
SINGLE FAMILY SHARED-LOSS AGREEMENT

ATTENTION PROSPECTIVE ACQUIRERS: Certain words, clauses and Sections within bold brackets and which may be accompanied by a “*Note*” in this form Agreement are alternative provisions that may be included, stricken, or modified in the final agreement to conform to the transaction consummated.

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SINGLE FAMILY SHARED-LOSS AGREEMENT

This Single Family Shared-Loss Agreement, effective as of May 1, 2023 including the Addenda, Exhibits and Schedules incorporated herein by this reference (collectively, this “**Agreement**”), is made pursuant to of that certain Purchase and Assumption Agreement (the “**Purchase and Assumption Agreement**”) between the **FEDERAL DEPOSIT INSURANCE CORPORATION, RECEIVER OF FIRST REPUBLIC BANK, SAN FRANCISCO, CALIFORNIA** (the “**Receiver**”), **JPMORGAN CHASE BANK, NATIONAL ASSOCIATION**, organized under the laws of the United States of America, and having its principal place of business in **NEW YORK, NEW YORK** (the “**Assuming Institution**”). Each of the Receiver and the Assuming Institution is sometimes referred to in this Agreement as a “**Party**.”

This Agreement shall be valid and effective only if the Assuming Institution has purchased Shared-Loss Assets pursuant to the Purchase and Assumption Agreement.

In consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

A G R E E M E N T

ARTICLE 1. GENERAL.

1.1. Purpose. The purpose of this Agreement is to set forth, among other things, requirements regarding management, administration and collection of Shared-Loss Assets by the Assuming Institution and procedures for notices, consents, reporting and payments.

1.2. Relationship with Purchase and Assumption Agreement. To the extent that any inconsistencies may arise between the terms of the Purchase and Assumption Agreement and this Agreement with respect to the subject matter of this Agreement, the terms of this Agreement shall control.

1.3. Defined Terms. The capitalized terms used in this Agreement have the meanings set forth in Article 8.

ARTICLE 2. SHARED-LOSS ARRANGEMENT.

2.1. Accounting for and Management of Shared-Loss Assets.

(a) **Initial Values.** The Assuming Institution shall record each Shared-Loss Asset on the AI Accounting Records at its respective Book Value as of the Commencement Date.

(b) **Adjustments.** After the Commencement Date, the Assuming Institution shall adjust the Book Value of each Shared-Loss Asset in accordance with this Agreement and Article VIII of the Purchase and Assumption Agreement.

(c) Management. At all times, the Assuming Institution shall manage and account for the Shared-Loss Assets in accordance with this Agreement (including the Management Standards).

(d) Receiver Approval. Notwithstanding any provision of this Agreement to the contrary or the Assuming Institution's compliance with GAAP, after the Commencement Date the Assuming Institution's representation of any value or calculation with respect to the Shared-Loss Assets is subject to the Receiver's acceptance and approval.

2.2. Payments with Respect to Shared-Loss Assets.

(a) Calculation and Method of Payments. Subject to all provisions of this Agreement, the Parties shall make the payments set forth in this Article 2. All payments made by a Party pursuant to this Agreement shall be made in the lawful currency of the United States by electronic funds transfer of immediately available funds from the payer to the payee in accordance with instructions specified by the payee in Exhibit 3 as amended, supplemented, restated or replaced from time to time.

(b) Timing of Payments.

(i) Payments by the Receiver pursuant to this Article 2 shall be made within sixty (60) days following the Receiver's determination that (A) the Quarterly Certificate with respect to the applicable Shared-Loss Quarter is true, complete, correct, timely and in compliance with the requirements of this Agreement and (B) the Assuming Institution has provided to the Receiver in a timely manner all requested supporting or explanatory material and information concerning such Quarterly Certificate.

(i) Payments by the Assuming Institution pursuant to this Article 2 shall be made on or before the due date for the Quarterly Certificate for the applicable Shared-Loss Quarter.

(c) Source of Receiver's Funds. Payment obligations of the Receiver with respect to this Agreement shall be treated as administrative expenses of the Receiver pursuant to 12 U.S.C. Section 1821(d)(11). To the extent that the Receiver requires funds to make payments relating to Shared-Loss Assets pursuant to this Agreement, the Receiver shall request funds pursuant to the Individual Loan and Security Agreement ("**ILSA**") between the FDIC in its corporate capacity ("**Corporation**") and the Receiver, with respect to the receivership. Notwithstanding any provision of the foregoing to the contrary, however, nothing set forth in this Section 2.2(c) shall (A) make the Assuming Institution a third-party beneficiary with respect to the ILSA or (B) grant or transfer to the Assuming Institution any rights or privileges whatsoever with respect to the ILSA.

(d) Receiver's Total Payment Obligation. The total payment obligation of the Receiver to the Assuming Institution for Covered Loss with respect to any Shared-Loss Loan shall not exceed the Applicable Percentage of the amount equal to the sum of (i) the initial Book Value of such Shared-Loss Loan set forth on Schedule 4.15A *plus* (ii) any unfunded Commitment with respect to such Shared-Loss Loan, as set forth on Schedule 4.15A. The total payment obligation of the Receiver to the Assuming Institution for Covered Loss with respect to any Acquisition ORE

shall not exceed the Applicable Percentage of the initial Book Value of such Acquisition ORE set forth on Schedule 4.15A.

2.3. Payments Applicable to Shared-Loss Quarters. For each Shared-Loss Quarter, pursuant to the applicable Quarterly Certificate, one of the payments described in Section 2.3(a) or 2.3(b) below shall be made, as appropriate, with respect to the Shared-Loss Assets:

(a) Covered Loss Payments by the Receiver. The Receiver shall pay to the Assuming Institution the Applicable Percentage of the “**Covered Loss**,” which is an amount equal to the sum of:

- (i) the Loss Amount for all Shared-Loss Loans; *minus*
- (ii) the Recovery Amount for all Shared-Loss Loans for the respective Shared-Loss Quarter; *minus*
- (iii) Collections on Fully Charged-Off Assets for the respective Shared-Loss Quarter.

(b) Covered Gain Payments by the Assuming Institution. If the result of the calculation described in Section 2.3(a) is a negative amount (the “**Covered Gain**”), the Assuming Institution shall pay an amount equal to the Applicable Percentage of such Covered Gain to the Receiver.

2.4. Loss Mitigation, Loan Modification and Loss Calculations.

(a) Loss Mitigation Programs. The Assuming Institution shall administer and undertake reasonable and customary loss mitigation efforts with respect to Shared-Loss Loans which are consistent with the provisions of this Agreement. Upon request, but no more than quarterly, the Assuming Institution shall deliver to the FDIC the internal management reports utilized to monitor the status of (i) loan restructurings in process for Shared-Loss Loans and (ii) Shared-Loss Loans that have successfully undergone documented loan modification pursuant to a modification program (“**Modification Program**”) in accordance with the provisions of this Agreement.

(b) Residential Loans. For each Residential Loan in default or for which a default is reasonably foreseeable, the Assuming Institution shall undertake loss mitigation efforts in accordance with one of the following Modification Programs:

(i) any loan modification program approved by the United States Treasury Department, the Board of Governors of the Federal Reserve System or any other Federal governmental agency; or

(ii) an alternative loan modification program, if such program does not feature principal forgiveness as part of the program, and is intended, designed and implemented to minimize losses to the Assuming Institution and the Receiver and to maximize the opportunity for qualified Obligor to retain their residential properties with affordable mortgage payments.

(c) Modification Program Guidelines. In undertaking loss mitigation efforts with respect to a Shared-Loss Loan, the Assuming Institution:

(i) shall implement the respective Modification Program within ninety (90) days following the Bank Closing Date;

(ii) may submit Restructuring Loss claims during the period described in Section 2.4(d)(i) for payments relating to Shared-Loss Loans modified pursuant to any loan modification programs that might have been in place at the Failed Bank (provided, however, that if no such loan modification programs were in place at the Failed Bank, the Assuming Institution shall use the appropriate Modification Program for submission of such claims);

(iii) shall, in implementing a Modification Program, (A) consider and document its consideration of foreclosure, loan restructuring, short-sale and any other appropriate methods of loss mitigation and (B) select the loss mitigation method that the Assuming Institution determines will result in the least Loss, based on its estimated calculations (provided, however, that if the primary cause of default or reasonably foreseeable default with respect to a Shared-Loss Loan is a temporary hardship affecting the Obligor (such as, by way of example, unemployment or underemployment of the Obligor or the effects of a hurricane, tornado, flood or other unforeseen disaster), the Assuming Institution may consider entering into a temporary forbearance plan with the Obligor to reduce loan payments to an affordable level for a period of time of at least six (6) months); and

(iv) shall not be required to modify or restructure a Shared-Loss Loan on more than one occasion or to consider any alternatives with respect to a Shared-Loss Loan that was in the process of foreclosure as of the Bank Closing Date if the Assuming Institution determines, and so documents, that a loan modification is not cost-effective, in which event the Assuming Institution may continue such foreclosure measures in compliance with all applicable law and recover any Collateral Sale Loss in accordance with the applicable provisions of this Agreement;

(d) Loss Calculations. Losses on Shared-Loss Assets shall be calculated and determined, and shall be reported to the Receiver, in the manner set forth in this Section 2(d):

(i) Restructuring Losses shall be calculated and determined in accordance with Exhibit 2a(1)-(3);

(ii) Short-Sale Losses shall be calculated and determined in accordance with Exhibit 2b(1)-(3);

(iii) Collateral Sale Losses shall be calculated and determined in accordance with Exhibit 2c(1)-(3);

(iv) Junior Loan Losses shall be calculated and determined in accordance with the charge-off policies or the loan classification criteria employed by the AI Chartering Authority in the manner set forth in Exhibit 2d(1)-(3);

(v) Loan Sale Losses shall be calculated and determined in accordance with Exhibit 2e(1)-(3).

2.5. True-Up Payment and Calculation.

(a) Payment Obligation of the Assuming Institution. If the Assuming Institution's Bid Amount, as set forth in Article VII of the Purchase and Assumption Agreement, includes an "Acquired Asset discount bid" (as such term is used in the Purchase and Assumption Agreement) which represents five percent (5%) or more of the purchase price of the Acquired Assets determined in accordance with Article III of the Purchase and Assumption Agreement, the Assuming Institution shall pay to the Receiver on the True-Up Date any positive amount resulting from the calculation set forth in Exhibit 2.5.

(b) Reporting of Calculation. On or before the True-Up Date the Assuming Institution shall deliver to the Receiver a schedule, certified as true, complete and correct by the chief executive officer or the chief financial officer of the Assuming Institution, setting forth in reasonable detail the calculation described in Exhibit 2.5, including the calculation of the Net Loss Amount (if any).

2.6. Limitation on Payments.

(a) Receiver's Right to Withhold Payment. Notwithstanding any other provision of this Article 2 to the contrary, the Receiver may elect to withhold any amount requested in a Quarterly Certificate (a "**Withheld Amount**") if the Receiver determines that:

(i) with respect to a particular Shared-Loss Asset, the Assuming Institution has not complied, or is not complying, with the Management Standards or any other requirement or obligation set forth in this Agreement applicable with respect to such Shared-Loss Asset;

(ii) the Assuming Institution has failed to comply with the requirements set forth in Section 5.5, including permitting the Receiver, its agents, contractors and/or employees to perform the operational and compliance audit, and to make the assessment, described in Section 5.5(c);

(iii) a retroactive accounting adjustment is required pursuant to Section 5.5(c) and such adjustment results in a payment being due to the Receiver;

(iv) a Quarterly Certificate is untrue, incomplete, incorrect or untimely or otherwise is not in compliance with the requirements of this Agreement;

(v) based upon the criteria set forth in this Agreement, including the requirements set forth in Section 2.4 or Customary Servicing Procedures, a Loss should not have been effected by the Assuming Institution;

(vi) a charge-off of a Junior Loan should not have been effected by the Assuming Institution;

(vii) there is a reasonable basis pursuant to the terms of this Agreement for denying the eligibility of amounts included in a Quarterly Certificate for which reimbursement or payment is sought;

(viii) the Receiver is entitled to a payment from the Assuming Institution pursuant to the terms of the Commercial Agreement that has not been made when and as due; or

(ix) the Receiver is entitled to a payment from the Assuming Institution pursuant to the terms of this Agreement, whether or not reported on any Quarterly Certificate, that has not been made when and as due.

(b) Opportunity to Cure; Payment.

(i) In the event that the Receiver determines there is a basis to withhold a Withheld Amount pursuant to Section 2.6(a), the Receiver shall provide the Assuming Institution with notice (a “**Withholding Notice**”) detailing the grounds for such determination and the Assuming Institution shall deliver to the Receiver a revised Quarterly Certificate for the relevant Shared-Loss Quarter (a “**Revised Quarterly Certificate**”) that sets forth only those amounts included on the original Quarterly Certificate that are not Withheld Amounts (“**Disbursement Amounts**”).

(ii) The Receiver shall pay to the Assuming Institution the Disbursement Amounts included on a Revised Quarterly Certificate within thirty (30) days following the Receiver’s receipt of the Revised Quarterly Certificate or, if later, on or before the date that the Receiver otherwise would be required to make such payment (absent any withholding) pursuant to Section 2.2(b)(i).

(iii) Upon receipt of a Withholding Notice, the Assuming Institution shall cure any deficiency set forth in such Withholding Notice within thirty (30) days of receipt of such Withholding Notice. If the Assuming Institution demonstrates to the satisfaction of the Receiver that the grounds for withholding a Withheld Amount were incorrect initially, no longer exist or have been cured, the Assuming Institution shall include the amount that the Receiver determines is eligible for payment on the Quarterly Certificate that the Assuming Institution next delivers to the Receiver in accordance with the other provisions of this Agreement (a “**Subsequent Quarterly Certificate**”), in which event the Receiver shall pay such amount when and as the Receiver pays any Disbursement Amounts set forth on such Subsequent Quarterly Certificate in accordance with this Agreement; provided, however, that there may be no Subsequent Quarterly Certificate following the Quarterly Certificate for the Final Shared-Loss Quarter.

(iv) If the Assuming Institution does not cure any such deficiency within the required period of time, the Receiver may continue to withhold a Withheld Amount as described in Section 2.6(a), but such withholding will not affect the Receiver’s obligation to make any other payment properly due pursuant to this Agreement; provided, however, that nothing set forth in this Section 2.6(b)(iv) is intended to limit the Receiver’s rights set forth in the other provisions of this Section 2.6, or any other right of the Receiver pursuant to this Agreement or otherwise, to withhold payments that the Assuming Institution has requested in a Quarterly Certificate.

(c) Adjustments. In the event that the Receiver withholds payment (or any part thereof) with respect to a charge-off of a Junior Loan or determines pursuant to Section 2.6(a) that any payment was improperly made, the Assuming Institution and the Receiver shall make, upon final resolution of such issue, such accounting adjustments and payments as might be necessary to

give retroactive effect to such actions, including making the necessary adjustments to the Covered Loss or Covered Gain for the affected Quarterly Certificates.

(d) Interest on Payments. Any payment of a Withheld Amount by the Receiver pursuant to Section 2.6(b)(iii) shall be made together with interest on such Withheld Amount that accrues commencing on the date that is fifteen (15) days after the date on which payment was agreed or determined to be due through, but excluding, the date on which such amount is actually paid; provided, however, that no such interest shall be due or owing if such payment by the Receiver pursuant to Section 2.6(b)(iii) is made on or before the date on which the Receiver otherwise would be required to make such payment (absent any permitted withholding) pursuant to Section 2.2(b)(i). The annual interest rate shall be determined by the Receiver based on the coupon equivalent of the three (3)-month U.S. Treasury Bill Rate in effect as of the first Business Day of each Calendar Quarter during which such interest accrues, as reported in the Federal Reserve Board Statistical Release for Selected Interest Rates H.15 opposite the caption “Treasury bills (secondary market), 3-Month” or, if not so reported for such day, for the next preceding Business Day for which such rate was so reported.

2.7. Treatment as a Shared-Loss Asset.

(a) Payment of Collateral Sale Loss or Short-Sale Loss. The Receiver shall be relieved of its obligations with respect to a Shared-Loss Asset upon payment to the Assuming Institution of amounts in respect of a Collateral Sale Loss or a Short-Sale Loss on that Shared-Loss Asset.

(b) Loss of Right to Receive Shared-Loss Asset Payments. The Assuming Institution shall not be entitled to payments pursuant to this Agreement with respect to a Shared-Loss Asset if the Receiver determines that the Assuming Institution or any Affiliate of the Assuming Institution:

(i) has sold or otherwise transferred such Shared-Loss Asset or any interest therein (whether with or without recourse) to any Person, other than in compliance with this Agreement;

(ii) has made any additional advance, commitment or increase in the amount of a Commitment with respect to such Shared-Loss Asset, in which case the entire Shared-Loss Asset shall not be entitled to such payments;

(iii) if such Shared-Loss Asset is a Shared-Loss Loan, has made any amendment, modification, renewal or extension of such Shared-Loss Loan, or any waiver of any term, right or remedy thereunder, other than in compliance with this Agreement;

(iv) has managed, administered or collected any Related Loan in a manner which would increase the amount of any collections with respect to that Related Loan to the detriment of the Shared-Loss Asset to which such loan is related; or

(v) has failed to manage, administer or collect such Shared-Loss Asset in accordance with all provisions of this Agreement, including consistently failing (A) to adhere to and act in accordance with the Management Standards or (B) to provide true, complete, correct timely certificates and reports as required pursuant to Article 5.

Upon determination by the Receiver that any of the foregoing circumstances exists with respect to any asset and that the Assuming Institution shall not be entitled to payments pursuant to this Agreement with respect to such asset, as evidenced by written notice from the Receiver to the Assuming Institution, such asset shall not be treated as a Shared-Loss Asset pursuant to this Agreement.

(c) Effective Date of Loss of Shared-Loss Asset Treatment. If any of the actions described in Section 2.7(b) occur with respect to a Shared-Loss Asset, the Receiver shall not be obligated to make any payments to the Assuming Institution with respect to such Shared-Loss Asset after the date of occurrence of such action and the Receiver may require reimbursement of all prior payments made by the Receiver with regard to such Shared-Loss Asset. In the event that the Receiver withholds payment or requires repayment pursuant to any provision of this Agreement, the Assuming Institution and the Receiver shall make such accounting adjustments and payments as may be necessary to give retroactive effect to such actions, including making the necessary adjustments to Covered Loss or Covered Gain on the affected Quarterly Certificates.

ARTICLE 3. ADMINISTRATION OF SHARED-LOSS LOANS.

3.1. Management Standards Regarding Administration. During the term of this Agreement the Assuming Institution shall manage, administer and collect all Shared-Loss Assets while owned by it or any of its Affiliates (including any sales of Shared-Loss Assets pursuant to Article 4) in accordance with the requirements and obligations regarding management, administration and collection of Shared-Loss Assets set forth in this Agreement, including this Article 3 (the “**Management Standards**”). Failure of the Assuming Institution, any of its Affiliates or any Third Party Servicer to comply with the Management Standards with respect to any Shared-Loss Asset shall constitute a material breach of this Agreement. If the Receiver determines that the Assuming Institution is not in compliance with the Management Standards with respect to any Shared-Loss Asset, it shall notify the Assuming Institution of the breach and after providing such notification, may exercise any or all remedies available to it pursuant to this Agreement or applicable law.

3.2. Assuming Institution’s Obligations. In the discharge of its obligations (including its obligations with respect to any sales of Shared-Loss Assets pursuant to Article 4, and including such obligations as are performed by the Assuming Institution, an Affiliate of the Assuming Institution or a Third Party Servicer), the Assuming Institution at all times shall act in accordance with usual and prudent business and banking practices, Customary Servicing Procedures and its best business judgment. Without limiting the generality of the foregoing, the Assuming Institution shall observe and adhere to the specific obligations set forth in this Section 3.2.

(a) Charge-Offs. The Assuming Institution shall effect charge-offs with respect to each Junior Loan in a manner consistent with the Assuming Institution’s (or, if applicable, a Third Party Servicer’s) practices and procedures, applicable law, and the written internal credit policy guidelines of the Assuming Institution (or, if applicable, of a Third Party Servicer) in effect from time to time, with respect to the effectuation of charge-offs with respect to loans, real estate and repossessed collateral that do not constitute Shared-Loss Assets.

(b) Losses and Collections. Notwithstanding any other provision of this Section 3.2 to the contrary, at all times the Assuming Institution shall (and shall cause each of its

Affiliates and Third Party Servicers to) minimize losses and maximize collections with respect to, and manage and administer (including with respect to any sale of a Shared-Loss Loan or Asset), each Shared-Loss Asset without favored treatment for any loans or real estate owned by the Assuming Institution or any of its Affiliates that are not Shared-Loss Assets.

(c) Loss Mitigation Procedures. For each Shared-Loss Loan that is in default or for which a default is reasonably foreseeable, the Assuming Institution shall adopt loss mitigation procedures in accordance with its established loan workout and loss mitigation policy guidelines. At the request of the FDIC, the Assuming Institution shall deliver the then-effective written internal credit policy guidelines governing loan restructuring and modifications. The guidelines should include, but not be limited to, Assuming Institution's policies governing A/B note restructures, balloon loans approaching maturity, interest only loans, short sales, deeds in lieu, foreclosure sales, charge-offs, appraisal policies and recoveries of deficiencies and collection efforts.

(d) Loss Mitigation Plans. The Assuming Institution shall implement appropriate loss mitigation plans with respect to Shared-Loss Loans in default or for which a default is reasonably foreseeable for the minimization of losses:

(i) the loss mitigation plans shall require the Assuming Institution to evaluate the feasibility of prudent loan restructurings, any other appropriate methods of loss mitigation prior to taking any foreclosure or other legal actions.

(ii) the Assuming Institution's documentation of its evaluations and cost analysis of the loss mitigation strategy used to maximize collections on Shared-Loss Loans will be utilized for purposes of evaluating loss claims and also the Assuming Institution's compliance with the Management Standards of this Agreement.

(iii) the Assuming Institution may transfer its interest in or otherwise contribute Shared-Loss Loan collateral of nominal value (after consideration of foreclosure, holding and marketing costs) which may have potential use by local governmental entities, public agencies, or non-profit agencies for community development, provided that the Assuming Institution can clearly and unequivocally demonstrate that the collateral is conveyed pursuant to a least loss disposition strategy. In such cases, the Assuming Institution shall document the lien release for the transferred collateral.

(e) Certificates, Notifications and Reports. The Assuming Institution shall provide to the Receiver in a timely manner such certificates, notifications and reports either the Assuming Institution is required to provide pursuant to this Agreement or that the Receiver reasonably requests, including the certificates, notifications and reports required by Article 5.

(f) Monitoring by Receiver. At any time, the Assuming Institution shall permit the Receiver to monitor the Assuming Institution's performance of its responsibilities and duties pursuant to this Agreement.

(g) Adoption and Implementation of Systems. The Assuming Institution shall adopt and implement accounting, reporting, record-keeping and similar systems with respect to each Shared-Loss Asset that are required pursuant to Sections 5.6 and 5.7.

(h) Sufficient Staff. At all times the Assuming Institution shall retain sufficient staff to discharge its obligations pursuant to this Agreement. Without limiting the generality of the foregoing, and with respect to the consideration and evaluation of loan modification and loss mitigation options concerning Shared-Loss Loans, at all times the Assuming Institution shall retain sufficient designated loss mitigation staff so that (i) Obligor are apprised of loan modification and loss mitigation options, (ii) each Obligor who is being considered for a loan modification or other loss mitigation option shall have a single contact person on the Assuming Institution's staff to respond to Obligor inquiries concerning the loan modification process and (iii) foreclosure actions are not taken while an Obligor request for a loan modification or other loss mitigation option is pending or if the Obligor is current on a trial or permanent loan modification.

(i) No Preference to Related Loans. At no time shall the Assuming Institution manage, administer or collect a Related Loan in a manner that would increase the amount of any collections with respect to the Related Loan to the detriment of the Shared-Loss Asset to which such Related Loan is related.

(j) Adherence to Management Standards. The Assuming Institution shall cause each of its Affiliates to which it transfers any Shared-Loss Asset and each Third Party Servicer to act in accordance with the Management Standards.

(k) Adherence to Modification Program Guidelines. Other than as provided in Section 2.4, at all times the Assuming Institution shall comply with (and shall cause each of its Affiliates and any Third Party Servicer to comply with) the respective Modification Program Guidelines for each Residential Loan meeting the requirements set forth in the applicable Modification Program.

3.3. Third Party Servicers and Affiliates

(a) Appointment of Third Party Servicers.

(i) With the prior consent of the Receiver, the Assuming Institution may perform any of its obligations and/or exercise any of its rights pursuant to this Agreement through one or more Third Party Servicers. The Assuming Institution shall notify the Receiver at least forty (40) days prior to the proposed appointment of a Third Party Servicer. Such notice must include information regarding the Third Party Servicer's relevant experience, qualifications, financial strength and any pending litigation in relation to servicing activities and information regarding contact persons and contact information for the Third Party Servicer. In the case of a Third Party Servicer that is an Affiliate of the Assuming Institution, the notice shall include an express statement that the Third Party Servicer is an Affiliate. The Receiver may object to the proposed appointment of a Third Party Servicer by giving the Assuming Institution notice that it so objects within thirty (30) days following the Receiver's receipt of the notice of the proposed appointment. The appointment of a Third Party Servicer by the Assuming Institution or any of its Affiliates shall not release the Assuming Institution from any obligation or liability pursuant to this Agreement or otherwise with respect to a Shared-Loss Asset, and the Assuming Institution shall be responsible to the Receiver for any and all acts or omissions of any Third Party Servicer.

(ii) The Assuming Institution must provide to the Receiver written notification immediately following the execution of any contract pursuant to which a Third Party

Servicer or any third party (other than an Affiliate of the Assuming Institution) will manage, administer or collect any of the Shared-Loss Assets.

(iii) The Assuming Institution must provide to the Receiver written notification immediately following any action that the Assuming Institution or any of its Affiliates takes with respect to the actions of a Third Party Servicer, including the removal of any Third Party Servicer, the adjustment of the duties or responsibilities of a Third Party Servicer, any change in the contact persons or contact information for a Third Party Servicer and any merger, consolidation, name change or other corporate or entity activity with respect to a Third Party Servicer.

(b) Actions of Third Party Servicers. The Assuming Institution shall ensure that the practices, procedures and guidelines of any Third Party Servicer comply with the obligations of the Assuming Institution pursuant to this Agreement and applicable law. The Assuming Institution shall provide to the Receiver a copy of the written agreement between the Assuming Institution or any of its Affiliates and each Third Party Servicer and shall ensure compliance by each Third Party Servicer with the Assuming Institution's obligations pursuant to this Agreement, including, amending such agreement with each Third Party Servicer to the extent necessary.

(c) Duties with Respect to Affiliates.

(i) The Assuming Institution must provide to the Receiver prior written notification of any transaction with or by any Affiliate of the Assuming Institution with respect to any Shared-Loss Asset, including the execution of any contract pursuant to which an Affiliate of the Assuming Institution will own, manage, administer or collect amounts owing with respect to a Shared-Loss Asset (each a "**Shared-Loss Asset Affiliate**"). The Assuming Institution must notify the Receiver at least forty (40) days prior to a proposed transaction with a Shared-Loss Asset Affiliate. Such notice must include information regarding the Shared-Loss Asset Affiliate's relevant experience, qualifications and financial strength and information regarding contact persons and contact information for the Shared-Loss Asset Affiliate. The Receiver may object to the proposed transaction with a Shared-Loss Asset Affiliate that is not on an arm's length basis or commercially reasonable terms by giving the Assuming Institution notice that it so objects within thirty (30) days following the Receiver's receipt of the notice of the proposed transaction.

(ii) The Assuming Institution must provide to the Receiver written notification immediately following any action that the Assuming Institution takes with respect to a Shared-Loss Asset Affiliate, including the removal of any Shared-Loss Asset Affiliate as the manager, administrator or collection agent of a Shared-Loss Asset, the adjustment of the duties or responsibilities of a Shared-Loss Asset Affiliate, any changes in the contact persons or contact information for a Shared-Loss Asset Affiliate and any merger, consolidation, name change or other corporate or entity activity with respect to a Shared-Loss Asset Affiliate.

3.4. Utilization by the Assuming Institution of Special Receivership Powers.

(a) Notice and Request to Receiver. Upon timely notice to and with the prior consent of the Receiver, and to the extent permitted by applicable law, the Assuming Institution may utilize in a legal action any special legal power or right which the Assuming Institution derives

as a result of having acquired a Shared-Loss Asset from the Receiver; provided, however, that nothing in this Agreement provides the Assuming Institution with any independent right to invoke or utilize any special legal power or right merely as a result of its acquisition of a Shared-Loss Asset from the Receiver.

(b) Use of Special Legal Powers. The Receiver may direct usage by the Assuming Institution of any special legal powers of the Receiver, and the Assuming Institution acknowledges and agrees that any special legal powers belong to and are possessed by the Receiver, and not the Assuming Institution. The Assuming Institution shall:

(i) comply in all respects with any direction from the Receiver and with any protocols, directives or interpretive memoranda issued from time to time by the Receiver or the Corporation;

(ii) upon request of the Receiver, notify the Receiver of the status of any legal action in which any special legal power or right is utilized; and

(iii) immediately notify the Receiver of any judgment or significant order in any legal action involving any of such special powers or rights.

3.5. Tax Ruling. The Assuming Institution shall not at any time, without the Receiver's prior consent, seek a private letter ruling or other determination from the Internal Revenue Service or otherwise seek to qualify for any special tax treatment or benefits associated with any payments made by the Receiver pursuant to this Agreement.

ARTICLE 4. SALE OF CERTAIN SHARED-LOSS ASSETS.

4.1. Sales of Shared-Loss Loans.

(a) Sales of Shared-Loss Loans Generally. All sales of Shared-Loss Loans, either individually or in bulk, are subject to the prior written approval of the Receiver, except as provided otherwise in this Section 4.1. Any request by the Assuming Institution for the Receiver's approval of a sale of a Shared-Loss Loan must be submitted in writing with related supporting documentation setting forth, in such form and detail as the Receiver may specify from time to time, the justification for or advisability of such sale. The Receiver may elect to rescind any such prior written approval that it might have provided at any time and for any reason. In each and every instance, the sale of Shared-Loss Loans, either individually or in bulk, and as provided in this Section 4.1 or as otherwise permitted by the Receiver pursuant to this Section 4.1(a), must satisfy all elements of the Management Standards and all other requirements of this Agreement with respect to the management, administration and collection of Shared-Loss Loans. In no event whatsoever shall the Receiver be liable to the Assuming Institution for any cost, loss or damage (including Covered Loss) resulting from either (i) the Receiver's failure to approve any requested sale of a Shared-Loss Loan or (ii) the Receiver's rescission of any prior approval of any sale of a Shared-Loss Loan.

(b) Calculation of Gain or Loss on Sale of Loans.

(i) Shared-Loss Loans. For Shared-Loss Loans that are not Restructured Loans, any gain or loss on sales conducted in accordance with the provisions of this

Section 4.1 is to be calculated based on the gross sale price received by the Assuming Institution *minus* the aggregate unpaid principal balance of the Shared-Loss Loans which are sold, using the methodologies set forth in Exhibit 2e(1) or Exhibit 2e(2).

(ii) Restructured Loans. For any Restructured Loan included in a sale pursuant to this Section 4.1, gain or loss is to be calculated as follows, using the methodologies set forth in Exhibit 2e(3):

(A) the net present value of estimated cash flows on the Restructured Loan that was used in the calculation of the related Restructuring Loss; *minus*

(B) loan principal payments collected by the Assuming Institution from the effective date of the loan modification in effect at the time of such sale with respect to the Restructured Loan to the date on which sale of the Restructured Loan is consummated; *minus*

(C) the gross sale price and any other collections received by the Assuming Institution.

4.2 Receiver's Rights to Cause Sales of Shared-Loss Assets. During the twenty four (24) month period immediately prior to the Coverage Termination Date, or at any time after the remaining portfolio unpaid principal balance falls below ten percent (10%) of the original portfolio unpaid principal balance, the Receiver may elect to require the Assuming Institution to liquidate for cash consideration, in one or more transactions, some or all of the Shared-Loss Assets then held by the Assuming Institution. If the Receiver exercises such right to cause the sale of Shared-Loss Assets identified by the Receiver, it shall give notice to the Assuming Institution setting forth the sale methodology and the time period within which the Assuming Institution must offer to sell the Shared-Loss Assets. The Assuming Institution shall make a good faith effort to sell the Shared-Loss Assets in a manner that maximizes the gross sale price received and to otherwise comply with the provisions of the Receiver's notice. In undertaking any such sale required by the Receiver, the Assuming Institution must satisfy all elements of the Management Standards and all other requirements of this Agreement with respect to the management, administration and collection of the Shared-Loss Assets.

4.3 Sale of ORE.

(a) Sale of ORE Generally. The Assuming Institution may sell or otherwise dispose of ORE at any time, without the prior written approval of the Receiver to a Person other than any of the Assuming Institution's Affiliates or contractors (including any Third Party Servicer), any contractors of any of the Assuming Institution's Affiliates (including any Third Party Servicer) or any Affiliates of any contractor of the Assuming Institution or any of its Affiliates (including any Affiliates of a Third Party Servicer), if the following conditions are satisfied:

(i) such ORE is marketed at its Market Value for an appropriate period given local market conditions, asset type, and asset condition; and

(ii) such sale is conducted in an arm's length, commercially reasonable and prudent manner.

In each and every instance, the sale of ORE, either individually or in bulk, and as provided in this Section 4.3, must satisfy all elements of the Management Standards and all other requirements of this Agreement with respect to the management, administration and collection of ORE.

(b) Calculation of Gain or Loss on Sale of ORE. For any ORE included in a sale pursuant to this Section 4.3, gain or loss is to be calculated using the methodologies set forth in Exhibit 2c(1)-(3).

4.4 Sale of Participations in Shared-Loss Loans under this Agreement. The Assuming Institution shall have the right, on the date hereof, to sell a 100% participation interest in Shared-Loss Loans to a third party non-bank purchaser (the “**Third Party Participant**”). The sale of such participation interest to a Third Party Participant shall not release the Assuming Institution from any obligation or liability pursuant to this Agreement or otherwise with respect to a Shared-Loss Asset, and the Assuming Institution shall be responsible to the Receiver for any and all acts or omissions of any Third Party Participant. Any Third Party Participant shall deal solely and directly with the Assuming Institution in connection with this Agreement.

4.5 Sale of Shared-Loss Assets under this Agreement. The Assuming Institution shall have the right, on the date hereof, to sell Shared-Loss Assets to a third party insured depository institution (the “**Third Party IDI**”). The Third-Party IDI must enter into a Joinder Agreement to assume the rights and obligations of the Assuming Institution in connection with such purchased Shared-Loss Assets to be entitled to any payments hereunder. The sale of such Shared-Loss Loans to a Third Party IDI shall not release the Assuming Institution from any obligation or liability pursuant to this Agreement or otherwise with respect to a Shared-Loss Asset, and the Assuming Institution shall be responsible to the Receiver for any and all acts or omissions of any Third Party IDI. As a party to this Agreement pursuant to the Joinder Agreement, the Third Party IDI may deal directly with the Receiver in connection with this Agreement.

ARTICLE 5. CERTIFICATES, REPORTS AND RECORDS.

5.1. Reporting Obligations of the Assuming Institution.

(a) Records, Notifications and Reports. The Assuming Institution shall maintain such records, provide such notifications and deliver such reports as are required pursuant to this Agreement, including the records, notifications and reports as provided in the following provisions of this Article 5. Nothing contained in this Agreement shall be deemed to modify any law, rules, regulations or orders that are otherwise applicable to the Assuming Institution or mitigate any reporting requirements imposed on the Assuming Institution or the Shared-Loss Assets pursuant to any applicable law.

(b) Certification of Accuracy and Completeness. Every submission by the Assuming Institution to the Receiver of a Quarterly Certificate or any other document or information that the Assuming Institution delivers to the Receiver pursuant to this Agreement (including this Article 5) shall constitute a certification from the Assuming Institution that the

information provided in such submission is true, complete, correct and in compliance with all applicable provisions of this Agreement.

5.2. Quarterly Certificates. Within fifteen (15) days after the end of each Shared-Loss Quarter, the Assuming Institution shall deliver to the Receiver a Quarterly Certificate setting forth the following information with respect to each such Shared-Loss Quarter, in such form and detail as the Receiver may specify from time to time (it being understood that the Receiver may change the form of and the detail required in a Quarterly Certificate and the reports ancillary to a Quarterly Certificate periodically during the term of this Agreement and it being understood the initial Quarterly Certificate is to be delivered within fifteen (15) days after the end of the second Shared-Loss Quarter and is to cover both the first and second Shared-Loss Quarters):

(a) Shared-Loss Assets. For the Shared-Loss Assets, a completed schedule, substantially in the form of Exhibit 1, which provides at a minimum for the following items:

- (i) the Applicable Percentage of the quarterly results of:
 - (A) the Loss Amount for all Shared-Loss Assets; minus
 - (B) the Recovery Amount for all Shared-Loss Assets; minus
 - (C) Collections on Fully Charged-Off Assets;
- (ii) the net amount of any quarterly Covered Loss and Covered Gain;
- (iii) the Cumulative Loss Amount as of the beginning and as of the end of the Shared-Loss Quarter;
- (iv) with respect to Shared-Loss Assets for which Loss Amounts (calculated in accordance with the applicable Exhibit) are claimed, a summary of the related Loss Amounts for each such Shared-Loss Asset and of the total Quarterly Loss Amount for all such Shared-Loss Assets;
- (v) with respect to Shared-Loss Assets for which Recovery Amounts were received by the Assuming Institution, a summary of the Recovery Amount for each such Shared-Loss Asset and of the total Recovery Amount for all such Shared-Loss Assets; and
- (vi) adjustments to the Indemnification Asset during such Shared-Loss Quarter.

Nothing in this Section 5.2(a), however, shall prohibit either the Receiver from requiring the Assuming Institution pursuant to Section 2.6 to deliver a Revised Quarterly Certificate that includes only Disbursement Amounts with respect to any Shared-Loss Quarter or the Assuming Institution from including in a Subsequent Quarterly Certificate pursuant to Section 2.6 any Withheld Amounts that the Receiver determines during the relevant Shared-Loss Quarter to be eligible for payment.

(b) Calculation of Loss Amount. For each of the Shared-Loss Assets for which a Loss is claimed for a Shared-Loss Quarter, a schedule showing the calculation of the Loss

Amount in the form and in accordance with the methodology set forth in Exhibit 2a(1)-(3), Exhibit 2b(1)-(3), Exhibit 2c(1)-(3), Exhibit 2d(1)-(3) or Exhibit 2e(1)-(3), as applicable.

5.3. Quarterly Data.

(a) Quarterly Data Download. Within fifteen (15) days following the end of each Shared-Loss Quarter, the Assuming Institution shall deliver to the Receiver:

(i) a Quarterly Certificate setting forth active loan information with respect to each such Shared-Loss Quarter, in such form and detail as the Receiver may specify from time to time (it being understood that the Receiver may change the form of and the detail required in a Quarterly Certificate and the reports ancillary to a Quarterly Certificate periodically during the term of this Agreement and it being understood the initial Quarterly Certificate is to be delivered within fifteen (15) days after the end of the second Shared-Loss Quarter and is to cover both the first and second Shared-Loss Quarters);

(ii) an Excel file for all Additional ORE, setting forth for each item of Additional ORE:

(A) the foreclosure date;

(B) the unpaid principal balance of the related Shared-Loss Loan at the time of foreclosure;

(C) the broker price opinion value or, if required by the Receiver, the appraised value of such Additional ORE; and

(D) the projected liquidation date of such Additional ORE; and

(iii) an Excel file for all Acquisition ORE, setting forth for each item of Acquisition ORE:

(A) the broker price opinion value or, if required by the Receiver, the appraised value of such Acquisition ORE; and

(B) the projected liquidation date of such Acquisition ORE.

(b) Completeness of Information. In a manner consistent with Customary Servicing Procedures, the Assuming Institution shall provide to the Receiver true, complete and correct information in the quarterly data download required pursuant to Section 5.3(a).

(c) Limitations. The inclusion of information in a Quarterly Certificate or other documentation does not create any reimbursement obligation of the Receiver if the Assuming Institution is not otherwise in compliance with this Agreement or is otherwise not entitled to such reimbursement.

5.4. Notification of Related Loans. In addition to maintaining records of all Related Loans, the Assuming Institution shall prepare and deliver to the Receiver, on a semi-annual basis, together with the Quarterly Certificates for all Shared-Loss Quarters ending on June 30 and

December 31, a schedule of all Related Loans on the AI Accounting Records as of the applicable June 30 or December 31.

5.5. Auditor's Report; Right to Audit.

(a) Independent Auditor's Report. The Assuming Institution shall comply with the provisions of either Section 5.5(a)(i) or Section 5.5(a)(ii).

(i) Within the time period permitted for the examination audit pursuant to 12 C.F.R. Section 363 following the end of each fiscal year, from and including the fiscal year during which the Bank Closing Date occurs, up to and including the calendar year during which the Coverage Termination Date occurs, the Assuming Institution shall deliver to the Receiver a report signed by its independent public accountants (the "**AI Accountants**") stating that the AI Accountants have reviewed this Agreement and that, in the course of their annual audit of the Assuming Institution's books and records, nothing has come to their attention suggesting that any computations required to be made by the Assuming Institution during such year were not made in accordance with this Agreement.

(ii) In the event that the AI Accountants cannot or do not provide the report described in and required pursuant to the provisions of Section 5.5(a)(i) because the AI Accountants determined that any computations required to be made by the Assuming Institution had not been made in accordance with this Agreement, within seven (7) days following the end of the time period permitted for the examination audit pursuant to 12 C.F.R. Section 363, the Assuming Institution shall submit to the Receiver corrected computations together with a report signed by the AI Accountants stating that, after giving effect to such corrected computations, nothing has come to the attention of the AI Accountants suggesting that any computations required to be made by the Assuming Institution during such year were not made by the Assuming Institution in accordance with this Agreement. In such event, the Assuming Institution and the Receiver shall make all such accounting adjustments and payments as may be necessary to give effect to each correction reflected in such corrected computations, retroactive to the date on which the corresponding incorrect computation was made. It is the intention of this provision to align the timing of the audit required pursuant to this Agreement with the examination audit required pursuant to 12 C.F.R. Section 363.

(b) Assuming Institution's Internal Operational and Compliance Audit. The Assuming Institution shall perform on an annual basis an internal operational and compliance audit of the performance in accordance with all provisions of this Agreement and all applicable law by the Assuming Institution, any Shared-Loss Subsidiary, any Third Party Servicer or any other contractor of the Assuming Institution and, in connection therewith, shall provide the Receiver with:

(i) (A) copies of all internal audit reports and (B) access to all related internal audit work papers; and

(ii) a certificate signed by the chief executive officer or chief financial officer of the Assuming Institution either (A) certifying that the Assuming Institution, each Shared-Loss Subsidiary, each Third Party Servicer and each other contractor of the Assuming Institution are in compliance with all provisions of this Agreement and all applicable law or (B) identifying

any areas of non-compliance and describing any remediation undertaken or to be undertaken to resolve such non-compliance (including a time-line for the performance of any remediation to be undertaken).

(c) Right of Receiver to Audit. The Receiver or its agents, contractors and employees may (but are not required to) perform an operational and compliance audit to assess the performance in accordance with all provisions of this Agreement and applicable law by the Assuming Institution, any Shared-Loss Subsidiary, any Third Party Servicer or any other contractor of the Assuming Institution, by providing not less than ten (10) Business Days prior notice of the commencement of such operational and compliance audit. The scope and duration of any such operational and compliance audit shall be at the discretion of the Receiver. The Receiver shall bear the expense of any such operational and compliance audit unless such operational and compliance audit uncovers any material failure by the Assuming Institution, any Shared-Loss Subsidiary, any Third Party Servicer or any other contractor of the Assuming Institution to perform in accordance with all provisions of this Agreement and all applicable law in which event the Assuming Institution shall bear the expense of any such operational and compliance audit and of any remediation required as a result of such operational and compliance audit. In the event that any corrections are necessary as a result of such an operational audit, the Assuming Institution and the Receiver shall make such accounting adjustments, payments and withholdings as may be necessary to give retroactive effect to such corrections.

(d) Authority to Advisors and Representatives. The Assuming Institution shall, and shall cause its Affiliates, contractors and Third Party Servicers to, allow its advisors and representatives to discuss its (and any Affiliate's, contractor's or Third Party Servicer's) affairs, finances and accounts as they relate to Shared-Loss Assets, or any other matters relating to this Agreement or the rights and obligations pursuant to this Agreement, with the Receiver and authorizes such advisors and representatives to so discuss such affairs, finances and accounts with the Receiver.

5.6. Accounting Principles.

(a) Maintenance of Books and Records. The Assuming Institution shall at all times during the term of this Agreement keep books and records that fairly present all dealings and transactions carried out in connection with its business and affairs.

(b) Accounting Principles. Except as otherwise provided for in the Purchase and Assumption Agreement or this Agreement, the Assuming Institution shall keep all financial books and records in accordance with GAAP, which shall be consistently applied for the periods involved. The Assuming Institution must account for, and report with respect to, each Shared-Loss Asset fairly and accurately on an individualized basis. In no event may the Assuming Institution use any accounting treatment (whether or not permitted by GAAP) that would permit pooling or aggregation of amounts in a manner that increases Covered Loss or decreases Recoveries or Covered Gain unfairly to the Receiver.

(c) Change in Accounting Policies. The Assuming Institution shall not make any change in its accounting policies that would adversely affect the value of the Shared-Loss Assets, unless it obtains the prior written approval of the Receiver or unless such change is required by a revision to GAAP. The Assuming Institution shall notify the Receiver promptly of any change

in its accounting policies that is required by a revision to GAAP that would affect any Shared-Loss Asset, the accounting for any Shared-Loss Asset or the amount of any loss, gain, , or other item of reimbursement that may be due to or from the Assuming Institution.

5.7. Records and Reports.

(a) Content of Records. The Assuming Institution shall establish and maintain records on a separate general ledger, and on such subsidiary ledgers as may be appropriate, in such form and detail as the Receiver may specify, to account for the Shared-Loss Assets and to enable the Assuming Institution to prepare and deliver such reports as the Receiver may request from time to time pursuant to this Agreement. Without limiting the generality of the foregoing, such books and records shall be kept in such a manner that information will be readily available to determine and document compliance with this Agreement and the Purchase and Assumption Agreement, including documentation that evidences the following:

(i) loss mitigation alternatives considered by the Assuming Institution with respect to defaulted Shared-Loss Loans or Shared-Loss Loans for which default is reasonably foreseeable;

(ii) the calculation of Loss for claims submitted to the Receiver;

(iii) each line item on the Loss calculation Exhibits (as prepared in accordance with this Agreement); and

(iv) the Recovery Amount on Shared-Loss Assets for which the Receiver has made a payment pursuant to this Agreement.

The Assuming Institution shall provide such records and reports with respect to the Shared-Loss Assets to the Receiver upon request.

(b) Additional Information. The Assuming Institution shall provide promptly to the Receiver such information as the Receiver may request from time to time, including financial statements, computations and information as the Receiver deems necessary or appropriate in connection with monitoring compliance with this Agreement, certified as true, complete and correct by the chief executive officer or chief financial officer of the Assuming Institution if so requested. The Assuming Institution shall provide to the Receiver all such asset-level data and cumulative information regarding the Shared-Loss Assets as the Receiver may request from time to time.

(c) _____ The Assuming Institution shall maintain records documenting compliance with its obligations under this Agreement which shall include, but are not limited to, documentation of analyses and strategies to mitigate losses, maximize collections, and otherwise comply with the Management Standards with respect to the Shared-Loss Assets, and documentation substantiating any Covered Loss or Covered Gain. The Assuming Institution shall provide such records to the Receiver upon request.

ARTICLE 6. MISCELLANEOUS.

6.1. Expenses. All costs and expenses incurred by a Party in connection with this Agreement (including the performance of any obligations or the exercise of any rights hereunder) shall be borne by such Party unless expressly otherwise provided, whether or not the transactions contemplated in this Agreement are consummated.

6.2. Successors and Assigns.

(a) **Binding on Successors and Assigns; Assignment.** This Agreement and all of the provisions of this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective permitted successors and assigns only. The Receiver may assign or otherwise transfer this Agreement and the rights and obligations of the Receiver pursuant to this Agreement (in whole or in part) to the Corporation without the consent of the Assuming Institution; provided, however, that the Receiver shall use commercially reasonable efforts to provide notice to the Assuming Institution of any such assignment. With the exception of Sections 4.4 and 4.5 of this Agreement, the Assuming Institution may not assign or otherwise transfer this Agreement or any of the Assuming Institution's rights or obligations pursuant to this Agreement (in whole or in part) or sell or transfer any subsidiary of the Assuming Institution holding title to Shared-Loss Assets without the prior written consent of the Receiver. An assignment or transfer of this Agreement by the Assuming Institution includes:

(i) a grant by the Assuming Institution of any participation interest, risk participation interest or right or obligation of sharing with respect to any right, benefit, privilege, obligation or liability of the Assuming Institution set out in or with respect to this Agreement;

(ii) a merger or consolidation of the Assuming Institution with or into another Person, if the shareholders of the Assuming Institution will own less than sixty-six and two-thirds percent (66.66%) of the equity of the consolidated entity;

(iii) a merger or consolidation of the Assuming Institution's Holding Company with or into another Person, if the shareholders of the Holding Company will own less than sixty-six and two-thirds percent (66.66%) of the equity of the consolidated entity;

(iv) the sale of all or substantially all of the assets of the Assuming Institution to another Person; or

(v) a sale of Shares by any one or more shareholders that will effect a change in control of the Assuming Institution, as determined by the Receiver with reference to the standards set forth in the Change in Bank Control Act, 12 U.S.C. Section 1817(j).

Any transaction that requires the Receiver's consent pursuant to this Section 6.2 that is made, effected, entered into or permitted to occur without such consent shall relieve the Receiver of all of its obligations, responsibilities and duties pursuant to this Agreement.

(b) **No Recognition of Loss.** The Receiver has no payment obligations pursuant to this Agreement for losses incurred as a result of any accounting adjustments that are made due to or as a result of any assignment or transfer of this Agreement or any merger, consolidation, sale or other transaction to which the Assuming Institution, its Holding Company or any Affiliate is a

party, regardless of whether the Receiver consents to such assignment or transfer in connection with such transaction pursuant to this Section 6.2.

6.3. WAIVER OF JURY TRIAL. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, ALL RIGHT TO TRIAL BY JURY IN, OR TO HAVE A JURY PARTICIPATE IN RESOLVING, ANY DISPUTE, ACTION, PROCEEDING OR COUNTERCLAIM, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, ARISING OUT OF OR RELATING TO OR IN CONNECTION WITH THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT.

6.4. No Third Party Beneficiary. This Agreement is for the sole and exclusive benefit of the Parties and their respective permitted successors and permitted assigns and there shall be no other third-party beneficiaries. Nothing in this Agreement shall be construed to grant to any other Person any right, remedy or claim pursuant to or with respect to this Agreement or any provision of this Agreement.

6.5. Consent; Determination or Discretion. When a determination, decision, election, approval or consent is to be made by or is permitted to be provided or made by the Assuming Institution pursuant to this Agreement, the Assuming Institution shall make or provide such determination, decision, election, approval or consent in writing and in its commercially reasonable discretion. When a determination, decision, election, approval or consent is to be made by or is permitted to be provided or made by the Receiver pursuant to this Agreement, the Receiver shall make or provide such determination, decision, election, approval or consent in writing and in its sole and absolute discretion unless expressly otherwise provided in this Agreement.

6.6. Rights Cumulative. Except as expressly otherwise provided in this Agreement, the rights of each of the Parties pursuant to this Agreement are cumulative, may be exercised as often as any Party considers appropriate and are in addition to each such Party's rights pursuant to the Purchase and Assumption Agreement, any of the agreements related thereto or pursuant to applicable law. Any failure to exercise or any delay in exercising any of such rights, or any partial or defective exercise of such rights, shall not operate as a waiver or variation of that or any other such right, unless expressly otherwise provided.

6.7. References. References in this Agreement to Recitals, Articles, Sections and Exhibits are to Recitals, Articles, Sections and Exhibits of this Agreement, respectively, unless the context indicates that the Purchase and Assumption Agreement is intended. References to a "Party" or the "Parties" are to the parties to this Agreement. Unless expressly otherwise provided, references to days and months are to calendar days and calendar months, respectively. Article and Section headings are for convenient reference and shall not affect the meaning of this Agreement. References to the singular shall include the plural, as the context may require, and *vice versa*. References to the terms "include," "includes" and "including" are not limiting; and references to the term "or" are not exclusive.

6.8. Incorporation by Reference. All Addenda, Exhibits and Schedules to this Agreement are incorporated by reference into this Agreement as if set forth fully in the text of this Agreement.

6.9. Schedules. The Parties agree that any Schedules to this Agreement will be provided after the effective date of this Agreement and that the delivery of such Schedules after the effective date of this Agreement shall not delay or postpone the execution or delivery of this Agreement by the Assuming Institution.

6.10. Counterparts. This Agreement may be executed in any number of counterparts and by the duly authorized representative of a Party on separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement.

6.11. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS PURSUANT TO OR RELATING TO THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE FEDERAL LAW OF THE UNITED STATES OF AMERICA AND, IN THE ABSENCE OF CONTROLLING FEDERAL LAW, IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

6.12. Notice.

(a) Form of Notices. All notices, requests, demands and other communications required or permitted to be given or delivered pursuant to the provisions of this Agreement shall be in writing and shall be given by certified or registered mail, postage prepaid, delivered by hand or by nationally recognized air courier service, in any case directed to the address of such Party as set forth in Sections 6.11(b), 6.11(c) and 6.11(d). Any such communications shall become effective when received (or when receipt is refused) by the addressee, provided that any 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 Party may designate a new address for purposes of receipt of communications pursuant to this Agreement by notice to such effect to the other persons identified in this Section 6.11.

(b) Notice to FDIC (Division of Resolutions and Receiverships). With respect to communications pursuant to this Agreement:

Federal Deposit Insurance Corporation
Division of Resolutions and Receiverships
3701 N. Fairfax Drive
Arlington, Virginia 22226
Attention: Assistant Director, Capital Markets & Risk Share Management

(c) Notice to FDIC (Legal Division). With respect to communications pursuant to this Agreement:

Federal Deposit Insurance Corporation Legal Division
Virginia Square, L. William Seidman Center
3501 N. Fairfax Drive, VS-D-7108
Arlington, Virginia 22226
Attention: Counsel (Asset Management and Disposition Unit)

(d) Notice to Assuming Institution. With respect to communications pursuant to this Agreement:



ARTICLE 7. DISPUTE RESOLUTION.

7.1. Methods of Resolution. Any dispute arising pursuant to this Agreement (a “**Dispute Item**”) shall be resolved in accordance with the provisions of this Article 7. If either Party believes that a Dispute Item has arisen, it shall send a written notification of such Dispute Item (a “**Notice of Preliminary Dispute**”) to the other Party, which Notice of Preliminary Dispute shall contain a description of the Dispute Item, an estimate of the amount in issue, supporting documentation, and any other information required pursuant to this Agreement (including this Article 7), including information concerning the Dispute Item sufficient to enable the Parties to negotiate in good faith to resolve the Dispute Item.

7.2. Informal Resolution. The Receiver and the Assuming Institution shall negotiate in good faith to resolve any Dispute Item within thirty (30) Business Days following receipt of the Notice of Preliminary Dispute and the required supporting information (the “**Informal Resolution Period**”).

7.3. Resolution by Non-Binding Dispute Resolution Proceeding. If resolution of the Dispute Item pursuant to Section 7.2 is unsuccessful, either Party may submit to the other Party written notification of its determination that resolution of the Dispute Item pursuant to Section 7.2 has been unsuccessful (a “**Notice of Dispute**”); provided, however, that a Notice of Dispute may not be delivered with respect to a Dispute Item until the applicable Informal Resolution Period has expired. The Parties shall make good faith efforts to resolve the dispute by mutual agreement within forty-five (45) days following receipt of the Notice of Dispute (the “**Negotiation Period**”). In furtherance of these efforts, the Parties shall consider the use of dispute resolution techniques such as mediation, settlement conference, early neutral evaluation and any other dispute resolution proceedings (as defined in Section 571(6) of ADRA) other than formal dispute resolution pursuant to Section 7.6 or Section 7.7.

7.4. Confidentiality of Compromise Negotiations. All good faith attempts to resolve or compromise a Dispute Item pursuant to Sections 7.1, 7.2 and 7.3 will be confidential. All such compromise negotiations, including any statements made or documents prepared by any Party, attorney or other participant, are inadmissible as evidence in other proceedings and may not be construed for any purpose as admissions against interest.

7.5. Payment Resulting from Compromise Negotiations. If the Receiver and the Assuming Institution resolve a Dispute Item to their mutual satisfaction pursuant to Section 7.2 or 7.3, including any dispute arising pursuant to Section 2.6, then within thirty (30) days following such resolution, the appropriate Party shall make payment or take action as agreed by the Parties.

7.6. Resolution by AI Chartering Authority.

(a) Submission of Dispute. If the Parties are unable to resolve a Dispute Item pursuant to Section 7.2 or 7.3, and if the Dispute Item has an amount in issue of less than three million dollars (\$3,000,000.00), then either (i) such Dispute Item (a “**First-Tier Dispute Item**”) shall be submitted for final resolution by the AI Chartering Authority with the mutual consent of the Parties or (ii) the Parties shall engage in mediation with respect to the First-Tier Dispute Item prior to the initiation of arbitration pursuant to Section 7.7.

(b) Joint Request to AI Chartering Authority. If the Parties mutually consent to resolution of a First-Tier Dispute Item by the AI Chartering Authority, then the Parties shall deliver to the AI Chartering Authority a joint submission from the Parties requesting that the AI Chartering Authority resolve the First-Tier Dispute Item (the “**Joint Request**”). The Parties shall include in the Joint Request a description of the Dispute Item and an estimate of the amount in issue. If the AI Chartering Authority agrees to resolve the First-Tier Dispute Item, then the AI Chartering Authority must agree in writing to be bound by the provisions of this Article 7 and must provide to the Parties a written oath of impartiality (the “**AI Chartering Authority’s Acceptance**”).

(c) First Party’s Submission. Promptly after the Parties receive the AI Chartering Authority’s Acceptance, the Party that delivered the Notice of Preliminary Dispute (the “**First Party**”) shall submit to the AI Chartering Authority and the other Party (the “**Second Party**”) its written submission setting forth its position with respect to the First-Tier Dispute Item (the “**First Party Submission**”), which First Party Submission is to include the First Party’s identification of the provisions of this Agreement supporting its position, its analysis of applicable law supporting its position, a description of relevant facts supporting its position and its identification of the relief sought to resolve the First-Tier Dispute Item.

(d) Second Party’s Response. Within fifteen (15) Business Days after the First Party delivers the First Party Submission, the Second Party shall submit to the AI Chartering Authority and the First Party its response to the First Party Submission setting forth its position with respect to the First-Tier Dispute Item (the “**Response**”), which Response is to include the Second Party’s identification of the provisions of this Agreement supporting its position, its analysis of applicable law supporting its position, a description of relevant facts supporting its position and its identification of the relief sought to resolve the First-Tier Dispute Item.

(e) AI Chartering Authority’s Resolution of First-Tier Dispute Item. Unless the AI Chartering Authority requests any additional submissions of the Parties, no submissions other than the Joint Request, the First Party Submission and the Response shall be made to the AI Chartering Authority. The AI Chartering Authority shall be requested to resolve the First-Tier Dispute Item based upon its application of applicable law and its interpretation of this Agreement, the Joint Request, the First Party Submission and the Response.

(f) AI Chartering Authority’s Written Award. The AI Chartering Authority shall be requested to determine the prevailing Party and award the prevailing Party the award that the AI Chartering Authority deems appropriate, but in no event may the AI Chartering Authority’s award inclusive of all claims and counterclaims exceed the amount in issue set out in the Joint Request. The AI Chartering Authority shall be requested to present to the Parties a written award

regarding the First-Tier Dispute Item. The written award should contain a brief, informal discussion of the factual and legal basis for the award, but formal findings of facts and law shall not be required.

(g) Failure of Resolution by AI Chartering Authority. If a First-Tier Dispute Item otherwise is not finally resolved by the AI Chartering Authority despite the Parties' mutual consent to submit the First-Tier Dispute Item to the AI Chartering Authority for final resolution, then the First-Tier Dispute Item shall be resolved pursuant to this Article 7 as if the Parties had not submitted the First-Tier Dispute Item to the AI Chartering Authority for final resolution.

7.7. Formal Resolution.

(a) Arbitration. The Parties agree to submit any Dispute Item not resolved pursuant to Sections 7.1 through 7.6 to arbitration pursuant to the provisions of this Article 7, subject in all events to the provisions of ADRA. No more than three Dispute Items may be submitted for any single arbitration; provided, however, that, by mutual agreement, the Parties may agree to submit any number of Dispute Items to a single arbitration.

(b) Submission to Arbitration. If the Receiver and the Assuming Institution do not resolve a Dispute Item pursuant to Sections 7.1 through 7.6, then within one hundred eighty (180) days following the expiration of the Negotiation Period, the Party seeking relief (the "**Claimant Party**") may submit a demand for arbitration with respect to the Dispute Item (a "**Demand for Arbitration**") to the other Party (the "**Respondent Party**") and the AAA in accordance with the Commercial Arbitration Rules.

(c) Condition Precedent. A Claimant Party may not initiate formal dispute resolution proceedings pursuant to this Section 7.7 with respect to any Dispute Item unless both the Informal Resolution Period and the Negotiation Period have expired and the Parties have been unable to resolve the Dispute Item. With respect to a First-Tier Dispute Item, a Claimant Party may not initiate formal dispute resolution proceedings pursuant to this Section 7.7 with respect to such First-Tier Dispute Item unless (a) both the Informal Resolution Period and the Negotiation Period have expired and the Parties have been unable to resolve the First-Tier Dispute Item and (b) pursuant to Section 7.6, either (i) the Parties have been unable to resolve such First-Tier Dispute Item through mediation or (ii) such First-Tier Dispute Item is not finally resolved by the AI Chartering Authority despite the Parties' mutual consent to submit the First-Tier Dispute Item to the AI Chartering Authority for final resolution.

(d) Waiver of Rights. If the Claimant Party does not initiate formal dispute resolution proceedings with respect to a Dispute Item within one hundred eighty (180) days following the expiration of the Negotiation Period, the Claimant Party shall be deemed to have waived all rights with respect to such Dispute Item, including the right to initiate arbitration or litigation with respect to such Dispute Item.

(e) Arbitration Administrator. The Receiver may elect to appoint an organization other than the AAA for administration of arbitration pursuant to this Section 7.7, in which case this Article 7 and the rules and procedures set forth in this Article 7, including the Commercial Arbitration Rules as referred to in Section 7.9, shall govern the arbitration. The AAA

or such other organization appointed pursuant to this Section 7.7(e) shall be referred to in this Agreement as the “**Arbitration Administrator.**”

7.8. Effectiveness of Agreement Pending Dispute. Notwithstanding any provision of this Agreement to the contrary, in the event that a Notice of Preliminary Dispute is provided to a Party pursuant to this Article 7 prior to the Coverage Termination Date, the terms of this Agreement shall remain in effect with respect to the Dispute Items set forth in such Notice of Preliminary Dispute until the Dispute Items have been finally resolved.

7.9. Governing Rules for Arbitration. Any arbitration (other than an arbitration with respect to a First-Tier Dispute Item to be conducted by the AI Chartering Authority) shall be procedurally governed by the Commercial Arbitration Rules (the “**Commercial Arbitration Rules**”) established by the AAA to the extent that such rules are not inconsistent with this Article 7, the Federal Arbitration Act or ADRA, as each may be in effect at the time that the arbitration is initiated, except that the Commercial Arbitration Rules’ Expedited Procedures shall not apply unless the Claimant Party and the Respondent Party otherwise agree in writing.

7.10. Review Board Proceedings. The arbitration of a Dispute Item (other than an arbitration with respect to a First-Tier Dispute Item to be conducted by the AI Chartering Authority) shall be conducted by a review board (a “**Review Board**”) which shall consist of three (3) members (each a “**Member**”) with such expertise as the Claimant Party and the Respondent Party agree is relevant.

(a) **Selection of Members.** The Claimant Party shall state the name and address of the first of three (3) Members in its Demand for Arbitration. By written notice to the Claimant Party delivered within ten (10) Business Days of receipt of the Demand for Arbitration (the “**Respondent Party Response**”), the Respondent Party shall state the name and address of the second Member. Each such Member proposed by a Party shall be considered a “Party-Appointed Arbitrator” (a “**Party-Appointed Arbitrator**”), consistent with Commercial Arbitration Rule R-13. Promptly after delivery of the Respondent Party Response (but in no event later than the date thirty (30) Business Days after receipt of the Respondent Party Response), the Party-Appointed Arbitrators shall select a neutral third Member (the “**Neutral Member**”) in accordance with Commercial Arbitration Rule R-14, provided that the Neutral Member need not be selected from the National Roster (as such term is defined in Commercial Arbitration Rule R-3), notwithstanding any provision of Commercial Arbitration Rule R-12 to the contrary.

(b) **Removal of Members.** A Party-Appointed Arbitrator may be removed at any time by the Party that appointed that Member upon written notice to the other Party of the selection of a replacement Member, who shall be considered a Party-Appointed Arbitrator. No such replacement Party-Appointed Arbitrator shall become a Member of a Review Board until he or she agrees in writing to be bound by the provisions of this Article 7. The Neutral Member may be removed by unanimous action of the Party-Appointed Arbitrators after five (5) Business Days’ written notice to the Claimant Party and the Respondent Party or by the unanimous action of the Parties. In any such event, the Party-Appointed Arbitrators must notify the Arbitration Administrator in writing of the selection of a replacement Neutral Member. No such replacement Neutral Member shall become a Member of a Review Board until he or she agrees in writing to be bound by the provisions of this Article 7 and provides to the Parties a written statement that he or

she does not have any official, financial, or personal conflict of interest with respect to the Dispute Item or the Parties.

(c) **Vacancies.** Any vacancy on the Review Board shall be filled in accordance with the provisions and rules pursuant to which the Member to be replaced was selected. No such replacement Member shall become a Member of a Review Board until he or she agrees in writing to be bound by the provisions of this Article 7 and, if such replacement Member is to be the Neutral Member, provides to the Parties a written a statement that he or she does not have any official, financial, or personal conflict of interest with respect to the Dispute Item or the Parties.

7.11. Impartiality; Communication with Members. Each Party-Appointed Arbitrator shall be considered non-neutral, need not be impartial or independent and shall not be subject to disqualification for partiality or lack of independence, as provided in Commercial Arbitration Rule R-18(b). Each Party may communicate *ex parte* concerning an arbitration with any Party-Appointed Arbitrator it has appointed at any time during the course of such arbitration.

7.12. Review Board Requirements. No Dispute Item may be submitted to a Review Board until (a) each member of the Review Board agrees in writing to be bound by the provisions of this Article 7 and (b) the Neutral Member provides to the Parties a written a statement that the Neutral Member does not have any official, financial, or personal conflict of interest with respect to the Dispute Item or the Parties. None of the Members may serve as counsel, advisor, witness or representative to any party to the arbitration.

7.13. Written Award. Within twenty (20) Business Days following closing of the arbitration hearing held pursuant to the Commercial Arbitration Rules, as determined by Commercial Arbitration Rule R-39, the Review Board shall adopt the position of one of the Parties, subject to the limitations set forth in Sections 7.15 and 7.16. The determination of any two (2) Members shall constitute the Review Board's determination. The Review Board shall present to the Claimant Party and the Respondent Party a written award regarding each Dispute Item. The written award with respect to each Dispute Item shall contain a brief, informal discussion of the factual and legal basis for the award, but formal findings of facts and law shall not be required.

7.14. Payments. All payments required to be made pursuant to this Article 7 shall be made by electronic funds transfer and within fifteen (15) Business Days following the date on which the award becomes final.

7.15. Limitations on Awards. Notwithstanding any provision of this Agreement to the contrary, neither the AI Chartering Authority nor a Review Board has any authority to award any punitive, consequential, special or exemplary damages, and neither the AI Chartering Authority nor a Review Board has any authority to issue an award in an amount exceeding the lesser of (a) the lesser of (i) the amount in issue set forth in the applicable Notice of Preliminary Dispute or (ii) the amount in issue set forth in the applicable Demand for Arbitration or (b) an amount equal to the product of (i) the Intrinsic Shared-Loss Estimate *multiplied by* (ii) the Applicable Percentage.

7.16. Fees, Costs and Expenses. Each Party shall bear the fees, costs and expenses that it incurs in connection with the resolution of a Dispute Item. Neither the AI Chartering Authority nor a Review Board shall have any authority to award attorneys' fees or costs incurred by either Party. Each Party shall be responsible for the fees, costs, and expenses of the Party-Appointed

Arbitrator that it selected. The Claimant Party and the Respondent Party shall share equally the fees and expenses of the Neutral Member and any administrative fees of the arbitration (which shall not include any filing fees); provided, however, that the First Party shall be responsible for any administrative fees that the AI Chartering Authority might charge to resolve a First-Tier Dispute Item. No fees, costs or expenses incurred by or on behalf of the Assuming Institution shall be subject to reimbursement by the Receiver pursuant to Article 2, this Article 7 or otherwise.

7.17. Final and Binding Nature. Arbitration of a Dispute Item pursuant to this Article 7 shall be final and binding on the Parties, and judgment upon the award made by the AI Chartering Authority or a Review Board may be entered in accordance with applicable law. The Parties agree to observe faithfully the provisions of this Article 7 and the Commercial Arbitration Rules (to the extent that the Commercial Arbitration Rules apply to an arbitration pursuant to this Article 7), and the Parties agree to abide by and perform any award rendered by the AI Chartering Authority or a Review Board.

7.18. No Precedent. No decision, interpretation, determination, analysis, statement, award or other pronouncement of the AI Chartering Authority or a Review Board shall constitute precedent in regard to any subsequent proceeding (whether or not such proceeding involves dispute resolution pursuant to this Agreement), nor shall the AI Chartering Authority or a Review Board be bound to follow any decision, interpretation, determination, analysis, statement, award or other pronouncement rendered by any other AI Chartering Authority or any previous Review Board or any other previous dispute resolution panel or authority that has convened in connection with a transaction involving other failed financial institutions or Federal assistance transactions.

7.19. Confidentiality; Proceedings, Information and Documents. No arbitration held pursuant to this Article 7 shall be public or accessible to any person other than the Parties and their representatives, the Review Board and witnesses participating in the arbitration (and then only to the extent of their participation). Each Party and each Member shall strictly maintain the confidentiality of all issues, disputes, arguments, positions and interpretations of any such proceeding, as well as all dispute resolution communications, testimony, pleadings, filings, discovery, information, attachments, enclosures, exhibits, summaries, compilations, studies, analyses, notes, documents, statements, schedules and other similar items associated therewith (“**Confidential Information**”), in accordance with the provisions of ADRA. In the event that disclosure of Confidential Information is required pursuant to applicable law or in the event that disclosure is required pursuant to statute or court determination as provided by ADRA, then to the extent reasonably practicable, the Party or the Member required to make the disclosure shall provide the other Party or the Parties (as the case might be) with written notice of such disclosure within one (1) Business Day following the request that it make such disclosure, and in any event prior to making such disclosure, so that the other Party or either Party (as the case might be) may seek a protective order. With respect to final resolution of a First-Tier Dispute Item by the AI Chartering Authority, the Parties shall require that the AI Chartering Authority, in agreeing to be bound by the provisions of this Article 7, agree to adhere to the provisions of this Section 7.19 as though it were a Member of a Review Board.

7.20. Extension of Time Periods. The Parties may extend any period of time provided in this Article 7 or the Commercial Arbitration Rules by mutual agreement in writing.

7.21. Venue. An arbitration shall take place at such location as the Parties may mutually agree, but, if they cannot agree, then it shall take place at the offices of the Corporation in Arlington, Virginia (or, with respect to a First-Tier Dispute Item, at such place as the respective AI Chartering Authority might require).

7.22. Privilege. Any and all legal privilege (including attorney-client privilege and attorney work product privilege) that would apply pursuant to applicable law were a Dispute Item to be litigated in a manner permitted by Section 7.7(f) shall apply to any arbitration conducted pursuant to Article 7. If for any reason the Parties, their respective counsel or their documents or other evidence are subject to different rules as to privilege, the rules that provide for the highest level of privilege and protection shall apply.

ARTICLE 8. DEFINITIONS. The capitalized terms used in this Agreement have the meanings defined or referenced in this Article 8.

“AAA” means the American Arbitration Association.

“Accounting Records” means Failed Bank Records, including corporate minutes, general ledger and subsidiary ledgers and schedules which support general ledger balances.

“Acquired Assets” has the meaning set forth in the Purchase and Assumption Agreement.

“Acquired Subsidiary” or “Acquired Subsidiaries” has the meaning set forth in the Purchase and Assumption Agreement.

“Acquisition ORE” means any interests in real estate (other than Bank Premises and Fixtures), including mineral rights, leasehold rights, condominium and cooperative interests, air rights and development rights, that are owned by the Failed Bank as of the Bank Closing Date, purchased by the Assuming Institution pursuant to the Purchase and Assumption Agreement and set forth on Schedule 4.15A.

“Additional ORE” means the following assets that have been acquired subsequent to the Bank Closing Date from the collection or settlement by the Assuming Institution of a Shared-Loss Loan, including any Shared-Loss Loan that has been fully or partially charged-off on the books and records of the Failed Bank or the Assuming Institution:

(a) interests in real estate (other than Bank Premises and Fixtures), including mineral rights, leasehold rights, condominium and cooperative interests, air rights and development rights; and

(b) other assets (whether real property, furniture, fixtures or equipment and, at the option of the Receiver, other personal property) acquired by foreclosure with respect to the collateral securing any Shared-Loss Loan or in full or partial satisfaction of any judgment or indebtedness.

“ADRA” means the Administrative Dispute Resolution Act of 1986, 5 U.S.C. Section 571 *et seq.*, as amended.

“**Affiliate**” has the meaning set forth in the Purchase and Assumption Agreement; provided, however, that, for purposes of this Agreement, no Third Party Servicer appointed by an Affiliate of the Assuming Institution shall be deemed to be an Affiliate of the Assuming Institution solely by virtue of that appointment.

“**Agreement**” has the meaning set forth in the introduction to this Agreement.

“**AI Accountants**” has the meaning set forth in Section 5.5(a)(i).

“**AI Accounting Records**” means the general ledger and subsidiary ledgers of the Assuming Institution, including corporate minutes, general ledger and subsidiary ledgers and schedules and supporting schedules that support general ledger balances.

“**AI Chartering Authority**” means (a) if the Assuming Institution is a national bank, a federal savings association or savings bank, the Office of the Comptroller of the Currency or (b) if the Assuming Institution is a bank or savings institution chartered by a State, the agency of such State charged with primary responsibility for regulating and/or closing banks or savings institutions, as the case might be.

“**AI Chartering Authority’s Acceptance**” has the meaning set forth in Section 7.6(b).

“**Applicable Percentage**” is eighty percent (80%) for the Tranche 1 Amount and eighty percent (80%) for the Tranche 2 Amount.

“**Arbitration Administrator**” has the meaning set forth in Section 7.7(e).

“**Article 2 Amount**” means the sum of all amounts paid by the Receiver pursuant to Article 2 of this Agreement, *plus*, if applicable, the sum of all amounts paid by the Receiver pursuant to Article 2 of the Commercial Agreement.

“**Assuming Institution**” has the meaning set forth in the introduction to this Agreement.

“**Bank Closing Date**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Bank Premises**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Bid Amount**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Book Value**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Business Day**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Calendar Quarter**” means a period of three months in any year, commencing on the first day of each January, April, July or October, and each successive three (3) month period thereafter, except that the first such period shall commence on the Commencement Date and end on the final day of March, June, September or December, whichever is the first to occur after the Commencement Date.

“**Claimant Party**” has the meaning set forth in Section 7.7(a).

“Collateral Sale Loss” means the loss realized when (a) with respect to Acquisition ORE, the Assuming Institution has realized final recovery on such Acquisition ORE through collections, liquidation and recovery of all available insurance proceeds or (b) with respect to a Shared-Loss Loan, the Assuming Institution has completed the foreclosure or other enforcement (including a deed in lieu of foreclosure) with respect to such Shared-Loss Loan and has realized final recovery on the collateral securing such Shared-Loss Loan (including Additional ORE, if any) through collections, liquidation and recovery of all available insurance proceeds. Each Collateral Sale Loss shall be calculated in the manner, and determined in accordance with the methodologies, set forth in Exhibit 2c(1)-(3), and provided further that a Collateral Sale Loss shall exist only if the result of the calculation pursuant to the relevant Exhibit is a positive number.

“Collections on Fully Charged-Off Assets” means fifty per cent (50%) of collections on Fully Charged-Off Assets.

“Commencement Date” means the first day following the Bank Closing Date.

“Commercial Agreement” means, if any, the Commercial Shared-Loss Agreement and the Addenda, Exhibits and Schedules thereto entered into of even date with this Agreement between the Receiver and the Assuming Institution in accordance with and pursuant to the Purchase and Assumption Agreement.

“Commercial Arbitration Rules” has the meaning set forth in Section 7.9. Any reference in this Agreement to a specific Commercial Arbitration Rule shall be construed to refer as well to any replacement rule for such Commercial Arbitration Rule, no matter how such replacement rule might be numbered or designated.

“Commitment” has the meaning set forth in the Purchase and Assumption Agreement.

“Confidential Information” has the meaning set forth in Section 7.19.

“Corporation” has the meaning set forth in Section 2.2(c).

“Coverage Termination Date” means the first to occur of (i) the final day of the Calendar Quarter in which the seventh (7th) anniversary of the Commencement Date occurs or (ii) the final day of the Calendar Quarter in which the last active asset is liquidated. As used in this Agreement, the term “Coverage Termination Date” is the final date with respect to which the Receiver is to share in Covered Loss and Covered Gain with the Assuming Institution, but it is not intended to refer to either the termination of this Agreement or the termination of application of provisions of this Agreement not governing the periods of time in which the Receiver is to share in Covered Loss and Covered Gain with the Assuming Institution.

“Covered Gain” has the meaning set forth in Section 2.3(b).

“Covered Loss” has the meaning set forth in Section 2.3(a).

“Cumulative Loss Amount” means the aggregate of all Quarterly Loss Amounts, *minus* all Recovery Amounts, *minus* all Collections on Fully Charged-Off Assets.

“Customary Servicing Procedures” means, collectively, the procedures (including collection procedures) that the Assuming Institution (or, to the extent that a Third Party Servicer

is appointed in accordance with Section 3.3, such Third Party Servicer) customarily employs and exercises in servicing and administering mortgage loans for its own account and the servicing procedures established by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation (as in effect from time to time), if and to the extent that such procedures are in accordance with accepted mortgage servicing practices of prudent lending institutions and all applicable law.

“**Demand for Arbitration**” has the meaning set forth in Section 7.7(b).

“**Disbursement Amounts**” has the meaning set forth in Section 2.6(b)(i).

“**Dispute Item**” has the meaning set forth in Section 7.1.

“**Failed Bank**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Failed Bank Charge-Off**” means, with respect to any Shared-Loss Loan, an amount equal to the aggregate reversals, charge-offs and write-downs of principal effected by the Failed Bank with respect to such Shared-Loss Loan as reflected on the Accounting Records; provided, however, that for the purposes of this Agreement any Failed Bank Charge-Off shall not include any accrued interest, whether collected or uncollected, for any period.

“**Failed Bank Records**” has the meaning set forth in the Purchase and Assumption Agreement.

“**FDIC**” means the Federal Deposit Insurance Corporation, in any capacity, as appropriate.

“**Federal Arbitration Act**” means the Federal Arbitration Act, 9 U.S.C. Section 1 *et seq.*, as amended.

“**Final Shared-Loss Quarter**” means the Calendar Quarter that ends on the Coverage Termination Date.

“**First Party**” has the meaning set forth in Section 7.6(c).

“**First Party Submission**” has the meaning set forth in Section 7.6(c).

“**First-Tier Dispute Item**” has the meaning set forth in Section 7.6(a).

“**Fixtures**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Fully Charged-Off Assets**” means assets subject to Failed Bank Charge-Offs that were completely charged-off by the Failed Bank and had a Book Value of zero on the Bank Closing Date.

“**GAAP**” means United States generally accepted accounting principles as amended or revised from time to time by the Financial Accounting Standards Board or any successor authority (including through issuance from time to time of Accounting Standards Updates).

“**Holding Company**” means any company owning Shares of the Assuming Institution that is a holding company pursuant to the Bank Holding Company Act of 1956, 12 U.S.C. Section 1841 *et seq.*, or the Home Owners’ Loan Act, 12 U.S.C. Section 1461 *et seq.*

“Individual Loan and Security Agreement” or **“ILSA”** has the meaning set forth in Section 2.2(c), as amended, supplemented, restated or replaced from time to time.

“Indemnification Asset” means the Assuming Institution’s estimate of its right to receive payments from the FDIC for losses on assets covered under this Agreement, based on a present value basis, of the amount and timing of the expected future cash flows to be received from the FDIC as losses occur on the covered assets, as set forth on Exhibit 1.

“Informal Resolution Period” has the meaning set forth in Section 7.2.

“Intrinsic Loss Estimate” is four billion, eight hundred one million, eight hundred twelve thousand, seven hundred eighty two dollars (\$4,801,812,782).

“Intrinsic Shared-Loss Estimate” is two billion, eight hundred thirty-five million, seven hundred eighty-seven thousand, seven hundred one dollars (\$2,835,787,701).

“Joint Request” has the meaning set forth in Section 7.6(b).

“Junior Loan” means any Loan set forth on Schedule 4.15A that is unsecured or that is secured by a mortgage or other security interest that does not have first-lien priority.

“Junior Loan Loss” means the loss on a Junior Loan calculated in the form and determined in accordance with the charge-off policies of, and the loan classification criteria employed by, the AI Chartering Authority, all as set forth in Exhibit 2d(1)-(3).

“Loan” has the meaning set forth in the Purchase and Assumption Agreement.

“Loan Records” means the subsidiary systems of record on which the loan history and balance of each Shared-Loss Loan is maintained; individual loan files containing either an original or copies of documents that are customary and reasonable with respect to loan servicing, including management and disposition of ORE; the records documenting alternatives considered with respect to Shared-Loss Loans in default or for which a default is reasonably foreseeable; records of loss calculations and supporting documentation with respect to line items on the loss calculations; and monthly delinquency reports and other performance reports customarily utilized by the Assuming Institution in the management, administration and collection of loan portfolios.

“Loan Sale Loss” means a loss realized on a sale of a Shared-Loss Loan pursuant to Section 4.1(a).

“Loss” means a Collateral Sale Loss, Restructuring Loss, Short-Sale Loss, Loan Sale Loss or Junior Loan Loss.

“Loss Amount” means the dollar amount of any Loss incurred and reported on the Quarterly Certificate for a Shared-Loss Asset.

“Management Standards” has the meaning set forth in Section 3.1.

“Market Value” has the meaning set forth in the regulation prescribing the standards for real estate appraisals used in federally related transactions, 12 C.F.R. Section 323.2(g), and accordingly shall mean the most probable price that a property should bring in a competitive and

open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming that the price is not affected by undue stimulus. Implicit in this definition are the assumed consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (a) Both the buyer and seller are typically motivated;
- (b) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- (c) A reasonable time is allowed for exposure in the open market;
- (d) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (e) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

“**Member**” has the meaning set forth in Section 7.10.

“**Modification Program**” means, with respect to a Shared-Loss Loan, the loan modification program that the Assuming Institution elects for such Shared-Loss Loan in accordance with the provisions of Section 2.4.

“**Modification Program Guidelines**” has the meaning set forth in Section 2.4(c)(i)-(iv).

“**Negotiation Period**” has the meaning set forth in Section 7.3.

“**Net Loss Amount**” means the sum of the Cumulative Loss Amount, as calculated in accordance with this Agreement, *plus*, if applicable, all Covered Losses, *minus* all Covered Gains, *plus*, if the Purchase and Assumption Agreement includes a Commercial Agreement, the Cumulative Loss Amount pursuant to and as defined in the Commercial Agreement.

“**Neutral Member**” has the meaning set forth in Section 7.10(a).

“**Notice of Dispute**” has the meaning set forth in Section 7.3.

“**Notice of Preliminary Dispute**” has the meaning set forth in Section 7.1.

“**Obligor**” has the meaning set forth in the Purchase and Assumption Agreement.

“**ORE**” means, collectively, Acquisition ORE and Additional ORE.

“**Party**” has the meaning set forth in the introduction to this Agreement.

“**Party-Appointed Arbitrator**” has the meaning set forth in Section 7.10(a).

“**Person**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Purchase and Assumption Agreement**” has the meaning set forth in the introduction to this Agreement.

“Quarterly Certificate” means a certificate or certificates, signed by a Servicing Officer, and the related supporting documentation setting forth in such form and detail as the Receiver may specify from time to time the items listed at Section 5.2(a), in the form set forth in Exhibit 1 and delivered as set forth in Article 5.

“Quarterly Loss Amount” means the sum of all Restructuring Losses, Short-Sale Losses, Collateral Sale Losses, Junior Loan Losses and Loan Sale Losses realized by the Assuming Institution in any Shared-Loss Quarter.

“Receiver” has the meaning set forth in the introduction to this Agreement.

“Recovery Amount” means, with respect to any period prior to the Coverage Termination Date, the amount of funds received by the Assuming Institution that are (a) gains, if any, resulting from a Collateral Sale Loss calculation or a Short-Sale Loss calculation using the methodology set forth in Exhibit 2c(1)-(3) or Exhibit 2b(1)-(3), respectively (provided further that any such gain amount shall exist only if the result of the calculation pursuant to the relevant Exhibit is a negative number), (b) gains realized from a sale of Shared-Loss Assets pursuant to Sections 4.1, 4.2 and 4.3 for which the Assuming Institution has previously received a Restructuring Loss payment from the Receiver, (c) incentive payments from national programs paid to an investor on Shared-Loss Loans that have been modified and (d) collections received by the Assuming Institution with respect to Shared-Loss Loans that have been fully or partially charged-off or that include any deficiency amounts after foreclosure.

“Related Loan” means a loan or extension of credit held by the Assuming Institution at any time on or prior to the end of the Final Shared-Loss Quarter that is:

(a) made to the same Obligor with respect to a Loan that is a Shared-Loss Loan or with respect to a Loan from which Additional ORE derived; or

(b) attributable to the same primary Obligor with respect to any Loan described at paragraph (a) under the applicable rules of the AI Chartering Authority concerning the legal lending limits of financial institutions organized under its jurisdiction as in effect on the Commencement Date.

“Residential Loan” means any Loan set forth on Schedule 4.15A that is secured by a mortgage or other security interest on either (a) a primary residence whether or not it is occupied by the respective Obligor or (b) stock of a cooperative housing association which is appurtenant to the lease of a primary residence whether or not it is occupied by the Obligor.

“Respondent Party” has the meaning set forth in Section 7.7(b).

“Respondent Party Response” has the meaning set forth in Section 7.10(a).

“Response” has the meaning set forth in Section 7.6(d).

“Restructured Loan” means any Loan set forth on Schedule 4.15A for which the Assuming Institution has received a Restructuring Loss payment from the Receiver.

“**Restructuring Loss**” means the loss on any Shared-Loss Loan that has been modified or restructured in accordance with this Agreement, the amount of which loss shall be calculated in the manner, and determined in accordance with the methodologies, set forth in Exhibit 2a(1)-(3), as applicable.

“**Review Board**” has the meaning set forth in Section 7.10.

“**Revised Quarterly Certificate**” has the meaning set forth in Section 2.6(b)(i).

“**Schedule 4.15A**” means Schedule 4.15A to this Agreement.

“**Schedule 4.15B**” means Schedule 4.15B to the Commercial Agreement.

“**Schedule 4.15D**” means Schedule 4.15D to the Commercial Agreement.

“**Second Party**” has the meaning set forth in Section 7.6(c).

“**Servicing Officer**” means an officer of the Assuming Institution involved in, or responsible for, the administration and servicing of the Shared-Loss Assets, whose name appears on a list of servicing officers that the Assuming Institution provides to the Receiver (as updated by the Assuming Institution as necessary or appropriate from time to time as such officers change).

“**Settlement Interest Rate**” has the meaning set forth in the Purchase and Assumption Agreement.

“**Shared-Loss Asset**” means any Shared-Loss Loan, Acquisition ORE or Additional ORE; provided, however, that any Acquisition ORE or Additional ORE that is insured or guaranteed by any department or agency of any federal, state or local governmental unit shall not constitute a Shared-Loss Asset.

“**Shared-Loss Asset Affiliate**” has the meaning set forth in Section 3.3(c)(i).

“**Shared-Loss Loan**” means any Loan purchased by the Assuming Institution pursuant to the Purchase and Assumption Agreement and set forth on Schedule 4.15A and any Commitment with respect to any Residential Loan, Restructured Loan or Junior Loan; provided, however, that any Loan that is insured or guaranteed by any department or agency of any federal, state or local governmental unit shall not constitute a Shared-Loss Loan.

“**Shared-Loss Quarter**” means a Calendar Quarter commencing with the initial Calendar Quarter and ending with and including the Calendar Quarter in which the Coverage Termination Date occurs.

“**Shared-Loss Subsidiary**” and “**Shared-Loss Subsidiaries**” means the Subsidiary or Subsidiaries, if any, owning or servicing Subsidiary Shared-Loss Loans and/or Subsidiary ORE listed on Schedule 4.15D.

“**Shares**” means common stock and any instrument that is, or that might become, convertible into common stock.

“**Short-Sale Loss**” means the loss resulting from the Assuming Institution’s acceptance from a mortgagor of a payoff in an amount less than the balance due on a Shared-Loss Loan

(including the costs of any cash incentives to the obligor to agree to such sale or to maintain the property pending such sale), provided that each Short-Sale Loss shall be calculated in the manner, and determined in accordance with the methodologies, set forth in Exhibit 2b(1)-(3), and provided further that a Short-Sale Loss shall exist only if the result of the calculation pursuant to the relevant Exhibit is a positive number.

“**Subsequent Quarterly Certificate**” has the meaning set forth in Section 2.6(b) (iii).

“**Subsidiary**” is defined in Section 3(w)(4) of the Federal Deposit Insurance Act, 12 U.S.C. 1813(w)(4), as amended.

“**Then-Current Interest Rate**” means the Primary Mortgage Market Survey[®] (PMMS) for 30-year fixed-rate loans published or promulgated most recently to the date of any relevant determination (or such other interest rate approved by the Receiver).

“**Third Party IDI**” has the meaning set forth in Section 4.5.

“**Third Party Participant**” has the meaning set forth in Section 4.4.

“**Third Party Servicer**” means any servicer engaged from time to time by the Assuming Institution, which may include an Affiliate of the Assuming Institution, to service the Shared-Loss Assets on behalf of the Assuming Institution or any of its Affiliates.

“**Tranche 1 Amount**” means a Net Loss Amount up to and including two billion, eight hundred million dollars (\$2,800,000,000).

“**Tranche 2 Amount**” means a Net Loss Amount in excess of the Tranche 1 Amount.

“**True-Up Date**” means the date that is forty-five (45) days after (a) the later to occur of the Coverage Termination Date pursuant to this Agreement or the Coverage Termination Date pursuant to the Commercial Agreement, if applicable, or (b), if earlier, the disposition of all Shared-Loss Assets in accordance with this Agreement and all Shared-Loss Assets (as such term is defined in the Commercial Agreement) in accordance with the Commercial Agreement, if applicable.

“**Withheld Amount**” has the meaning set forth in Section 2.6(a).

“**Withholding Notice**” has the meaning set forth in Section 2.6(b)(i).

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

**FEDERAL DEPOSIT INSURANCE
CORPORATION, RECEIVER OF FIRST
REPUBLIC BANK, SAN FRANCISCO,
CALIFORNIA**

BY: 

NAME: James L. McGraw

TITLE: Senior Deputy Director, Division of
Complex Institutions Supervision and
Resolution

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

**FEDERAL DEPOSIT INSURANCE
CORPORATION, RECEIVER OF FIRST
REPUBLIC BANK, SAN FRANCISCO,
CALIFORNIA**

BY: _____

NAME: _____

TITLE: _____





**Section 1: Payment Summary
For Single Family
Shared Loss Agreement**

FDIC as Receiver of:
Fund No: _____
Purchase and Assumption Agreement Dated: _____
Beginning of this Shared-Loss Period: _____
End of this Shared-Loss Period: _____

For Single Family Shared Loss Agreement

1. Is FDIC coverage rate based solely on single family agreement losses? _____
2. Are assets that were fully charged off at closing treated differently in this agreement? _____
If the answer to #1 is No, then enter the following: _____
3. Commercial: Inception-to-date Covered Losses, net of Recoveries: _____
3a. Securities: Inception-to-date Covered Losses, net of Recoveries: _____

This section calculates covered losses during this period:

5. Total Covered Loss (Gain) Amount: _____
6. If answer to 2 is Yes, then add back: Recoveries From Fully Charged Off Assets: _____
7. Equals: Total Covered Losses subject to standard loss share treatment: _____

This section calculates the payment amount:

8. Maximum amount eligible for payment within each tranche: _____
9. FDIC's Applicable Loss Share Percentage: _____
10. Beginning Balance: Amount of each tranche already filled from previously reported losses: _____
11. New Covered Losses (Gains) under standard loss share incurred during period: _____
12. Covered Losses (Gains) applicable to each tranche during this period (on this Certificate): _____
13. Distribution of Net Losses across tranches after this Certificate: _____
14. Covered Losses (Gains) applicable to each tranche during this period (on this Cert): _____
15. Amount Due From (to) FDIC for this Certificate: _____

This section contains wiring instructions of intergovernment Payout and Collection:

9-Digit ABA Number _____
Account Number _____
Account Name _____
Further Credit Account _____
Further Credit Name _____
OBI _____

FDIC Completes #	SLA Indemnification Asset Reporting
MMDDYYYY	Beginning Balance (Prior Ending Balance) \$
MMDDYYYY	Current Period Net Claims (Received)/Paid \$
MMDDYYYY	Pending Net Claims (Received)/Paid \$
MMDDYYYY	Quarterly Amortization \$
	Impairment Valuation Adjustment (+/-) \$
	Other Adjustments (+/-) \$
	Ending Balance \$

If the answer to #1 is No, and the answer to #2 is Yes, then enter the following:
4. Commercial: Inception-to-date Net Recoveries from fully charged off assets
4a. Securities: Inception-to-date Net Recoveries from fully charged off assets

All Previous Certificates	This Certificate	Inception to Date

Net Loss			Recoveries from Fully-Charged-Off Assets at Close	Total Due From (to) FDIC
1st Tranche (First Loss Tranche)	2nd Tranche (Below Stated Threshold)	3rd Tranche (Above Stated Threshold)		

Preparer signature: _____ X
Preparer name: _____
Officer signature: _____ X
Officer name: _____
Officer title: _____
Officer signature: _____ X
Officer name: _____
Officer title: _____
Bank Name: _____
Bank Address: _____



**Section 2: Summary for the Period
For Single Family
Shared Loss Agreement**

FDIC as Receiver of:

Fund No:

Purchase and Assumption Agreement Dated:

Beginning of this Shared-Loss Period:

End of this Shared-Loss Period:

FDIC Completes
###
MM/DD/YYYY
MM/DD/YYYY
MM/DD/YYYY

PART A. Opening/Closing/Net Shared-Loss	Number	Balance
1. Opening Active Loans Balance		
2. Add: HELOC Advances		
3. Add: Capitalization (from restructuring, forbearance plans, etc)		
4. Less: a) Prin Collections (amortization/partial)		
b) Paid in Full		
c) Foreclosures		
d) Short Sales		
e) Principal Reduction		
f) Qualifying Charge-Offs (excluding accr int)		
g) Loan Sales		
5. Add: Other Adjustments (net)		
6. Net (Reduction)/Increase Amount		
7. Closing Balance		

PART B. Opening/Closing/Net Shared-Loss	Number	Balance
Asset Balances - ORE activity		
8. Opening ORE Balance		
9. Add: New ORE		
10. Add: ORE Adjustments (net)		
11. Less: Sold ORE		
12. Closing Balance		

PART C. Loss Events and Charge-offs	Number	Balance
13. Opening Cumulative Covered Loss (Gain) Amount (SFR only)		
14. Add: a) Foreclosure Sale Loss Amount		
b) Short Sale Loss Amount		
c) Restructuring Loss Amount		
d) Charge-Off Loss Amount		
15. Add: Qualifying Loss on Loan Sale		
16. Less: a) Recoveries From Fully Charged Off Assets *		
b) Other Recoveries and Adjustments		
17. Less: a) FDIC Adjustment - Recoveries From Fully Charged Off Assets *		
b) FDIC Adjustment - All Other		
18. Total Covered Loss (Gain) Amount for this Period		
19. Closing Cumulative Covered Loss (Gain) Amount		
Memo items:		
20. Total previously reported Recoveries from Fully Charged Off Assets		
21. Total Recoveries this period		

* As of the beginning of the Share Loss Agreement

Exhibit 2a - Restructuring Loss

Note: This is an example only and not representative of any transaction.

	2a(1)	2a(2)	2a(3)
Shared-Loss Period	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
FDIC Asset ID	10999001234	10999004321	10999004321
Loan Number	123456789	987654321	987654321
<u>Loan before Restructuring</u>			
Pre-Mod Unpaid Principal Balance	\$450,000.00	\$450,000.00	\$459,900.00
Remaining Term	298	298	471
Interest Rate	6.5000%	6.5000%	2.0000%
Next Reset Rate (If within next 4 months)			
Interest Paid-To Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
Delinquency Status	F	F	F
Monthly Payment - P&I	\$3,047.00	\$3,047.00	\$1,220.83
Monthly Payment - T&I	\$200.00	\$200.00	\$200.00
Total Monthly Payment	\$3,247.00	\$3,247.00	\$1,420.83
Household Current Annual Income	\$55,000.00	\$55,000.00	\$48,000.00
Valuation Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
Valuation Amount	\$380,000.00	\$350,000.00	\$320,000.00
Valuation Type (Interior/Exterior Appraisal, BPO, AVM, etc.)	AVM	AVM	INT
<u>Terms of Modified/Restructured Loan</u>			
Modification Program	Program Name	Program Name	Program Name
First Trial Payment Due Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
Modification Effective Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
Pre-Mod Unpaid Principal Balance	\$450,000.00	\$450,000.00	\$459,900.00
Past-Due Interest Capitalized	\$10,687.50	\$10,687.50	\$2,300.00
Other Capitalized Costs	\$2,500.00	\$2,500.00	\$1,200.00
Capitalized Balance of Modified Loan	\$463,187.50	\$463,187.50	\$463,400.00
Net UPB (Net of Forbearance & Principal Reduction)	\$403,147.28	\$403,147.28	\$343,431.95
Principal Forbearance	\$60,040.22	\$60,040.22	\$119,968.05
Principal Reduction	\$0.00	\$0.00	\$0.00
Interest Rate Type (Fixed or Variable)	Variable	Variable	Variable
Remaining Amortization Term	480	480	480
Maturity Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
Interest Rate	2.0000%	2.0000%	2.0000%
Next Payment Due Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
Monthly Payment - P&I	\$1,220.83	\$1,220.83	\$1,040.00
Monthly Payment - T&I	\$200.00	\$200.00	\$200.00
Total Monthly Payment	\$1,420.83	\$1,420.83	\$1,240.00
Next Interest Reset Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY

Interest Rate Change Per Adjustment	1.0000%	1.0000%	1.0000%
Lifetime Interest Rate Cap	5.2500%	5.2500%	5.2500%
Back-End DTI	31.0%	31.0%	31.0%

Mortgage Insurance Claim

Mortgage Insurance Claim Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
Mortgage Insurance Claim Amount	\$0.00	\$0.00	\$0.00
Mortgage Insurance Response Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY

Initial Basis for Loss Calculation

Schedule 4.15A Book Value at Failure	\$375,000.00	- N/A -	- N/A -
Less: Post-Closing Principal Payments	\$2,500.00	- N/A -	- N/A -
Pre-Mod Unpaid Principal Balance	- N/A -	\$450,000.00	- N/A -
NPV of Previous Loan Modification	- N/A -	- N/A -	\$417,878.94
Less: Post-Modification Principal Payments	- N/A -	- N/A -	\$3,300.00

Gross Balance Recoverable

<u>\$372,500.00</u>	<u>\$450,000.00</u>	<u>\$414,578.94</u>
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Less Cash Recoveries:

Mortgage Insurance Contribution	\$0.00	\$0.00	\$0.00
Other Credits	\$600.00	\$600.00	\$450.00
T & I Escrow Account Balances, If Positive	-	-	-

Total Cash Recoveries

<u>\$600.00</u>	<u>\$600.00</u>	<u>\$450.00</u>
------------------------	------------------------	------------------------

Less NPV of Restructured Loan:

Discount Rate for Projected Cash Flows	5.25%	5.25%	5.25%
Loan Prepayment in Full (Months)	120	120	120

NPV of Projected Cash Flows

<u>\$373,522.64</u>	<u>\$417,878.94</u>	<u>\$358,953.57</u>
----------------------------	----------------------------	----------------------------

Loss on Sale

<u>(\$1,622.64)</u>	<u>\$31,521.06</u>	<u>\$55,175.37</u>
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Note: If the calculated Loss on Sale is negative, the quantity is considered a Gain and a recovery and reduces the total reported loss claim amount prior to applying the Applicable Percentage. As an alternative to reporting a Gain, the Assuming Institution may reduce the NPV of projected cash flows (line 54) by the amount of the Gain so that the calculated Gain becomes zero. If the total amount of the Certificate loss claim is negative, the payment amount due the FDIC is calculated by applying the Applicable Percentage.

Notes to Exhibit 2a (Restructuring)

1. The data shown are for illustrative purposes.
2. The Covered Loss is the difference between the gross balance recoverable by the Assuming Institution and the total cash recovery less the Net Present Value (NPV) of the estimated cashflows (line 47). There are three methods of calculation for Restructuring Loss:
 - a. Exhibit 2a(1) should be used for loans written down by the Failed Bank prior to the Bank Closing Date.
 - b. Exhibit 2a(2) should be used if the loan was not written down by the Failed Bank and this is the first Restructuring Loss claim.
 - c. Exhibit 2a(3) should be used if a prior Restructuring Loss claim has already been processed for the loan.
3. The gross balance recoverable by the Assuming Institution (shown after line 41) is equal to:
 - a. For Exhibit 2a(1): the Book Value as of the Bank Closing Date as specified on Schedule 4.15A (line 37); minus any post-closing principal payments (line 38).
 - b. For Exhibit 2a(2): the unpaid principal balance as of the loan modification date (line 39).
 - c. For Exhibit 2a(3): The NPV of the Projected Cash Flows from the prior loan modification (line 40) minus any post modification principal payments (line 41).
4. For Exhibit 2a(1)-(3), do not include any allocation of the Assuming Institution's servicing costs, or any allocations of the Assuming Institution's general and administrative (G&A) or other operating costs.
5. For Exhibit 2a(1)-(3), total cash recovery is calculated as the sum of the lines 42-44.
6. The Net Present Value (NPV) of Projected Cash Flows (line 47) is calculated assuming no default or prepayment for ten years, followed by prepayment in full at the end of ten (10) years (one hundred twenty (120) months).
7. For Restructured Loans, the discount rate used in the NPV calculation is

the Then-Current Interest Rate as of the restructuring date.

8. If the new loan is an adjustable-rate loan, interest rate resets and related cash flows should be projected based on the index rate in effect at the date of the loan restructuring. If the restructured loan otherwise provides for specific changes in monthly principal and interest (“P&I”) payments over the term of the loan, those changes should be reflected in the NPV calculation. The Assuming Institution must retain the supporting schedules of the NPV calculation and provide it to the FDIC if requested for a sample audit.
9. The borrower shall not be required to pay any modification, refinance or other similar fees or points in connection with the modification. These fees may not be capitalized into the modification balance.
10. Unpaid late fees and prepayment penalties must be waived; modified loans may not include any prepayment penalties.

Exhibit 2b - Short Sale Loss

Note: This is an example only and not representative of any transaction.

	2b(1)	2b(2)	2b(3)
	Partial Write Down Prior to Failure Date	No Modification Under Loss Share	Modified Under Loss Share
1 Shared-Loss Quarter	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
2 FDIC Asset ID	10999001234	109990004321	109990004321
3 Loan Number	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
4 Interest Paid-to-Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
5 Short Payoff Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
6 Note Interest Rate	8.500%	7.750%	7.500%
7 Occupancy Status (Owner or Non-Owner)	Owner	Owner	Owner
:			
8 Household Current Annual Income	\$45,000	\$38,500	\$38,500
9 Estimated NPV of Loan Mod	\$220,000	\$200,000	\$200,000
10 Valuation Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
11 Valuation Amount	\$300,000	\$300,000	\$230,000
12 Valuation Type (Int./Ext. Appraisal, BPO, AVM)	Ext Appraisal	Ext Appraisal	Ext Appraisal
13 Mortgage Insurance Claim Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
14 Mortgage Insurance Claim Amount	-	-	-
15 Mortgage Insurance Response Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
<u>Initial Basis for Loss Calculation</u>			
16 Loan UPB at Short Sale Payoff Date	- N/A -	\$375,000	- N/A -
17 Book Value per Schedule 4.15A	\$300,000	- N/A -	- N/A -
18 Less: Post Closing Collections from Obligors	-	- N/A -	- N/A -
19 NPV of Projected Cash Flows At Last Loan Modification	- N/A -	- N/A -	311,000
20 Less: Post Modification Principal Payments	- N/A -	- N/A -	1,000
Gross Balance Recoverable	\$300,000	\$375,000	\$310,000
<u>Less Cash Recoveries</u>			
21 Amount Accepted in Short-Sale (See Note to 2(b))	\$275,000	\$275,000	\$210,000
22 Hazard Insurance	-	-	-
23 Mortgage Insurance Proceeds	-	-	-
24 T & I Escrow Account Balance, If Positive	-	-	\$400
25 Other Credits, If Any (Itemize)	-	-	-
Total Cash Recovery	\$275,000	\$275,000	\$210,400
26 Loss/(Gain) Amount	\$25,000	\$100,000	\$99,600

Note: If the calculated Loss Amount is negative, meaning loss event proceeds are greater than the gross balance recoverable by the purchaser, the claim is considered a recovery and reduces the total reported loss claim amount prior to applying the Applicable Percentage. If the total amount of the Certificate loss claim is negative, the payment amount due the FDIC is calculated by applying the Applicable Percentage.

Notes to Exhibit 2b (Short-Sale)

1. The data shown are for illustrative purposes.
2. The Covered Loss is the difference between the gross balance recoverable by Assuming Institution and the total cash recovery. There are three methods of calculation for Short-Sale Loss, depending upon the circumstances:
 - a. Exhibit 2b(1) should be used for loans written down by the Failed Bank prior to the Bank Closing Date.
 - b. Exhibit 2b(2) should be used if the loan was not written down by the Failed Bank and there has been no Restructuring Loss claim.
 - c. Exhibit 2b(3) should be used if a Restructuring Loss claim has been processed for the loan.
3. The gross balance recoverable by the Assuming Institution (shown after line 20) is equal to
 - a. For Exhibit 2b(1): the Book Value as of the Bank Closing Date as specified on Schedule 4.15A (line 17); minus any post-closing collections from obligors (line 18).
 - b. For Exhibit 2b(2): the unpaid principal balance (line 16).
 - c. For Exhibit 2b(3): The NPV of the Projected Cash Flows from the prior loan modification (line 19) minus any post modification principal payments (line 20).
4. For Exhibit 2b(1)-(3), do not include late fees, prepayment penalties or any similar lender fees or charges by the Failed Bank or the Assuming Institution to the loan account, any allocation of the Assuming Institution's servicing costs, or any allocations of the Assuming Institution's general and administrative (G&A) or other operating costs.
5. For Exhibit 2b(1)-(3), total cash recovery is calculated as the sum of lines 21 through 25.
6. Amount accepted in Short-Sale (line 22) is the gross transaction amount which excludes non-recoverable amounts described in paragraph 4 above.

Exhibit 2c - Collateral Sale Loss

Note: This is an example only and not representative of any transaction.

	2c(1)	2c(2)	2c(3)
	Partial Write Down Prior to Failure Date	No Modification Under Loss Share	Modified Under Loss Share
1 Shared-Loss Quarter	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
2 FDIC Asset ID	10999001234	10999004321	10999004321
3 Loan Number	364574	292334	138554
4 Interest Paid-To-Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
5 Foreclosure Sale Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
6 Liquidation Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
7 Note Interest Rate	8.100%	8.000%	4.000%
8 Occupancy Status (Owner or Non-Owner)		Owner	
9 Household Current Annual Income		\$42,000	
10 Estimated NPV of Loan Modification		\$195,000	
11 Valuation Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
12 Valuation Amount	\$228,000	\$235,000	\$210,000
13 Valuation Type (Int./Ext. Appraisal, BPO, AVM)	Int Appr	Ext BPO	Ext Appr
14 Mortgage Insurance Claim Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
15 Mortgage Insurance Claim Amount	-	-	-
16 Mortgage Insurance Response Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
<u>Initial Basis for Loss Calculation</u>			
17 Book Value per Schedule 4.15A	\$244,900	- N/A -	- N/A -
18 Less: Post Closing Collections from Obligors	-	- N/A -	- N/A -
19 Unpaid Principal Balance at Property Reversion	- N/A -	\$300,000	- N/A -
20 NPV Of Projected Cash Flows at Last Loan Modification	- N/A -	- N/A -	\$285,000
21 Less: Post Modification Principal Payments	- N/A -	- N/A -	\$2,500
Gross Balance Recoverable by Purchaser	\$244,900	\$300,000	\$282,500
<u>Less Cash Recoveries:</u>			
22 Net Liquidation Proceeds (From HUD-1)	\$219,400	\$205,000	\$201,000
23 Hazard Insurance Proceeds	-	-	-
24 Mortgage Insurance Proceeds	-	-	-
25 T & I Escrow Account Balances, If Positive	-	-	-
26 Other Credits, If Any (Itemize)	-	-	-
Total Cash Recovery	\$219,400	\$205,000	\$201,000
27 Loss/(Gain) Amount	\$25,500	\$95,000	\$81,500

Note: If the calculated Loss Amount is negative, meaning loss event proceeds are greater than the gross balance recoverable by the purchaser, the claim is considered a recovery and reduces the total reported loss claim amount prior to applying the Applicable Percentage. If the total amount of the Certificate loss claim is negative, the payment amount due the FDIC is calculated by applying the Applicable Percentage.

Notes to Exhibit 2c (Collateral Sale Loss)

1. The data shown are for illustrative purposes.
2. The Covered Loss is the difference between the gross balance recoverable by Assuming Institution and the total cash recovery. There are three methods of calculation for Collateral Sale Loss, depending upon the circumstance:
 - a. Exhibit 2c(1) should be used for loans written down by the Failed Bank prior to the Bank Closing Date.
 - b. Exhibit 2c(2) should be used if the loan was not written down by the Failed Bank and there has been no Restructuring Loss claim.
 - c. Exhibit 2c(3) should be used if a Restructuring Loss claim has been processed for the loan.
3. The gross balance recoverable by the Assuming Institution (shown after line 21) is equal to :
 - a. For Exhibit 2c(1): the Book Value as of the Bank Closing Date as specified on Schedule 4.15A (line 17); minus any post-closing collections from obligors (line 18).
 - b. For Exhibit 2c(2): the unpaid principal balance (line 19).
 - c. For Exhibit 2c(3): The NPV of the Projected Cash Flows from the prior loan modification (line 20) minus any post modification principal payments (line 21).
4. For Exhibit 2c(1)-(3), do not include late fees, prepayment penalties or any similar lender fees or charges by the Failed Bank or the Assuming Institution to the loan account, any allocation of the Assuming Institution's servicing costs, or any allocations of the Assuming Institution's general and administrative (G&A) or other operating costs.
5. For Exhibit 2c (1)-(3), total cash recovery is calculated as the sum of lines 22 through 26
6. Net liquidation proceeds is the gross transaction amount, which excludes non-recoverable amounts described in paragraph 4 above.

Exhibit 2d - Junior Loan Loss

Note: This is an example only and not representative of any transaction.

	2d(1)	2d(2)	2d(3)
	Partial Write Down Prior to Failure Date	No Modification Under Loss Share	Modified Under Loss Share
1 Shared-Loss Quarter:	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
2 FDIC Asset ID	10999001234	10999004321	10999004321
3 Loan Number	58776	58776	58776
4 Interest Paid-To-Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
5 Charge-Off Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
6 Note Interest Rate	3.5000%	3.5000%	3.5000%
7 Occupancy Status (Owner or Non-Owner)	Owner	Owner	Owner
8 Household Current Annual Income	\$45,000	\$45,000	\$45,000
9 Valuation Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
10 Valuation Amount	\$340,000	\$275,000	\$350,000
11 Valuation Type (Int./Ext. Appraisal, BPO, AVM)	BPO	BPO	BPO
12 Balance of Superior Liens	\$300,000	\$300,000	\$300,000
13 Mortgage Insurance Claim Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
14 Mortgage Insurance Claim Amount	-	-	-
15 Mortgage Insurance Response Date	MM/DD/YYYY	MM/DD/YYYY	MM/DD/YYYY
<u>Charge-Off Loss calculation</u>			
16 Schedule 4.15A Book Value at Failure	\$40,000	- N/A -	- N/A -
17 Less: Post Closing Collections from Obligors	\$1,100	- N/A -	- N/A -
18 Unpaid Principal Balance as of Last Payment	- N/A -	\$55,000	- N/A -
19 NPV of Previous Loan Modification	- N/A -	- N/A -	\$49,000
20 Less: Post modification Principal Payments	- N/A -	- N/A -	<u>\$925</u>
21 Charge-off amount (Principal Only)	\$38,900	\$55,000	\$48,075
Gross Balance Recoverable by Purchaser	\$38,900	\$55,000	\$48,075
<u>Less Cash Recoveries:</u>			
22 Foreclosure Sale Proceeds	-	-	-
23 Hazard Insurance Proceeds	-	-	-
24 Mortgage Insurance Proceeds	-	-	-
25 Tax Overage	-	-	-
26 Short-Sale Payoff	\$1,500	\$1,500	\$1,500

27	Other Credits, If Any (Itemize)	-	-	-
	Total Cash Recovery	\$1,500	\$1,500	\$1,500
28	Loss/(Gain) Amount	\$37,400	\$53,500	\$46,575

Note: If the calculated Loss Amount is negative, meaning loss event proceeds are greater than the gross balance recoverable by the purchaser, the claim is considered a recovery and reduces the total reported loss claim amount prior to applying the Applicable Percentage. If the total amount of the Certificate loss claim is negative, the payment amount due the FDIC is calculated by applying the Applicable Percentage.

Notes to Exhibit 2d (Junior Loans)

1. The data shown are for illustrative purposes.
2. The Covered Loss is the difference between the gross balance recoverable by Assuming Institution and the total cash recovery. There are three methods of calculation for Charge-Off Loss, depending upon the circumstance:
 - a. Exhibit 2d(1) should be used for loans written down by the Failed Bank prior to the Bank Closing Date.
 - b. Exhibit 2d(2) should be used if the loan was not written down by the Failed Bank and there has been no Restructuring Loss claim.
 - c. Exhibit 2d(3) should be used if a Restructuring Loss claim has been processed for the loan.
3. The gross balance recoverable by the Assuming Institution (shown after line 21) is equal to:
 - a. For Exhibit 2d(1): the Book Value as of the Bank Closing Date as specified on Schedule 4.15A (line 16); minus any post-closing collections from obligors (line 17).
 - b. For Exhibit 2d(2): the unpaid principal balance (line 18).
 - c. For Exhibit 2d(3): The NPV of the Projected Cash Flows from the prior loan modification (line 19) minus any post modification principal payments (line 20).
4. For Exhibit 2d(1)-(3), do not include late fees, prepayment penalties, or any similar lender fees or charges by the Failed Bank or the Assuming Institution to the loan account, any allocation of the Assuming Institution's servicing costs or any allocations of the Assuming Institution's general and administrative (G&A) or other operating costs.
5. For Exhibit 2d(1)-(3), total cash recovery is calculated as the sum of lines 22 through 27.

Exhibit 2e - Loan Sale Loss

Note: This is an example only and not representative of any transaction.

	2e(1)	2e(2)	2e(3)
	Partial Write Down Prior to Failure Date	No Modification Under Loss Share	Modified Under Loss Share
1	Shared-Loss Month	MM/DD/YYYY	MM/DD/YYYY
2	FDIC Asset ID:	10999001234	10999004321
3	Loan Number	4587999	8877050
4	Valuation Date	MM/DD/YYYY	MM/DD/YYYY
5	Valuation Amount	\$250,000	\$210,000
6	Valuation Type (Int./Ext. Appraisal, BPO, AVM)	Int Appraisal	Int Appraisal
7	Delinquency Status	F	F
<u>Loan Sale Loss calculation</u>			
8	Schedule 4.15A Book Value at Failure	\$250,000	- N/A -
9	Less: Post Closing Principal Payments	\$1,000	- N/A -
10	Unpaid Principal Balance	- N/A -	\$285,000
11	NPV of Projected Cash Flows at Loan Modification	- N/A -	- N/A -
12	Less: Post Modification Principal Payments	- N/A -	\$2,500
	Gross Balance Recoverable by Purchaser	\$249,000	\$285,000
<u>Cash Recoveries:</u>			
13	Sale Date	MM/DD/YYYY	MM/DD/YYYY
14	Gross Sale Proceeds	\$220,000	\$200,000
15	Other credits, if any (itemize)	-	-
	Total Cash Recovery	\$220,000	\$205,000
16	Loss/(Gain) Amount	\$29,000	\$85,000

Note: If the calculated Loss Amount is negative, meaning loss event proceeds are greater than the gross balance recoverable by the purchaser, the claim is considered a recovery and reduces the total reported loss claim amount prior to applying the Applicable Percentage. If the total amount of the Certificate loss claim is negative, the payment amount due the FDIC is calculated by applying the Applicable Percentage.

Notes to Exhibit 2e (Loan Sale)

1. The data shown are for illustrative purposes.
2. The Covered Loss is the difference between the gross balance recoverable by Assuming Institution and the cash recovery. There are three methods of calculation for Loan Sale Loss, depending upon the circumstances:
 - a. Exhibit 2e(1) should be used for loans written down by the Failed Bank prior to the Bank Closing Date.
 - b. Exhibit 2e(2) should be used if the loan was not written down by the Failed Bank and there has been no Restructuring Loss claim.
 - c. Exhibit 2e(3) should be used if a Restructuring Loss claim has been processed for the loan.
3. The gross balance recoverable by the Assuming Institution (shown after line 12) is calculated as:
 - a. For Exhibit 2e(1): the Book Value as of the Bank Closing Date as specified on Schedule 4.15A (line 8) minus any post-closing collections from obligors (line 9).
 - b. For Exhibit 2e(2): the unpaid principal balance (line 10) of the loan as of the last payment date.
 - c. For Exhibit 2e(3): The NPV of the Projected Cash Flows from the prior loan modification (line 11) minus any post modification principal payments (line 12).
4. For Exhibit 2e(1)-(3), the cash recovery is the gross sales price of the loans (line 14) plus other credits, if any (line 15).
5. All loan sales require FDIC approval.

EXHIBIT 2.5

TRUE-UP

Pursuant to Section 2.5(a) of this Agreement, the following calculation applies to determine any payment due by the Assuming Institution to the Receiver on the True-Up Date. All capitalized terms used in this Exhibit 2.5 have the meanings defined or referenced in Article 8 of this Agreement.

$$\mathbf{X} = \frac{\mathbf{(A(B-C))-D}}{2}$$

Where:

X = the amount payable to the Receiver pursuant to Section 2.5(a)

A = 25 % of the product of (i) multiplied by (ii), where

(i) is a fraction, the numerator of which is the Article 2 Amount, and the denominator is the Net Loss Amount, and

(ii) is a fraction, the numerator of which is the total Shared-Loss Assets on Schedules 4.15A, 4.15B, and 4.15D as of the Bank Closing Date, and the denominator is the total of Acquired Assets and the Failed Bank's investment in Acquired Subsidiaries as of the Bank Closing Date.

B = Intrinsic Shared-Loss Estimate minus the Net Loss Amount

C = the Asset/Loan (discount) bid, expressed in dollars, multiplied by a fraction, the numerator of which is the Intrinsic Shared Loss Estimate, and the denominator is the Intrinsic Loss Estimate

D = 2.5% of total Shared-Loss Assets on Schedules 4.15A, 4.15B and 4.15D as of the Bank Closing Date

EXHIBIT 3
ELECTRONIC FUNDS TRANSFER INSTRUCTIONS
 Federal Deposit Insurance Corporation
PAYEE INFORMATION FOR
AUTOMATIC DEPOSIT OF PAYMENT

INSTRUCTIONS: Complete and return this form to the Federal Deposit Insurance Corporation (FDIC). For additional information regarding Direct Deposit, please call the Division of Finance at 703-562-2565.

NOTE: The information collected on this form will be used solely to update our administrative records. It does not provide any right to payment or reimbursement for current or prior work and is not to be construed as a solicitation for new business. You will continue to receive check payments until the FDIC has fully processed this form and confirmed your banking information.

Article I. SECTION I - PAYEE INFORMATION

1. Name of Payee	2. Taxpayer ID Number	3. Telephone
4. Street Address		
5. City	6. State	7. ZIP Code
8. Name of Contact Person		9. Telephone
10. Email <i>(For forwarding remittances)</i>		11. Fax

Article II. SECTION II - FINANCIAL INSTITUTION INFORMATION

12. Name of Financial	13.	
14. Street Address		
15. City	16. State	17. ZIP Code
18. Bank Routing Number <i>(9-digits)</i>	19. Bank Account Number	20. Account Type <i>(Select One)</i> <input type="radio"/> Checking <input type="radio"/> Savings

NOTE: The 9-digit Bank Routing Number and Bank Account Number are found on the bottom of the check. The Bank Routing Number is the first sequence of numbers; the Bank Account Number follows.

Article III. SECTION III - AUTHORIZATION

I/We authorize the Federal Deposit Insurance Corporation (FDIC) to make payments due to me/us by electronic funds transfer to the account listed above. I/We will notify the FDIC as soon as possible if my/our account information changes.

21. Name of Authorizer	22. Telephone
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SCHEDULE 4.15A

SHARED-LOSS ASSETS AND ACQUISITION ORE

ADDENDUM I

PORTFOLIO SALES

The Parties agree that the following Section 4.1(c) shall be incorporated into Section 4.1 as an integral part of Section 4.1 and this Agreement, to which it is attached:

(c) Assuming Institution's Right to Conduct Portfolio Sales. Notwithstanding any provision of this Agreement to the contrary, the Assuming Institution shall have the right on an annual basis and without the consent of the Receiver, upon thirty (30) days prior written notice to the Receiver, to liquidate for cash consideration, in one (1) or more transactions, up to five percent (5%) of the remaining Shared-Loss Loans (based on the aggregate unpaid principal balance of such Shared-Loss Loans as of the Bank Closing Date) then held by the Assuming Institution or any of its Affiliates (each such sale a "**Portfolio Sale**"), provided that (i) such Portfolio Sales are conducted by means of sealed-bid sales to third parties, which third parties shall not include (A) any of the Assuming Institution's Affiliates or contractors (including any Third Party Servicer), (B) any contractors of any of the Assuming Institution's Affiliates (including any Third Party Servicer) or (C) any Affiliates of any contractor of the Assuming Institution or any of its Affiliates (including a Third Party Servicer); (ii) in connection with any such Portfolio Sale, the Assuming Institution retains a third party financial advisor (at its own cost) that is instructed to market the sale broadly and maximize sale proceeds; (iii) the highest economic bid received in respect of any Portfolio Sale must be the winning bid; and (iv) the Assuming Institution complies with any other reasonable sale procedures required by the Receiver.