

**LOAN SALE AGREEMENT
SINGLE FAMILY LOSS SHARE VERSION**

BY AND BETWEEN

**FEDERAL DEPOSIT INSURANCE CORPORATION
AS RECEIVER OF DOWNEY
SAVINGS AND LOAN ASSOCIATION, FA
NEWPORT BEACH, CALIFORNIA**

AND

U. S. BANK NATIONAL ASSOCIATION

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LOAN SALE AGREEMENT

THIS AGREEMENT, entered into this day of November 21, 2008, by and between the Federal Deposit Insurance Corporation ("FDIC") as Receiver ("Seller") of Downey Savings and Loan Association, FA, Newport Beach California ("Failed Bank") and U. S. Bank National Association ("Buyer") sets forth the terms and conditions whereby Seller agrees to sell and Buyer agrees to purchase all those Loans set forth in the attached Schedule of Loans for the consideration herein stated.

NOW THEREFORE, Seller and Buyer agree and represent as follows:

Article I Definitions

For purposes of this Agreement the following terms shall have the meanings indicated:

"Accounting Records" means the general ledger and supporting subsidiary ledgers and schedules.

"Advances" means the sum of all unreimbursed amounts advanced by or on behalf of the Failed Bank, Seller or Buyer for the benefit of a Borrower or a third-party advanced to meet required scheduled payments, or to protect the Noteholder's lien position or the Collateral, including payment of ad valorem taxes and hazard and forced placed insurance as permitted by the terms of any Loan sold hereunder. Advances do not include Disbursements of Principal or Corporate Advances.

"Affidavit and Assignment of Claim" means an Affidavit and Assignment of Claim in the form of Attachment "F" to this Agreement.

"Agreement" means this Loan Sale Agreement and the Attachments hereto.

"Assignment and Assumption of Interests and Obligations" means an Assignment and Assumption of Interests and Obligations in the form of Attachment "D" to this Agreement.

"Assignment and Lost Instrument Affidavit" means an Assignment and Lost Instrument Affidavit in the form of Attachment "E" to this Agreement.

"Attachment" means any of the attachments to this Agreement.

"Bank Closing Date" means the close of business of the Failed Bank on the date on which the Chartering Authority closed such institution.

"Bid" means the offer to purchase one or more Loan Pool(s) that was submitted by Buyer and accepted by the Seller.

"Bid Amount" means the First Loss Amount specified in the Shared Loss Agreement attached hereto as Attachment H.

"Bid Award Date" means the date the Bid Confirmation Letter is sent to Buyer by Seller.

"Bid Confirmation Letter" means the letter sent to Buyer by Seller confirming acceptance of a Bid submitted by Buyer.

"Bid Instructions" means the document under such title provided to bidders and potential bidders.

"Bill of Sale" means a Bill of Sale in the form of Attachment "C" to this Agreement.

"Book Value" means a Loan's unpaid principal balance as stated on the Accounting Records of the Failed Bank as of Bank Closing Date and adjusted by (i) subtracting payments of principal received by Seller or its predecessor on or before the Calculation Date, (ii) adding Disbursements of Principal made by Seller or its predecessor on or before the Calculation Date, and (iii) adding back any principal previously charged or written off by the Failed Bank subsequent to the date of the Information Package. Book Value for pre-computed interest Loans shall include, in addition, the amount of outstanding earned and unearned interest for such Loans. The Book Value shall not include any general or specific reserves on the Accounting Records of the Failed Bank.

"Borrower" means any obligor, guarantor or surety of any Loan or any other party liable for the performance of obligations associated with any Loan.

"Business Day" means any day other than a Saturday, Sunday or federal legal holiday.

"Calculation Date" means Bank Closing Date, which date shall be used to calculate the Purchase Price. For each Loan in Loan Pools serviced by others, "Calculation Date" means the date of the most recent remittance report prior to the Loan Sale Closing Date.

"Chartering Authority" means (i) with respect to a national bank, the Office of the Comptroller of the Currency, (ii) with respect to a federal savings association or savings bank, the Office of Thrift Supervision, (iii) with respect to 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 may be, (iv) the Corporation in accordance with 12 U.S.C. Section 1821(c), with regard to self appointment, or (v) the appropriate federal banking agency in accordance with 12 U.S.C. 1821(c)(9).

"Closing" means the simultaneous delivery by Seller and Buyer of documents and funds and the performance of the other acts herein provided to be performed on the Loan Sale Closing Date in order to effect the consummation of the Loan Sale.

"Collateral" means any and all collateral securing a Loan, including without limitation, any accounts receivable, inventory, property of any kind, whether real or personal (including but not limited to equipment and other physical assets), and any contract and other rights and interests of a Borrower pledged pursuant to or otherwise subject to any Collateral Document.

"Collateral Document" means each deed of trust, mortgage, assignment of production, security agreement, assignment of security interest, personal guaranty, corporate guaranty, letter of credit, pledge agreement, collateral agreement, loan agreement or other agreement or document, whether an original or copy or whether similar to or different from those enumerated, securing in any manner the performance or payment by any Borrower of its obligations or the obligations of any other Borrower under any Note evidencing a Loan.

"Confidentiality Agreement" means the confidentiality agreement executed or assented to by Buyer in anticipation of gaining access to the documents related to the sale of the Loans.

"Contract for Deed" means an executory contract with a third party to convey real property.

"Corporate Advances" means the payment of appraisal fees, broker opinion fees, attorney fees and associated legal fees, foreclosure fees, trustee fees, property inspection fees, property preservation and operating cost fees, tax penalties, title policies, lien search fees or any other cost that can be directly associated with the collection and servicing of a Note.

"Corporation" means the Federal Deposit Insurance Corporation in its corporate capacity.

"Deconversion Date" means the date Loan servicing records are transferred to the Buyer's system of record, which date shall be a Business Day not later than thirty (30) calendar days after the Loan Sale Closing Date.

"Deficiency Balance" means the remaining unpaid principal balance of any Note purchased hereunder after crediting to it the proceeds of a foreclosure sale which occurred on or before the Calculation Date, and for which the Redemption Period, if any, expired on or before the Calculation Date.

"Disbursement of Principal" means incremental funding of loan proceeds under a Note, such as in the case of a revolving credit loan or a construction loan.

"Foreign Loan" means a Loan regarding which the Borrower or any of the Collateral concerning the Loan is located in a country other than the United States.

"Foreign Jurisdiction" means any country, other than the United States, and any subdivision or other jurisdiction of or in such other country in which a Borrower or any Collateral is located.

"Information Package" means the compilation of financial and other data with respect to the Failed Bank entitled "Information Package" and any amendments or supplements thereto provided to the Buyer by the Corporation.

"Internal Revenue Code" means the Internal Revenue Code of 1986 of the United States, as it may be amended from time to time.

"Limited Power of Attorney" means the Limited Power of Attorney in the form of Attachment "G" to this Agreement.

"Loan(s)" means and includes: (a) any obligation evidenced by a Note or other evidence of indebtedness; (b) all rights, powers, liens or security interests of Seller in or under the Collateral Document(s); (c) any judgment founded upon a note to the extent attributable thereto and any lien arising therefrom; (d) any Contract for Deed and the real property which is subject to such Contract for Deed; (e) any lease and the related leased property; (f) all right, title and interest in and to any Deficiency Balance; and (g) any other asset of whatever kind or type, all as identified on the attached Schedule of Loans, including without limitation, all rights arising therefrom or appurtenant thereto. Loan(s) include Other Real Estate .

"Loan File" means (i) all Failed Bank documents pertaining to any Loan, either copies or originals, that are in the possession of Seller excluding the Note, renewals of the Note and Collateral Documents and (ii) any files with respect to a Loan established and maintained by Seller's employee(s) or contractor(s) responsible for the management of that Loan following the closing of the Failed Bank, excluding Seller's internal memoranda and confidential communications between Seller and its legal counsel. The Loan File does not include other files maintained by other employees or agents of Seller, such as Seller's legal counsel.

"Loan Pool(s)" means one (or more) of the groups of Loans identified in the Schedule of Loans set forth in Attachment "A" to this Agreement.

"Loan Sale" means the sale of Loans of the Failed Bank by Seller.

"Loan Sale Closing Date" means a date selected by Seller, which date shall not be later than twenty (20) Business Days after the Bid Award Date.

"Mortgaged Property" means the land, fixtures and improvements, if any, securing any Loan sold to Buyer under the terms and conditions of this Agreement. Mortgaged Property does not include property repossessed or foreclosed on or before the Calculation Date as to which the Redemption Period, if any, expired on or before the Calculation Date.

"Non-Foreign Loan" means any Loan which is not a Foreign Loan.

"Non-Performing Loan(s)" means any Loan other than a Performing Loan.

"Note" means each agreement, document and instrument evidencing a Loan, including without limitation, each promissory note, loan agreement, shared credit or participation agreement, inter-creditor agreement, letter of credit, reimbursement agreement, draft, bankers' acceptance, transmission system confirmation of transaction or other evidence of indebtedness of any kind evidencing each Loan (including loan histories, affidavits, general collection information, correspondence and comments pertaining to such obligation).

"Noteholder" means the holder of a Note.

"Obligations" means all obligations and commitments of Seller relating to a Loan and arising under and in accordance with the relevant Note(s) or Collateral Documents relating thereto, including without limitation the commitment to make advances of funds to or for the benefit of a Borrower.

"Other Real Estate" means all interests in 1-4 single family residential real estate and loans on "in substance foreclosure" status as of Bank Closing as identified on the Schedule of Loans set forth in Attachment A, including but not limited to mineral rights, leasehold rights, condominium and cooperative interests, air rights and development rights that are owned by the Failed Bank.

"Performing Loan" means any Loan for which the last payment of principal, interest and any escrow amounts that is required to be paid by the terms of the Note or Collateral Documents is less than sixty days past due (for matured loans, less than thirty days past due) as of the Calculation Date as shown on the Schedule of Loans attached hereto as Attachment "A," regardless of whether such Loan is in a Loan Pool consisting primarily of Performing Loans or consisting primarily of Non-Performing Loans.

"Property" means the real or personal property securing any Loan contained in a Loan Pool.

"Purchase Price" means, an amount equal to the sum of (i) the Book Value of all Loans, plus (ii) Disbursements of Principal made by Seller that are not included in the Book Value, plus (iii) any Advances made by the Failed Bank or Seller, plus (iii) interest calculated on the Book Value and at the rate payable for each Performing Loan (except those with pre-computed interest) from the interest "paid-to date" to, but not including, the Loan Sale Closing Date. No amount with respect to unpaid interest shall be due for Non-Performing Loans.

"Purchaser Eligibility Certification" means the document under such title provided to bidders and potential bidders as part of the Information Package and executed by Buyer in connection with the Loan Sale.

"Redemption Period" means the applicable state statutory time period, if any, during which a foreclosed owner may buy back foreclosed real property from the foreclosure sale purchaser. Not all states provide for a Redemption Period. The length of a Redemption Period may vary among the states which do provide for a Redemption Period. The law of the state in which the real property is located is the applicable law in determining whether there is a Redemption Period and if so, how long it is.

"Related Party" means any party related to the Borrower in the manner delineated in 26 U.S.C.A 267(b) and the regulations promulgated thereunder, as such law and regulations may be amended from time to time.

"Repurchase Price" means, with respect to any Loan the Book Value, adjusted to reflect changes in accordance with Section 2.4 hereof, , plus (ii) any Advances and interest on such Loan included in the Purchase Price, minus (iii) the total of amounts received after the Calculation Date by Buyer for such Loan, regardless of how applied, plus (iv) Advances made by Buyer, plus (v) total Disbursements of Principal made by Seller that are not included in the Book Value.

"Schedule of Loans" means the list of all Loans that are the subject of this transaction appended to this Agreement as Attachment "A."

"Settlement Date" means a date determined by Seller upon which final adjustments will be made to the Purchase Price pursuant to Section 2.4 hereof. Any Settlement Date determined by Seller shall be a Business Day not later than one hundred eighty (180) calendar days after the Loan Sale Closing Date.

"Significant Environmental Contamination" means the presence at, in or under a Mortgaged Property, at a level or in an amount that poses a threat to human health or the environment sufficient to prompt a regulator to require remediation under any federal or state law, of any substance defined as a "hazardous substance" under Section 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601(14), and including petroleum, including crude oil or any fraction thereof that is liquid at standard conditions of temperature and pressure.

"Tax Certificate" means a certificate signed by the chief financial officer, chief accounting officer or other executive officer with knowledge of tax matters, or the general counsel, of Buyer certifying that under the applicable laws of each relevant Foreign Jurisdiction and jurisdiction in which Buyer, its lending or other relevant office or agents may be located, (i) no Taxes are payable by Seller or Buyer, or if any such Taxes are payable, certifying the type and amount of such taxes, the party responsible for the payment thereof, the relevant taxing

authority to which payment of such Taxes must be made and the timing for such payment as required by applicable law, and (ii) no Tax forms or other information reports are required of the Seller, or if any such forms or reports are required, certifying the type of form, the relevant taxing authority and the deadline for such form or other report.

"Taxes" means any taxes, assessments, levies, imposts, duties, deductions, fees, withholdings or other charges of whatever nature, including interest and penalties thereon, required to be paid to any taxing authority of or in any Foreign Jurisdiction or any jurisdiction in which Buyer, its lending or other relevant office or agents may be located under the applicable laws of such Foreign Jurisdiction or other jurisdiction with respect to the sale and transfer of the Loans, the Collateral Documents or the rights in the Collateral or the assignment and assumption of Obligations thereunder, including without limitation any withholding taxes payable by virtue of the sale of the Loans at a discount from Book Value and any value-added taxes.

"Transfer Documents" means the endorsements and allonges to Notes, Assignment and Lost Instrument Affidavits (if applicable), assignments, deeds and other documents of assignment, conveyance or transfer required under the laws of any jurisdiction within the United States to evidence the transfer to Buyer of the Loans, the Collateral Documents and Seller's rights with respect to the Loans and the Collateral. Transfer Documents do not include this Agreement, the Bill of Sale, and the Assignment and Assumption of Interests and Obligations.

"Uniform Commercial Code" means the uniform law governing commercial transactions as adopted by the State of New York.

Article II

Purchase and Sale of Loans

2.1. Terms and Conditions of Sale. Seller agrees to sell, assign, transfer and convey to Buyer, and Buyer agrees to purchase and accept from Seller, all the right, title and interest of Seller, subject to the provisions of Section 3.3, as of the Bank Closing Date, in and to each Loan in the Loan Pool(s) on a servicing-released basis, and all rights in the Property pursuant to the Collateral Documents. Seller agrees to assign and Buyer agrees to assume all of the Obligations of the Failed Bank or Seller under and with respect to all the Notes and Collateral Documents. Such sale, assignment, transfer and conveyance by Seller and the purchase, acceptance and assumption by Buyer shall occur at and as of the Bank Closing Date, and shall be on the terms and subject to the conditions set forth in this Agreement. Seller and Buyer agree that the Loans sold and purchased hereunder shall be subject to the terms of the Loss-Share Agreement attached hereto as Attachment H regarding the Loan Pools.

2.2. Closing . The Closing shall occur on the Loan Sale_Closing Date, and, at Seller's option, be either by mail or conducted in person at a place designated by Seller.

2.3. Allocation of Payments Made on Loans. All payments received by Seller on account of any of the Loans on or before the Calculation Date shall belong to Seller. All payments received by Seller on account of the Loans after the Calculation Date shall belong to Buyer. In the event that a check Seller has received with respect to a Loan on or before the Calculation Date is dishonored before or after the Calculation Date, an adjustment to the Book Value of the Loan in the amount of the dishonored check shall be made within ten (10) days of notification by Seller to Buyer that a check has been dishonored. In the event Seller deposits a check received after the Calculation Date and issues a check or other payment therefor to Buyer, Buyer shall bear the risk that any such check will be dishonored and Buyer shall reimburse Seller within ten (10) Business Days after receipt of notice by Seller to Buyer that such check was dishonored.

2.4. Adjustments to Purchase Price; Offsets Against Deposits.

(a) On or before the Settlement Date, Seller shall provide Buyer with a statement(s) setting forth adjustments to the Purchase Price that Buyer or Seller discovers reflecting (1) any changes in the Book Value (i) because of miscalculations, misapplied payments, unapplied payments, unrecorded Disbursements of Principal disbursed on or before the Calculation Date, or other accounting errors; or (ii) resulting from a final court decree, unappealable regulatory enforcement order or other similar action of a legal or regulatory nature effective on or before the Calculation Date; and (2) any unreimbursed Advances or Disbursements of Principal disbursed after the Calculation Date that were not previously included in the Purchase Price. No adjustment to Purchase Price will be made for any changes resulting from any calculation or adjustment of interest on any Loan as provided in Section 6.4

hereof. No monies will be due Seller or Purchaser as a result of any adjustments made pursuant to Section 2.4a.

(b) With respect to any Loan, Seller reserves the right to permit or require offsets against deposit accounts of the Failed Bank. If allowed by Seller, such offsets will be retroactive to the date such Failed Bank closed. At such time as an offset is effected, Seller will give notice of such to Buyer and pay Buyer the amount of the offset on a dollar-for-dollar basis and Buyer shall credit such amount to the Loan according to the terms and conditions of the applicable Note(s) as of Bank Closing Date.

2.5. Rebates and Refunds. Buyer is not entitled to any rebates or refunds from Seller from any pre-computed interest Loan regardless of when the Note matures. Further, on pre-computed interest Loans, Seller will not refund any unearned discount amounts to Buyer.

2.6. Interest Conveyed. Seller shall convey all of its right, title and interest in and to each Loan. In the event a foreclosure occurs after the Calculation Date, or occurred on or before the Calculation Date, but the Redemption Period had not expired on or before the Calculation Date, Seller shall convey to Buyer the Deficiency Balance, if any, together with the net proceeds, if any, of such foreclosure sale. If Seller was the purchaser at such foreclosure sale, Seller shall convey to Buyer the Deficiency Balance, if any, together with a quitclaim deed to the property purchased at such foreclosure sale. Buyer acknowledges and agrees that Buyer shall not acquire any interest in or to any performance or completion bond filed with any governmental entity for the purpose of ensuring that improvements constructed or to be constructed on such property are completed in accordance with any governmental regulation(s) or building requirement(s) applicable to the proposed or completed improvement.

2.7. Retained Claims and Release. Buyer and Seller agree that the sale of the Loans pursuant to this Agreement will exclude the transfer to Buyer of all right, title and interest of Seller in and to any and all claims of any nature whatsoever that might now exist or hereafter arise, whether known or unknown, that Seller has or might have (a) against officers, directors, employees, insiders, accountants, attorneys, other persons employed by Seller or the Failed Bank and any of its predecessors, underwriters or any other similar persons who have caused a loss to Seller or the Failed Bank and any of its predecessors in connection with the initiation, origination or administration of a Loan, (b) against any appraisers, accountants, auditors, attorneys, investment bankers or brokers, loan brokers, deposit brokers, securities dealers or other professional individuals or entities who performed services for the Seller or the Failed Bank or any of its predecessors, relative to a Loan, (c) against any third parties involved in any alleged fraud or other misconduct relating to the making or servicing of a Loan or (d) against any appraiser or other party from whom Seller or any servicing agent contracted for services or title insurance in connection with the making, insuring or servicing of a Loan.

2.8. Taxes. Notwithstanding that Taxes may, under applicable law, be assessed against and payable by Seller, Buyer hereby agrees to accept responsibility for and to pay, on its own behalf or on behalf of Seller, as the case may be, any and all Taxes, and Seller shall have no

obligation to reimburse Buyer therefor. Payment of Taxes shall not affect the Purchase Price. Within thirty days after the Loan Sale Closing Date, Buyer shall deliver to Seller a Tax Certificate in accordance with Section 3.1 hereof. In the event that the Tax Certificate shall prove to have been incorrect or for any other reason Buyer becomes aware of Taxes due, Buyer shall promptly notify Seller and shall pay such Taxes in accordance with the provisions of this Section 2.8. In the event that Taxes shall be payable, Buyer shall make payment thereof to the relevant taxing authorities when due, identifying to such authorities in appropriate manner and in accordance with applicable law the nature of the payment and identifying the party on whose behalf the payment is being made. In the event that, under applicable law, Buyer shall be unable to make payment of Taxes on behalf of Seller, then Buyer shall promptly notify Seller thereof and Seller may, at its sole option, grant to Buyer a limited power of attorney, in such form as Seller shall determine, solely for the purpose of making payment of such Taxes and filing information returns with respect thereto as agent for Seller. Buyer shall notify Seller, in accordance with the provisions of Article VIII of this Agreement, promptly after payment of any Taxes that such payment has been made.

2.9. Loans Made After the Date of the Information Package. Subject to 7.1(h), Loans made after the date of the Information Package shall be placed, in the sole discretion of the Seller, in a Loan Pool of like Loans, and such Loans shall be purchased by the Buyer on the same terms and conditions as the other Loans in the Loan Pool(s).

Article III
Transfer of Loan(s), Collateral Documents and Servicing

3.1. Delivery of Documents. Buyer and Seller agree to execute and deliver to one another the following files and documents:

(a) At Closing, Buyer shall deliver to Seller:

1. Two originals of the Assignment and Assumption of Interests and Obligations, in the form of Attachment "D" to this Agreement, executed by Buyer.

2. A corporate resolution certified by Buyer's corporate secretary or, if Buyer is not a corporation, other evidence satisfactory to Seller as to Buyer's authority: (i) to purchase the Loans and assume the Obligations thereunder, and (ii) to execute and deliver this Agreement and all related instruments required to consummate the transactions contemplated hereby and to carry out all of its obligations hereunder (including a certificate of incumbency of any person who executes any document on behalf of Buyer).

3. Two originals of this Agreement executed by Buyer.

4. Two originals of the Loss-Share Agreement, in the form of Attachment "H" to this Agreement, executed by Buyer

5. Other documents as Seller may reasonably require as evidence of Buyer's good standing, existence or authority.

(b) At Closing, Seller shall deliver to Buyer:

1. A Bill of Sale transferring all of Seller's right, title and interest in and to the Loans to Buyer, in the form of Attachment "C" to this Agreement, executed by Seller.

2. Two originals of the Assignment and Assumption of Interests and Obligations, in the form of Attachment "D" to this Agreement, executed by Seller.

3. Two originals of this Agreement executed by Seller.

4. Two originals of the Loss-Share Agreement, in the form of Attachment "H" to this Agreement, executed by Seller.

4. Such Transfer Documents executed by Seller as Seller elects to deliver at Closing.

(c) Within thirty days after the Loan Sale Closing Date, Buyer shall deliver the Tax Certificate to Seller, if applicable.

(d) Within a reasonable time after the Loan Sale Closing Date, Seller shall deliver to Buyer the Note, the Loan File(s) and Collateral Document(s) pertaining to the Loan(s) sold.

(e) After Closing, Seller, in Seller's sole discretion, may elect to grant a Limited Power of Attorney to selected Buyer employees. If Seller elects to grant such a Limited Power of Attorney, Seller will provide it to Buyer within a reasonable time after the Loan Sale Closing Date. If Buyer is granted such a Limited Power of Attorney, Buyer, at Buyer's expense, will prepare and execute on behalf of Seller, within a reasonable time after the Loan Sale Closing Date, all Transfer Documents not delivered by Seller to Buyer at Closing. All Transfer Documents prepared by Buyer shall be in appropriate form suitable for filing or recording (if applicable) in the relevant jurisdiction and otherwise subject to the limitations set forth herein, and Buyer shall be solely responsible for the preparation, contents and form of such documents. Buyer hereby releases Seller from any loss or damage incurred by Buyer due to the contents and form of any documents prepared by Buyer and shall indemnify and hold Seller harmless for any action or cause of action by any person, including Buyer, arising out of the contents or form of the Transfer Documents, including without limitation, any claim relating to the adequacy or inadequacy of any of such documents or instruments for the purposes thereof.

The form which Buyer shall use for endorsing promissory notes or preparing allonges to promissory notes is as follows:

Pay to the order of

Without Recourse

FEDERAL DEPOSIT INSURANCE
CORPORATION [insert applicable capacity(ies)]

By: _____
Name: _____
Title: Attorney-in-Fact

All other documents of assignment, conveyance or transfer shall contain this sentence: "This assignment is made without recourse, representation or warranty, express or implied, by the FDIC in its corporate capacity or as Receiver."

(f) In the event Seller elects not to provide Buyer with a Limited Power of Attorney in accordance with Section 3.1(e), then all Transfer Documents not delivered by Seller to Buyer at Closing shall be prepared and executed by one of the following methods, at Seller's option:

1. Seller, at Seller's expense, will prepare and execute all endorsements and allonges to Notes or Assignment and Lost Instrument Affidavits (if applicable) not delivered by Seller to Buyer at Closing and provide them to Buyer within a reasonable time after the Loan Sale Closing Date. Buyer, at Buyer's expense, will prepare all other Transfer Documents not delivered by Seller to Buyer at Closing and shall deliver such documents to Seller for execution within a reasonable time after the Loan Sale Closing Date. All Transfer Documents prepared by Buyer shall be subject to the terms and conditions for Transfer Documents specified in Section 3.1(e) above. If any Transfer Document delivered by Buyer to Seller for execution is unacceptable to Seller for any reason whatsoever, Seller may return such document to Buyer along with an explanation as to why the document is unacceptable to Seller. When requesting execution of any such document, Buyer shall furnish Seller with the Loan Pool and the Loan numbers set forth on the Schedule of Loans, and a copy of the Note(s), a copy of the Collateral Document(s) or other document(s) to be transferred, and copies of any previous assignments of the applicable Collateral Document or other document; or

2. Seller, at Seller's expense, will prepare and execute all Transfer Documents not delivered by Seller to Buyer at Closing and provide them to Buyer within a reasonable time after the Loan Sale Closing Date. Seller shall furnish all such documents to Buyer in appropriate form suitable for filing or recording (if applicable) in the relevant jurisdiction and otherwise subject to the limitations set forth herein.

(g) As to Foreign Loans, Buyer, at its own expense, must retain counsel who are licensed in the Foreign Jurisdiction(s) involved with the Foreign Loans. Such foreign counsel must draft the documents necessary to assign the Foreign Loans to Buyer. Documents presented to Seller to assign Foreign Loans to Buyer must be accompanied by a letter on the foreign counsel's letterhead, signed by the foreign counsel preparing those documents, certifying that those documents conform to all the laws of the Foreign Jurisdiction. Each such document and instrument shall be delivered to Seller in the English language, provided, however, that any document required for its purposes to be executed by Seller in a language other than the English language shall be delivered to Seller in such language, accompanied by a translation thereof in the English language, certified as to its accuracy by an executive officer or general counsel of Buyer and, if such executive officer or general counsel shall not be fluently bilingual, by the translator thereof.

(h) Nothing contained herein or elsewhere in this Agreement shall require Seller to make any agreement, representation or warranty or provide any indemnity in any such document or instrument or otherwise, nor is Seller obligated to obtain any consents or approval to the sale or transfer of the Loans or the related servicing rights, if any, or the assumption by the Buyer of the Obligations.

(i) Seller agrees to execute any additional documents required by applicable law or necessary to effectively transfer and assign any and all Loans to Buyer. Seller shall have no obligation to provide, review or execute any such additional documents unless the same shall have been requested of Seller within 365 calendar days of the Loan Sale Closing Date.

3.2. Recordation of Documents. Buyer shall be responsible for, and agrees to promptly deliver, at its sole cost and expense, all appropriate documents and instruments with respect to each Loan for recordation or filing in the appropriate land, chattel, Uniform Commercial Code, and other records of the appropriate county, state and/or other jurisdiction(s) or Foreign Jurisdiction to effect the transfer of the Loans and the Collateral Documents and all rights in Collateral, and to render legal, valid and enforceable the obligations of the Borrower(s) to the Buyer and the assumption by the Buyer of any Obligations related to a Loan arising under and in accordance with the relevant Note and Collateral Documents. Seller shall, if such is affirmatively required under the applicable laws of a relevant Foreign Jurisdiction, take such actions as are necessary in such Foreign Jurisdiction to effect the purposes of this Article III. In accordance with Section 2.8 hereof, Buyer shall be responsible for and shall pay any and all Taxes, fees, costs and expenses incurred in connection therewith, including without limitation notarization fees and stamp, transfer and similar Taxes or fees.

3.3. Transfer of Servicing. The Loans are hereby sold and conveyed to Buyer on a servicing-released basis. From and after the Bank Closing Date, all rights, obligations, liabilities and responsibilities with respect to the servicing of the Loans shall pass to the Buyer, and Seller shall be discharged from all liability therefor, including any liability arising from any limited interim servicing provided by Seller pursuant to this Section 3.3.

To provide for the orderly transfer of the servicing to Buyer, Seller will provide, at Seller's expense, limited interim servicing of the Loans on Buyer's behalf from the Bank Closing Date through the Deconversion Date, as follows: (i) receive payments and post them to the system of record, (ii) maintain records reflecting payments received, (iii) provide Buyer on request a schedule of payments processed, and (iv) provide payoff information to Buyer regarding particular Loans as applicable. Seller may engage agents of Seller's own choosing to perform such limited interim servicing. Seller's performance of this limited interim servicing shall cease on the Deconversion Date.

Article IV Representation and Warranties of Buyer

Buyer hereby represents and warrants to Seller as of the date of this Agreement and as of the Loan Sale Closing Date:

4.1. Buyer's Authorization. Buyer and the undersigned duly authorized representative of Buyer, acting individually, represent that Buyer is authorized to enter into this Agreement and that all laws, rules, regulations, charter provisions and bylaws to which Buyer may be subject have been duly complied with, and that such representative is authorized to act upon behalf of and bind Buyer to the terms of this Agreement.

4.2. Compliance with Law. Neither Buyer nor any of its subsidiaries is in violation of any statute, regulation, order, decision, judgment or decree of, or any restriction imposed by, the United States of America, any State, municipality or other political subdivision or any agency of any of the foregoing, or any court or other tribunal having jurisdiction over Buyer or any of its subsidiaries or any assets of any such person, or any foreign government or agency thereof having such jurisdiction, with respect to the conduct of the business of Buyer or of its subsidiaries, or the ownership of the properties of Buyer or any of its subsidiaries, which, either individually or in the aggregate with all other such violations, would materially and adversely affect the business, operations or condition (financial or otherwise) of Buyer or the ability of Buyer to perform, satisfy or observe any obligation or condition under this Agreement. Neither the execution and delivery nor the performance by Buyer of this Agreement will result in any violation by Buyer of, or be in conflict with, any provision of any applicable law or regulation, or any order, writ or decree of any court or governmental authority.

4.3. Execution and Enforceability. This Agreement has been duly executed and delivered by Buyer and when duly authorized, executed and delivered by Seller, this Agreement will constitute a legal, valid and binding obligation of Buyer, enforceable in accordance with its terms.

4.4 Representations Remain True. Buyer represents and warrants that all information and documents provided to Seller or its agents by or on behalf of Buyer in connection with this Agreement and the transactions contemplated hereby, including, but not limited to, the Purchaser Eligibility Certification and the Confidentiality Agreement, are true and correct in all material respects and do not fail to state any fact necessary to make the information contained therein not misleading.

Article V Covenants, Duties and Obligations of Buyer

5.1. Servicing of Loans. From and after the Deconversion Date, Buyer shall comply with all state and federal laws and the laws of any Foreign Jurisdiction applicable with respect to the ownership and/or servicing of the Loans, including, without limitation, the Fair Debt Collection Practices Act (15 U.S.C. § 1692 *et seq.*, as amended) and similar state requirements, rules and regulations, and shall abide by and be subject to all of the terms and conditions of the Collateral Documents and other instruments and documents governing or relating to the Loans and/or the servicing rights and other rights thereunder.

5.2. Disbursements of Principal. Buyer accepts and assumes and expressly agrees to perform in accordance with the terms, all Obligations under the Note or the Collateral Documents, including without limitation, all Obligations for Disbursements of Principal, and Buyer hereby expressly agrees to indemnify, defend and hold harmless the Failed Bank, Seller and Seller's agents and employees from and against any claims, demands and causes of action arising out of claims of breach or default by Buyer of such Obligations.

5.3. Collection Agency/Contingency Fee Agreements. Buyer takes the Loan(s) subject to any agreements with collection agencies currently in force or contingency fee agreements with attorneys and agrees to fulfill all Obligations of Seller thereunder. Buyer hereby indemnifies and agrees to hold Seller harmless from and against any and all claims, demands, losses, damages, penalties, forfeitures or judgments made or rendered against Seller or any legal fees or other costs, fees or expenses incurred by Seller arising out of or based upon such agreements with collection agencies or contingency fee agreements with attorneys. Buyer agrees to notify Seller within ten (10) Business Days of notice or knowledge of any such claim or demand.

5.4. Insured or Guaranteed Loans. If any Loans being transferred pursuant to this Agreement are insured or guaranteed by any department or agency of any governmental unit, federal, state or local and such insurance or guaranty is not being specifically terminated by Seller, Buyer represents that Buyer has been approved by such agency and is an approved lender or mortgagee, as appropriate, if such approval is required or, if Buyer has not been approved, Buyer recognizes that any such insurance or guarantees may be terminated. Buyer further assumes full responsibility for determining whether or not such insurance or guarantees are in full force and effect on the date of this Agreement and with respect to those Loans whose insurance or guaranty is in full force and effect on the date of this Agreement, Buyer assumes full responsibility for doing all things necessary to insure such insurance or guarantees remain in full force and effect. Buyer agrees to assume all of Seller's Obligations under the contract(s) of insurance or guaranty, agrees to indemnify and hold Seller harmless from and against any claims of breach thereof after the Closing and agrees to cooperate with Seller where necessary to complete forms required by the insuring or guaranteeing department or agency to effect or complete the transfer to Buyer.

5.5. Buyer's Due Diligence. Buyer represents that it has made an independent evaluation of the Loan and Loan Files and/or any electronic data made available to it pertaining to the Loans being purchased hereunder. Buyer also represents that it has conducted such other investigations as it deems appropriate and as are consistent with the terms of the Confidentiality Agreement executed or assented to by Buyer in connection with this transaction, including, without limitation, searches of Uniform Commercial Code, title, court, bankruptcy and other public records. Buyer agrees and represents that it is entering into this Agreement solely on the basis of its own investigations and its judgment as to the nature, validity, enforceability, collectibility and value of the Loans and all other facts material to their purchase, including, but not limited to the legal matters and risks relating to the collection and enforcement, and the performance of Obligations in any Foreign Jurisdiction. Buyer further acknowledges that no employee or representative of Seller has been authorized to make any statements or representations other than those specifically contained in this Agreement.

5.6. Reporting to or for the Applicable Taxing Authorities. The Seller shall be responsible for submitting all Internal Revenue Service information returns related to the Loans sold hereunder for all applicable periods prior to the Deconversion Date. The Buyer shall be responsible for submitting all Internal Revenue Service information returns related to the Loans sold hereunder for all applicable periods commencing with the Deconversion Date. Information returns include 1098 and 1099 reporting. Buyer shall be responsible for submitting all information returns required under applicable laws of any Foreign Jurisdiction, to the extent such are required to be filed by Buyer or Seller under such laws, relating to the loans sold hereunder, for the calendar or tax year in which the Closing occurs and thereafter.

5.7. Loans in Litigation. With respect to any Loan sold pursuant to this Agreement, which is the subject of any type of pending litigation, Buyer shall notify Seller's Regional Counsel, 1601 Bryan St., Dallas, Texas 75201, within fifteen (15) Business Days of the Loan Sale Closing Date of the name of the attorney selected by Buyer to represent Buyer's interests in the litigation. Buyer shall, within fifteen (15) Business Days of the Loan Sale Closing Date, notify the clerk of the court or other appropriate official and all counsel of record that ownership of the Loan was transferred from Seller to Buyer. Buyer shall have its attorney file appropriate pleadings and other documents and instruments with the court or other appropriate body within twenty (20) Business Days of the Loan Sale Closing Date, substituting Buyer's attorney for Seller's attorney and also removing Seller as a party to the litigation and substituting Buyer as the real party-in-interest. Except as provided in the next succeeding sentence, should Buyer fail to comply with the provisions of this section within twenty (20) Business Days after the Loan Sale Closing Date, Seller may, at its option, dismiss with or without prejudice or withdraw from, any such pending litigation.

In the event that Buyer shall be unable, as a matter of applicable law, to cause Seller to be replaced by Buyer as party-in-interest in any such litigation, Buyer shall provide to Seller's Regional Counsel at the address specified above within twenty (20) Business Days of the Loan Sale Closing Date a legal opinion of Buyer's legal counsel, qualified in the relevant jurisdiction, to such effect and stating the reasons for such failure. In such event, (i) Buyer shall cause its

attorney to conduct such litigation at Buyer's sole cost and expense; (ii) Buyer shall cause the removal of Seller and substitution of Buyer as party-in-interest in such litigation at the earliest time possible under applicable law; (iii) Buyer shall use its best efforts to cause such litigation to be resolved by judgment or settlement in as reasonably efficient a manner as practical; (iv) Seller shall cooperate with Buyer and Buyer's attorney as reasonably required in Seller's sole judgment to bring such litigation or any settlement relating thereto to a reasonable and prompt conclusion; (v) no settlement shall be agreed upon by Buyer or its agents or counsel without the express prior written consent of Seller, unless such settlement includes an irrevocable and complete waiver and release of any and all potential claims against Seller in relation to such litigation or the subject Loans or Obligations by any person, including without limitation Buyer and any Borrower, and any and all losses, liabilities, claims, causes of action, damages, demands, taxes, fees, costs and expenses relating thereto are expressly agreed, duly, validly and enforceably, to be paid by Buyer without recourse of any kind to Seller; and (vi) Buyer shall pay all costs and expenses of Seller and Seller's counsel, if any, engaged in connection with such litigation as provided for in the next succeeding sentence.

Buyer agrees to reimburse Seller, upon demand, for Seller's legal expenses in such litigation. Buyer shall pay all of the costs and expenses incurred by it in connection with the actions provided for in this Section 5.7, including, without limitation, all legal fees and expenses and court costs, and agrees to pay or reimburse Seller, upon demand, for Seller's legal expenses in connection with such litigation incurred on or after the Loan Sale Closing Date, including the dismissal thereof or withdrawal therefrom.

5.8. Loans in Bankruptcy. In accordance with Bankruptcy Rule 3001(e), Buyer agrees to take all actions necessary to file within thirty (30) Business Days of the Loan Sale Closing Date, (i) proofs of claims in pending bankruptcy cases involving any Loans purchased for which Seller has not already filed a proof of claim, and (ii) all documents required by Rule 3001(e)(2) of the Federal Rules of Bankruptcy Procedure and to take all such similar actions as may be required in any relevant jurisdiction in any pending bankruptcy or insolvency case or proceeding in such jurisdiction involving any Loans purchased in order to evidence and assert Buyer's rights. Buyer shall prepare and provide to Seller within thirty (30) Business Days of the Loan Sale Closing Date, an Affidavit and Assignment of Claim or any similar forms as may be required in any relevant Foreign Jurisdiction and shall be acceptable to Seller, for each Loan purchased pursuant to this Agreement where a Borrower under such Loan is in bankruptcy at Closing. Buyer releases Seller from any claim, demand, suit or cause of action Buyer may have as a result of any action or inaction on the part of the Failed Bank or the Seller with respect to such Loan and Buyer further agrees to reimburse Seller for any cost or expense incurred by Seller as a result of Buyer's failure to file an Affidavit and Assignment of Claim or similar forms as required herein.

5.9. Loan Related Insurance. As of the Bank Closing Date, Buyer is responsible for having itself substituted as loss payee on all Loan related insurance in which the Failed Bank or Seller is currently listed as a loss payee. Any loss after the Bank Closing Date to a Borrower, a

participant in a Participated Loan, or to Buyer or to the value or collectibility of any Loan due to Seller's cancellation of any insurance is the sole responsibility of Buyer.

5.10. Loans with Escrow Accounts. Buyer agrees to assume, undertake and discharge any and all Obligations of the holder of the Loans with respect to any escrow, maintenance of escrow and payments from escrow of monies paid by or on account of the Borrower. Seller shall transfer to Buyer that sum of monies held by Seller as of the Deconversion Date, which represents undisbursed escrow payments.

5.11. [Intentionally Omitted]

5.12. Contracts for Deed. Buyer agrees to comply with all Obligations set forth in any Contract for Deed contained in any Loan Pool subject to this Agreement. Pursuant to the provisions of Section 3.1 hereof, Seller may require Buyer to prepare and furnish Special Warranty Deed(s) for Seller's approval and execution, conveying the real property subject to any such contract to Buyer. Title curative work, if required, shall be at Buyer's sole cost and expense.

5.13. Leases. Buyer agrees to comply with all Obligations set forth in any lease related to any Loan subject to this Agreement. Pursuant to the provisions of Section 3.1 hereof, Seller may require Buyer to prepare and furnish applicable Transfer Documents for Seller's approval and execution.

5.14. Files and Records. Buyer agrees to abide by all applicable state, federal and Foreign Jurisdiction laws, rules and regulations regarding the handling and maintenance of all documents and records relating to the Loans purchased hereunder including, but not limited to, the length of time such documents and records are to be retained. Buyer further agrees to:

(a) Allow Seller the continuing right to use, inspect and make extracts from or copies of any such documents or records upon Seller's reasonable notice to Buyer.

(b) Allow Seller the possession, custody and use of original documents for any lawful purpose and upon reasonable terms and conditions.

(c) Give reasonable notice to Seller of Buyer's intention to destroy or dispose of any documents or files and to allow Seller, at its own expense, to recover the same from Buyer.

5.15. Reimbursement for Use of Seller's Employees. In the event of litigation with respect to the Loans purchased by Buyer in which Seller or its employees are requested or required by subpoena, court order or otherwise, to perform any acts including, but not limited to, testifying in litigation, preparing responses to subpoenas or other legal process or pleadings, and/or performing any review of public or private records such as tracing funds, whether said litigation is commenced by Buyer or any other party, Seller shall be reimbursed by Buyer for the time expended by each of Seller's employees involved in the performance of said acts at the rate

of the greater of \$75.00 per hour per employee or the then prevailing hourly rate per employee charged by the Seller or the FDIC to perform such services, plus all associated travel, lodging and per diem costs. Seller shall, in its sole and absolute discretion, determine and assign the personnel necessary to perform said acts. Buyer also agrees to reimburse Seller for copies made in the course of performing said acts at the rate of 25 cents (\$.25) per copy. Nothing in this section shall require Seller to provide Buyer with any information or service in this regard.

5.16. Notice to Borrowers. Buyer or, at Seller's option, Seller shall promptly after the Loan Sale Closing Date, but in no event later than thirty (30) calendar days after the Loan Sale Closing Date, at its own cost and expense, give notice of this transfer to all Borrowers or Loan servicers, in the case of Borrowers located in the United States, by first class U.S. mail at their current or last known address of record or, in the case of Borrowers located in a Foreign Jurisdiction, in such manner as may be required under the laws of such jurisdiction in order to effectively give notice to such Borrowers of the transfer of the Loans. In the event there is no known address for a Borrower, no personal notice to that Borrower shall be necessary. Upon subsequently locating such Borrower, Buyer shall send such notice to such Borrower. Buyer shall be liable to Seller for any and all costs and expenses incurred by Seller as a result of Buyer's failure to comply with the provisions of this section. Such costs and expenses shall include, but not be limited to, salaries of Seller's personnel and other administrative expenses, the time expended by each of Seller's employees involved in the performance of said acts at the rate of the greater of \$75.00 per hour per employee or the then prevailing hourly rate per employee charged by the Seller or the FDIC to perform such services, plus all associated travel, lodging and per diem costs. Seller shall, in its sole and absolute discretion, determine and assign the personnel necessary to perform said acts. Buyer also agrees to reimburse Seller for copies made in the course of performing said acts at the rate of 25 cents (\$.25) per copy. Nothing in this section shall require Seller to provide Buyer with any information or service in this regard.

5.17. Notice of Claim. Buyer shall immediately notify Seller of any claim, threatened claim or litigation against Seller or the Failed Bank arising out of any Loan contained in a Loan Pool purchased by Buyer that may come to its attention.

5.18. Use of the FDIC's Name and Reservation of Statutory Powers. Buyer agrees that it will not use or permit the use by its agents, successors or assigns of any name or combination of letters that is similar to the FDIC or the Federal Deposit Insurance Corporation. Buyer will not represent or imply that it is affiliated with, authorized by or in any way related to the FDIC. Seller specifically permits Buyer to assert the statute of limitations established under 12 U.S.C. § 1821(d)(14) pursuant to the terms of the Assignment and Assumption of Interests and Obligations. However, Buyer acknowledges and agrees that the assignment of any Loan or Collateral Document pursuant to the terms of this Agreement shall not constitute the assignment of any other rights, powers or privileges granted to Seller pursuant to the provisions the Federal Deposit Insurance Act, including, without limitation, those granted pursuant to 12 U.S.C. § 1821(d), 12 U.S.C. § 1823(e) and 12 U.S.C. § 1825, all such rights and powers being expressly reserved by Seller; nor, shall Buyer assert or attempt to assert any such right, power or privilege in any pending or future litigation involving any Loan purchased hereunder. Buyer and Seller

agree and stipulate that breach of the provisions of this section will result in actual and substantial damages to Seller in an amount that cannot be determined with precision. It is therefore agreed that in the event of such breach, Buyer shall pay the sum of \$25,000.00 to Seller for each such breach as liquidated damages, together with such fees and expenses as Seller may incur in preventing further or continuing breach of said provision and recovering liquidated damages. Notwithstanding the provisions of this section, the FDIC may also pursue any equitable remedy it may have for Buyer's breach of this covenant.

5.19. Prior Servicer Information. Buyer acknowledges and agrees that Seller might not have access to information from prior servicers of a Loan and that Seller has not requested any information not in the possession of Seller or its servicing contractor from any prior servicer of a Loan. Buyer acknowledges and agrees that Seller will not be required under the terms of this Agreement to request any information from any prior servicer.

5.20. Release of Seller. (a) Except as otherwise specifically provided in Article VII of this Agreement, Buyer hereby releases and forever discharges Seller, the Failed Bank and the FDIC, all of their officers, directors, employees, agents, attorneys, contractors and representatives, and their successors, assigns and affiliates, from any and all claims (including any counterclaim or defensive claim), demands, causes of action, judgments or legal proceedings and remedies of whatever kind or nature that Buyer now has or might have in the future, whether now known or unknown, which are related in any manner whatsoever to the Loans and this Agreement.

(b) Buyer agrees that it will not renew, extend, renegotiate, compromise, settle or release any Note or Loan or any right of Buyer founded upon or growing out of this Agreement, except upon payment in full thereof, unless all Borrowers on said Note or Loan shall first release and discharge the Failed Bank(s) and Seller and its agents and assigns (the "Released Parties") from all claims, demands and causes of action which any such Borrower may have against any such Released Party arising from or growing out of any act or omission occurring prior to the date of such release. If Buyer fails to obtain such release, Buyer agrees to protect, save and hold Seller harmless from any expense or damage Seller suffers that might have been prevented had Buyer obtained the release.

5.21. Indemnification. Buyer agrees to pay, or reimburse to Seller, and to protect, indemnify, save and hold harmless Seller, Seller's agents and financial services advisor engaged in connection with the Loan Sale from and against any and all losses, liabilities, claims, causes of action, damages, demands, taxes, fees, costs and expenses of whatever kind, arising out of, incurred in connection with or otherwise relating to Buyer's actions or inactions in performing, or failure to perform, the obligations of Buyer set forth in this Agreement. Buyer further agrees to pay when due or promptly reimburse Seller for any fees, taxes, costs and expenses incurred by Seller in connection with the performance or nonperformance by Buyer of all of the obligations of Buyer specified herein.

5.22. Borrower as Buyer. In the event that Buyer is the Borrower or a Related Party with respect to any Loan in the Loan Pool, then Buyer, on its own behalf and on behalf of any Related Party, agrees that it shall, and hereby does, release and discharge and agrees to indemnify, defend and hold harmless the Failed Bank(s), Seller and Seller's agents and employees from and against all claims, demands and causes of action arising out of any act or omission related to said Loan. Buyer acknowledges and agrees that it shall have no repurchase option on any Loan for which Buyer or a Related Party is the Borrower pursuant to Article VII of this Agreement. At Buyer's request, and upon preparation of appropriate documentation by Buyer in conformance with Section 3.1, Seller will release and discharge a Loan for which Buyer is the Borrower in lieu of assigning the same to Buyer. In any event, Seller will issue a 1099 to report any discharge of indebtedness in connection with the sale or release of the Loan to the Borrower or a Related Party in accordance with IRS regulations and FDIC policy. Notwithstanding the foregoing, any failure by the FDIC to issue a 1099 does not relieve the Buyer of its responsibility to report the discharge of indebtedness in accordance with applicable federal tax law.

Article VI
Loans Sold "As Is" and Without Recourse

6.1. Loans Sold "As Is." THE LOANS ARE SOLD "AS IS" AND "WITH ALL FAULTS," WITHOUT ANY REPRESENTATION, WARRANTY OR RECOURSE WHATSOEVER AS TO EITHER COLLECTIBILITY, CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. SELLER SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, EXPRESS OR IMPLIED, CONCERNING THE LOANS, THE STRATIFICATION OR PACKAGING OF THE LOANS, THE COLLATERAL OR THE COLLATERAL DOCUMENTS.

6.2. No Warranties or Representations with Respect to Escrow Accounts. Seller makes no warranties or representation of any kind or nature as to the sufficiency of funds held in any escrow account to discharge any obligations related in any manner to an escrow obligation, as to the accuracy of the amount of any monies held in any escrow account or as to the propriety of any previous disbursements or payments from any escrow account.

6.3. No Warranties or Representations as to Amounts of Unfunded Principal. Seller further makes no warranties or representation of any kind or nature as to the amount of any additional or future Disbursements of Principal Buyer is obligated to make.

6.4. Disclaimer Regarding Calculation or Adjustment of Interest on any Loan. Seller makes no warranties or representation of any kind as to the accuracy of any calculation or adjustment of interest on any Loan, including, without limitation, any adjustable rate mortgage Loan, whether such calculation or adjustment is made by the Failed Bank, Seller, any agent or contractor of Seller, or any predecessor-in-interest of Seller or any other party.

6.5. No Warranties or Representations With Regard to Due Diligence Data. Seller makes no warranties or representation of any kind as to the completeness or accuracy of any information provided by Seller with respect to any Loan. Buyer's exclusive remedies with respect to any inaccurate or incomplete information provided by Seller are an adjustment to the Purchase Price in accordance with Section 2.4 hereof or an option to repurchase under Article VII, and such exclusive remedies are available only if all other conditions therefor expressed in this Agreement have been met.

6.6. Buyer's Waiver of Cause of Action. Buyer hereby waives any right or cause of action it might now or in the future have against the Failed Bank(s) or Seller as a result of its purchase of the Loan Pool(s) subject to this Agreement; provided, however, that this waiver does not include any action taken as a result of Seller's failure to perform under the terms of this Agreement.

6.7. Intervening or Missing Assignments. Buyer acknowledges and agrees that Seller shall have no obligation to secure or obtain any missing intervening assignment or any assignment to Seller that is not contained in the Loan File or among the Collateral Documents. Buyer shall have the sole responsibility and expense of securing any intervening assignment or any assignment to Seller that may be missing from the Collateral Documents from the appropriate source.

6.8. No Warranties or Representations as to Documents. Seller makes no warranties or representations of any kind or nature as to the effectiveness or enforceability in any Foreign Jurisdiction of this Agreement, the Bill of Sale, the Assignment and Assumption of Interests and Obligations or any other document or instrument prepared in connection herewith, whether or not prepared and executed in the forms provided herewith, all of such forms being provided for reference only.

Article VII
Repurchase by Seller at Buyer's Option

7.1. (a) Repurchases at Buyer's Option. Buyer may, at its option, and upon satisfaction of the procedures and other requirements set forth below, require Seller to repurchase a Loan, if, and only if, prior to the Loan Sale Closing Date one of the following events set forth below has occurred. IN NO EVENT SHALL THE OCCURRENCE OF ANY SUCH EVENT BE EVIDENCE OF BAD FAITH, MISCONDUCT OR FRAUD EVEN IN THE EVENT THAT IT IS SHOWN THAT SELLER, IN ANY CAPACITY, ANY AGENT OF SELLER, ANY FAILED BANK OR ANY OF THEIR RESPECTIVE DIRECTORS, EMPLOYEES, OFFICERS OR AGENTS KNEW OR SHOULD HAVE KNOWN OF THE EXISTENCE OF ANY FACTS RELATING TO THE OCCURRENCE OF SUCH EVENT:

(i) The Borrower had been discharged in a no asset bankruptcy proceeding and no collateral exists out of which the Loan may be satisfied and all guarantors or sureties of the Note, if any, or the obligations contained therein, have similarly been discharged in no asset bankruptcies.

(ii) A court of competent jurisdiction had entered a final judgment (other than a bankruptcy decree or judicial foreclosure order) holding that neither the Borrower nor any guarantors or sureties owe an enforceable obligation to pay the holder of the Note or its assignee(s).

(iii) The Failed Bank or Seller had executed and delivered to the Borrower a release of liability from all obligations under the Note.

(iv) A title defect exists in connection with the property which is the subject of a Contract for Deed and which title defect requires a prior order or judgment of a court to enable Buyer to convey title to such property in accordance with the terms and conditions set forth in the Contract for Deed.

(v) Seller is not the owner of the Loan (or, in the case of a participation interest in a Loan, Seller is not the owner of the *pro rata* interest in such participation interest set forth on the attached Schedule of Loans).

(vi) The Mortgaged Property securing any Loan sold hereunder has Significant Environmental Contamination. Buyer's recourse with respect to this Section 7.1(f) shall be conditioned upon: (i) the presence of Significant Environmental Contamination not being disclosed in the Loan, Loan File or other material made available by Seller to Buyer prior to submission of a Bid; (ii) such Loan having a Book Value greater than \$250,000.00 as of the Loan Sale Closing Date; and, (iii) Buyer delivering, along with the notice required by Section 7.4 hereof, the following, each of which must be satisfactory in form and substance to Seller in its sole discretion:

1. A Phase I environmental assessment, from a qualified and reputable firm, of the Mortgaged Property securing the Loan; and,

2. A Phase II environmental assessment of such Mortgaged Property from a qualified and reputable firm, which assessment shall confirm (i) the existence of Significant Environmental Contamination on such Mortgaged Property and (ii) that the regulator is likely to require such remediation; and,

3. Buyer shall have submitted a written certification of Buyer under penalty of perjury that no action has been taken by or on behalf of Buyer (i) to initiate foreclosure proceedings or (ii) to accept a deed-in-lieu-of-foreclosure in connection with such Loan.

(vii) The Failed Bank, its officers, directors or employees fraudulently caused the Borrower to receive less than all of the proceeds and benefits of a Note. Buyer's recourse with respect to this Section 7.1(g) shall be conditioned upon Buyer delivering, along with the notice required by Section 7.4 hereof, written evidence of such fraud, which evidence must be satisfactory in form and substance to Seller in its sole discretion.

(vii) The Loan was made after the date of the Information Package.

(b) **Repurchases at Seller's Option.** The Purchaser agrees at the request of the Receiver set forth in a written notice to the Purchaser to assign, transfer convey and deliver to the Receiver all of the Purchaser's right title and interest in any Loan where the Mortgaged Property has Significant Environmental Contamination. Seller will pay the Purchaser the Repurchase Price for any Loan repurchased under this Section.

7.2. Securities Laws Right of Rescission. In the event that Buyer is entitled to and wishes to exercise its rescission rights under any federal or state securities law, Buyer shall deliver the notice required by Section 7.4 hereof, together with written evidence of the circumstances giving rise to Buyer's right to rescission, which evidence must be satisfactory in form and substance to Seller in its sole discretion.

7.3. Defects not Qualifying for Repurchase. Neither the absence of any intervening assignment or any assignment to Seller, nor the existence of any lien, claim or encumbrance on the Loan or its Collateral, nor any defect in the lien or priority of Seller's security interest in the Collateral shall give rise to any claim for repurchase under this Article VII.

7.4. Notice to Seller. Buyer shall notify Seller of each Loan with respect to which Buyer seeks repurchase. Such notice shall be on Buyer's letterhead paper and include the following information: (a) Buyer's tax identification number, (b) Buyer's wire transfer instructions, (c) the subsection under Section 7.1 hereof for which Buyer is seeking repurchase and (d) a summary of the reasons Buyer believes that the Loan(s) should be repurchased. The notice shall be accompanied by evidence supporting the basis for repurchase of such Loan. Promptly upon

request by Seller, Buyer shall supply Seller with any additional evidence that Seller may require. Seller shall have no obligation to repurchase any Loan pursuant to this Article VII for which notice and all supporting evidence reasonably required by Seller have not been received by Seller at the addresses specified in Sections 8.2 and 8.3 hereof no later than the first Business Day after the expiration of 180 calendar days after the Loan Sale Closing Date, or in the case of a Contract for Deed, the first Business Day after the expiration of 360 calendar days after the Loan Sale Closing Date.

7.5. Re-delivery of Note(s), Files and Documents. For any Loan that qualifies for repurchase under this Article, Buyer shall: (a) re-endorse and deliver the Note(s) to Seller, (b) reassign all Collateral Documents associated with such Loan and reconvey any real property subject to a Contract for Deed or transferred by quitclaim deed pursuant to Section 2.6 hereof, together with such other documents or instruments as shall be necessary or appropriate to convey the Loan back to Seller, (c) re-deliver to Seller the Loan File, along with any additional records compiled or accumulated by Buyer pertaining to the Loan, and (d) deliver to Seller a certification, notarized and executed under penalty of perjury by a duly authorized representative of Buyer, certifying that as of the date of repurchase none of the conditions relieving Seller of its obligation to repurchase the Loan(s) as specified in Section 7.6 hereof has occurred. The documents evidencing such reconveyance shall be substantially the same as those executed as of Closing pursuant to Article III of this Agreement. In all cases where Buyer recorded or filed among public records any document or instrument evidencing a transfer of the Loan to Buyer, Buyer shall cause to be recorded or filed among such records a similar document or instrument evidencing the reconveyance of the Loan to Seller. Upon compliance by Buyer with the provisions hereof, Seller shall pay to Buyer the Repurchase Price.

7.6. Waiver of Buyer's Repurchase Option. Seller will be relieved of its obligation to repurchase any Loan for any reason set forth in subsections (a) through (g) of Section 7.1 hereof, if Buyer: (a) modifies any of the terms of the Loan (including the terms of any Collateral Document or Contract for Deed); (b) exercises forbearance with respect to any scheduled payment on the Loan; (c) accepts or executes new or modified lease documents assigned by Seller to Buyer; (d) sells, assigns or transfers the Loan or any interest therein; (e) fails to employ usual and customary care in the maintenance, collection, servicing and preservation of the Loan, including usual and customary delinquency prevention, collection procedures and protection of collateral as warranted; (f) initiates any litigation in connection with the Loan or the Mortgaged Property securing the Loan other than litigation to force payment or to realize on the Collateral securing the Loan; (g) completes any action with respect to foreclosure on, or accepts a deed-in-lieu of foreclosure for any Property securing the Loan; (h) causes, by action or inaction, the priority of title to the Loan, Mortgaged Property and other security for the Loan to be less than that conveyed by Seller; (i) causes, by action or inaction, the security for the Loan to be different than that conveyed by Seller, except as may be required by the terms of the Collateral Documents; (j) causes, by action or inaction, a claim of third parties to arise against Buyer that, as a result of repurchase under this Agreement, might be asserted against Seller; (k) causes, by action or inaction, a security interest, lien, pledge or charge of any nature to encumber the Loan

to arise; (l) is the Borrower or any Related Party under such Loan; or (m) makes a disbursement other than an Advance.

Article VIII
Notices

8.1. Notices. All notices or deliveries required or permitted hereunder shall be in writing and shall be deemed given when personally delivered to the individual hereinafter designated or when actually received by means of e-mail, facsimile, overnight mail or certified mail, return receipt requested, at the following address or such other address as either party may hereafter designate by notice to the other party, making specific reference to this Article VIII of this Agreement. Any notice sent by facsimile must be confirmed by submission of an original or hard copy on the next Business Day following such notification.

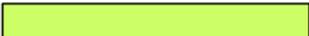
8.2. Article VII Notice. Notice required by Article VII (Repurchases at Buyer's Option) shall be delivered to:

SELLER: Manager, Asset Claims Administration
 FDIC Asset Claims Administration
 550 17th Street, N.W.
 Washington, D.C. 20429-002
 Attention: Ralph Malami, Manager, Capital Markets

Federal Deposit Insurance Corporation
As Receiver for Downey Savings and Loan Association,
FA
Room #7056
3501 Fairfax Drive, Arlington, VA 22226
Attn: Senior Counsel , Special Issues Unit

8.3. All Other Notices. Notice required by all other provisions of this Agreement other than Section 5.7 shall be delivered to:

BUYER: U. S. Bank National Association
 U. S. Bancorp Center
 BC-MN-H21N
 800 Nicollet Mall
 Minneapolis, Minnesota 55402-4302

Attention: Lee R. Mitau
Telephone Number: 
Facsimile Number: 
E-mail Address: 

SELLER: Federal Deposit Insurance Corporation
Franchise and Asset Marketing Branch
550 17th Street, N.W.
Washington, D.C. 20429
Attention: Ralph Malami, Manager, Capital Markets

Federal Deposit Insurance Corporation
as Receiver for Downey Savings and Loan Association, FA
3501 Fairfax Drive, Arlington, VA 22226
Attn: Senior Counsel, Special Issues Unit

Article IX
Condition Precedent

9.1 Failure to Close. The obligations of the parties to this Agreement are subject to the Receiver and the Corporation having received at or before Bank Closing Date evidence reasonably satisfactory to each of any necessary approval, waiver, or other action by any governmental authority, the board of directors of the Buyer, or other third party, with respect to this Agreement and the transactions contemplated hereby, of the closing of the Failed Bank and the appointment of the Receiver, the chartering of the Buyer, and any agreements, documents, matters or proceedings contemplated hereby or thereby.

Article X Miscellaneous Provisions

10.1. Severability. Each part of this Agreement is intended to be severable. If any term, covenant, condition or provision hereof is unlawful, invalid or unenforceable for any reason whatsoever, such illegality, invalidity or unenforceability shall not affect the legality, validity or enforceability of the remaining parts of this Agreement and all such remaining parts hereof shall be valid and enforceable and have full force and effect as if the invalid or unenforceable part had not been included.

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

10.3. Survival. Each and every covenant made by Buyer or Seller in this Agreement shall survive the Closing and shall not merge into the closing documents, but instead shall be independently enforceable.

10.4. Governing Law. Federal law of the United States shall control this Agreement. To the extent that federal law does not supply a rule of decision, this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York. Nothing in this Agreement will require any unlawful action or inaction by either party.

10.5. Cost, Fees and Expenses. Except as otherwise provided herein, each party hereto agrees to pay all costs, fees and expenses which it has incurred in connection with or incidental to the matters contained in this Agreement, including without limitation any fees and disbursements to its accountants and counsel; provided that Buyer shall pay all fees, costs and expenses (other than attorneys' fees incurred by Seller) incurred in connection with the transfer to it of any Loan hereunder.

10.6. Nonwaiver, Amendment and Assignment. No provision of this Agreement may be amended or waived except in writing executed by all of the parties to this Agreement. This Agreement and the terms, covenants, conditions, provisions, obligations, undertakings, rights and benefits hereof, including the Attachments to this Agreement, shall be binding upon, and shall inure to the benefit of the undersigned parties and their respective heirs, executors, administrators, representatives, successors and assigns. Notwithstanding the foregoing, this Agreement may not be transferred or assigned without the express prior written consent of Seller (and any attempted assignment without such consent shall be void).

10.7. Drafting Presumption. This Agreement will be construed fairly as to each party regardless of which party drafted it.

10.8. Controlling Agreement. Seller and Buyer hereby acknowledge and agree that this Agreement shall in all instances be the controlling document with respect to the terms of the

sale and transfer of the Loans, Collateral Documents and Collateral, and the assignment and assumption of all obligations thereunder, except in the event of a conflict with the Shared-Loss Agreement attached hereto as Exhibit H (the "SLA"), the terms of the SLA shall control. With the exception of the LSA, in the event of a conflict between the terms of this Agreement and the terms of any other document or instrument executed in connection herewith and with the transactions contemplated hereby, including, without limitation, any translation into a foreign language of this Agreement, any Collateral Document, or any other document or instrument executed in connection herewith which is prepared for notarization, filing or any other purpose, the terms of this Agreement shall control. Furthermore, with the exception of the SLA, the terms of this Agreement shall in no way be or be deemed to be amended, modified or otherwise affected in any manner by the terms of such other document or instrument.

10.9. **Venue.** Buyer and Seller each hereby irrevocably and unconditionally agree that any legal action arising under or in connection with the sale, this Agreement or the transactions contemplated hereby are to be instituted in the United States District Court in and for the District of Columbia.

10.10. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

10.11. **Waiver of Jury Trial.** Buyer and Seller each hereby irrevocably and unconditionally waive any right to have a jury participate in resolving any dispute, whether sounding in contract, tort or otherwise, arising out of or relating to or in connection with the sale of the Loans, this Agreement or any transaction contemplated hereby.

EXECUTED AS OF THE 21ST DAY OF NOVEMBER, 2008.

BUYER:

U. S. BANK NATIONAL
ASSOCIATION

By:

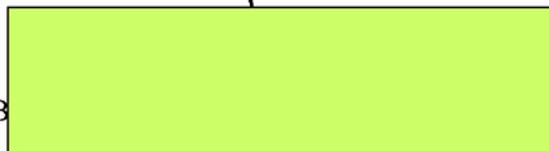


Name: Richard C. Hartnack

SELLER

FEDERAL DEPOSIT INSURANCE
CORPORATION AS RECEIVER FOR
DOWNEY FEDERAL SAVINGS AND LOAN
ASSOCIATION, F.A.

By:



Name: Steven A. Carr

ATTACHMENT "A"
to
Loan Sale Agreement

SCHEDULE OF LOANS

This list shall be provided on the Loan Sale Closing Date to accurately reflect the Loans, and the Book Value of such Loans as of the Calculation Date.

**ATTACHMENT B
to
Loan Sale Agreement**

[NOT APPLICABLE]

ATTACHMENT C
to
Loan Sale Agreement

BILL OF SALE
(Loan Pool Number[s]: _____)

For value received and pursuant to the terms and conditions of the Loan Sale Agreement by and between the Federal Deposit Insurance Corporation as Receiver of _____, (“Seller”), and _____ (“Buyer”) dated _____ (the “Agreement”), does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those assets described in Exhibit A, attached to this Bill of Sale and made a part hereof for all purposes, which consist of tangible personal property.

THIS BILL OF SALE IS EXECUTED WITHOUT RECOURSE AND WITHOUT REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS, IMPLIED OR CREATED BY OPERATION OF LAW, EXCEPT AS PROVIDED IN THE AGREEMENT.

EXECUTED THIS _____ DAY OF _____, ____ .

SELLER:

FEDERAL DEPOSIT INSURANCE
CORPORATION AS RECEIVER OF

By: _____
Name: _____
Witness

By: _____
Name: _____
Title: Attorney-in-Fact

ACKNOWLEDGMENT

STATE OF _____)
)
COUNTY OF _____)

Before me, the undersigned authority, a Notary Public in and for the county and state aforesaid, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, as Attorney-in-Fact of the Federal Deposit Insurance Corporation as Receiver of _____ and acknowledged to me that s/he executed the same as the act of the FEDERAL DEPOSIT INSURANCE CORPORATION, for the purposes and consideration therein expressed, and in the capacity(ies) therein stated.

Given under my hand and seal of office on this the ___ day of _____, _____.

Notary Public

[SEAL]

My Commission expires: _____

(Note to FDIC Preparer: Attach Exhibit A which should be the same as Attachment A to the Loan Sale Agreement.)

ATTACHMENT D
to
Loan Sale Agreement

(Note to FDIC Preparer: When preparing the actual Assignment, delete this instruction and the reference to Attachment D above.)

ASSIGNMENT AND ASSUMPTION OF INTERESTS AND OBLIGATIONS
(Loan Pool Number[s]: _____)

THIS ASSIGNMENT AND ASSUMPTION OF INTERESTS AND OBLIGATIONS (“Assignment”) is made and entered into as of the ____ day of _____, 20__ by and between the Federal Deposit Insurance Corporation [insert applicable capacities] (“Assignor”) and _____, a _____ organized and existing under the laws of _____ (“Assignee”).

Whereas, Assignor and Assignee have entered into that certain Loan Sale Agreement dated _____, 20__ (the “LSA”), pursuant to which Assignor has agreed to sell, assign, transfer and convey to Assignee all the assets identified on Exhibit A attached to this Agreement (the “Assets”).

Whereas, pursuant to a Bill of Sale of even date herewith, Assignor has conveyed to Assignee that part of the Assets which consists of tangible personal property.

Whereas, part of the Assets may consist of documents and instruments evidencing loans (including without limitation, promissory notes, loan agreements, shared credit or participation agreements, inter-creditor agreements, letters of credit, reimbursement agreements, drafts, bankers’ acceptances, transmission system confirmations of transaction and other evidences of indebtedness, including loan histories, affidavits, general collection information, correspondence and comments pertaining to such obligations), and equipment leases (the “Agreements to Pay”).

Whereas, another part of the Assets may consist of documents securing Agreements to Pay, such as mortgages, deeds of trust, security agreements, loan agreements and other documents or instruments of similar nature relating to the Agreements to Pay (the “Collateral Documents”).

Whereas, another part of the Assets may consist of real estate, Contracts for Deed to real estate, and leases, tenancies, concessions, licenses and other rights of occupancy or use related to real estate (including any security deposits relating thereto in Assignor’s possession) (the “Real Estate Interests”).

Whereas, another part of the Assets may be affected by contracts relating to the Assets, such as collection and service agreements (the "Miscellaneous Agreements"). The term "Miscellaneous Agreements" does not include loan servicing agreements between Assignor and independent contractors.

Whereas, under the LSA, Assignor has agreed to assign and convey to Assignee all of Assignor's right, title and interest to the Agreements to Pay, the Collateral Documents, the Real Estate Interests and the Miscellaneous Agreements related to the Assets.

Whereas, Assignee has agreed to accept and assume all of Assignor's duties, obligations and liabilities under the Agreements to Pay, Collateral Documents, Real Estate Interests and Miscellaneous Agreements related to the Assets (the "Obligations").

Whereas, the term "Advances" as used herein means the sum of all unreimbursed amounts advanced by or on behalf of the failed institution(s) which once owned the Assets (i) to protect the noteholder's lien position or the collateral, including payment of ad valorem taxes and hazard and forced placed insurance as permitted by the terms of any loan, or (ii) to meet required scheduled payments. The term "Advances" does not include (A) incremental funding of loan proceeds under an Agreement to Pay, such as in the case of a revolving credit loan or a construction loan, or (B) the payment of appraisal fees, broker opinion fees, attorney fees and associated legal fees, foreclosure fees, trustee fees, property inspection fees, property preservation and operating cost fees, tax penalties, title policies, lien search fees, or any other cost that can be directly associated with the collection and servicing of a loan.

NOW THEREFORE, in consideration of the foregoing and the sum of ten dollars (\$10.00), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignor's Assignment. Assignor hereby transfers, grants, conveys and assigns to Assignee all of Assignor's right, title and interest in the Agreements to Pay, the Collateral Documents, the Real Estate Interests and the Miscellaneous Agreements.

2. Assignee's Acceptance. Assignee does hereby accept such assignment from Assignor and assumes all Obligations arising from and after the date hereof. The Obligations assumed include, without limitation, any and all obligations to (i) make payments relating to Agreements to Pay serviced by Assignor; (ii) make Advances with respect to Agreements to Pay serviced by Assignor, (iii) reimburse third party servicers for Advances on Agreements to Pay, and (iv) make incremental disbursements of loan proceeds, such as in the case of a revolving credit loan or a construction loan.

3. Assignee's Covenants regarding Securities Law. Assignee hereby represents and warrants to, and covenants with Assignor as follows:

a. Assignee understands that (a) neither the Assets, nor any interest therein or evidence thereof, has been registered or qualified under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or any other jurisdiction, and (b) the Assignor is not required, and does not intend, to so register or qualify the Assets.

b. Assignee is a substantial, sophisticated investor having such knowledge and experience in financial and business matters, and in particular in matters relating to the purchase, sale, origination or ownership of notes and loan participations such as the Assets, that it is capable of evaluating the merits and risks of investment in the Assets and understands and is able to bear the economic risks of such an investment (including a total loss of its investment and the risk that Assignee might be required to hold the Assets for an indefinite period of time).

c. Assignee is acquiring the Assets for investment, for its own account, and not for or on account of any other person or entity, and not with a view to or for sale in connection with a distribution within the meaning of Section 5 of the Securities Act.

d. Assignee has been furnished with, and has had an opportunity to review and understands, all information relating to the Assets as has been requested and as is considered necessary by Assignee, and has had all questions arising from or relating to such review answered to the satisfaction of Assignee.

e. Neither Assignee nor anyone acting on its behalf has (i) offered, transferred, pledged, sold or otherwise disposed of any of the Assets (or any interest therein or evidence thereof) or, (ii) solicited any offer to buy or accept a transfer, pledge or other disposition of any of the Assets (or any interest therein or evidence thereof) from, or (iii) otherwise approached or negotiated with respect to any of the Assets (or any other interest therein or evidence thereof) with any person or entity in any manner, or taken any other action that would constitute a distribution under, or render the disposition to Assignee or the disposition by Assignee to any other party of any of the Assets (or any interest therein or evidence thereof) a violation of the Securities Act or of any other securities law or require registration or qualification pursuant thereto, nor will it act, nor has it authorized or will it authorize any person or entity to so act, in any such manner with respect to the Assets (or any interest therein or evidence thereof).

f. Either (i) Assignee is not an employee benefit plan within the meaning of Section 3(3) of the Employee Retirement Income Security Act

of 1974, as amended ("ERISA") or a plan within the meaning of Section 4975(e)(1) of the Internal Revenue Code, and Assignee is not, directly or indirectly, purchasing the Assets on behalf of, as investment manager of, as named fiduciary of, as trustee of or with assets of any such plan; or (ii) Assignee's purchase of the Assets (A) will not cause Assignor to be deemed a fiduciary of any such plan, or (B) either will not result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code or will be exempt from the prohibited transaction rules in Section 406 of ERISA and Section 4975 of the Internal Revenue Code.

4. Assignee's Indemnification. Assignee hereby indemnifies and holds harmless and agrees to defend Assignor, the failed bank, and Assignor's agents and employees (the "Indemnified Parties") from and against any and all damages, liabilities, losses, costs, charges, liens, deficiencies and expenses of any nature (including, without limitation, reasonable attorneys' fees and all other actual litigation costs) suffered or incurred by or assessed against the Indemnified Parties from and after the date hereof as a result of (i) Assignee's failure to perform the assumed Obligations, or (ii) Assignee's failure to pay the assumed liabilities identified in Section 2 above, or (iii) Assignee's breach of any representation, warranty or covenant contained in this Assignment.

5. Beneficiaries of this Assignment. This Assignment shall be binding upon and shall inure to the benefit of Assignor and Assignee and their respective successors and assigns, and the Federal Deposit Insurance Corporation in its corporate capacity shall be a third-party beneficiary with respect hereto.

6. Incorporation of terms of LSA. This Assignment is made, executed and delivered pursuant to the LSA, and is subject to all of the terms, provisions and conditions thereof.

7. Controlling Law. Federal law of the United States shall control this Agreement. To the extent that federal law does not supply a rule of decision, this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New York. Nothing in this Agreement will require any unlawful action or inaction by either party.

8. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, each of the parties has caused this Assignment and Assumption of Interests and Obligations to be executed and delivered by its duly authorized officer or agent as of the day and year first written above.

ASSIGNOR:

FEDERAL DEPOSIT INSURANCE CORPORATION [insert capacity(ies)]

By: _____
Name: _____
Witness

By: _____
Name: _____
Title: Attorney-in-Fact

ASSIGNEE:

By: _____
Name: _____
Witness

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

STATE OF TEXAS)
)
COUNTY OF DALLAS)

Before me, the undersigned authority, a Notary Public in and for the county and state aforesaid, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, as Attorney-in-Fact of the Federal Deposit Insurance Corporation as [insert applicable capacity(ies)] and acknowledged to me that s/he executed the same as the act of the Federal Deposit Insurance Corporation, for the purposes and consideration therein expressed, and in the capacity(ies) therein stated.

Given under my hand and seal of office on this the __ day of _____, 20__.

[SEAL]

Notary Public
My Commission expires: _____

ACKNOWLEDGMENT

STATE OF _____)
)
COUNTY OF _____)

Before me, the undersigned authority, a Notary Public in and for the county and state aforesaid, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, as _____ of _____, and acknowledged to me that s/he executed the same as the act of the _____, for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office on this the __ day of _____, 20__.

[SEAL]

Notary Public
My Commission expires: _____

(Note to FDIC Preparer: Attach Exhibit A which should be the same as Attachment A to the Loan Sale Agreement.)

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accordance with written instructions received from Buyer (or such other party designated in writing by Buyer).

5. That the purpose of this affidavit is to establish such facts. This affidavit shall not confer any rights or benefits, causes or claims, representations or warranties (including, without limitation, regarding ownership or title to the Instrument or the obligations evidenced thereby) upon Buyer, its successors or assigns. All such rights, benefits, causes or claims, representations and warranties (if any) shall be as set forth in the Loan Sale Agreement between Buyer and Seller dated as of _____.

6. That pursuant to the terms and conditions of the aforementioned Loan Sale Agreement the Instrument (including, without limitation, any and all rights Seller may have to enforce payment and performance of the Instrument, including any rights under Section 3-309 of the Uniform Commercial Code) is hereby assigned effective as of the date hereof, without recourse, representation or warranty, to Buyer. A copy of the Instrument is attached to this affidavit, if available.

FEDERAL DEPOSIT INSURANCE
CORPORATION, ACTING IN THE
CAPACITY STATED ABOVE

By: _____
Name: _____
Title: Attorney-in-Fact

Signed and sworn to before me this ___ day of _____, _____.

Notary Public

[SEAL]

My Commission expires: _____

ACKNOWLEDGMENT

STATE OF _____)
)
COUNTY OF _____)

Before me, the undersigned authority, a Notary Public in and for the county and state aforesaid, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, as Attorney-in-Fact of the Federal Deposit Insurance Corporation acting in the capacity stated above, and acknowledged to me that s/he executed the same as the act of the Federal Deposit Insurance Corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office on this the ____ day of _____, 20__.

Notary Public

[SEAL]

My Commission expires: _____

This transfer was not for the purpose of the enhancement of any claim in a pending bankruptcy. The transfer of the debt was pursuant to the Agreement, through which numerous debts were sold; no specific amount of the total consideration was assigned to the debt that forms the basis of claim.

This assignment shall also evidence the unconditional transfer of the Assignor's interest in any security held for the claim.

IN WITNESS WHEREOF, the Assignor has caused this Affidavit and Assignment of Claim to be executed this ____ day of _____, ____.

FEDERAL DEPOSIT INSURANCE
CORPORATION, ACTING IN THE
CAPACITY STATED ABOVE

By: _____
Name: _____
Title: Attorney-in-Fact

Signed and sworn to before me this ____ day of _____, 20 ____.

Notary Public

[SEAL]

My Commission expires:

ACKNOWLEDGMENT

STATE OF _____)

_____)

COUNTY OF _____)

Before me, the undersigned authority, a Notary Public in and for the county and state aforesaid, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument, as Attorney-in-Fact of the Federal Deposit Insurance Corporation acting in the capacity stated above, and acknowledged to me that s/he executed the same as the act of the Federal Deposit Insurance Corporation, for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office on this the ___ day of _____, _____.

Notary Public

[SEAL]

My Commission expires: _____

ATTACHMENT G
to
Loan Sale Agreement

(Note to FDIC Preparer: When preparing the actual Limited Power of Attorney, delete this instruction and the reference to Attachment G above.)

LIMITED POWER OF ATTORNEY

(Loan Pool No.[s] _____)

KNOW ALL PERSONS BY THESE PRESENTS, that the FEDERAL DEPOSIT INSURANCE CORPORATION, a corporation organized and existing under an Act of Congress, hereafter called the "FDIC", hereby designates the individual(s) set out below (the "Attorney(s)-in-Fact") for the sole purpose of executing the documents outlined below:

WHEREAS, the undersigned has full authority to execute this instrument on behalf of the FDIC under applicable Resolutions of the FDIC's Board of Directors and redelegations thereof.

NOW THEREFORE, the FDIC grants to the above-named Attorney(s)-in-Fact the authority, subject to the limitations herein, as follows:

1. To execute, acknowledge, seal and deliver on behalf of the FDIC as Receiver of _____ all instruments of transfer and conveyance, appropriately completed, with all ordinary or necessary endorsements, acknowledgments, affidavits and supporting documents as may be necessary or appropriate to evidence the sale and transfer of any asset contained in the Loan Pools enumerated above.

The form which the Attorney(s)-in-Fact shall use for endorsing promissory notes or preparing allonges to promissory notes is as follows:

Pay to the order of

Without Recourse

FEDERAL DEPOSIT INSURANCE
CORPORATION [insert applicable capacity(s)]

By: _____
Name: _____

Title: Attorney-in-Fact

All other documents of assignment, conveyance or transfer shall contain this sentence: "This assignment is made without recourse, representation or warranty, express or implied, by the FDIC in its corporate capacity or as Receiver."

2. FDIC further grants to each Attorney-in-Fact full power and authority to do and perform all acts necessary to carry into effect the powers granted by this Limited Power of Attorney as fully as FDIC might or could do with the same validity as if all and every such act had been herein particularly stated, expressed and especially provided for.

This Limited Power of Attorney shall be effective from _____ and shall continue in full force and effect through _____, unless otherwise terminated by an official of the FDIC authorized to do so by the Board of Directors ("Revocation"). At such time this Limited Power of Attorney will be automatically revoked. Any third party may rely upon this document as the named individual(s)' authority to continue to exercise the powers herein granted unless a Revocation has been recorded in the public records of the jurisdiction where this Limited Power of Attorney has been recorded, or unless a third party has received actual notice of a Revocation.

IN WITNESS WHEREOF, the FDIC by its duly authorized officer empowered by appropriate resolution of its Board of Directors, has caused these presents to be executed and subscribed in its name this ___ day of _____, 20__.

FEDERAL DEPOSIT INSURANCE CORPORATION

By: _____
Name: _____
Title: _____

(CORPORATE SEAL)

ATTEST: _____
Name: _____
Title: _____

Signed, sealed and delivered
in the presence of

By: _____
Name: _____
Witness

By: _____

Name: _____
Witness

ACKNOWLEDGMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

On this _____ day of _____, 20__, before me, a Notary Public in and for the State of Texas appeared _____, to me personally known, who, being by me first duly sworn did depose that s/he is _____ of the Dallas Field Operations Branch of the Federal Deposit Insurance Corporation (the "Corporation"), in whose name the foregoing Limited Power of Attorney was executed and subscribed, and the said Limited Power of Attorney was executed and subscribed on behalf of the said Corporation by due authority of the Corporation's Board of Directors, and the said _____ acknowledged the said Limited Power of Attorney to be the free act and deed of said Corporation.

Notary Public
My Commission Expires: _____

EXHIBIT H
SHARED-LOSS AGREEMENT

This Shared-Loss Agreement ("Agreement") is made and entered into as of _____, 2008, by and between the Federal Deposit Insurance Corporation as Receiver for Downey Savings and Loan Association, FA ("Receiver"), and _____ ("Purchaser"). The terms hereof shall modify and supplement, as necessary, the terms of the Loan Sale Agreement between the Receiver and Purchaser of even date herewith (the "LSA"), to which this Agreement is attached as an Exhibit. To the extent any inconsistencies may arise between the terms of the LSA and this Agreement with respect to the subject matter of this Agreement, the terms of this Agreement shall control. References in this Agreement to a particular Section shall be deemed to refer to a Section in this Agreement, unless the context indicates that it is intended to be a reference to a Section of the LSA.

ARTICLE I -- DEFINITIONS

The capitalized terms set forth below, as used in this Agreement, shall have the following meanings. Capitalized terms that are not otherwise defined herein are used as defined in the LSA.

"Accounting Records" means the subsidiary system 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 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; monthly delinquency reports and other performance reports customarily utilized by the Purchaser in management of loan portfolios.

"Accrued Interest" means, with respect to Shared-Loss Loans, the amount of earned and unpaid interest at the note rate specified in the applicable loan documents, limited to 90 days.

"Commencement Date " means the first calendar day following the Bank Closing Date.

"Cumulative Loss Amount" means the sum of the Monthly Loss Amounts less the sum of all Recovery Amounts.

"Cumulative Shared-Loss Amount" means the excess, if any, of the Cumulative Loss Amount over the First Loss Amount.

"Customary Servicing Procedures " means procedures (including collection procedures) that the Purchaser customarily employs and exercises in servicing and administering mortgage loans for its own accounts and the servicing procedures established by FNMA or FHLMC, which are in accordance with accepted mortgage servicing practices of prudent lending institutions.

"Final Shared-Loss Month" means the calendar month in which the tenth anniversary of the Commencement Date occurs.

"Final Shared-Loss Recovery Month" means the calendar month in which the tenth anniversary of the Commencement Date occurs.

"First Loss Amount" means \$1,522,410.00.

"Foreclosure Loss" means the Loss realized when the Purchaser has completed the foreclosure on a Shared-Loss Loan and realized final recovery on the collateral through liquidation and recovery of all insurance proceeds. Each Foreclosure Loss shall be calculated in accordance with the form and methodology specified in Exhibit 2a.

"Loss" means a Foreclosure Loss, Restructuring Loss, Short Sale Loss, and Portfolio Loss.

"Monthly Certificate" has the meaning provided in Section 2.1(b) of this Agreement.

"Monthly Loss Amount" means the sum of all Foreclosure Losses, Restructuring Losses and Short Sale losses realized by the Purchaser for any Shared Loss Month.

"Monthly Shared-Loss Amount" means the change in the Cumulative Shared-Loss Amount from the beginning of each month to the end of each month.

"Portfolio Loss" means the Loss realized on the portfolio sale of the remaining Shared-Loss Loans in accordance with the terms of Article IV.

"Purchaser's Loss Mitigation Strategies" means the Purchaser's policies, practices and procedures with respect to minimizing the potential credit loss that may result from a borrower's inability to pay the mortgage payments due on a Shared-Loss Loan, taking into consideration interagency guidance on loss mitigation strategies.

"Recovery Amount" means, with respect to any period prior to the Termination Date, the amount of collected funds received by the Purchaser that (i) are applicable against a Foreclosure Loss which has previously been paid to the Purchaser by the Receiver or (ii) gains realized from a Section 4.1 sale of Shared-Loss Loans for which the Purchaser has previously received a Restructuring Loss payment from the Receiver.

"Restructuring Loss" means the Loss on a modified or restructured loan measured by the difference between (a) the principal, Accrued Interest, tax and insurance advances and third party fees due on a loan prior to the modification or restructuring, and (b) the net present value of estimated cash flows on the modified or restructured loan, discounted at the Then-Current Interest Rate. Each Restructuring Loss shall be calculated in accordance with the form and methodology attached as Exhibit 2b and Exhibit 5.

"Restructured Loan" means a Shared-Loss Loan for which the Purchaser has received a Restructuring Loss payment from the Receiver.

"Servicing Officer" has the meaning provided in Section 2.1(b) of this Agreement.

"Shared-Loss Loans" means the Loans in Loan Pools identified on the Schedule of Loans set forth in Attachment ___ to the LSA.

"Shared-Loss Month" means each calendar month between the Commencement Date and the last day of the month in which the tenth anniversary of the Commencement Date occurs, provided that, the first Shared-Loss Month shall begin on the Commencement Date and end on the last day of that month.

"Short-Sale Loss " means the Loss resulting from the Purchaser's agreement with the mortgagor to accept a payoff in an amount less than the balance due on the loan, further provided, that each Short-Sale Loss shall be calculated in accordance with the form and methodology specified in Exhibit 2c.

"Stated Threshold" means total Shared-Loss payments by the Receiver to the Purchaser in the amount of \$2,000,000,000.

"Termination Date" means the last day of the Final Shared-Loss Recovery Month.

"Then-Current Interest Rate" means the most recently published Freddie Mac survey rate for 30-year fixed-rate loans.

ARTICLE II -- SHARED-LOSS ARRANGEMENT

2.1 Shared-Loss Arrangement.

(a) **Loss Mitigation and Consideration of Alternatives.** For each Shared-Loss Loan in default or for which a default is reasonably foreseeable, the Purchaser shall undertake reasonable and customary loss mitigation efforts. The Purchaser shall document its consideration of foreclosure, loan restructuring, and short-sale (if short-sale is a viable option) alternatives and shall select the alternative resulting in the least Loss. Purchaser shall retain its calculations of the estimated loss under each alternative, such calculations to be provided to the Receiver upon request.

(b) **Monthly Certificates.**

Not later than fifteen (15) days after the end of each Shared-Loss Month, beginning with the month in which the Commencement Date occurs and ending in the month in which the tenth anniversary of the Commencement Date occurs, the Purchaser shall deliver to the Receiver a certificate, signed by an officer of the Purchaser involved in, or responsible for, the administration and servicing of the Shared-Loss Loans whose name appears on a list of servicing officers furnished by the Purchaser to the Receiver, (a "Servicing Officer") setting forth in such form and detail as the Receiver may reasonably specify (a "Monthly Certificate"):

- (A) a schedule substantially in the form of Exhibit 1 listing:
 - (i) each Shared-Loss Loan for which a Loss Amount is being claimed, the related Loss amount for each Shared-Loss Loan, and the total Monthly Loss Amount for all Shared-Loss Loans;
 - (ii) each Shared-Loss Loan for which a Recovery Amount was received, the Recovery Amount for each Shared-Loss Loan, and the total Recovery Amount for all Shared-Loss Loans;
 - (iii) the total Monthly Loss Amount for all Shared-Loss Loans minus the total monthly Recovery Amount for all Shared-Loss Loans;
 - (iv) the Cumulative Shared-Loss Amount as of the beginning and end of the month;
 - (v) the Monthly Shared Loss Amount;

(vi) the result obtained in (v) times 80%, which is the amount to be paid under Section 2.1(d) of this Agreement by the Receiver to the Purchaser if the amount is a positive number, or by the Purchaser to the Receiver if the amount is a negative number, or the result in (v) times 95%, if the Stated Threshold has been met.

- (B) for each of the Shared-Loss Loans for which a Loss is claimed for that Shared-Loss Month, a schedule showing the calculation of the Loss Amount using the form and methodology shown in Exhibit 2a, Exhibit 2b, or Exhibit 2c, as applicable.
- (C) For each of the Restructured Loans where a gain or loss is realized in a sale under Section 4.1 or 4.2, a schedule showing the calculation using the form and methodology shown in Exhibit 2d.
- (D) a portfolio performance and summary schedule substantially in the form shown in Exhibit 3.

(c) **Monthly Data Download.** Not later than fifteen (15) days after the end of each month, beginning with the month in which the Commencement Date occurs and ending with the Final Shared-Loss Recovery Month, Purchaser shall provide Receiver:

(i) the servicing file in machine-readable format including but not limited to the following fields for each outstanding Shared-Loss Loan, as applicable:

- (A) Loan number
- (B) FICO score
- (C) Origination date
- (D) Original principal amount
- (E) Maturity date
- (F) Paid-to date
- (G) Last payment date
- (H) Loan status (bankruptcy, in foreclosure, etc.)
- (I) Delinquency counters
- (J) Current principal balance
- (K) Current escrow account balance
- (L) Current Appraisal/BPO value
- (M) Current Appraisal/BPO date
- (N) Interest rate
- (O) Monthly principal and interest payment amount
- (P) Monthly escrow payment for taxes and insurance
- (Q) Interest rate type (fixed or adjustable)
- (R) If adjustable: index, margin, next interest rate reset date
- (S) Payment/Interest rate cap and/or floor
- (T) Underwriting type (Full doc, Alt Doc, No Doc)
- (U) Lien type (1st, 2nd.)
- (V) Amortization type (amortizing or I/O)
- (W) Property address, including city, state, zip code
- (X) A code indicating whether the Mortgaged Property is owner-occupied
- (Y) Property type (single-family detached, condominium, duplex, etc.)

(ii) An Excel file for ORE held as a result of foreclosure on a Shared-Loss Loan listing:

- (A) Foreclosure date
- (B) Unpaid loan principal balance
- (C) Appraised value or BPO value, as applicable
- (D) Projected liquidation date

(d) **Payments With Respect to Shared-Loss Assets.**

(i) **Losses Under the Stated Threshold.** Not later than fifteen (15) days after the date on which the Receiver receives the Monthly Certificate, the Receiver shall pay to the Purchaser, in immediately available funds, an amount equal to eighty percent (80%) of the Monthly Shared-Loss Amount reported on the Monthly Certificate. If the total Monthly Shared-Loss Amount reported on the Monthly Certificate is a negative number, the Purchaser shall pay to the Receiver in immediately available funds eighty percent (80%) of that amount.

(ii) **Losses in Excess of the Stated Threshold.** In the event that that the Stated Threshold has been met the loss/recovery sharing percentages shall change from 80/20 to 95/5 and thereafter the Receiver shall pay to the Purchaser, in immediately available funds, an amount equal to ninety-five percent (95%) of the Monthly Shared-Loss Amount reported on the Monthly Certificate. If the Monthly Shared-Loss Amount reported on the Monthly Certificate is a negative number, the Purchaser shall pay to the Receiver in immediately available funds ninety-five percent (95%) of that amount..

(e) **Limitations on Shared-Loss Payment.** The Receiver shall not be required to make any payments pursuant to Section 2.1 (d) with respect to any Foreclosure Loss, Restructuring Loss, Short Sale Loss or Portfolio Loss that the Receiver determines, based upon the criteria set forth in this Agreement (including the analysis and documentation requirements of Section 2.1(a)) or Customary Servicing Procedures, should not have been effected by the Purchaser. In the event that the Receiver does not make any payment with respect to Losses claimed pursuant to Section 2.1(d), the Receiver and Purchaser shall make the necessary adjustments to the Monthly Shared-Loss Amount for that Monthly Certificate and the payment pursuant to Section 2.1(d) above shall be adjusted accordingly.

(f) **Payments by Wire-Transfer.** All payments under this Agreement shall be made by wire-transfer in accordance with the wire-transfer instructions on Exhibit 4.

2.2 Auditor Report; Right to Audit

(a) Within ninety (90) days after the end of each calendar year during which the Receiver makes any payment to the Purchaser under this Agreement, the Purchaser shall deliver to the Receiver a report signed by its independent public accountants stating that they have reviewed the terms of this Agreement and that, in the course of their annual audit of the Purchaser's books and records, nothing has come to

their attention suggesting that any computations required to be made by the Purchaser during such calendar year pursuant to this Article II were not made by the Purchaser in accordance herewith. In the event that the Purchaser cannot comply with the preceding sentence, it shall promptly submit to the Receiver corrected computations together with a report signed by its independent public accountants stating that, after giving effect to such corrected computations, nothing has come to their attention suggesting that any computations required to be made by the Purchaser during such year pursuant to this Article II were not made by the Purchaser in accordance herewith. In such event, the Purchaser 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.

(b) The Receiver or the FDIC in its corporate capacity (“Corporation”) may perform an audit or audits to determine the Purchaser's compliance with the provisions of this Agreement, including this Article II, by providing not less than ten (10) Business Days' prior written notice. Purchaser shall provide access to pertinent records and proximate working space in Purchaser’s facilities. The scope and duration of any such audit shall be within the sole discretion of the Receiver or the Corporation. The Receiver or the Corporation, as the case may be, shall bear the expense of any such audit. In the event that any corrections are necessary as a result of such an audit or audits, the Purchaser and the Receiver shall make such accounting adjustments and payments as may be necessary to give retroactive effect to such corrections.

2.3 Withholdings. Notwithstanding any other provision in this Article II, the Receiver, upon the direction of the Director (or designee) of the Federal Deposit Insurance Corporation's Division of Resolutions and Receiverships, may withhold payment for any amounts included in a Monthly Certificate delivered pursuant to Section 2.1, if there is a reasonable basis for denying the eligibility of an item for which reimbursement or payment is sought under such Section. In such event, the Receiver shall provide a written notice to the Purchaser detailing the grounds for withholding such payment. At such time as the Purchaser demonstrates to the satisfaction of the Receiver, in its reasonable judgment, that the grounds for such withholding of payment, or portion of payment, no longer exist or have been cured, then the Receiver shall pay the Purchaser the amount withheld which the Receiver determines is eligible for payment, within fifteen (15) Business Days.

2.4 Books and Records. The Purchaser shall at all times keep books and records sufficient to ensure and document compliance with the terms of this Agreement, including but not limited to (a) documentation of alternatives considered with respect to defaulted loans or loans for which default is reasonably foreseeable, (b) documentation showing the calculation of loss for claims submitted to the Receiver, (c) retention of documents that support each line item on the loss claim forms, and (d) documentation

with respect to the Recovery Amount on loans for which the Receiver has made a loss-share payment

2.5 Information. The Purchaser shall promptly provide to the Receiver such other information, including but not limited to, financial statements, computations, and bank policies and procedures, relating to the performance of the provisions of this Agreement, as the Receiver may reasonably request from time to time.

2.6 Tax Ruling. The Purchaser shall not at any time, without the Receiver's prior written 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.

2.7 Sale of Shared-Loss Loans. The Receiver shall be relieved of its obligations with respect to a Shared-Loss Loan upon payment of a Foreclosure Loss amount or a Short Sale Loss amount with respect to such Shared-Loss Loan or upon the sale of a Shared-Loss Loan by Purchaser to an unaffiliated person or entity. The Purchaser shall provide the Receiver with timely notice of any such sale. Notwithstanding the foregoing, a sale of the Shared-Loss Loan, for purposes of this Section 2.7, shall not be deemed to have occurred as the result of (i) any change in the ownership or control of Purchaser, (ii) a merger by Purchaser with or into any other entity, or (iii) a sale by Purchaser of all or substantially all of its assets.

ARTICLE III - RULES REGARDING THE ADMINISTRATION OF SHARED-LOSS LOANS

3.1 Agreement with Respect to Administration. The Purchaser shall (and shall cause any of its Affiliates to which the Purchaser transfers any Shared-Loss Loans to) manage, administer, and collect the Shared-Loss Loans while owned by the Purchaser or any Affiliate thereof during the term of this Agreement in accordance with the rules set forth in this Article III. The Purchaser shall be responsible to the Receiver in the performance of its duties hereunder and shall provide to the Receiver such reports as the Receiver reasonably deems advisable, including but not limited to the reports required by Sections 2.1, 2.2 and 3.3 hereof, and shall permit the Receiver to monitor the Purchaser's performance of its duties hereunder.

3.2 Duties of the Purchaser. (a) In performance of its duties under this Article III, the Purchaser shall:

- (i) manage and, administer each Shared-Loss Loan in accordance with Purchaser's usual and prudent business and banking practices and Customary Servicing Procedures;

(ii) exercise its best business judgment in managing, administering and collecting amounts owed on the Shared-Loss Loans;

(iii) use commercially reasonable efforts to maximize Recoveries with respect to Losses on Shared-Loss Loans without regard to the effect of maximizing collections on assets held by the Purchaser or any of its Affiliates that are not Shared-Loss Loans; and

(iv) retain sufficient staff to perform its duties hereunder; and

(v) comply with the terms of Exhibit 5 attached hereto, the FDIC Loan Modification Program, for any Shared-Loss Loans meeting the requirements set forth therein. The Purchaser may propose exceptions to Exhibit 5 for a group of Loans with similar characteristics, with the objectives of (1) minimizing the loss to the Purchaser and the FDIC and (2) maximizing the opportunity for qualified homeowners to remain in their homes with affordable mortgage payments.

(b) Any transaction with or between any Affiliate of the Purchaser with respect to any Shared-Loss Loan including, without limitation, the execution of any contract pursuant to which any Affiliate of the Purchaser will manage, administer or collect any of the Shared-Loss Loans shall be subject to the prior written approval of the Receiver.

3.3 Shared-Loss Asset Records and Reports. The Purchaser shall establish and maintain such records as may be appropriate to account for the Shared-Loss Loans in such form and detail as the Receiver may reasonably require, and to enable the Purchaser to prepare and deliver to the Receiver such reports as the Receiver may from time to time request regarding the Shared-Loss Loans and the Monthly Certificates required by Section 2.1 of this Agreement.

3.4 Related Loans.

(a) Purchaser shall use its best efforts to determine which loans are "Related Loans", as hereinafter defined. The Purchaser shall not manage, administer or collect any "Related Loan" in any manner that would have the effect of increasing the amount of any collections with respect to the Related Loan to the detriment of the Shared-Loss Loan to which such loan is related. A "Related Loan" means any loan or extension of credit held by the Purchaser at any time on or prior to the end of the final Shared-Loss Month that is made to an Obligor of a Shared-Loss Loan.

(b) The Purchaser shall prepare and deliver to the Receiver with the Monthly Certificates for the calendar months ending June 30 and December 31, a schedule of all Related Loans on the Accounting Records of the Purchaser as of the end of each such semi-annual period.

3.5 Legal Action; Utilization of Special Receivership Powers. The Purchaser shall notify the Receiver in writing (such notice to be given in accordance with Article V below and to include all relevant details) prior to utilizing in any legal action any special legal power or right which the Purchaser derives as a result of having acquired an asset from the Receiver, and the Purchaser shall not utilize any such power unless the Receiver shall have consented in writing to the proposed usage. The Receiver shall have the right to direct such proposed usage by the Purchaser and the Purchaser shall comply in all respects with such direction. Upon request of the Receiver, the Purchaser will advise the Receiver as to the status of any such legal action. The Purchaser shall immediately notify the Receiver of any judgment in litigation involving any of the aforesaid special powers or rights.

ARTICLE IV – PORTFOLIO SALE

4.1 Purchaser Portfolio Sale of Remaining Shared-Loss Loans. The Purchaser shall have the right with the concurrence of the Receiver to liquidate for cash consideration, all Shared-Loss Loans held by the Purchaser at any time prior to the Termination Date (“Portfolio Sale”). If the Purchaser exercises its option under this Section 4.1, it must give thirty (30) days notice in writing to the Receiver setting forth the details and schedule for the Portfolio Sale which shall be conducted by means of sealed bid sales to third parties, not including any of the Purchaser’s affiliates, contractors, or any affiliates of the Purchaser’s contractors. Sales of Restructured Loans shall be sold in a separate pool from Shared-Loss Loans not restructured. The Receiver’s review of the Purchaser’s proposed Portfolio Sale will be considered in a timely fashion and approval will not be unreasonably withheld, delayed or conditioned.

4.2 Purchaser Liquidation of Remaining Shared-Loss Loans. In the event that the Purchaser does not conduct a Portfolio Sale pursuant to Section 4.1 the Receiver shall have the right, exercisable in its sole and absolute discretion, to require the Purchaser to liquidate for cash consideration, any Shared-Loss Loans held by the Purchasers at any time after the date that is six months prior to the Termination Date. If the Receiver exercises its option under this Section 4.2, it must give notice in writing to the Purchaser, setting forth the time period within which the Purchaser shall be required to liquidate the Shared-Loss Loans. The Purchaser will comply with the Receiver’s notice and must liquidate the Shared-Loss Loans as soon as reasonably practicable by means of sealed bid sales to third parties, not including any of the Purchaser’s affiliates, contractors, or any affiliates of the Purchaser’s contractors. The selection of any financial advisor or other third party broker or sales agent retained for the liquidation of the remaining Shared-Loss Loans pursuant to this Section shall be subject to the prior approval of the Receiver, such approval not to be unreasonably withheld, delayed or conditioned.

4.3 Calculation of Sale Gain or Loss. For Shared-Loss Loans that are not Restructured Loans gain or loss on the sales under Section 4.1 or section 4.2 will be calculated as the sale price received by the Purchaser less the unpaid principal balance of the remaining Shared-Loss Loans. For any Restructured Loan included in the sale gain or loss on sale will be calculated as (a) the sale price received by the Purchaser less (b) the net present value of estimated cash flows on the Restructured Loan that was used in the calculation of the related Restructuring Loss plus (c) Loan principal payments collected by the Purchaser from the date the Loan was restructured to the date of sale. (See Exhibit 2d for example calculation).

ARTICLE V -- LOSS-SHARING NOTICES GIVEN TO RECEIVER AND PURCHASER

All notices, demands and other communications hereunder shall be in writing and shall be delivered by hand, or overnight courier, receipt requested, addressed to the parties as follows:

If to Receiver, to: Federal Deposit Insurance Corporation
as Receiver for _____
Division of Resolutions and Receiverships
550 17th Street, N.W.
Washington, D.C. 20429
Attention: Ralph Malami, Manager, Capital
Markets

with a copy to: Federal Deposit Insurance Corporation
as Receiver for _____
Room E7056
3501 Fairfax Drive, Arlington, VA 2226
Attn: Special Issues Unit

With respect to a notice under Section 3.5 of this Agreement, copies of such notice shall be sent to:

Federal Deposit Insurance Corporation
Legal Division
1910 Pacific Avenue
Dallas, Texas 75201
Attention: Regional Counsel

If to Purchaser, to:

Federal Deposit Insurance Corporation
LSA Loss Share/Loss Amount/Threshold
Version 1.5 (FM)
11-17-08

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Downey

with a copy to:

Such Persons and addresses may be changed from time to time by notice given pursuant to the provisions of this Article V. Any notice, demand or other communication delivered pursuant to the provisions of this Article IV shall be deemed to have been given on the date actually received.

ARTICLE VI -- MISCELLANEOUS

6.1 Expenses. Except as otherwise expressly provided herein, all costs and expenses incurred by a party hereto in connection with this Agreement shall be borne by such party whether or not the transactions contemplated herein shall be consummated.

6.2 Successors and Assigns; Specific Performance. All terms and provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto only; provided, however, that, Receiver may assign or otherwise transfer this Agreement (in whole or in part) to the Federal Deposit Insurance Corporation in its corporate capacity without the consent of Purchaser. Notwithstanding anything to the contrary contained in this Agreement, except as is expressly permitted in this Section 6.2, Purchaser may not assign or otherwise transfer this Agreement (in whole or in part) without the prior written consent of the Receiver, which consent may be granted or withheld by the Receiver in its sole discretion, and any attempted assignment or transfer in violation of this provision shall be void *ab initio*.

6.3 Governing Law. This Agreement shall be construed in accordance with federal law, or, if there is no applicable federal law, the laws of the State of New York, without regard to any rule of conflict of law that would result in the application of the substantive law of any jurisdiction other than the State of New York.

6.4 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES 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 HEREBY.

6.5 Captions. All captions and headings contained in this Agreement are for convenience of reference only and do not form a part of, and shall not affect the meaning or interpretation of, this Agreement.

6.6 Entire Agreement; Amendments. This Agreement, including the Exhibits and any other documents delivered pursuant hereto, embody the entire agreement of the parties with respect to the subject matter hereof, and supersede all prior representations, warranties, offers, acceptances, agreements and understandings, written or oral, relating to the subject matter herein. This Agreement may be amended or modified or any provision thereof waived only by a written instrument signed by both parties or their respective duly authorized agents.

6.7 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid, illegal or unenforceable under applicable law, such provision shall be construed and enforced as if it had been more narrowly drawn so as not to be prohibited, invalid, illegal or unenforceable, and the validity, legality and enforceability of the remainder of such provision and the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

6.8 No Third Party Beneficiary. This Agreement and the Exhibits hereto are for the sole and exclusive benefit of the parties hereto and their respective permitted successors and permitted assigns and there shall be no other third party beneficiaries, and nothing in this Agreement or the Exhibits shall be construed to grant to any other Person any right, remedy or Claim under or in respect of this Agreement or any provision hereof.

6.9 Counterparts. This Agreement may be executed separately by Receiver and Purchaser in any number of counterparts, each of which when executed and delivered shall be an original, but such counterparts shall together constitute one and the same instrument.

6.10 Consent. Except as otherwise provided herein, when the consent of a party is required herein, such consent shall not be unreasonably withheld or delayed.

6.11 Rights Cumulative. Except as otherwise expressly provided herein, the rights of each of the parties under this Agreement are cumulative, may be exercised as often as any party considers appropriate and are in addition to each such party's rights under the Purchase and Sale Agreement and any of the Related Agreements or under law. Except as otherwise expressly provided herein, 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.

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

FEDERAL DEPOSIT INSURANCE
CORPORATION
as RECEIVER for _____
By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Exhibit 1

Monthly Certificate

SEE FOLLOWING PAGE

PART 1 - CURRENT MONTH NET LOSS				
MONTH ENDED:	[input report month]			
				Specify loss type as Foreclosure, Restructuring, or Short-Sale.
Losses				
		Loss		
<u>Loan No.</u>	<u>Loss Type</u>	<u>Amount</u>		
TOTAL		<u>XX</u>	A	
Recoveries				
		Recovery	Loss	Loss
<u>Loan No.</u>		<u>Amount</u>	<u>Amount</u>	<u>Month</u>
TOTAL		<u>XX</u>	B	
Net Losses (Recoveries)		<u>XX</u>	C = A - B	
PART 2 - FIRST LOSS TEST				
		Col. D	Col. E	Col.D - Col. E
		Cumulative Loss Amount	First Loss Amount	Cumulative Shared-Loss Amount

Balance, beginning of month		<u>XX</u>	<u>XX</u>	<u>XX</u>	F
Current month Net Losses (from Part 1)		<u>XX</u>			
Balance, end of month		<u>XX</u>	<u>XX</u>	<u>XX</u>	G
Shared Loss Amount				<u>XX</u>	G - F
Times Loss Share percentage				<u>80%</u>	
Amount due from (to) FDIC as Receiver				<u>XX</u>	
Pursuant to Section 2.1 of the Shared-Loss Agreement, the undersigned hereby certifies the information on this Certificate is true, complete and correct.					
OFFICER SIGNATURE					
OFFICER NAME:			TITLE		

Exhibit 2a
Calculation of Foreclosure Loss

Shared-Loss Month:	[input month]			
Loan no.:	[input loan no.]			
Interest paid-to date				
Foreclosure date				
Liquidation date				
Note Interest rate				
<i>Foreclosure Loss calculation</i>				
Loan Principal balance after last paid installment	xx			
Accrued interest, limited to 90 days	xx	(1)		
Attorney's fees	xx	(2)		
Foreclosure costs, including title search, filing fees, advertising, etc.	xx	}	(3)	
Property protection costs, maint. and repairs	xx			
Tax and insurance advances	xx			
Other Advances				
Appraisal/Broker's Price Opinion fees	xx			
Inspections	xx			
Other	xx			
Gross balance recoverable by Purchaser	<u>xx</u>		<u>xx</u>	(A)
<i>Cash Recoveries:</i>				
Net liquidation proceeds (from HUD-1 settl stmt)	xx			
Insurance proceeds	xx			
T & I escrow account balance, if positive	xx			
Other credits, if any (itemize)	<u>xx</u>			
Total Cash Recovery	<u>xx</u>		<u>xx</u>	(B)
<i>Loss Amount</i>			xx	(A) - (B)
Times 80% (Receiver Loss Share percentage)		x	80%	
Amount due Purchaser for Receiver Loss Share Amount			<u>xx</u>	

(1) Accrued interest is limited to 90 days and is calculated (a) at the note interest rate that would have been in effect if the loan was performing, (b) on the principal balance after application of the last payment made by the borrower.				
(2) Reasonable and customary third-party attorney's fees and expenses incurred by Purchaser in connection with any enforcement procedures or otherwise with respect to such Mortgage Loan.				
(3) Purchaser's reasonable and customary out-of-pocket costs paid to either a third-party or an affiliate (if affiliate is pre-approved by the FDIC) for foreclosure, property protection and maintenance costs, repairs, assessments, taxes, insurance and similar items, to the extent not paid from funds in borrower escrow account. Allowable costs are limited to amounts per Freddie Mac or Fannie Mae guidelines, where applicable.				
DO NOT INCLUDE late fees, prepayment penalties, or any similar lender fees or charges by the Purchaser to the loan account, any allocation of Purchaser's servicing costs, or any allocations of Purchaser's G&A or other operating costs.				

2b

CALCULATION OF LOSS FOR RESTRUCTURED LOANS

Concept and Definition - Restructuring Loss				
For purposes of loss sharing, losses on restructured loans are calculated as the difference between				
(a) the principal, accrued interest and advances due on the loan prior to restructuring, and				
(b) the Net Present Value (NPV) of estimated cash flows on the restructured loan, discounted at				
the most recently published Freddie Mac survey rate on 30-year fixed-rate loans at the restructure date.				
The NPV calculations must assume loan prepayment in full at the end of ten years (120 months).				
Form for Calculation - Restructuring Loss				
Shared-Loss Month:	[input month]			
Loan no.:	[input loan no.]			
Loan before Restructuring				
Original loan amount				
Current unpaid principal balance				
Remaining term				
Interest rate				
Interest Paid-To Date				
Monthly payment - P&I				
Monthly payment - T&I				
Total monthly payment				
Loan type (fixed-rate, ARM, I/O, Option ARM, etc.)				
Terms of Modified/Restructured Loan				
Closing date on modified/restructured loan				
New Principal balance				
Remaining term				
Interest rate				
Monthly payment - P&I				
Monthly payment - T&I				
Total monthly payment				
Loan type (Fixed-rate, ARM, I/O, Option ARM, negative amortization features, etc.)				
Lien type (1st, 2nd)				
If adjustable:				
Initial interest rate				
Term - initial interest rate				

Initial payment amount				
Term - initial payment amount				
Negative amortization?	[Yes/No]			
Rate reset frequency after first adjustment				
Next reset date				
Index				
Margin				
Cap per adjustment				
Lifetime Cap				
Floor				
<i>Restructuring Loss Calculation</i>				
Loan Principal balance before restructuring	xx			
Accrued interest, limited to 90 days	xx	(1)		
Tax and insurance advances	xx			
3rd party fees due	xx			
		→		
Total loan balance due before restructuring	<u>xx</u>		<u>xx</u>	(A)
Assumptions for NPV Calculation, Restructured Loan:				
Discount rate for projected cash flows	xx%	(2)		
Loan prepayment in full	120 months			
		→		
NPV of projected cash flows (3)	<u>xx</u>		<u>xx</u>	(B)
<i>Loss Amount</i>				
Times 80% (Receiver Loss Share percentage)			<u>xx</u>	(A) - (B)
			80%	
Amount due Purchaser for Receiver Loss Share Amount			<u>xx</u>	
<i>Footnotes</i>				
(1) Accrued interest is limited to 90 days and is calculated (a) at the note interest rate that would have been in effect if the loan was performing, (b) on the principal balance after application of the last payment made by the borrower.				
(2) The discount rate to be used is the most recently published Freddie Mac Survey Rate on 30-year fixed-rate loans at the loan restructuring date.				
(3) 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 specified changes in monthly P&I payments over the term of the loan, those changes should be reflected in projected cash flows. Purchaser must retain supporting schedule of projected cash flows by month as required by Section 2.1 of the Shared-Loss Agreement and provide to the FDIC if requested				

for sample audit.				
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Exhibit 2c

CALCULATION OF LOSS FOR SHORT SALE LOANS

Shared-Loss Month:	[input month]			
Loan no.:	[input loan no.]			
Interest paid-to date				
Short Payoff Date				
Note Interest rate				
<u>Short-Sale Loss calculation</u>				
Loan Principal balance	xx			
Accrued interest, limited to 90 days	xx	(1)		
Attorney's fees	xx	(2)		
Tax and insurance advances	xx			
3rd party fees due	xx			
Gross balance recoverable by Purchaser	<u>XX</u>		<u>XX</u>	(A)
Amount accepted in Short-Sale	<u>XX</u>		<u>XX</u>	(B)
Loss Amount			XX	(A) - (B)
Times 80% (Receiver Loss Share percentage)		x	80%	
Amount due Purchaser for Receiver Loss Share Amount			<u>XX</u>	
<p>(1) Accrued interest is limited to 90 days and is calculated (a) at the note interest rate that would have been in effect if the loan was performing, (b) on the principal balance after application of the last payment made by the borrower.</p>				
<p>(2) Reasonable and customary third-party attorney's fees and expenses incurred by Purchaser in connection with any enforcement procedures or otherwise with respect to negotiation and acceptance of Short-Sale payoff.</p>				
<p>DO NOT INCLUDE late fees, prepayment penalties, or any similar lender fees or charges by the Purchaser to the loan account, any allocation of Purchaser's servicing costs, or any allocations of Purchaser's G&A or other operating costs.</p>				

Exhibit 2d

Shared-Loss Month:		[input month]	
Loan no.:		[input loan no.]	
NOTE			
The calculation of recovery on a loan for which a Restructuring Loss has been paid will only apply if the loan is sold.			
<u>EXAMPLE CALCULATION</u>			
<u>Restructuring Loss Information</u>			
Loan principal balance before restructuring		\$ 200,000	A
NPV, restructured loan		165,000	B
Loss on restructured loan		\$ 35,000	A - B
Times FDIC loss share %		80%	
Loss share payment to purchaser		\$ 28,000	C
<u>Calculation - Recovery amount due to Receiver</u>			
Loan sales price		\$ 190,000	
NPV of restructured loan at mod date		165,000	
Gain - step 1		25,000	D
PLUS			
Loan UPB after restructuring	(1)	200,000	
Loan UPB at liquidation date		192,000	
Gain - step 2 (principal collections after restructuring)		8,000	E
Recovery amount		33,000	D + E
Times FDIC loss share %		80%	
Recovery due to FDIC		\$ 26,400	F
Net loss share paid to purchaser		\$ 1,600	
<u>Proof Calculation</u>	(2)		
Loan principal balance		\$ 200,000	G
Principal collections on loan		8,000	
Sales price for loan		190,000	
Total collections on loan		198,000	H
Net loss on loan		\$ 2,000	G - H
Times FDIC loss share %		80%	
Loss share payment to purchaser		\$ 1,600	

(1) This example assumes that the FDIC loan modification program as shown in Exhibit 5 is applied			
and the loan restructuring does not result in a reduction in the loan principal balance due from the			
borrower.			
(2) This proof calculation is provided to illustrate the concept and the Purchaser is not required to			
provide this with its Recovery calculations.			

**Exhibit 3
Portfolio Performance and Summary Schedule**

SHARED-LOSS LOANS			
PORTFOLIO PERFORMANCE AND SUMMARY SCHEDULE			
MONTH ENDED:	[input report month]		
<u>POOL SUMMARY</u>			
	#	\$	
Loans at Sale Date	_XX	_XX	
Loans as of this month-end	_XX	_XX	
<u>STATED THRESHOLD TRACKING</u>			
	#	\$	
Stated Threshold amount			A
Cumulative loss payments, prior month			
Loss payment for current month			
Cumulative loss payment, this month			B
Remaining to Stated Threshold			A - B
			Percent of Total
<u>PORTFOLIO PERFORMANCE STATUS</u>			
	#	\$	#
Current			
30 - 59 days past due			
60 - 89 days past due			
90 - 119 days past due			
120 and over days past due			
In foreclosure			
ORE			
Total			
<u>Memo Item:</u>			
Loans in process of restructuring - total			
Loans in bankruptcy			
<u>Loans in process of restructuring by delinquency status</u>			

Current			
30 - 59 days past due			
60 - 89 days past due			
90 - 119 days past due			
120 and over days past due			
In foreclosure			
Total			
List of Loans Paid Off During Month			
	Principal		
<u>Loan #</u>	<u>Balance</u>		
List of Loans Sold During Month			
	Principal	Sales	
<u>Loan #</u>	<u>Balance</u>	<u>Price</u>	

Exhibit 4
Wire Transfer Instructions

PURCHASER WIRING INSTRUCTIONS

BANK RECEIVING WIRE

9 DIGIT ABA ROUTING NUMBER

**ACCOUNT
NUMBER**

**NAME OF
ACCOUNT**

ATTENTION TO WHOM

**PURPOSE OF
WIRE**

FDIC RECEIVER WIRING INSTRUCTIONS

BANK RECEIVING WIRE

SHORT NAME

**ADDRESS OF BANK RECEIVING
WIRE**

9 DIGIT ABA ROUTING NUMBER

ACCOUNT NUMBER

NAME OF ACCOUNT

ATTENTION TO WHOM

PURPOSE OF WIRE

EXHIBIT 5

FDIC MORTGAGE LOAN MODIFICATION PROGRAM

Objective

The objective of this FDIC Mortgage Loan Modification Program (“Program”) is to modify the terms of certain residential mortgage loans so as to improve affordability, increase the probability of performance, allow borrowers to remain in their homes and increase the value of the loans to the FDIC and assignees. The Program provides for the modification of Qualifying Loans (as defined below) by reducing the borrower’s monthly housing debt to income ratio (“DTI Ratio”) to no more than 31% at the time of the modification and eliminating adjustable interest rate and negative amortization features.

Qualifying Mortgage Loans

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

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

Modification Process

The lender shall undertake a review of its mortgage loan portfolio to identify Qualifying Loans. For each Qualifying Mortgage Loan, the lender shall determine the net present value of the modified loan and, if it will exceed the net present value of the foreclosed collateral upon disposition, then the Qualifying Loan shall be modified so as to reduce the borrower’s monthly DTI Ratio to no more than 31% at the time of the modification. To achieve this, the lender shall use a combination of interest rate reduction, term extension and principal forbearance, as necessary.

The borrower’s monthly DTI Ratio shall be a percentage calculated by dividing the borrower’s monthly income by the borrower’s monthly housing payment (including principal, interest, taxes and insurance). For these purposes, (1) the borrower’s monthly

income shall be the amount of the borrower's (along with any co-borrowers') documented and verified gross monthly income, and (2) the borrower's monthly housing payment shall be the amount required to pay monthly principal and interest plus one-twelfth of the then current annual amount required to pay real property taxes and homeowner's insurance with respect to the collateral.

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

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

1. Reduce the interest rate to the then current Freddie Mac Survey Rate for 30-year fixed rate mortgage loans, and adjust the term to 30 years.
2. If the DTI Ratio is still in excess of 31%, reduce the interest rate further, but no lower than 3%, until the DTI ratio of 31% is achieved.
3. If the DTI Ratio is still in excess of 31% after adjusting the interest rate to 3%, extend the remaining term of the loan by 10 years.
4. If the DTI Ratio is still in excess of 31%, calculate a new monthly payment (the "Adjusted Payment Amount") that will result in the borrower's monthly DTI Ratio not exceeding 31%. After calculating the Adjusted Payment Amount, the lender shall bifurcate the Capitalized Balance into two portions – the amortizing portion and the non-amortizing portion. The amortizing portion of the Capitalized Balance shall be the mortgage amount that will fully amortize over a 40-year term at an annual interest rate of 3% and monthly payments equal to the Adjusted Payment Amount. The non-amortizing portion of the Capitalized Balance shall be the difference between the Capitalized Balance and the amortizing portion of the Capitalized Balance. The lender shall forbear on collecting the non-amortizing portion of the Capitalized Balance, and such amount shall be due and payable only upon the earlier of (i) maturity of the modified loan, (ii) a sale of the property or (iii) a pay-off or refinancing of the loan. No interest shall be charged on the non-amortizing portion of the Capitalized Balance, but repayment shall be secured by a first lien on the collateral.

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

(or, in any case in which the Capitalized Balance was bifurcated, the amortizing portion thereof) over the remaining term of the modified loan.

Additional Modification Terms

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

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

Related Junior Lien Mortgage Loans

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