meeting, (f) complete, execute, and return a ballot accepting or rejecting a plan, and (g) execute reaffirmation agreements;
 - (5) take any and all actions and execute all documents necessary to refinance, subordinate, amend or modify any mortgage loan registered on the MERS System that is shown to be registered to the Member.
 - (6) endorse checks made payable to Mortgage Electronic Registration Systems, Inc. to the Member that are received by the Member for payment on any mortgage loan registered on the MERS System that is shown to be registered to the Member;
 - (7) take any such actions and execute such documents as may be necessary to fulfill the Member's servicing obligations to the beneficial owner of such mortgage loan (including mortgage loans that are removed from the MERS System as a result of the transfer thereof to a non-member of MERS).

I, _____, being the Corporate Secretary of Mortgage Electronic Registration Systems, Inc., hereby certify that the foregoing is a true copy of a Resolution duly adopted by the Board of Directors of said corporation effective as of the ____ day of _____, 200__ which is in full force and effect on this date and does not conflict with the Certificate of Incorporation or By-Laws of said corporation.

_____, Secretary

Schedule A

Federal Deposit Insurance Corporation, in its corporate capacity, as Secured Party

(Org # _____)

Mortgage Registration Systems, Inc.

Certifying Officers

EXHIBIT D-2

MERS LIMITED POWER OF ATTORNEY

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., a Delaware corporation ("**MERS**") and a wholly owned subsidiary of MERSCORP, Inc., a Delaware corporation ("**MERSCORP**"), hereby appoints the list of persons attached on Schedule B as Attorneys-in-Fact (each an "**Agent**") for MERS for the limited purpose of executing documents and taking certain other actions as set forth below for those certain loans (the "**Loans**") secured by mortgages or deeds of trusts held by MERS as mortgagee or beneficiary in a nominee capacity for Residential Credit Solutions, Inc. (Org Id _____) ("**Servicer**") and the Federal Deposit Insurance Corporation, in its corporate capacity ("**Secured Party**").

Limited Power of Attorney Actions:

- (1) release the lien of any Loan registered on the MERS® System that is shown to be registered to Secured Party;
- (2) assign the lien of any Loan naming MERS as the mortgagee when Secured Party is also the current promissory note-holder, or if the Loan is registered on the MERS® System, is shown to be registered to Secured Party;
- (3) execute any and all documents necessary to foreclose (or post-foreclosure, to sell to another entity) any property securing any Loan registered on the MERS® System that is shown to be registered to Secured Party, including but not limited to (a) substitution of trustee on Deeds of Trust, (b) Trustee's Deeds upon sale on behalf of MERS, (c) Affidavits of Non-military Status, (d) Affidavits of Judgment, (e) Affidavits of Debt, (f) quitclaim deeds, (g) Affidavits regarding lost promissory notes, and (h) endorsements of promissory notes to VA or HUD on behalf of MERS as a required part of the claims process;
- (4) take any and all actions and execute all documents necessary to protect the interest of Secured Party, the beneficial owner of the Loans, or MERS, in any bankruptcy proceeding regarding a Loan registered on the MERS® System that is shown to be registered to Secured Party, including but not limited to: (a) executing Proofs of Claim and Affidavits of Movant under 11 U.S.C. Sec. 501-502, Bankruptcy Rule 3001-3003, and applicable local bankruptcy rules, (b) entering a Notice of Appearance, (c) voting for a trustee of the estate of the debtor, (d) voting for a committee of creditors, (e) attending the meeting of creditors of the debtor, or any adjournment thereof, and voting on behalf of Secured Party, the beneficial owner of the Loans, or MERS, on any question that may be lawfully submitted before creditors in such a meeting, (f) completing, executing, and returning a ballot accepting or rejecting a plan, and (g) executing reaffirmation agreements;

- (5) take any and all actions and execute all documents necessary to refinance, subordinate, amend, or modify any and all Loans registered on the MERS® System that is shown to be registered to Secured Party; and
- (6) endorse checks made payable to Mortgage Electronic Registration Systems, Inc., to Secured Party that are received by Secured Party for payment on any Loan registered on the MERS® System that is shown to be registered to Secured Party.

Agent shall have full power and authority to act on behalf of MERS in these limited matters. This power and authority shall authorize Agent to exercise all of MERS legal rights and powers, including all rights and powers that MERS may acquire in the future with regard to the Loans.

This Limited Power of Attorney shall be construed narrowly as a limited power of attorney. The description of specific powers above is intended to limit or restrict the powers granted in this Limited Power of Attorney.

This Limited Power of Attorney shall become effective immediately upon execution and shall expire (i) upon the termination or earlier repudiation (by the Federal Deposit Corporation in its corporate capacity under 12 U.S.C. § 1821(e)) of the Electronic Tracking Agreement, dated September 30, 2009 by and among the Federal Deposit Insurance Corporation, in its corporate capacity, as the Secured Party, Franklin Venture, LLC, Residential Credit Solutions, Inc., MERSCORP, Inc. and MERS, and (ii) as to any Agent, at such time as such Agent is no longer an employee or agent of Secured Party. This Limited Power of Attorney may be revoked by MERS and/or MERSCORP by providing written notice to Agent, but only at a time after all of the Loans have been transferred by MERS to Secured Party or a third party or parties designated by Secured Party.

Dated _____, 20__.

Mortgage Electronic Registration Systems, Inc.,
a Delaware Corporation

By: _____

Corporate Secretary

Schedule B

Federal Deposit Insurance Corporation, in its corporate capacity, as Secured Party

(Org # _____)

Mortgage Registration Systems, Inc.

Certifying Officers

ACKNOWLEDGMENT

STATE OF VIRGINIA

§

COUNTY OF FAIRFAX

§

§

This instrument was acknowledged before me on the ____ day of _____, 20__, by _____, a duly authorized representative of Mortgage Electronic Registration Systems, Inc., a Delaware corporation, on behalf of said corporation.

Notary Public, State of Virginia

EXHIBIT C

LOAN MODIFICATION PROGRAM

The FDIC strongly encourages the Servicer to enroll in the HAMP Mortgage Loan Modification Program. The Loan Modification Program for the purpose of this Servicing Agreement shall mean the HAMP Mortgage Loan Modification Program described in (I) below; provided that, if the Servicer declines to enroll in the HAMP and provides reasonable justification for its decision to decline to do so, then the Servicer shall either follow the HAMP Guidelines described in (I) below with respect to the Loans, or shall follow the FDIC Mortgage Loan Modification Program described in (II) below, unless some other Mortgage Loan Modification Program is required or approved by the FDIC in accordance with the terms of the Servicing Agreement.

I. HAMP MORTGAGE LOAN MODIFICATION PROGRAM

On March 4, 2009, Treasury announced the Making Home Affordable Modification Program (HAMP) guidelines to promote sustainable loan modifications for homeowners at risk of losing their homes due to foreclosure. HAMP provides a detailed framework for servicers to modify mortgages on owner-occupied residential properties and offers financial incentives to lenders and servicers that participate in the Program. The Program also provides financial incentives for homeowners whose mortgages are modified pursuant to Program guidelines to remain current on their mortgages after modification.

The Servicer will take all steps to enroll in HAMP as promptly as possible, and will modify qualifying loans per the HAMP guidelines. The Servicer will comply with the Home Affordable Modification Guidelines as adopted on March 4, 2009, as modified and supplemented by Supplemental Directive 09-01, Introduction of the Home Affordable Modification Program, Supplemental Directive 09-02, Fair Housing Obligations Under the Home Affordable Modification Program, and Supplemental Directive 09-03, Home Affordable Modification Program Trial Period Guidance and as further modified, supplemented or amended from time to time. Further details about HAMP, including program terms and borrower eligibility criteria, are available at <https://www.hmpadmin.com>.

II. FDIC MORTGAGE LOAN MODIFICATION PROGRAM

Objective

The objective of this FDIC Mortgage Loan Modification Program ("Program") is to modify the terms of certain residential mortgage loans so as to improve affordability, increase the probability of performance, allow borrowers to remain in their homes and increase the value of the loans to the FDIC and assignees. The Program provides for the modification of Qualifying Loans (as defined below) by reducing the borrower's monthly housing debt to income ratio ("DTI Ratio") to a target of 31%, never to exceed 38%, at the time of the modification and eliminating adjustable interest rate and negative amortization features.

Qualifying Mortgage Loans

In order for a mortgage loan to be a Qualifying Loan it must meet all of the following criteria, which must be confirmed by the lender:

- The collateral securing the mortgage loan is owner-occupied; and
- The mortgagor has a first priority lien on the collateral; and
- Either the borrower is at least 60 days delinquent or a default is reasonably foreseeable.

Modification Process

The lender shall undertake a review of its mortgage loan portfolio to identify Qualifying Loans. For each Qualifying Mortgage Loan, the lender shall determine the net present value ("NPV") of the modified loan and, if it will exceed the NPV of the foreclosed collateral upon disposition, then the Qualifying Loan shall be modified so as to reduce the borrower's monthly DTI Ratio to 31% (or to the lowest DTI Ratio higher than 31%, but not to exceed 38%, resulting in a NPV exceeding the foreclosed collateral upon disposition) at the time of the modification. To achieve this, the lender shall use a combination of interest rate reduction, term extension and principal forbearance, as necessary.

The borrower's monthly DTI Ratio shall be a percentage calculated by dividing the borrower's monthly housing payment (including principal, interest, taxes and insurance) by the borrower's monthly income. For these purposes, (1) the borrower's monthly income shall be the amount of the borrower's (along with any co-borrowers') documented and verified gross monthly income, and (2) the borrower's monthly housing payment shall be the amount required to pay monthly principal and interest plus one-twelfth of the then current annual amount required to pay real property taxes and homeowner's insurance with respect to the collateral.

In order to calculate the monthly principal payment, the lender shall capitalize to the outstanding principal balance of the Qualifying Loan the amount of all delinquent interest, delinquent taxes, past due insurance premiums, third party fees and (without duplication) escrow advances (such amount, the "Capitalized Balance").

In order to achieve the goal of reducing the DTI Ratio to 31%, the lender shall take the following steps in the following order of priority with respect to each Qualifying Loan:

1. Reduce the interest rate to the then current Freddie Mac Survey Rate for 30-year fixed rate mortgage loans, and adjust the term to 30 years.
2. If the DTI Ratio is still in excess of 31%, reduce the interest rate further, but no lower than 3%, until the DTI ratio of 31% is achieved.
3. If the DTI Ratio is still in excess of 31% after adjusting the interest rate to 3%, extend the remaining term of the loan by 10 years.
4. If the DTI Ratio is still in excess of 31%, calculate a new monthly payment (the "Adjusted Payment Amount") that will result in the borrower's monthly DTI Ratio not exceeding 31%. After calculating the Adjusted Payment Amount, the lender shall bifurcate the Capitalized Balance into two portions – the amortizing portion and the non-amortizing portion. The amortizing portion of the Capitalized Balance shall be the mortgage amount that will fully

amortize over a 40-year term at an annual interest rate of 3% and monthly payments equal to the Adjusted Payment Amount. The non-amortizing portion of the Capitalized Balance shall be the difference between the Capitalized Balance and the amortizing portion of the Capitalized Balance. The lender shall forbear on collecting the non-amortizing portion of the Capitalized Balance, and such amount shall be due and payable only upon the earlier of (i) maturity of the modified loan, (ii) a sale of the property or (iii) a pay-off or refinancing of the loan. No interest shall be charged on the non-amortizing portion of the Capitalized Balance, but repayment shall be secured by a first lien on the collateral.

5. If, under any of the above steps, the NPV of a modification falls short of the NPV of the foreclosed collateral upon disposition, the DTI may be increased to the minimum level where the NPV of the modification exceeds the NPV of the foreclosed collateral upon disposition. However, under no circumstances will the DTI for the modification exceed 38%.

At the end of the five (5) year period, the interest rate on the modified loan shall adjust to the Freddie Mac Survey Rate as of the date of the loan modification, but subject to an annual adjustment cap of one percent (1%) per year. At that time, the monthly amount due by the borrower will also adjust to amortize fully the remaining Capitalized Balance (or, in any case in which the Capitalized Balance was bifurcated, the amortizing portion thereof) over the remaining term of the modified loan.

Additional Modification Terms

In connection with the modification of any Qualifying Loan, the following additional requirements shall apply.

1. The lender shall not charge (and no borrower shall be required to pay) any modification, refinance or other similar fees or points in connection with the modification, nor shall any such fees, costs or charges be capitalized.
2. Unpaid late fees and prepayment penalties otherwise chargeable to the borrower shall be waived.
3. Modified loans shall not include any prepayment penalties.
4. The lender shall establish an escrow account for the payment of future taxes and insurance premiums.

Related Junior Lien Mortgage Loans

In cases where the lender holds a junior lien mortgage loan that is collateralized by the same property that collateralizes a Qualifying Loan that is modified as described above, the junior lien mortgage loan shall also be modified to enhance overall affordability to the borrower. At a minimum, the lender shall reduce the interest rate on the junior lien mortgage loan to no more than 2% per annum. Further modifications may be made at the lender's discretion as needed to support affordability and performance of the modified first lien Qualifying Loan.

Amendments

The Program may be modified either (i) by the FDIC, upon written notice to the lender of such modification, or (ii) as proposed by the lender with respect to a group of loans with similar characteristics, if approved in writing by the FDIC.

SCHEDULE 1

FEE SCHEDULE

The Servicing Fee payable to the Servicer shall be in an amount equal to the Management Fee (as defined in the LLC Operating Agreement) received by the Managing Member pursuant to the LLC Operating Agreement.

SCHEDULE 2

SERVICING OBLIGATIONS

The Servicer, as an independent contractor, shall service and administer the Loans and Collateral from and after the related Servicing Transfer Date, and shall have full power and authority, acting alone or through the utilization of a third party service provider (as provided in this Agreement), to do any and all things in connection with such servicing and administration which the Servicer may deem necessary or desirable, consistent with the terms of this Agreement and the Servicing Standard. The Servicer, unless otherwise agreed to by Servicer and Managing Member, shall be responsible for any and all acts of a third party service provider to which Servicer delegates its responsibilities under this Agreement, and the Servicer's utilization of such third party service provider shall in no way relieve the liability of the Servicer under this Agreement. Without limiting the generality of the foregoing, Servicer shall not be responsible for the performance of any Custodian under the Custodial and Paying Agent Agreement, of the providers or tax or flood services, or any third party service providers for acts prior to the Servicing Transfer Date.

In servicing and administering the Loans and the Collateral, the Servicer shall employ the Servicing Standard and procedures, including conforming to the Guidelines and the Fannie Mae Guidelines, and except as is specifically provided otherwise in this Agreement, exercising the same care that it customarily employs and exercises in servicing and administering mortgage loans for its own account. The Servicer shall apply the Loan Modification Program, including any amendment, modification, supplement, or replacement thereto, in servicing the Loans. Without limiting the generality of the foregoing, the Servicer shall continue, and is hereby authorized and empowered, to execute and deliver on behalf of itself and the Managing Member, all instruments of satisfaction or cancellation, or of partial or full release, discharge and all other comparable instruments, with respect to the Loans and with respect to the mortgaged properties. In the event of any conflict among the Loan Modification Program, the Guidelines, and/or the Fannie Mae Guidelines, the Loan Modification Program will govern the servicing, and to the extent not in conflict with the Loan Modification Program, the Guidelines will govern the servicing.

SCHEDULE 3

REIMBURSEMENT OF SERVICER ADVANCES

The Servicer shall submit to the Managing Member a daily loan level report providing the amount of Servicing Advances made by Servicer on the preceding Business Day. The Managing Member shall reimburse Servicer for such Servicing Advances on the same Business Day as the receipt of such report; provided, however, if there are insufficient funds available in the Collection Account to reimburse the Servicer, the Managing Member shall reimburse Servicer on the next succeeding Business Day on which such funds are available. In addition, the Servicer shall provide a loan level report of each Servicing Advance Servicer made and each reimbursement received by Servicer during a Due Period with respect to each Loan. Upon receipt of such Due Period report, the Managing Member shall reimburse Servicer for any Servicing Advances unreimbursed during such Due Period within one (1) Business Day after receipt of such report; provided, however, if there are insufficient funds available in the Collection Account to reimburse the Servicer, the Managing Member shall reimburse Servicer on the next succeeding Business Day on which such funds are available.

SCHEDULE 4

FORM OF ELECTRONIC REPORT ON THE LOANS AND COLLATERAL

The Form of Electronic Report on the Loans and Collateral shall contain information fields identical to the information required to be contained in (i) the Distribution Date Report, as set forth in the Custodial and Paying Agency Agreement, and (ii) the Monthly Report, as set forth in the LLC Operating Agreement.

SCHEDULE 5

TERMINATION WITHOUT CAUSE

None.