

**SETTLEMENT AGREEMENT AND MUTUAL RELEASES**

This Settlement Agreement and Mutual Releases ("Agreement") is made this 12<sup>th</sup> day of August, 2011 by, between and among the following undersigned Parties: the Plaintiff, Federal Deposit Insurance Corporation, in its capacity as receiver for AmTrust Bank ("FDIC-R"); and the Defendant Nicola A. Hurry ("Hurry"); both of whom are parties in a case captioned *FDIC, as Receiver for AmTrust Bank v. The Mortgage Zone Inc., et al.*, Case No: 208-CV-03369 (E.D.N.Y.) ("The Litigation").

**R E C I T A L S**

WHEREAS, In August, 2008, AmTrust Bank initiated The Litigation against numerous borrowers, its closing attorney Dean Reskakis, its mortgage broker, The Mortgage Zone Inc., and other individuals and entities alleged to be involved in the origination of mortgages using improper flip transactions and straw buyers, including claims against Hurry for fraud and breach of contract related to one such mortgage;

WHEREAS, Hurry has denied the allegations asserted against her for fraud and breach of contract;

WHEREAS, Hurry has provided the FDIC-R with a sworn affidavit and other financial materials to demonstrate that she is indigent and unable to pay a judgment;

WHEREAS, the FDIC-R has relied upon the accuracy of the information provided by Hurry regarding her financial condition; and

WHEREAS, without any admission of liability by any of the undersigned Parties, the Parties deem it to be in their respective best interests to end their disputes arising out of and

related to The Litigation, and avoid further costs and risks associated with The Litigation and enter into this Agreement.

NOW, THEREFORE, in consideration of the promises, undertakings and releases stated herein, the sufficiency of which consideration is hereby acknowledged, the undersigned Parties agree, each with each other, as follows:

Section 1. Hurry's Agreement to Cooperate.

A. As an essential covenant and condition to this Agreement, Hurry agrees to provide a sworn statement to the FDIC-R regarding the persons, entities, and events involved in the Litigation.

B. Hurry further agrees to cooperate fully with the FDIC-R in the ongoing Litigation and any future litigation related to the persons, entities, and events involved in the Litigation, including, if necessary, testifying regarding the persons, entities, and events involved in the Litigation.

Section 2. Stipulations and Dismissals.

Upon execution of this Agreement by each of the undersigned Parties, the FDIC-R shall dismiss with prejudice all of its claims in the Litigation against Hurry. The FDIC-R shall prepare and execute a stipulation of dismissal with prejudice as to these claims within 30 days after receipt of the sworn statement by Hurry.

Section 3. Mutual Releases.

A. Release of Hurry by the FDIC-R.

Effective upon receipt of the sworn statement specified in Section 1 above, the FDIC-R hereby releases and discharges Hurry, her insurers, representatives, successors, assigns and

attorneys, from any and all claims, demands, obligations, damages, actions, causes of action, direct or indirect, in law or in equity, belonging to the FDIC-R that arise from or relate to The Litigation.

B. Release of the FDIC-R by Hurry.

Effective simultaneously with the release in Section 3A above, Hurry, on her own behalf, and on behalf of her heirs, executors, administrators, representatives, assigns, insurers, and attorneys hereby releases and discharges the FDIC-R from any and all claims, demands, obligations, damages, actions, causes of action, direct or indirect, in law or in equity, that arise from or relate to the Litigation.

C. Express Reservation of Releases By The FDIC.

1. Notwithstanding any other provision, by this Agreement, the FDIC-R does not release and expressly preserves fully and to the same extent as if the Agreement had not been executed, any rights, claims or causes of action:

- i. Against any other party in the Litigation not expressly released by this Agreement; and
- ii. Which are not expressly released in Section 3A, above.

2. Notwithstanding any other provision of this Agreement, nothing herein limits, waives, releases, diminishes or compromises the jurisdiction and authority of the Federal Deposit Insurance Corporation in the exercise of its supervisory or regulatory authority to institute administrative enforcement or other proceedings seeking removal, prohibition, civil penalties, restitution or other relief it is authorized to seek pursuant to its supervisory or regulatory authority against any person, or which may arise by operation of law, rule, or regulation.

3. Notwithstanding any other provision of this Agreement, this Agreement does not waive any claims which could be brought by the United States through the Department of Justice or the United States Attorney's Office for any federal judicial district. In addition, the FDIC-R specifically reserves the right to seek court ordered restitution pursuant to the relevant provisions of the Victim and Witness Protection Act, 18 U.S.C. § 3663, et. seq., if appropriate.

Section 4. Representations and Acknowledgments

A. No Admission of Liability. The undersigned Parties each acknowledge and agree that the matters set forth in this Agreement constitute a settlement and compromise of disputed claims and that this Agreement is not an admission or evidence of any liability of any of them regarding any claim.

B. Execution in Counterparts. This Agreement may be executed in counterparts by one or more of the Parties named herein and all such counterparts when so executed shall together constitute the final Agreement, as if one document had been signed by all Parties hereto; and each such counterpart, upon execution and delivery, shall be deemed a complete original, binding the Party or Parties subscribed thereto upon the execution by all Parties to this Agreement.

C. Binding Effect. Each of the undersigned persons represents and warrants that they are a Party hereto or are authorized to sign this Agreement on behalf of a Party, and that they have the full power and authority to bind such Party to each and every provision of this Agreement. This Agreement shall be binding upon and inure to the benefit of the undersigned Parties and their respective heirs, executors, administrators, representatives, successors, assigns and attorneys.

D. Specific Representations, Warranties and Disclaimer. Hurry acknowledges that in determining to settle the claims released herein, the FDIC-R reasonably and justifiably relied upon the accuracy of financial information provided Hurry. If Hurry failed to disclose, or misrepresented the nature or amount of, any interest, legal, equitable, or beneficial, in any asset, Hurry agrees to cooperate fully with the FDIC-R to transfer its interest in the asset to the FDIC-R and to sign any and all documents necessary to transfer its interest in the asset to the FDIC-R. Moreover, if Hurry has failed to disclose any interest, legal, equitable, or beneficial, in any asset, the FDIC-R in its sole discretion, may exercise one or more or all of the following remedies: (a) the FDIC-R may declare the release granted to Hurry as null and void; (b) the FDIC-R may sue Hurry for damages, an injunction, and specific performance for the breach of this Agreement; and (c) the FDIC-R may seek to vacate any dismissal order and reinstate the FDIC-R's claims against Hurry. Hurry agrees that if she has failed to disclose, or misrepresented the nature or amount of, any interest, legal, equitable, or beneficial, in any asset, Hurry consents to the reinstatement of FDIC-R's claims and waives any statute of limitations defense that would bar any of the FDIC-R's claims against her.

E. Choice of Law. This Agreement shall be interpreted, construed and enforced according to applicable federal law, or in its absence, the laws of the State of New York.

F. Entire Agreement and Amendments. This Agreement constitutes the entire agreement and understanding between and among the undersigned Parties concerning the matters set forth herein. This Agreement may not be amended or modified except by another written instrument signed by the parties to be bound thereby, or by their respective authorized attorneys or other representatives.

G. Advice of Counsel. Each Party hereby acknowledges that it has consulted with and obtained the advice of counsel prior to executing this Agreement, and that this Agreement has been explained to that Party by his or her counsel.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by each of them or their duly authorized representative on the dates hereinafter subscribed.

Federal Deposit Insurance Corporation, as  
Receiver for AmTrust Bank

(b)(6)

Date:

8/12/2011

Nicola Hurry

Date \_\_\_\_\_

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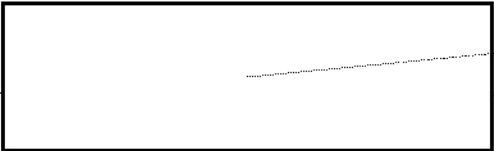
Federal Deposit Insurance Corporation, as  
Receiver for AmTrust Bank

Date: \_\_\_\_\_

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Nicola Hurry

Date 8/12/2011

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