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LIMS Mr [redacted]
DBK/Mortgage Fraud

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10/21/10

SETTLEMENT AND RELEASE AGREEMENT

THIS SETTLEMENT AND RELEASE AGREEMENT ("Agreement") is made and entered into by and between the FDIC as Conservator of IndyMac Federal Bank, FSB, located at 888 East Walnut Street, Pasadena, CA 91101 ("IndyMac"), Abacus Mortgage, Inc. ("Abacus"), and Mel Taylor ("Taylor"). IndyMac, Abacus, and Taylor are sometimes referred to herein individually as the "Party" and collectively as the "Parties."

[redacted] (b)(2)

RECITALS

WHEREAS, IndyMac has filed breach of contract claims against Abacus and Abacus has filed counterclaims for breach of contract against IndyMac in the action *The Federal Deposit Insurance Corporation, as Conservator of IndyMac Federal Bank, FSB v. Michael Greene, et al.*, King County Superior Court Case No. 07-2-32560-3 SEA related to the origination of certain real estate mortgages on property located at 1411 S. Lake Stickney Drive, Lynnwood, Washington ("Claims");

WHEREAS, the Parties now seek to settle the Claims as described in this Agreement.

AGREEMENT

In consideration of the recitals listed above, the covenants and promises in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. INCORPORATION OF RECITALS. The Recitals are incorporated herein by reference as though fully set forth herein.
2. MUTUAL RELEASE. For the consideration of the sum of \$40,000.00 to be paid to IndyMac by Abacus and guaranteed by Taylor as set forth below, the Parties, for themselves and their successors, assigns, and any parents, subsidiaries, affiliated, or controlled entities or divisions, agents, employees, servants, officers, directors, attorneys, insurers, predecessors, or any potential claimant through them, including claims assigned to or by them, effective as of the date of this Agreement, release, acquit, and forever discharge each other and their assigns, and any parents, subsidiaries, affiliated, or controlled entities or divisions, agents, employees, servants, officers, directors, attorneys, insurers, predecessors and successors from any and all manner of actions, causes of action, claims, demands, costs, damages, liabilities, losses, obligations, expenses, claims for punitive or exemplary damages, and compensation of any nature whatsoever, known or unknown, developed or undeveloped, in law or in equity, arising out of or relating in any way to the Claims. Within five days of execution of this Agreement, IndyMac shall execute a dismissal of its complaint with prejudice.
3. PAYMENT AND TERMS OF PAYMENT. Abacus shall pay to IndyMac a total of \$40,000.00 as follows
 - 3.1. Within 15 days of execution of this Agreement, Abacus will pay \$5,000 to IndyMac.
 - 3.2. On or before December 31, 2009, Abacus will pay \$17,500.00.

3.3. On or before December 31, 2010, Abacus will pay \$17,500.00.

3.4. All payments under this agreement shall be made by check payable to the Larkins Vacura LLP client trust account for the benefit of IndyMac and mailed to: Christopher J. Kayser, Larkins Vacura LLP, 621 SW Morrison Street, Suite 1450, Portland, Oregon 97212.

3.5. Taylor has agreed to personally guarantee payment of all Abacus obligations under this Agreement and will execute a guaranty ("Guaranty") which is incorporated by reference.

3. EVENT OF DEFAULT. Time is of the essence with respect to Abacus' performance of its obligations under this Agreement and Abacus shall be deemed in default if it fails to make timely payment of any of its obligations under this Agreement.

4. REMEDIES. In the event that Abacus is in default of any of its obligations under this Agreement, IndyMac will provide Abacus with written notice of its default. If the default is not cured within five days of the date of the written notice, the entire remaining unpaid amount owing under this Agreement will become immediately due and payable to IndyMac by Abacus and Taylor and IndyMac will have the right to pursue any and all remedies to collect those amounts including without limitation enforcement of the Guarantee. In the event of default, IndyMac shall be entitled to collect attorney fees and costs incurred in collection, regardless of whether it institutes formal legal proceedings to enforce its right to payment under this Agreement. IndyMac will further be entitled to interest from the date of default on any unpaid amounts at a default interest rate of 12%.

5. LEGAL ADVICE. The Parties acknowledge that they have sought and obtained independent legal advice, to the extent they deemed necessary, prior to the execution of this Agreement. Further, the Parties acknowledge that they have read this Agreement in its entirety, understand fully its consequences, and agree freely and voluntarily with its contents prior to the execution of this Agreement.

6. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, legal representatives, successors and assigns. Each party hereto and the persons signing below warrant that the person signing below on such party's behalf is authorized to do so and to bind such party to the terms of this Agreement.

7. NO ADMISSION OF LIABILITY. The parties acknowledge that this settlement does not represent an admission of fault.

8. RESOLUTION OF DISPUTES. If any dispute arises concerning the terms of this agreement, the Parties agree Stew Cogan will arbitrate the dispute and any decision rendered will be final and binding on the Parties. Attorney fees and all costs of such arbitration shall be awarded to the prevailing party.

9. CONSTRUCTION. The Parties to this Agreement have had the opportunity to read, negotiate, review and present this Agreement to counsel of their own choosing and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting

Party, shall not apply to the interpretation of this Agreement. This Agreement shall be construed as a whole in accordance with its fair meaning and in accordance with the laws of the United States of America, and to the extent that state law would apply under applicable federal law, the state of Washington. The language of this Agreement shall not be construed for or against any particular Party.

10. CONFIDENTIALITY. Except upon written consent of the other party, the parties and their counsel shall not make, issue, cause, encourage, permit or authorize, issue, furnish information for, comment upon, gossip or participate in any manner in any public or private statement to any person or entity, concerning the terms of this Agreement, including the fact or amount of payment, or the reasons or the circumstances concerning the parties' settlement of their claims, except that the parties or their counsel may disclose such to the parties' accountants in connection only with tax preparation. Additionally, the parties and their counsel may disclose the terms of this Agreement to a court of competent jurisdiction as necessary to enforce or administer this Agreement or to comply with that court's order.

11. SEPARATE COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original document, and all of which, when taken together, shall be deemed to constitute a single document. Fax signatures and electronically transmitted signatures (for example: pdf files) shall constitute original signatures for the purpose of this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Settlement and Release Agreement.

Abacus Mortgage, Inc.

The Federal Deposit Insurance Corporation,
as Conservator for IndyMac Federal Bank,
FSB.

(b)(6)

By: _____

[Redacted Signature]

By: _____

[Redacted Signature]

(b)(6)

Printed Name: MEL TAYLOR

Printed Name: Ignacio Gomez

Title: C.E.O.

Title: Vice President

Date: 1-14-09

Date: 02/02/09

Mel Taylor, Guarantor

(b)(6)

[Redacted Signature]

(b)(6)

Date: 1-14-09