UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION
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In re:

TAYLOR BEAN & WHITAKER MORTGAGE CORP., REO SPECIALISTS, LLC And HOME AMERICA MORTGAGE, INC.	Case No. 3:09-bk-07047-JAF Case No. 3:09-bk-10022-JAF Case No. 3:09-bk-10023-JAF
Debtors.	Chapter 11 Cases Jointly Administered under Case No. 3:09-bk-07047-JAF

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MOTION TO APPROVE SETTLEMENT AGREEMENTS RELATED TO MORTGAGE POOLS HELD BY 12 SEPARATE MORTGAGE BACKED SECURITIES TRUSTS WITH RESPECT TO WHICH THE DEBTOR, TAYLOR, BEAN & WHITAKER MORTGAGE CORP., SERVED AS SERVICER AND WELLS FARGO BANK, N.A. SERVED AS MASTER SERVICER

The Official Committee of Unsecured Creditors of Taylor, Bean & Whitaker Mortgage Corp., on behalf of Taylor, Bean & Whitaker Mortgage Corp., debtor and debtor-in-possession herein ("TBW" or "Debtor"),[1] pursuant to Rule 9019 of the Federal Rules of Bankruptcy Procedure, hereby files this Motion to Approve Settlements ("Motion") as to certain claims and potential causes of action arising out of and relating to (i) mortgage loans held by twelve (12) separate trusts (each a "Trust" and collectively, the "Trusts") which were established pursuant to mortgage backed securitizations and (ii) the servicing of such mortgage loans (the "Mortgage Loans") by the Debtor. Each of the Trusts was established pursuant to the respective agreements identified on **Exhibit A** attached hereto and incorporated herein (each a "Pooling Agreement"

[1] Pursuant to the Derivative Standing Order, [Docket No. 1108], the Committee was granted standing and authority to proceed with litigation in the name of and on behalf of the Debtor regarding actions collectively referred to as the "Colorable Actions List." The Derivative Standing Order further granted the authority to add matters to the Colorable Action list by notice. In its First Notice of Amendment to the Colorable Actions List [Docket No. 1270], the Committee added the following claims to the Colorable Actions List: "Claims against Wells Fargo Bank, N.A., as Master Servicer, for the return of servicing advances and breach of contract."

and collectively, the "Pooling Agreements") and the servicing of the Mortgage Loans by the Debtor was performed pursuant to the servicing agreements identified on **Exhibit A** (each a "Servicing Agreement" and collectively, the "Servicing Agreements"). In connection with each of the Trusts, Wells Fargo Bank, N.A. ("Wells Fargo") served as master servicer ("Master Servicer") and, as a result of a transfer of the servicing of the Mortgage Loans pursuant to the Stipulation (as defined below), serves as successor servicer with respect to the Mortgage Loans ("Successor Servicer"). The parties to each of the settlement agreements include (a) the Debtor, (b) Wells Fargo in its capacity as the Master Servicer, trust administrator and/or securities administrator, and Successor Servicer, (c) the applicable trustee of each Trust (each a "Trustee" and collectively, the "Trustees"); (d) if applicable, the entities identified on **Exhibit A** which provided insurance to holders of certain certificates issued by some of the Trusts (each an "Insurer" and collectively the "Insurers"); and (e) the Official Committee of Unsecured Creditors of the Debtor ("Committee" and collectively hereinafter with TBW, Wells Fargo, the Trustees and the Insurers, the "Parties"), and in support of the Motion, respectfully represents as follows:

Jurisdiction

1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. The subject matter of this Motion is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper in this district pursuant to 28 U.S.C. § 1408.

Procedural Background

2. On August 24, 2009 (the "Petition Date"), the Debtor filed with this Court its voluntary petition for relief under Chapter 11 of Title 11 of the United States Code.

3. The Debtor continues to manage its property as a debtor in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

4. On September 11, 2009, the Office of the United States Trustee appointed an Official Committee of Unsecured Creditors.

5. No trustee or examiner has been appointed in this case.

6. The Debtor's final reconciliation report was filed with the Court on July 1, 2010 [Docket No. 1644], (the "Reconciliation") which identifies ownership of custodial funds that had been on deposit at Colonial Bank, N.A. ("Colonial Bank") and that were on deposit at Regions Bank ("Regions"). Included in the Reconciliation is a determination of the custodial funds which represent payments made with respect to Mortgage Loans owned by the Trusts.

Background

The Twelve Trusts

7. Until shortly after the Petition Date, TBW acted as the servicer for each of the twelve (12) Trusts identified on **Exhibit A.**

8. The Mortgage Loans relating to each of the Trusts are held by the respective Trustee for the benefit of the respective certificateholders of the applicable securities issued by each of the Trusts.

9. As servicer, TBW was primarily responsible for the day-to-day management of the Mortgage Loans and performed the following obligations: (i) collecting borrower payments, including property taxes and insurance premiums; (ii) establishing and maintaining required custodial and escrow accounts into which borrower payments were deposited; (iii) advancing certain funds, such as principal and interest payments, as necessary, when borrower payments

were delinquent; (iv) identifying and taking action with respect to delinquent and defaulted loans; (v) remitting funds collected on the Mortgage Loans to the Master Servicer; and (vi) collecting and providing information and documents regarding the Mortgage Loans to the Master Servicer.

10. As Master Servicer, Wells Fargo was responsible for monitoring, overseeing, and enforcing TBW's obligations to service the Mortgage Loans in accordance with the terms of the applicable Servicing Agreements.

11. Each of the Servicing Agreements for the Trusts lists certain events of default applicable to TBW as servicer, one of which is the failure of TBW to maintain its status as an approved Federal Home Loan Mortgage Corporation ("Freddie Mac") mortgage loan originator/servicer.

12. On or about August 4, 2009, Freddie Mac and U.S. Department of Housing and Urban Development ("HUD") notified TBW that its eligibility as an approved Freddie Mac mortgage loan originator/servicer was terminated for cause, effective immediately. On or about August 5, 2009, Colonial Bank froze all of TBW's accounts, which included the custodial accounts established by TBW for the securitizations (the "Colonial Bank Freeze"). On or about August 14, 2009, Colonial Bank was closed and the FDIC was appointed receiver. The FDIC transferred the custodial accounts subject of the Colonial Bank Freeze to BB&T, with TBW and the parties for whom the custodial accounts were established having no access to them. On August 18, 2009, because of the inability to access its custodial accounts, TBW was unable to make the remittance required to be made on that date to Wells Fargo. In response thereto, on August 13 and 20, 2009, Wells Fargo sent notices to TBW which allegedly terminated TBW as

servicer under the Servicing Agreements and requiring TBW to transfer servicing to a successor servicer.

13. Shortly after the Petition Date, on August 27, 2009, Wells Fargo filed its Motion for Relief from the Automatic Stay and to Prohibit Use of Certain Funds (the "Relief Motion") [Docket No. 58]. TBW filed its response to the Relief Motion on September 10, 2009 [Docket No. 191].

14. On October 7, 2009, the Debtor and Wells Fargo entered into a stipulation (the "Stipulation") relating to the Trusts, whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. Pursuant to the Stipulation, the parties thereto preserved certain rights with respect to: (i) the alleged termination of the Servicing Agreements; (ii) claims for reimbursement of certain advances and fees alleged by TBW to be outstanding; and (iii) claims for damages alleged by the Master Servicer to be owed by TBW under the Servicing Agreements.

15. The Stipulation was approved by the Court by an order entered on October 15, 2009 [Docket No. 456]. Consequently, Wells Fargo currently acts as Successor Servicer of the Mortgage Loans for the benefit of the Trusts.

The Disputed Claims

16. TBW has asserted that it has the right to receive from each of the Trusts certain amounts on account of (i) advances made by TBW to the respective Trusts in order to cover principal and interest payments not timely remitted by borrowers; (ii) advances made by TBW to the Trusts in order to cover tax and insurance payments not timely remitted by borrowers; (iii)

amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, maintenance and/or repairs, and closing costs; and (iv) amounts paid by TBW for costs and expenses relating to real estate owned property (the foregoing are collectively referred to as the "Servicing Advances").

17. TBW has also asserted that it has the right to receive from each of the Trusts certain amounts representing (i) unpaid servicing fees and (ii) additional servicing compensation (the foregoing are collectively referred to as the "Servicing Fees").

18. In addition, TBW has asserted that it has the right to receive interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, with interest continuing to accrue until the Servicing Advances and Servicing Fees are paid to TBW (the interest, Servicing Advances, and Servicing Fees are collectively referred to as the "TBW Claim"). Attached hereto and incorporated herein is **Exhibit B** which provides a summary of the specific amount of the TBW Claim attributable to each of the Trusts pursuant to the terms of the Settlement Agreements in the row labeled "TBW Claim", as well as the financial details of the terms of the settlement, discussed below.

19. Wells Fargo, the Trustees and (where applicable) the Insurers each filed timely proofs of claims (each a "POC") with respect to each of the Trusts and each of the related Servicing Agreements and Pooling Agreements in the Debtor's bankruptcy case asserting alleged damages (each a "Damage Claim" and collectively the "Damage Claims") on account of the alleged failure to perform under and breach of the respective Pooling Agreements and Servicing Agreements.

20. The applicable parties assert that its respective Damage Claim set forth in their respective POCs, among other things, can be recouped from amounts due TBW arising from the TBW Claim.

The Settlement

21. The Parties with respect to each of the Trusts have concluded that because of the complexity and inherent expense of litigating the issues associated with the TBW Claim, the Damage Claim, and each POC, the length of time necessary to resolve the issues presented therein, coupled with the concomitant disruption to the Debtor's effort to generate distributions for the benefit of its creditors, that it is in their respective best interests to resolve their disputes through a compromise.

22. The Parties with respect to each of the Trusts have memorialized the terms of their compromise in a settlement agreement amongst such parties (each a "Settlement Agreement" and collectively, the "Settlement Agreements") which is subject to this Court's approval. A true and correct copy of the respective Settlement Agreement for each of the Trusts is attached hereto and incorporated herein as **Exhibit C 1** through **Exhibit C 12**, respectively.

23. Collectively, the Settlement Agreements provide for the recognition of the TBW Claim in the amount of $101,350,000 and the offsetting agreed upon Damage Claims in the amount of $10,150,060 (the "Recouped Amount"), and the terms and conditions upon which the

Debtor may be paid up to $90,748,236 for the TBW Claim, which amount is net of the Recouped Amount and certain Trust specific issues.[2]

24. Funds available to pay that portion of the TBW Claims comprised of the Servicing Fees include funds on deposit in the custodial accounts at Regions (the "Regions Funds"). Funds available to pay that portion of the TBW Claims comprised of Servicing Advances and for Wells Fargo, the Trustees and the Insurers to recoup the offsetting Damage Claims consist of funds ("Eligible Funds") which are from sources designated in the Servicing Agreements as the permissible sources of reimbursement of servicing advances. As of September 30, 2010, the Eligible Funds totaled $76,554,196 and will increase thereafter as new funds are received from those sources.

25. The monetary terms and conditions of the Settlement Agreements considered in the aggregate include: (1) the transfer to Wells Fargo, for the benefit of itself, the Trusts and its certificateholders (the "Certificate Holders"), and the Insurers, as applicable, of $96,334,684 from funds totaling $101,766,141 held in custodial accounts for the Trusts at Regions and in the accounts which remain the subject of the Colonial Bank Freeze, (2) TBW's retention of the remaining $5,431,457 of those funds in satisfaction of that portion of the TBW Claim attributable to the Servicing Fees, thereby reducing the TBW Claim from $101,350,000 to $95,918,603; (3) the payment of the Recouped Amount of $10,150,060 from the Eligible Funds, thereby further reducing the TBW Claim to $85,768,543; and (4) the payment of the remaining amount of the TBW Claim from Eligible Funds on hand at the Effective Date, and for each Trust where the Eligible Funds on hand at the Effective Date are less than the remaining amount of the

[2] For three of the Trusts TBW has also agreed to make payments to Wells Fargo in order to resolve trust specific issues relating to net funded loans and the liquidation of REO property known as the Medford condo, which reduces the $91,200,000 by a total of $451,764, for a net amount of $90,748,236.

TBW Claim, from Eligible Funds collected after the Effective Date. (As of September 30, 2010, the amount of Eligible Funds on hand was $76,554,196. If the Effective Date had occurred immediately following September 30, 2010, the remaining balance of the TBW Claim would have been $9,214,347, to be collected from Eligible Funds that become available for application after September 30, 2010).

26. Each Settlement Agreement provides for releases and injunctions. Under one set of releases, the parties granting the release are the Debtor, the Debtor's estate, the Committee, and all of the Debtor's creditors, as well as their respective subsidiaries and affiliates and any predecessors, successors, and assigns. The released claims include (i) claims relating to Servicing Advances and Servicing Fees owed to the Debtor under the Servicing Agreements, (ii) the Debtor's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties, (iii) any preference or fraudulent transfer or other claims arising by virtue of the avoiding powers held by the Debtor or any of its creditors under applicable federal or state law, (iv) any obligations or transfers made to or from the Trusts, or (v) any claim that was asserted or could have been asserted in the Debtor's Chapter 11 case arising out of or relating to the Trusts. Under the second set of releases, the same parties released under the first set of releases are released by the Certificate Holders. The released claims, as specified below, include those based on the negotiation of the Settlement Agreements and the compromises set forth therein. Each Settlement Agreement also provides for the release by Wells Fargo, the Trustee, the Insurer, if any, the Certificate Holders, of the Debtor, the Committee and related parties. The released claims include any pre- or post-petition claims related to the specific Trust, Pooling Agreement, and Servicing Agreement. The Settlement Agreements provide that no party thereto releases any

claims against any initial purchasers or depositors (which purchased, securitized, sold and/or assigned mortgage loans pursuant to the respective Pooling Agreement), as applicable. Likewise the initial purchasers or depositors, which are not parties to the Settlement Agreements, do not release any claims. In addition, each party releasing claims is enjoined from prosecuting the released claims against all released parties.

27. Each of the Settlement Agreements are substantially similar and each provide for the following[3] with respect to each Trust and the related Pooling Agreement and Servicing Agreement:

a. agreement as to the amount of Servicing Advances which have not been reimbursed to the Debtor (the "Allowed Servicing Advances Claim"). See line titled "TBW Advances Allowed" of **Exhibit B** which sets forth the amount of the Allowed Servicing Advances Claim relating to each Trust;

b. agreement as to the amount of unpaid Servicing Fees (the "Allowed Servicing Fees Claim"). See line titled "TBW Fees Allowed" of **Exhibit B** which sets forth the amount of the Allowed Servicing Fees Claim relating to each Trust;

c. agreement as to the Recouped Amount, due and owing to Wells Fargo, the applicable Trustee and the Insurer, if any. See line titled "Damage Claims Capped/Recouped Amt" of **Exhibit B** for the Recouped Amount relating to each Trust;

d. agreement as to the amount of funds attributable to the applicable Trust as reflected in the Reconciliation, that is either held by the Debtor in the accounts at Regions or which exists in the accounts that were the subject of the Colonial Bank Freeze (the "Colonial Funds"). See line titled "Regions Funds" of **Exhibit B** which sets forth the amount of Regions Funds relating to each Trust, and the line titled "Colonial Funds (to WF by Eff. Date)" of **Exhibit B** which sets forth the amount of the Colonial Funds relating to each Trust;

e. agreement that (i) Wells Fargo, as Successor Servicer, has liquidated certain assets resulting in the Eligible Funds (sometimes referred to as "EF" on **Exhibit B**), (ii) as of September 30, 2010, there exists a

[3] In the event of any conflict between the summary contained herein and the Settlement Agreements, the Settlement Agreements will control.

designated amount of Eligible Funds with respect to each Trust, and (iii) that Wells Fargo will continue the liquidation of the eligible assets to increase the amount of Eligible Funds. See line titled "Eligible Funds (EF) (on Hand as of 9/30)" of **Exhibit B** which sets forth the amount of Eligible Funds existing as of September 30, 2010, with respect to each Trust;

f. agreement that a condition to the effectiveness of the Settlement Agreement is that the Colonial Funds (see line "Colonial Funds (to WF by Eff. Date)") will be released to Wells Fargo for the benefit of the Trusts;

g. agreement that upon the effective date of the Settlement Agreement (the "Effective Date"), which date is conditioned, among other things, upon confirmation of the Debtor's and the Committee's proposed joint Plan of Liquidation (the "Plan") on or before April 30, 2011, the following shall occur:

i. that the Regions Funds will, on the Effective Date, be disbursed to Wells Fargo net of the applicable Allowed Servicing Fees Claim, which amounts shall be retained by the Debtor. See line titled "Balance of Regions Funds (to WF on Eff. Date)" of **Exhibit B** which sets forth the balance of Regions Funds to be distributed to Wells Fargo on Effective Date;

ii. that Wells Fargo shall receive from the Eligible Funds the Recouped Amount and what Wells Fargo shall distribute to the applicable Trustee and the Insurer, if any, from the Recouped Amount. See lines designated "Total Distribution to WF" and "Total Distribution to Tees/Insurers", respectively, on **Exhibit B** attached;

iii. that the balance of the then existing Eligible Funds will be paid to TBW to the extent of the Allowed Servicing Advance Claims (after recoupment). As of September 30, 2010, the amount of Eligible Funds available to pay the Allowed Servicing Advance Claim is as set forth in **Exhibit B** as "Amount to TBW (as of 9/30)";

iv. the POC's of Wells Fargo, the applicable Trustee and the Insurer, if any will be disallowed.

h. following the Effective Date, Wells Fargo will pay, from subsequently collected Eligible Funds the remaining unpaid balance of the Allowed Servicing Advances Claim until such claim is paid in full;

i. on the Effective Date, the Debtor, the Debtor's estate, and the Debtor's creditors agree to release any and all claims and causes of action against

Wells Fargo, the Trustees, the Insurers, the past, present, and future Certificate Holders, and each of the Trusts that relate to or arise (i) in connection with TBW's right to receive fees or reimbursement of advances made while acting as servicer, (ii) out of TBW's failure to perform any undertaking, obligations, covenants, representations, warranties and agreements under the Servicing Agreements or Pooling Agreements, or to third parties, (iii) under any avoidance power under the Bankruptcy Code or similar federal or state laws, (iv) under any other federal or state laws related to obligations in connection with the Trusts; and/or (v) were asserted or could have been asserted by TBW as debtor-in-possession or the Committee arising out of or relating to the Trusts;

j. on the Effective Date, the past, present, and future Certificate Holders agree to release Wells Fargo, the Trustees, and the Trusts from any and all claims relating to the negotiations and compromises set forth in the Settlement Agreement;

k. on the Effective Date, Wells Fargo, the Trustees, the Insurers, and each of the past, present, and future Certificate Holders agree to release the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents, and professionals, the Committee, and the Committee's professionals from any and all claims, including the Damage Claim, that relate to or arise out of the Trusts, the Servicing Agreements, and/or the Pooling Agreements;

l. on the Effective Date, each party releasing claims is also enjoined from prosecuting such claims against all parties receiving a release with respect to such claims; and

m. the Plan shall be amended to provide for the treatment of the claims of the Debtor, Wells Fargo, the Trustees, and the Insurers in accordance with the Settlement Agreement.

28. The release of the POC of the Trustee was, in the case of each Trust, a condition to the Debtor entering into the Settlement Agreement, and the Trustee has agreed to the release of its POC in each case based on the representation of Wells Fargo that the Settlement Agreement is fair and reasonable. In accordance with the related Settlement Agreement, the Debtor shall give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of the Settlement Agreement and (ii) the terms and conditions of the Settlement Agreement, including but not limited to the releases to be

given to Wells Fargo, the Trustee, and the Trust by Certificateholders. The Settlement Agreements each provide that Wells Fargo shall cause notice of this Motion to be sent to the applicable Certificateholders of the applicable Trust and that the applicable Trustee may follow the direction that it may receive from the requisite percentage of Certificateholders in conformance with the terms of the applicable Pooling Agreement.

Relief Requested

29. Bankruptcy Rule 9019(a) of the Federal Rules of Bankruptcy Procedure provides that, after notice and a hearing, a court may approve a proposed compromise or settlement.

30. Compromises are generally favored in Chapter 11 cases. *E.g., Barry v. Smith (In re New York, New Haven and Hartford R.R. Co.)*, 632 F.2d 955, 959 (2d Cir. 1980). Approval of a settlement is left to the sound discretion of the court based upon the particular circumstances of the proposed settlement and the case as a whole. *See Langes v. Green*, 282 U.S. 531, 541 (1931); *In re Carson*, 82 B.R. 847 (Bankr. S.D. Ohio 1987); *In re Ericson*, 6 B.R. 1002 (D. Minn. 1980); *Knowles v. Putteraugh (In re Hallet)*, 33 B.R. 564 (Bankr. D. Me. 1983); *In re Mobile Air Drilling Co., Inc.*, 53 B.R. 605 (Bankr. N.D. Ohio 1985); *In re Hydronic Enterprise, Inc.*, 58 BR. 363 (Bankr. D. R.I. 1986).

31. The Debtor is obligated to maximize the value of the estate and make its decisions in the best interests of all of the creditors of the estate. *E.g., Myers v. Martin (In re Martin)*, 91 F.3d 389, 394 (3d Cir. 1996). Courts generally defer to a Debtor's business judgment when there is a legitimate business justification for the decision to compromise a dispute. *Id.* at 395.

32. In determining whether a settlement should be approved under Bankruptcy Rule 9019, the court must consider: "(a) the probability of success in the litigation; (b) the difficulties,

if any, to be encountered in the matter of collection; (c) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; (d) the paramount interest of the creditors and a proper deference to their reasonable views in the premises." *Wallis v. Justice Oaks II, Ltd. (In re Justice Oaks II, Ltd.)*, 898 F.2d 1544, 1549 (11th Cir. 1990) (internal citations omitted).

33. A review of the above considerations demonstrates that a settlement of the issues resolved by the Settlement Agreements, and on the terms contained therein, is in the best interests of the estate and all of the creditors, is fair and reasonable, and is within the Debtor's sound business judgment.

34. The Settlement Agreements have resulted in the resolution of numerous claims and issues significant to the Debtor's Chapter 11 case. Without such a resolution, the Debtor would be forced to expend significant resources on protracted litigation, thereby diminishing the ultimate distribution to creditors.

WHEREFORE, the Debtor respectfully requests that the Court:

(i) enter an order setting a date no later than December 17 at 5:00PM, prevailing Eastern Time, for the filing of objections, if any, to this Court's approval of each of the Settlement Agreements,

(ii) if any objections are timely filed, holding a hearing to consider same;

(iii) if no objections are timely filed, enter an order authorizing the Debtor (and the Committee) to enter into the compromises described above with the Parties without the need to hold a hearing;

(iv) if any objections are timely filed, hear and determine this Motion and any timely filed objections at the hearing, overrule such objections and enter an order authorizing the Debtor (and the Committee) to enter into each of the compromises described above;

(v) approving each of the Settlement Agreements; and

(vi) granting such other and further relief as is just and equitable.

Respectfully submitted, this 17th day of November 2010.

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EXHIBIT A

SEE ATTACHED LIST OF SERVICING AGREEMENTS AND POOLING AGREEMENTS

Trust	Securitization Agreements	Pooling and/or Trust Agreements
1. TBW Mortgage-Backed Trust Series 2006-1, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-1	Securitization Servicing Agreement, dated as of March 1, 2006, among Taylor, Bean & Whitaker Mortgage Corp., as servicer, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer and trust administrator, and U.S. Bank National Association, as trustee.	Pooling and Servicing Agreement dated as of March 1, 2006,by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer and trust administrator, TBW, as servicer, and U.S. Bank National Association, as trustee.
2. TBW Mortgage-Backed Trust Series 2006-2, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-2	Securitization Servicing Agreement, dated as of April 1, 2006, among Taylor, Bean & Whitaker Mortgage Corp., as servicer, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer and trust administrator, and U.S. Bank National Association, as trustee.	Pooling and Servicing Agreement dated as of April 1, 2006, by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer and trust administrator, TBW, as servicer, and U.S. Bank National Association, as trustee.
3. TBW Mortgage-Backed Trust Series 2006-3, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-3	Securitization Servicing Agreement, dated as of June 1, 2006, among Taylor, Bean & Whitaker Mortgage Corp., as servicer, Lehman Brothers Holdings Inc., as seller, Wells Fargo, as master servicer and securities administrator, and U.S. Bank National Association, as trustee.	Trust Agreement dated as of June 1, 2006, by and among Structured Asset Securities Corporation, as depositor, Wells Fargo Bank, N. A., as master servicer and securities administrator, and U.S. Bank National Association, as trustee.
4. TBW Mortgage-Backed Trust Series 2006-4, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-4	Securitization Servicing Agreement dated as of August 1, 2006, by and among Taylor, Bean & Whitaker Mortgage Corp., as servicer, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer and trust administrator, and U.S. Bank National Association, as trustee.	Pooling and Servicing Agreement dated as of August 1, 2006, by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N. A., as master servicer and trust administrator, TBW, as servicer, and U.S. Bank National Association, as trustee.
5. TBW Mortgage-Backed Trust Series 2006-5, TBW	Master Mortgage Loan Purchase and Servicing Agreement, dated as of	Pooling and Servicing Agreement dated as of October 1, 2006, by and among BNP

Mortgage-Backed Pass-Through Certificates, Series 2006-5	October 1, 2006, by and between Taylor, Bean & Whitaker Mortgage Corp., as seller and servicer, and BNP Paribas Mortgage Corp., as initial purchaser, as modified by that certain Assignment, Assumption and Recognition Agreement, dated as of October 26, 2006, by and among BNP Paribas Mortgage Corp., as assignor, BNP Paribas Mortgage Securities LLC, as assignee, and Taylor, Bean & Whitaker Mortgage Corp., as the company.	Paribas Mortgage Securities LLC, as depositor, Wells Fargo Bank, N. A., as master servicer and securities administrator, and U.S. Bank National Association, as trustee.
6. TBW Mortgage-Backed Trust Series 2006-6, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-6	Mortgage Loan Purchase and Servicing Agreement, dated as of December 1, 2006, by and between UBS Real Estate Securities Inc. as purchaser, and Taylor, Bean & Whitaker Mortgage Corp., as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of December 21, 2006, by and between Mortgage Asset Securitization Transactions, Inc., as depositor, and Taylor, Bean & Whitaker Mortgage Corp., as company and servicer.	Pooling and Servicing Agreement dated as of December 1, 2006, by and among Mortgage Asset Securitization Transactions, Inc., as depositor, UBS Real Estate Securities Inc., as transferor, Wells Fargo Bank, N. A., as master servicer and trust administrator, TBW, as servicer, and U.S. Bank National Association, as trustee.
7. TBW Mortgage-Backed Trust Series 2007-1, TBW Mortgage-Backed Pass-Through Certificates, Series 2007-1	Mortgage Loan Purchase and Servicing Agreement, dated as of February 1, 2007, by and between UBS Real Estate Securities Inc. as purchaser, and Taylor, Bean & Whitaker Mortgage Corp., as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of February 27, 2007, by and between Mortgage Asset Securitization Transactions, Inc., as depositor, and Taylor, Bean & Whitaker, Mortgage Corp., as company and servicer.	Pooling and Servicing Agreement dated as of February 1, 2007, by and among Mortgage Asset Securitization Transactions, Inc., as depositor, UBS Real Estate Securities Inc., as transferor, Wells Fargo Bank, N.A., as master servicer and trust administrator, TBW, as servicer, and U.S. Bank National Association, as trustee.
8. TBW Mortgage-Backed Trust Series 2007-2, TBW	Securitization Servicing Agreement, dated as of May 1, 2007, by and	Pooling and Servicing Agreement dated as of May 1, 2007, by and among Credit

Mortgage-Backed Pass-Through Certificates, Series 2007-2	among Taylor, Bean & Whitaker Mortgage Corp., as servicer, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer and trust administrator, and U.S. Bank National Association, as trustee.	Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as the master servicer, trust administrator, TBW, as servicer, and U.S. Bank National Association, as trustee.
9. CSAB Mortgage-Backed Trust 2007-1, CSAB Mortgage-Backed Pass-Through Certificates, Series 2007-1	Seller's Purchase, Warranties and Servicing Agreement, dated as of February 1, 2007, by and between DLJ Mortgage Capital, Inc., as purchaser, and Taylor, Bean & Whitaker Mortgage Corp., as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of April 1, 2007, by and among DLJ Mortgage Capital, Inc., Taylor, Bean & Whitaker Mortgage Corp., as servicer, Wells Fargo Bank, N.A., as master servicer and trust administrator, and U.S. Bank National Association, as trustee.	Pooling and Servicing Agreement dated as of April 1, 2007, by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer, trust administrator, and a servicer, Universal Master Servicing, LLC, as servicer, Select Portfolio Servicing, Inc., as servicer, special servicer, and modification oversight agent, and U.S. Bank National Association, as trustee.
10. CSMC Mortgage-Backed Trust Series 2007-4, CSMC Mortgage-Backed Pass-Through Certificates, Series 2007-4	Seller's Purchase, Warranties and Servicing Agreement, dated as of February 1, 2007, by and between DLJ Mortgage Capital, Inc., as purchaser, and Taylor, Bean & Whitaker Mortgage Corp., as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of May 1, 2007, by and among DLJ Mortgage Capital, Inc., Taylor, Bean & Whitaker Mortgage Corp., as servicer, Wells Fargo Bank, N.A., as master servicer and trust administrator, and U.S. Bank National Association, as trustee.	Pooling and Servicing Agreement dated as of May 1, 2007, by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer, trust administrator, and a servicer, Universal Master Servicing, LLC, as servicer, Select Portfolio Servicing, Inc., as servicer, special servicer, and modification oversight agent, and U.S. Bank National Association, as trustee.
11. CSMC Mortgage-Backed Trust Series 2007-6, CSMC Mortgage-Backed Pass-Through Certificates, Series 2007-6	Seller's Purchase, Warranties and Servicing Agreement, dated as of February 1, 2007, by and between DLJ Mortgage Capital, Inc., as purchaser, and Taylor, Bean & Whitaker Mortgage Corp., as seller	Series Supplement and Standard Terms of Pooling and Servicing Agreement, each dated as of September 1, 2007 (collectively, the "Pooling Agreement"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor,

	and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of September 1, 2007, by and among DLJ Mortgage Capital, Inc., Taylor, Bean & Whitaker Mortgage Corp., as servicer, Wells Fargo Bank, N.A., as master servicer and trust administrator, and U.S. Bank National Association, as trustee.	DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as master servicer, trust administrator, and a servicer, Bank of America, National Association, as servicer, Universal Master Servicing, LLC, as servicer, Select Portfolio Servicing, Inc., as servicer, special servicer, and modification oversight agent, and U.S. Bank National Association, as trustee.
12. CSMC Mortgage-Backed Trust Series 2007-7, CSMC Mortgage-Backed Pass-Through Certificates, Series 2007-7	Seller's Purchase, Warranties and Servicing Agreement, dated as of February 1, 2007, by and between DLJ Mortgage Capital, Inc., as purchaser, and Taylor, Bean & Whitaker Mortgage Corp., as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of November 1, 2007, by and among DLJ Mortgage Capital Inc., Taylor, Bean & Whitaker Mortgage Corp., as servicer, Wells Fargo Bank, N.A., as master servicer and trust administrator, and U.S. Bank National Association, as trustee.	Pooling and Servicing Agreement dated as of November 1, 2007, by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc., as seller, Wells Fargo Bank, N.A., as Master Servicer, Trust Administrator, and a servicer, Universal Master Servicing, LLC, as servicer, Banco Popular de Puerto Rico, as servicer and back-up servicer, Greenpoint Mortgage Funding, Inc., as servicer, Select Portfolio Servicing, Inc., as servicer, special servicer, and modification oversight agent, and U.S. Bank National Association, as trustee.

EXHIBIT B

Trust Trustee/Bond Insurer	T2006-1 USB	T2006-2 USB	T2006-3 USB	T2006-4 USB	T2006-5 USB	T2006-6 USB-MBIA	T2007-1 BNY-MBIA	T2007-2 USB-Assured	C2007-1 USB	C2007-4 USB	C2007-6 USB	C2007-7 USB	Total
TWB's Claims:													
Total TBW Claim [§ 2.07]:	1,582,794	11,869,507	16,097,073	11,876,090	13,614,100	9,264,524	23,577,425	12,868,460	7,454	75,467	469,851	47,313	101,350,059.89
TBW Advances Allowed [§ 5.02]	1,270,110	11,233,274	15,337,027	11,365,827	12,957,100	8,628,032	22,548,543	12,084,810	5,655	62,303	387,470	38,453	95,918,602.94
TBW Fees Allowed [§ 5.02]	312,684	636,233	760,046	510,263	657,000	636,493	1,028,882	783,650	1,799	13,164	82,381	8,860	5,431,456.95
Regions Funds [§ 5.01]	9,255,049	8,973,291	9,700,717	4,039,506	8,208,299	9,061,316	10,028,540	10,841,365	21,627	570,356	5,179,071	111,713	75,990,849.25
Less TBW Fees Allowed (paid on Eff. Date)	312,684	636,233	760,046	510,263	657,000	636,493	1,028,882	783,650	1,799	13,164	82,381	8,860	5,431,456.95
Net Regions Funds (to WF on Eff. Date)	8,942,365	8,337,058	8,940,671	3,529,243	7,551,299	8,424,823	8,999,657	10,057,714	19,827	557,191	5,096,690	102,853	70,559,392.30
Colonial Funds (to WF by Eff. Date) [§ 5.01]	1,508,718	3,027,385	2,666,865	1,993,085	3,354,363	3,907,142	4,810,321	3,844,703	12,684	69,083	186,375	394,568	25,775,291.68
Damage Claims (DC) [§ 2.08]													
Subtotal Trustee/Insurer DC	3,917	6,263	6,508	4,117	6,073	96,219	110,196	313,592	34	227	1,270	156	548,569.70
Subtotal Wells Fargo DC Capped	601,623	674,557	774,165	440,896	713,618	871,516	953,939	957,643	1,916	30,712	252,196	27,218	6,300,000.00
Subtotal Trust DC Capped	169,706	380,792	310,213	274,331	553,132	534,336	539,158	467,815	1,619	7,730	57,189	5,469	3,301,490.19
DC Capped/Recouped Amt [§ 6.03]	775,245	1,061,612	1,090,886	719,344	1,272,823	1,502,070	1,603,293	1,739,051	3,569	38,668	310,655	32,843	10,150,059.89
Total Distribution to Tees/Insurers	3,917	6,263	6,508	4,117	6,073	96,219	110,196	313,592	34	227	1,270	156	548,569.70
Balance of Recouped Amount	771,329	1,055,349	1,084,378	715,227	1,266,750	1,405,851	1,493,097	1,425,458	3,536	38,442	309,385	32,688	9,601,490.19
Total Distribution to WF [§ 6.07]	601,623	674,557	774,165	440,896	713,618	871,516	953,939	957,643	1,916	30,712	252,196	27,218	6,300,000.00
Balance of Recouped Amount	169,706	380,792	310,213	274,331	553,132	534,336	539,158	467,815	1,619	7,730	57,189	5,469	3,301,490.19
Total Distribution to Trusts [§ 6.07]	169,706	380,792	310,213	274,331	553,132	534,336	539,158	467,815	1,619	7,730	57,189	5,469	3,301,490.19
Balance of Recouped Amount:	-	-	-	-	-	-	-	-	-	-	0	-	
Eligible Funds (EF) (as of 9/30) [§ 5.03]	3,081,202	11,385,508	13,907,088	9,428,218	11,528,638	10,759,894	19,090,442	11,124,574	10,011	80,064	1,005,994	67,697	91,469,330.29
less Recouped Amount	775,245	1,061,612	1,090,886	719,344	1,272,823	1,502,070	1,603,293	1,739,051	3,569	38,668	310,655	32,843	10,150,059.89
less Accelerated Reimb. Amount	1,300,000	-	-	-	-	-	-	-	-	-	-	-	1,300,000.00
Net Eligible Funds	1,005,957	10,323,896	12,816,202	8,708,873	10,255,815	9,257,824	17,487,149	9,385,523	6,442	41,396	695,339	34,854	80,019,270.40
TBW Advances Allowed	1,270,110	11,233,274	15,337,027	11,365,827	12,957,100	8,628,032	22,548,543	12,084,810	5,655	62,303	387,470	38,453	95,918,602.94
less Recouped Amount	775,245	1,061,612	1,090,886	719,344	1,272,823	1,502,070	1,603,293	1,739,051	3,569	38,668	310,655	32,843	10,150,059.89
Net TBW Advances	494,864	10,171,662	14,246,141	10,646,483	11,684,277	7,125,961	20,945,250	10,345,759	2,086	23,635	76,815	5,610	85,768,543.05
Amount to TBW on Eff. Date [§ 6.04]	494,864	10,171,662	12,816,202	8,708,873	10,255,815	7,125,961	17,487,149	9,385,523	2,086	23,635	76,815	5,610	76,554,196.47
EF to be collected Post Eff. Date and Paid	-	-	1,429,939	1,937,609	1,428,462	-	3,458,101	960,236	-	-	-	-	9,214,346.58
Total EF Paid and to be Paid to TBW	494,864	10,171,662	14,246,141	10,646,483	11,684,277	7,125,961	20,945,250	10,345,759	2,086	23,635	76,815	5,610	85,768,543.05
Fees Paid													5,431,456.95
Total Before Other Items													91,200,000.00
Less Other Items	-	-	-	(164,143)	(42,621)	(245,000)	-	-	-	-	-	-	(451,764.00)
Total													90,748,236.00

EXHIBITS C1-C12

SEE ATTACHED C1-C12
SETTLEMENT AGREEMENTS

C-1

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for TBW Mortgage-Backed Trust Series 2006-1, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-1 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties.**"

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans (the "**Mortgage Loans**") was securitized and certificates representing an interest in the Mortgage Loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of March 1, 2006 (the "**Pooling Agreement**"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc. ("**DLJ**"), as seller (the "**Seller**"), the Master Servicer, the Trust Administrator, TBW, as servicer, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans, became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement).

2.02 The Servicing Agreement

TBW agreed to service the Mortgage Loans in accordance with the terms of a Securitization Servicing Agreement dated as of March 1, 2006 (the "**Servicing Agreement**"), by and among TBW, as servicer, the Seller, the Master Servicer, the Trust Administrator and the Trustee.

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and

escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Section 3.01 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account ("**Certificate Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2585) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 2658) (the **"Trustee POC"**), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the **"POCs"**.

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not

have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its

obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the **"Disclosure Statement"**), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred (**"Effective Date"**): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the **"9019 Order"**), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the **"Confirmation Order,"** together with the 9019 Order, the **"Approval Orders"**); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly

elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC-R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term "**Termination Date**" shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the "**Colonial Funds**")	$1,508,718.00
Regions Bank (the "**Regions Funds**")	$9,255,049.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $1,270,110.00 (the "**Allowed Servicing Advances Claim**"). The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $312,684.00 (the "**Allowed Servicing Fees Claim**").

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the "**Eligible Funds**") which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the "**Inventory Date**"), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $3,081,202.00, and that the Trust holds 103 Mortgage Loans having an aggregate unpaid principal balance of approximately $31,129,771.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the "**Remaining Assets**"), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $775,245.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected

Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $3,917.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their

respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the **"Releasing Certificateholders"**) shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a **"Certificateholder Releasee"**), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the **"Trust Releasing Parties"**) shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals, the Committee and the Committee's professionals (collectively, the **"Plan Proponent Released Parties"**) from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in

whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a **"Trust Released Claim"** and collectively, the **"Trust Released Claims"**); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, DLJ and/or Credit Suisse First Boston Mortgage Securities Corp. (collectively with Credit Suisse Securities (USA) LLC, "***Credit Suisse***"), each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the **"Seller/Depositor Parties"**), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller/Depositor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller/Depositor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl L. Newman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: Timothy Pillar
Title: Vice President

Trust	**TBW 2006-1**
Trustee/Bond Insurer	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	1,582,794
TBW Advances Allowed [§ 5.02]	1,270,110
TBW Fees Allowed [§ 5.02]	312,684
Regions Funds [§ 5.01]	9,255,049
Less TBW Fees Allowed (paid on Eff. Date)	312,684
Balance of Regions Funds (to WF on Eff. Date)	8,942,365
Colonial Funds (to WF by Eff. Date) [§ 5.01]	1,508,718
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	3,917
Subtotal Wells Fargo DC Capped	601,623
Subtotal Trust DC Capped	169,706
Damage Claims Capped/Recouped Amt [§ 6.03]	775,245
Total Distribution to Tees/Insurers	3,917
Balance of Recouped Amount	771,329
Total Distribution to WF [§ 6.07]	601,623
Balance of Recouped Amount	169,706
Total Distribution to Trusts [§ 6.07]	169,706
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	3,081,202
less Recouped Amount	775,245
less Accelerated Reimb. Amount	1,300,000
Net Eligible Funds	1,005,957
TBW Advances Allowed	1,270,110
less Recouped Amount	775,245
Net TBW Advances	494,864
Amount to TBW (as of 9/30) [§ 6.04]	494,864
EF to be collected Post 9/30 and Paid	-
Total EF Paid and to be Paid to TBW	494,864
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	

C-2

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for TBW Mortgage-Backed Trust Series 2006-2, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-2 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties**."

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans (the "**Mortgage Loans**") was securitized and certificates representing an interest in the Mortgage Loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of April 1, 2006 (the "**Pooling Agreement**"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc. ("**DLJ**"), as seller (the "**Seller**"), the Master Servicer, the Trust Administrator, TBW, as servicer, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans, became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement).

2.02 The Servicing Agreement

TBW agreed to service the Mortgage Loans in accordance with the terms of a Securitization Servicing Agreement dated as of April 1, 2006 (the "**Servicing Agreement**"), by and among TBW, as servicer, the Seller, the Master Servicer, the Trust Administrator and the Trustee.

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and

escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Section 3.01 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account ("**Certificate Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim**."

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2586) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 2656) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not

have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its

obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly

elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term "**Termination Date**" shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the "**Colonial Funds**")	$3,027,385.00
Regions Bank (the "**Regions Funds**")	$8,973,291.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $11,233,274.00 (the "**Allowed Servicing Advances Claim**"). The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $636,233.00 (the **"Allowed Servicing Fees Claim"**).

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the **"Eligible Funds"**) which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the **"Inventory Date"**), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $11,385,508.00, and that the Trust holds 381 Mortgage Loans having an aggregate unpaid principal balance of approximately $78,016,349.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the **"Remaining Assets"**), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $1,061,612.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected

Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $6,263.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their

respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals, the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in

whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a **"Trust Released Claim"** and collectively, the **"Trust Released Claims"**); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, DLJ and/or Credit Suisse First Boston Mortgage Securities Corp. (collectively with Credit Suisse Securities (USA) LLC, "***Credit Suisse***"), each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the **"Seller/Depositor Parties"**), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller/Depositor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller/Depositor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl L. Moore
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: Timothy Pillar
Vice President

Trust	TBW 2006-2
Trustee/Bond Insurer	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	11,869,507
TBW Advances Allowed [§ 5.02]	11,233,274
TBW Fees Allowed [§ 5.02]	636,233
Regions Funds [§ 5.01]	8,973,291
Less TBW Fees Allowed (paid on Eff. Date)	636,233
Balance of Regions Funds (to WF on Eff. Date)	8,337,058
Colonial Funds (to WF by Eff. Date) [§ 5.01]	3,027,385
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	6,263
Subtotal Wells Fargo DC Capped	674,557
Subtotal Trust DC Capped	380,792
Damage Claims Capped/Recouped Amt [§ 6.03]	1,061,612
Total Distribution to Tees/Insurers	6,263
Balance of Recouped Amount	1,055,349
Total Distribution to WF [§ 6.07]	674,557
Balance of Recouped Amount	380,792
Total Distribution to Trusts [§ 6.07]	380,792
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	11,385,508
less Recouped Amount	1,061,612
less Accelerated Reimb. Amount	-
Net Eligible Funds	10,323,896
TBW Advances Allowed	11,233,274
less Recouped Amount	1,061,612
Net TBW Advances	10,171,662
Amount to TBW (as of 9/30) [§ 6.04]	10,171,662
EF to be collected Post 9/30 and Paid	-
Total EF Paid and to be Paid to TBW	10,171,662
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	

C-3

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Securities Administrator ("**Securities Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for TBW Mortgage-Backed Trust Series 2006-3, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-3 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties**."

2. Background

2.01 The Trust Agreement

Prior to the Petition Date, a pool of residential mortgage loans (the "**Mortgage Loans**") was securitized and certificates representing an interest in the Mortgage Loans were issued pursuant to the terms of a Trust Agreement dated as of June 1, 2006 (the "**Trust Agreement**"), by and among Structured Asset Securities Corporation, as depositor, the Master Servicer, the Securities Administrator, and the Trustee. Pursuant to the Trust Agreement, the Trust was created and certain property, including the Mortgage Loans, became the **Trust Fund** (as that term is defined in the Trust Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Trust Agreement).

2.02 The Servicing Agreement

TBW agreed to service the Mortgage Loans in accordance with the terms of a Securitization Servicing Agreement, dated as of June 1, 2006 (the "**Servicing Agreement**"), by and among TBW, as servicer, Lehman Brothers Holdings Inc., as seller, Wells Fargo as master servicer and securities administrator, and U.S. Bank National Association, as trustee.

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and

escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Section 9.01 of the Trust Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Securities Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account ("**Certificate Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Trust Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2587) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Trust Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 2659) (the **"Trustee POC"**), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the **"POCs"**.

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not

have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Securities Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Trust Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Trust Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy

Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Trust Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly

elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term "**Termination Date**" shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the "**Colonial Funds**")	$2,666,865.00
Regions Bank (the "**Regions Funds**")	$9,700,717.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $15,337,027.00 (the "**Allowed Servicing Advances Claim**"). The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $760,046.00 (the **"Allowed Servicing Fees Claim"**).

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the **"Eligible Funds"**) which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the **"Inventory Date"**), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Trust Agreement after the Transition Date and held in escrow is $13,907,088.00, and that the Trust holds 433 Mortgage Loans having an aggregate unpaid principal balance of approximately $90,745,250.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the **"Remaining Assets"**), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Trust Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Trust Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Trust Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $1,090,886.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected

Eligible Funds shall be collected and distributed in accordance with the terms of the Trust Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Trust Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $6,508.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Trust Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Securities Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their

respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals, the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in

whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Trust Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a **"Trust Released Claim"** and collectively, the **"Trust Released Claims"**); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, Lehman Brothers Holdings Inc., each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the **"Seller Parties"**), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Trust Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Trust Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections

7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Securities Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP,

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl Neiman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Securities Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Securities Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Securities Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: Timothy Pillar
Vice President

Trust	**TBW 2006-3**
Trustee/Bond Insurer	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	16,097,073
TBW Advances Allowed [§ 5.02]	15,337,027
TBW Fees Allowed [§ 5.02]	760,046
Regions Funds [§ 5.01]	9,700,717
Less TBW Fees Allowed (paid on Eff. Date)	760,046
Balance of Regions Funds (to WF on Eff. Date)	8,940,671
Colonial Funds (to WF by Eff. Date) [§ 5.01]	2,666,865
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	6,508
Subtotal Wells Fargo DC Capped	774,165
Subtotal Trust DC Capped	310,213
Damage Claims Capped/Recouped Amt [§ 6.03]	1,090,886
Total Distribution to Tees/Insurers	6,508
Balance of Recouped Amount	1,084,378
Total Distribution to WF [§ 6.07]	774,165
Balance of Recouped Amount	310,213
Total Distribution to Trusts [§ 6.07]	310,213
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	13,907,088
less Recouped Amount	1,090,886
less Accelerated Reimb. Amount	-
Net Eligible Funds	12,816,202
TBW Advances Allowed	15,337,027
less Recouped Amount	1,090,886
Net TBW Advances	14,246,141
Amount to TBW (as of 9/30) [§ 6.04]	12,816,202
EF to be collected Post 9/30 and Paid	1,429,939
Total EF Paid and to be Paid to TBW	14,246,141
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	

C-4

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for TBW Mortgage-Backed Trust Series 2006-4, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-4 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties**."

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans (the "**Mortgage Loans**") was securitized and certificates representing an interest in the Mortgage Loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of August 1, 2006 (the "**Pooling Agreement**"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc. ("**DLJ**"), as seller (the "**Seller**"), the Master Servicer, the Trust Administrator, TBW, as servicer, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans, became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement).

2.02 The Servicing Agreement

TBW agreed to service the Mortgage Loans in accordance with the terms of a Securitization Servicing Agreement dated as of August 1, 2006 (the "**Servicing Agreement**"), by and among TBW, as servicer, the Seller, the Master Servicer, the Trust Administrator and the Trustee.

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and

escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Section 3.01 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account ("**Certificate Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2588) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 2655) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not

have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its

obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly

elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term **"Termination Date"** shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the **"Colonial Funds"**)	$1,993,085.00
Regions Bank (the **"Regions Funds"**)	$4,039,506.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $11,365,827.00 (the **"Allowed Servicing Advances Claim"**). The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $510,263.00 (the "**Allowed Servicing Fees Claim**").

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the "**Eligible Funds**") which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the "**Inventory Date**"), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $9,428,218.00, and that the Trust holds 287 Mortgage Loans having an aggregate unpaid principal balance of approximately $67,776,302.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the "**Remaining Assets**"), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

(a) On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $719,344.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

(b) In addition, the Allowed Servicing Advances Claim will be reduced by $164,143, which amount represents the agreed payment by TBW to Wells Fargo to resolve the "net funded loan" issue relating to loan number 1217100. Promptly following the Effective Date, Wells Fargo will file a release of the original mortgage associated with loan number 1217100.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in

escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $4,117.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released

Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals,

the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a "**Trust Released Claim**" and collectively, the "**Trust Released Claims**"); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, DLJ and/or Credit Suisse First Boston Mortgage Securities Corp. (collectively with Credit Suisse Securities (USA) LLC, "***Credit Suisse***"), each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the "**Seller/Depositor Parties**"), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller/Depositor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller/Depositor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sherry J. Newman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: Timothy Pillar
Vice President

Trust	**TBW 2006-4**
Trustee/Bond Insurer	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	11,876,090
TBW Advances Allowed [§ 6.02]	11,365,827
TBW Fees Allowed [§ 5.02]	510,263
Regions Funds [§ 5.01]	4,039,506
Less TBW Fees Allowed (paid on Eff. Date)	510,263
Balance of Regions Funds (to WF on Eff. Date)	3,529,243
Colonial Funds (to WF by Eff. Date) [§ 5.01]	1,993,085
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	4,117
Subtotal Wells Fargo DC Capped	440,896
Subtotal Trust DC Capped	274,331
Damage Claims Capped/Recouped Amt [§ 6.03]	719,344
Total Distribution to Tees/Insurers	4,117
Balance of Recouped Amount	715,227
Total Distribution to WF [§ 6.07]	440,896
Balance of Recouped Amount	274,331
Total Distribution to Trusts [§ 6.07]	274,331
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	9,428,218
less Recouped Amount	719,344
less Accelerated Reimb. Amount	-
Net Eligible Funds	8,708,873
TBW Advances Allowed	11,365,827
less Recouped Amount	719,344
Net TBW Advances	10,646,483
Amount to TBW (as of 9/30) [§ 6.04]	8,708,873
EF to be collected Post 9/30 and Paid	1,937,609
Total EF Paid and to be Paid to TBW	10,646,483
Fees Paid	
Total Before Other Items	
Less Other Items	(164,143)
Total	

C-5

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Securities Administrator ("**Securities Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for TBW Mortgage-Backed Trust Series 2006-5, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-5 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties**."

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans (the "**Mortgage Loans**") was securitized and certificates representing an interest in the Mortgage Loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of October 1, 2006 (the "**Pooling Agreement**"), by and among BNP Paribas Mortgage Securities LLC, as depositor, the Master Servicer, the Securities Administrator, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans, became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement).

2.02 The Servicing Agreement

TBW agreed to service the Mortgage Loans in accordance with the terms of the Master Mortgage Loan Purchase and Servicing Agreement, dated as of October 1, 2006, by and between TBW, as seller and servicer, and BNP Paribas Mortgage Corp., as initial purchaser, as modified by that certain Assignment, Assumption and Recognition Agreement, dated as of October 26, 2006, by and among BNP Paribas Mortgage Corp., as assignor, BNP Paribas Mortgage Securities LLC, as assignee, and TBW, as the company (collectively, the "**Servicing Agreement**").

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Section 3.01 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Securities Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the distribution account ("**Distribution Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim**."

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2589) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 2654) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no

proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Securities Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter

or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term **"Termination Date"** shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the **"Colonial Funds"**)	$3,354,363.00
Regions Bank (the **"Regions Funds"**)	$8,208,299.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $12,957,100.00 (the **"Allowed Servicing Advances**

Claim"). The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $657,000.00 (the **"Allowed Servicing Fees Claim").**

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the **"Eligible Funds"**) which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the **"Inventory Date"**), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $11,528,638.00, and that the Trust holds 418 Mortgage Loans having an aggregate unpaid principal balance of approximately $80,179,689.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the **"Remaining Assets"**), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

(a) On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $1,272,823.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

(b) In addition, the Allowed Servicing Advances Claim will be reduced by $42,621, which amount represents the agreed payment by TBW to Wells Fargo to resolve the "net funded loan" issue relating to loan number 1353869. Promptly following the Effective Date, Wells Fargo will file a release of the original mortgage associated with loan number 1353869.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $6,073.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Securities Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust

Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals, the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a "**Trust Released Claim**" and collectively, the "**Trust Released Claims**"); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, BNP Paribas Mortgage Corp., each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the "**Seller Parties**"), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against

the Seller Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be

admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Securities Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl L. Burman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Securities Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Securities Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Securities Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: Timothy Pillar
Title: Vice President

Trust	**TBW 2006-5**
Trustee/Bond Insurer	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	13,614,100
TBW Advances Allowed [§ 5.02]	12,957,100
TBW Fees Allowed [§ 5.02]	657,000
Regions Funds [§ 5.01]	8,208,299
Less TBW Fees Allowed (paid on Eff. Date)	657,000
Balance of Regions Funds (to WF on Eff. Date)	7,551,299
Colonial Funds (to WF by Eff. Date) [§ 5.01]	3,354,363
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	6,073
Subtotal Wells Fargo DC Capped	713,618
Subtotal Trust DC Capped	553,132
Damage Claims Capped/Recouped Amt [§ 6.03]	1,272,823
Total Distribution to Tees/Insurers	6,073
Balance of Recouped Amount	1,266,750
Total Distribution to WF [§ 6.07]	713,618
Balance of Recouped Amount	553,132
Total Distribution to Trusts [§ 6.07]	553,132
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	11,528,638
less Recouped Amount	1,272,823
less Accelerated Reimb. Amount	-
Net Eligible Funds	10,255,815
TBW Advances Allowed	12,957,100
less Recouped Amount	1,272,823
Net TBW Advances	11,684,277
Amount to TBW (as of 9/30) [§ 6.04]	10,255,815
EF to be collected Post 9/30 and Paid	1,428,462
Total EF Paid and to be Paid to TBW	11,684,277
Fees Paid	
Total Before Other Items	
Less Other Items	(42,621)
Total	

C-6

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for TBW Mortgage-Backed Trust Series 2006-6, TBW Mortgage-Backed Pass-Through Certificates, Series 2006-6 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) MBIA Insurance Corporation ("**MBIA**"), who is the Certificate Insurer (the "**Certificate Insurer**") and who issued the **Certificate Insurance Policy** (as that term is defined in the Pooling Agreement); (iv) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (v) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, MBIA, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties.**"

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans (the "**Mortgage Loans**") was securitized and certificates representing an interest in the Mortgage Loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of December 1, 2006 (the "**Pooling Agreement**"), by and among Mortgage Asset Securitization Transactions, Inc., as depositor (the "**Depositor**"), UBS Real Estate Securities Inc. ("**UBS**"), as transferor (the "**Transferor**"), the Master Servicer, the Trust Administrator, TBW, as servicer, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans, became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement) and the Certificate Insurer.

2.02 The Servicing Agreement

TBW agreed to service the Mortgage Loans in accordance with the terms of a Mortgage Loan Purchase and Servicing Agreement, dated as of December 1, 2006, by and between UBS, as purchaser, and TBW, as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of December 21, 2006, by and between the Depositor and TBW, as company and servicer (collectively, the "**Servicing Agreement**").

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Sections 3.01 and 3.02 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the distribution account ("**Distribution Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo and MBIA dispute certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo, the Trustee and MBIA each timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo, the Trustee and MBIA assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2590) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

As of August 31, 2010, the liquidated amount of the Damage Claims asserted by MBIA in its proof of claim filed on or about June 14, 2010 (Claim Number 2628) (the "**MBIA POC**"), is in the total amount of $413,342.00,[1] which amount represents certain damages, losses, and expenses arising as a result of TBW's bankruptcy proceeding incurred by MBIA in its capacity as Certificate Insurer.

In its proof of claim filed on or about June 14, 2010 (Claim Number 2657) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC, the MBIA POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo, MBIA and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

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[1] The MBIA POC was filed on behalf of the Trust as well as the TBW 2007-1 transaction. MBIA made a total claim for $826,684.00, which amount was not specifically allocated between the two trusts. Accordingly, such total claim is split evenly between the two transactions.

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Representations and Warranties of MBIA

MBIA hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to

it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by MBIA in the Bankruptcy Case other than the MBIA POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations

among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, the Trustee, and MBIA shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, MBIA and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo, the Trustee, and MBIA. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, in accordance with the terms of the Pooling Agreement, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo, MBIA and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo, MBIA and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo, the Trustee and MBIA

Wells Fargo will support, and the Trustee and MBIA will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, in the case of the Trustee, that it may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, MBIA, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo, in consultation with MBIA, and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo, the Trustee and MBIA, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed

pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term "**Termination Date**" shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the "**Colonial Funds**")	$3,907,142.00
Regions Bank (the "**Regions Funds**")	$9,061,316.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $8,628,032.00 (the "**Allowed Servicing Advances Claim**"). The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $636,493.00 (the "**Allowed Servicing Fees Claim**").

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the "**Eligible Funds**") which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the "**Inventory Date**"), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $10,759,894.00, and that the Trust holds 367 Mortgage Loans having an aggregate unpaid principal balance of approximately $78,535,930.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans

currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the "**Remaining Assets**"), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

(a) On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $1,502,070.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, the Trust and MBIA, from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

(b) In addition, the Allowed Servicing Advances Claim will be reduced by $245,000, which amount represents the agreed payment by TBW to Wells Fargo to resolve the "Medford Condominium" issue relating to case numbers 1380005, 1380011, 1380026, 1380056, and 1376699. As of the Effective Date, Wells Fargo will release its claim to all or any portion of the sale proceeds and related note held by TBW with respect to Medford Condominium.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the **"Subsequently Collected Eligible Funds"**), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Payment to MBIA and Disallowance of the MBIA POC

On the Effective Date, Wells Fargo will cause the Trust to pay MBIA, from the Recouped Amount, without the need for further certification by MBIA, the sum of $90,000.00, in full satisfaction of MBIA's claims against TBW, and upon such payment, the MBIA POC will be disallowed.[2] For the avoidance of doubt, payment to MBIA pursuant to this Agreement shall not in any way prejudice MBIA's rights to collect from the Trust any unreimbursed amounts owing to MBIA, in its capacity as Certificate Insurer and as subrogee and assignee of the rights of the holders of the Insured Certificates, pursuant to and in accordance with the terms of the Pooling Agreement, Servicing Agreement, and other related documents.

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $6,219.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement, Servicing Agreement and other related documents.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to MBIA (pursuant to Section 6.05) and the Trustee (pursuant to Section 0), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

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[2] $90,000 is the representative amount of legal fees MBIA incurred as of the date of they filed the MBIA POC for the Trust and which amounts remain unreimbursed as of the date of this Agreement. All other amounts claimed in the MBIA POC have since been, or will be, recovered from the Trust.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, MBIA, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any

Debtor Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo, the Trustee or MBIA from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, MBIA and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, MBIA, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and

professionals, the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a "**Trust Released Claim**" and collectively, the "**Trust Released Claims**"); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing UBS, as Transferor, and each of its respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the "**Transferor Parties**"), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Transferor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise..

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7,03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Transferor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Cheryl Newman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: BRIAN [illegible]
Title: DIRECTOR

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: Timothy Pillar
Title: Vice President

Trust	**TBW 2006-6**
Trustee/Bond Insurer	US Bank/MBIA
TWB's Claims:	
Total TBW Claim [§ 2.07]:	9,264,524
TBW Advances Allowed [§ 5.02]	8,628,032
TBW Fees Allowed [§ 5.02]	636,493
Regions Funds [§ 5.01]	9,061,316
Less TBW Fees Allowed (paid on Eff. Date)	636,493
Balance of Regions Funds (to WF on Eff. Date)	8,424,823
Colonial Funds (to WF by Eff. Date) [§ 5.01]	3,907,142
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	96,219
Subtotal Wells Fargo DC Capped	871,516
Subtotal Trust DC Capped	534,336
Damage Claims Capped/Recouped Amt [§ 6.03]	1,502,070
Total Distribution to Tees/Insurers	96,219
Balance of Recouped Amount	1,405,851
Total Distribution to WF [§ 6.07]	871,516
Balance of Recouped Amount	534,336
Total Distribution to Trusts [§ 6.07]	534,336
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	10,759,894
less Recouped Amount	1,502,070
less Accelerated Reimb. Amount	-
Net Eligible Funds	9,257,824
TBW Advances Allowed	8,628,032
less Recouped Amount	1,502,070
Net TBW Advances	7,125,961
Amount to TBW (as of 9/30) [§ 6.04]	7,125,961
EF to be collected Post 9/30 and Paid	-
Total EF Paid and to be Paid to TBW	7,125,961
Fees Paid	
Total Before Other Items	
Less Other Items	(245,000)
Total	

C-7

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for TBW Mortgage-Backed Trust Series 2007-1, TBW Mortgage-Backed Pass-Through Certificates, Series 2007-1 (the "**Trust**"), (ii) The Bank of New York Mellon, in its capacity as Trustee of the Trust (the "**Trustee**"), for the limited purposes set forth in Section 8.15 herein; (iii) MBIA Insurance Corporation ("**MBIA**"), who is the certificate insurer (the "**Certificate Insurer**") and who issued the **Class A-7A Certificate Insurance Policy** (as that term is defined in the Pooling Agreement); (iv) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (v) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, MBIA, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties**."

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans (the "**Mortgage Loans**") was securitized and certificates representing an interest in the Mortgage Loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of February 1, 2007 (the "**Pooling Agreement**"), by and among Mortgage Asset Securitization Transactions, Inc., as depositor (the "**Depositor**"), UBS Real Estate Securities Inc. ("**UBS**"), as transferor (the "**Transferor**"), the Master Servicer, the Trust Administrator, TBW, as servicer, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans, became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement) and the Certificate Insurer.

2.02 The Servicing Agreement

TBW agreed to service the Mortgage Loans in accordance with the terms of a Mortgage Loan Purchase and Servicing Agreement, dated as of February 1, 2007, by and among TBW, as servicer and seller, and UBS, as purchaser, as modified by that certain Reconstituted Servicing

Agreement, dated as of February 27, 2007, between the Depositor and TBW, as company and servicer (collectively, the "**Servicing Agreement**").

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Sections 3.01 and 3.02 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the distribution account ("**Distribution Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial

and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the

"**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo and MBIA dispute certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo, the Trustee and MBIA each timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and MBIA assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will

reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2591) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

As of August 31, 2010, the liquidated amount of the Damage Claims asserted by MBIA in its proof of claim filed on or about June 14, 2010 (Claim Number 2628) (the "**MBIA POC**"), is in the total amount of $413,342.00,[1] which amount represents certain damages, losses, and expenses arising as a result of TBW's bankruptcy proceeding incurred by MBIA in its capacity as Certificate Insurer.

In its proof of claim filed on or about June 11, 2010 (Claim Number 2557) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC, the MBIA POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo, MBIA and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

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[1] The MBIA POC was filed on behalf of the Trust as well as the TBW 2006-6 transaction. MBIA made a total claim for $826,684.00, which amount was not specifically allocated between the two trusts. Accordingly, such total claim is split evenly between the two transactions.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Representations and Warranties of MBIA

MBIA hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by MBIA in the Bankruptcy Case other than the MBIA POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.04 Representations and Warranties of the Trustee

The Bank of New York Mellon hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by The Bank of New York Mellon in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to

the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, the Trustee, and MBIA shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, MBIA, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo, the Trustee, and MBIA. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, in accordance with the terms of the Pooling Agreement, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo, MBIA and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo, MBIA and the Trustee prior to filing as to those provisions relating to

the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and MBIA

Wells Fargo will support, and MBIA will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred (**"Effective Date"**): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, MBIA, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the **"9019 Order"**), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the **"Confirmation Order,"** together with the 9019 Order, the **"Approval Orders"**); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo, in consultation with MBIA, and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo, the Trustee and MBIA, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and

shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term **"Termination Date"** shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the **"Colonial Funds"**)	$ 4,810,321.00
Regions Bank (the **"Regions Funds"**)	$10,028,540.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $22,548,543.00 (the **"Allowed Servicing Advances Claim"**). The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $1,028,882.00 (the **"Allowed Servicing Fees Claim"**).

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the **"Eligible Funds"**) which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the **"Inventory Date"**), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $19,090,442.00, and that the Trust holds 656 Mortgage Loans having an aggregate unpaid

principal balance of approximately $130,778,173.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the "**Remaining Assets**"), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $1,603,293.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, the Trust and MBIA, from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Payment to MBIA and Disallowance of the MBIA POC

On the Effective Date, Wells Fargo will cause the Trust to pay MBIA, from the Recouped Amount, without the need for further certification by MBIA, the sum of $90,000.00, in full satisfaction of MBIA's claims against TBW, and upon such payment, the MBIA POC will be disallowed.[2] For the avoidance of doubt, payment to MBIA pursuant to this Agreement shall not in any way prejudice MBIA's rights to collect from the Trust any unreimbursed amounts owing to MBIA, in its capacity as Certificate Insurer and as subrogee and assignee of the rights of the holders of the Insured Certificates, pursuant to and in accordance with the terms of the Pooling Agreement, Servicing Agreement, and other related documents.

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $20,196.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's rights to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement, Servicing Agreement and related documents.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to MBIA (pursuant to Section 6.05) and the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

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[2] $90,000 is the representative amount of legal fees MBIA incurred as of the date of they filed the MBIA POC for the Trust and which amounts remain unreimbursed as of the date of this Agreement. All other amounts claimed in the MBIA POC have since been, or will be, recovered from the Trust.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, MBIA, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any

Debtor Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo, the Trustee or MBIA from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, MBIA and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, MBIA, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and

professionals, the Committee and the Committee's professionals (collectively, the **"Plan Proponent Released Parties"**) from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a **"Trust Released Claim"** and collectively, the **"Trust Released Claims"**); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing UBS, as Transferor, and each of its respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the **"Transferor Parties"**), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Transferor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however*, the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Transferor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: _____
Title: _____

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl Nelson
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: _____
Title: _____

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: _____
Title: _____

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: Brian G Hynes
Name: BRIAN G HYNES
Title: DIRECTOR

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

MBIA INSURANCE CORPORATION, as Certificate Insurer

By: _____
Name: _____
Title: _____

THE BANK OF NEW YORK MELLON, as Trustee

By: _____
Name: _____
Title: MARTIN FEIG
VICE PRESIDENT

Trust	**TBW 2007-1**
Trustee/Bond Insurer	BoNY/MBIA
TWB's Claims:	
Total TBW Claim [§ 2.07]:	23,577,425
TBW Advances Allowed [§ 5.02]	22,548,543
TBW Fees Allowed [§ 5.02]	1,028,882
Regions Funds [§ 5.01]	10,028,540
Less TBW Fees Allowed (paid on Eff. Date)	1,028,882
Balance of Regions Funds (to WF on Eff. Date)	8,999,657
Colonial Funds (to WF by Eff. Date) [§ 5.01]	4,810,321
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	110,196
Subtotal Wells Fargo DC Capped	953,939
Subtotal Trust DC Capped	539,158
Damage Claims Capped/Recouped Amt [§ 6.03]	1,603,293
Total Distribution to Tees/Insurers	110,196
Balance of Recouped Amount	1,493,097
Total Distribution to WF [§ 6.07]	953,939
Balance of Recouped Amount	539,158
Total Distribution to Trusts [§ 6.07]	539,158
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	19,090,442
less Recouped Amount	1,603,293
less Accelerated Reimb. Amount	-
Net Eligible Funds	17,487,149
TBW Advances Allowed	22,548,543
less Recouped Amount	1,603,293
Net TBW Advances	20,945,250
Amount to TBW (as of 9/30) [§ 6.04]	17,487,149
EF to be collected Post 9/30 and Paid	3,458,101
Total EF Paid and to be Paid to TBW	20,945,250
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	

C-8

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for TBW Mortgage-Backed Trust Series 2007-2, TBW Mortgage-Backed Pass-Through Certificates, Series 2007-2 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Assured Guaranty Corp. ("**Assured**"), who is the **Certificate Insurer** (as that term is defined in the Pooling Agreement (defined below)) and who issued the **Certificate Insurance Policy** (as that term is defined in the Pooling Agreement); (iv) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (v) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, Assured, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties.**"

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans (the "**Mortgage Loans**") was securitized and certificates representing an interest in the Mortgage Loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of May 1, 2007 (the "**Pooling Agreement**"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc. ("**DLJ**"), as seller (the "**Seller**"), the Master Servicer, the Trust Administrator, TBW, as servicer, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans, became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement) and the Certificate Insurer.

2.02 The Servicing Agreement

TBW agreed to service the Mortgage Loans in accordance with the terms of a Securitization Servicing Agreement dated as of May 1, 2007 (the "**Servicing Agreement**"), by and among TBW, as servicer, the Seller, the Master Servicer, the Trust Administrator and the Trustee.

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. (**"Colonial Bank"**).

Pursuant to Section 3.01 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account (**"Certificate Account"**) each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver (**"FDIC-R"**) of Colonial Bank (the **"Receivership"**). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association (**"Wachovia"**) and later at Regions Bank (**"Regions Bank"**) which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). On September 9, 2009, Assured filed its "Limited Joinder and Statement In Support of Wells Fargo's Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket 181). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final

reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo and Assured dispute certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo, the Trustee and Assured each timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo, the Trustee and Assured assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for

Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2592) (the "**Wells Fargo POC**") and Wells Fargo contends that certain of its Damage Claims will continue to increase on and after September 1, 2010 in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

As of August 31, 2010, the liquidated amount of the Damage Claims asserted by Assured in its proof of claim filed on or about June 15, 2010 (Claim Number 3066) (the "**Assured POC**"), is in the total amount of $305,474.00, and Assured contends that certain Damage Claims will continue to increase on and after September 1, 2010 in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable. Assured has also asserted against TBW in the Assured POC contingent and unliquidated claims.

In its proof of claim filed on or about June 14, 2010 (Claim Number 2653) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC, the Assured POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo, Assured and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Representations and Warranties of Assured

Assured hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to

it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Assured in the Bankruptcy Case other than the Assured POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations

among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, the Trustee, and Assured shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, Assured and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo, the Trustee, and Assured. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo, Assured and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo, Assured and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo, the Trustee and the Assured

Wells Fargo will support, and the Trustee and Assured will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, in the case of the Trustee, that it may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, Assured, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo, in consultation with Assured, and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo, the Trustee and Assured, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed

pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term "**Termination Date**" shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the "**Colonial Funds**")	$3,844,703.00
Regions Bank (the "**Regions Funds**")	$10,841,365.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $12,084,810.00 (the "**Allowed Servicing Advances Claim**"). The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $783,650.00 (the "**Allowed Servicing Fees Claim**").

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the "**Eligible Funds**") which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the "**Inventory Date**"), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $11,124,574.00, and that the Trust holds 524 Mortgage Loans having an aggregate unpaid principal balance of approximately $103,803,283.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans

currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the "**Remaining Assets**"), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $1,739,051.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, the Trust, and Assured, from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than

zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the **"Subsequently Collected Eligible Funds"**), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Payment to Assured and Disallowance of the Assured POC

On the Effective Date, Wells Fargo will cause the Trust to pay Assured, from the Recouped Amount, without the need for further certification by Assured, the sum of $305,474.00, in full satisfaction of Assured's claims against TBW, and upon such payment, the Assured POC will be disallowed. For the avoidance of doubt, payment to Assured pursuant to this Agreement shall not

in any way prejudice Assured's rights to collect from the Trust any unreimbursed amounts owing to Assured, in its capacity as Certificate Insurer and as subrogee and assignee of the rights of the holders of the Insured Certificates, pursuant to and in accordance with the terms of the Pooling Agreement, Servicing Agreement, and other related documents.

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $8,118.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to Assured (pursuant to Section 6.05) and the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, Assured, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the

predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo, the Trustee or Assured from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective

subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, Assured and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, Assured, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals, the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a "**Trust Released Claim**" and collectively, the "**Trust Released Claims**"); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or

any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Nothing contained in this Agreement, or Section 7 of this Agreement in particular, is intended to release, or will have the effect of releasing, any party other than those parties expressly provided for herein. For example, certain of the Trust Releasing Parties may have Claims against DLJ and/or Credit Suisse First Boston Mortgage Securities Corp. (collectively with Credit Suisse Securities (USA) LLC, "**Credit Suisse**") arising under and in connection with the underwriting, offering and distribution of the Insured Certificates and the related offering materials, the Pooling Agreement, the Servicing Agreement, and/or that certain Indemnification Agreement, dated May 30, 2007, by and between Assured, DLJ, Credit Suisse and TBW. Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, DLJ and/or Credit Suisse, each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the "**Seller/Depositor Parties**"), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller/Depositor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the underwriting, offering and distribution of the Insured Certificates and related offering materials, the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller/Depositor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

ASSURED GUARANTY CORP., as Certificate Insurer

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl Newman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

ASSURED GUARANTY CORP., as Certificate Insurer

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

ASSURED GUARANTY CORP., as Certificate Insurer

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

ASSURED GUARANTY CORP., as Certificate Insurer

By: _____
Name: ERROL UHR
Title: MANAGING DIRECTOR

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

ASSURED GUARANTY CORP., as Certificate Insurer

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: Timothy Pillar
Title: Vice President

Trust	**TBW 2007-2**
Trustee/Bond Insurer	US Bank/Assured
TWB's Claims:	
Total TBW Claim [§ 2.07]:	12,868,460
TBW Advances Allowed [§ 5.02]	12,084,810
TBW Fees Allowed [§ 5.02]	783,650
Regions Funds [§ 5.01]	10,841,365
Less TBW Fees Allowed (paid on Eff. Date)	783,650
Balance of Regions Funds (to WF on Eff. Date)	10,057,714
Colonial Funds (to WF by Eff. Date) [§ 5.01]	3,844,703
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	313,592
Subtotal Wells Fargo DC Capped	957,643
Subtotal Trust DC Capped	467,815
Damage Claims Capped/Recouped Amt [§ 6.03]	1,739,051
Total Distribution to Tees/Insurers	313,592
Balance of Recouped Amount	1,425,458
Total Distribution to WF [§ 6.07]	957,643
Balance of Recouped Amount	467,815
Total Distribution to Trusts [§ 6.07]	467,815
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	11,124,574
less Recouped Amount	1,739,051
less Accelerated Reimb. Amount	-
Net Eligible Funds	9,385,523
TBW Advances Allowed	12,084,810
less Recouped Amount	1,739,051
Net TBW Advances	10,345,759
Amount to TBW (as of 9/30) [§ 6.04]	9,385,523
EF to be collected Post 9/30 and Paid	960,236
Total EF Paid and to be Paid to TBW	10,345,759
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	

C-9

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for CSAB Mortgage-Backed Trust 2007-1, CSAB Mortgage-Backed Pass-Through Certificates, Series 2007-1 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties.**"

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans was securitized and certificates representing an interest in the mortgage loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of April 1, 2007 (the "**Pooling Agreement**"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc. ("**DLJ**"), as seller (the "**Seller**"), Wells Fargo Bank, N.A., as Master Servicer, Trust Administrator, and a servicer, Universal Master Servicing, LLC, as servicer, Select Portfolio Servicing, Inc., as servicer, special servicer, and modification oversight agent, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans (as defined below), became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement).

2.02 The Servicing Agreement

TBW agreed to service a portion of the mortgage loans contained in the Trust (such mortgage loans referred to herein as the "**Mortgage Loans**") in accordance with the terms of the Seller's Purchase, Warranties and Servicing Agreement, dated as of February 1, 2007, by and between DLJ, as purchaser, and TBW, as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of April 1, 2007, by and among DLJ, TBW, the Master Servicer, the Trust Administrator, and the Trustee (collectively, the "**Servicing Agreement**").

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Section 3.20 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account ("**Certificate Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2581) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 2652) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no

proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter

or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term "**Termination Date**" shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the "**Colonial Funds**")	$12,684.00
Regions Bank (the "**Regions Funds**")	$21,627.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $5,655.00 (the "**Allowed Servicing Advances Claim**").

The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $1,799.00 (the **"Allowed Servicing Fees Claim"**).

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the **"Eligible Funds"**) which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby represents and warrants that, as of September 30, 2010 (the **"Inventory Date"**), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $10,011.00 and there are no other Mortgage Loans as to which TBW made specific Servicing Advances that remain unreimbursed as of the Inventory Date (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances). For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $3,569.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected

Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $34.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their

respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals, the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in

whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a **"Trust Released Claim"** and collectively, the **"Trust Released Claims"**); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, DLJ and/or Credit Suisse First Boston Mortgage Securities Corp. (collectively with Credit Suisse Securities (USA) LLC, "***Credit Suisse***"), each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the **"Seller/Depositor Parties"**), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller/Depositor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller/Depositor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl Newman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: Timothy Pillar
Title: Vice President

Trust	CSAB 2007-1
Trustee/Bond Insurer	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	7,454
TBW Advances Allowed [§ 5.02]	5,655
TBW Fees Allowed [§ 5.02]	1,799
Regions Funds [§ 5.01]	21,627
Less TBW Fees Allowed (paid on Eff. Date)	1,799
Balance of Regions Funds (to WF on Eff. Date)	19,827
Colonial Funds (to WF by Eff. Date) [§ 5.01]	12,684
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	34
Subtotal Wells Fargo DC Capped	1,916
Subtotal Trust DC Capped	1,619
Damage Claims Capped/Recouped Amt [§ 6.03]	3,569
Total Distribution to Tees/Insurers	34
Balance of Recouped Amount	3,536
Total Distribution to WF [§ 6.07]	1,916
Balance of Recouped Amount	1,619
Total Distribution to Trusts [§ 6.07]	1,619
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	10,011
less Recouped Amount	3,569
less Accelerated Reimb. Amount	-
Net Eligible Funds	6,442
TBW Advances Allowed	5,655
less Recouped Amount	3,569
Net TBW Advances	2,086
Amount to TBW (as of 9/30) [§ 6.04]	2,086
EF to be collected Post 9/30 and Paid	-
Total EF Paid and to be Paid to TBW	2,086
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	

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Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for CSMC Mortgage-Backed Trust Series 2007-4, CSMC Mortgage-Backed Pass-Through Certificates, Series 2007-4 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties.**"

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans was securitized and certificates representing an interest in the mortgage loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of May 1, 2007 (the "**Pooling Agreement**"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc. ("**DLJ**"), as seller (the "**Seller**"), Wells Fargo Bank, N.A., as Master Servicer, Trust Administrator, and a servicer, Universal Master Servicing, LLC, as servicer, Select Portfolio Servicing, Inc., as servicer, special servicer, and modification oversight agent, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans (as defined below), became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement).

2.02 The Servicing Agreement

TBW agreed to service a portion of the mortgage loans contained in the Trust (such mortgage loans referred to herein as the "**Mortgage Loans**") in accordance with the terms of the Seller's Purchase, Warranties and Servicing Agreement, dated as of February 1, 2007, by and between DLJ, as purchaser, and TBW, as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of May 1, 2007, by and among DLJ, TBW, the Master Servicer, the Trust Administrator, and the Trustee (collectively, the "**Servicing Agreement**").

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. (**"Colonial Bank"**).

Pursuant to Section 3.20 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account (**"Certificate Account"**) each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver (**"FDIC-R"**) of Colonial Bank (the **"Receivership"**). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association (**"Wachovia"**) and later at Regions Bank (**"Regions Bank"**) which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2582) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 3052) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no

proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter

or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term **"Termination Date"** shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the **"Colonial Funds"**)	$69,083.00
Regions Bank (the **"Regions Funds"**)	$570,356.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $62,303.00 (the **"Allowed Servicing Advances Claim"**).

The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $13,164.00 (the "**Allowed Servicing Fees Claim**").

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the "**Eligible Funds**") which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the "**Inventory Date**"), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $80,064.00, and that the Trust holds 1 Mortgage Loan having an aggregate unpaid principal balance of approximately $647,129.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the "**Remaining Assets**"), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $38,668.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $227.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released

Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the **"Releasing Certificateholders"**) shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a **"Certificateholder Releasee"**), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the **"Trust Releasing Parties"**) shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals,

the Committee and the Committee's professionals (collectively, the **"Plan Proponent Released Parties"**) from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a **"Trust Released Claim"** and collectively, the **"Trust Released Claims"**); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, DLJ and/or Credit Suisse First Boston Mortgage Securities Corp. (collectively with Credit Suisse Securities (USA) LLC, "***Credit Suisse***"), each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the **"Seller/Depositor Parties"**), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller/Depositor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller/Depositor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl Newman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: Timothy Pillar
Title: Vice President

Trust	CSMC 2007-4
Trustee/Bond Insurer	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	75,467
TBW Advances Allowed [§ 5.02]	62,303
TBW Fees Allowed [§ 5.02]	13,164
Regions Funds [§ 5.01]	570,356
Less TBW Fees Allowed (paid on Eff. Date)	13,164
Balance of Regions Funds (to WF on Eff. Date)	557,191
Colonial Funds (to WF by Eff. Date) [§ 5.01]	69,083
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	227
Subtotal Wells Fargo DC Capped	30,712
Subtotal Trust DC Capped	7,730
Damage Claims Capped/Recouped Amt [§ 6.03]	38,668
Total Distribution to Tees/Insurers	227
Balance of Recouped Amount	38,442
Total Distribution to WF [§ 6.07]	30,712
Balance of Recouped Amount	7,730
Total Distribution to Trusts [§ 6.07]	7,730
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	80,064
less Recouped Amount	38,668
less Accelerated Reimb. Amount	-
Net Eligible Funds	41,396
TBW Advances Allowed	62,303
less Recouped Amount	38,668
Net TBW Advances	23,635
Amount to TBW (as of 9/30) [§ 6.04]	23,635
EF to be collected Post 9/30 and Paid	-
Total EF Paid and to be Paid to TBW	23,635
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	

C-11

Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for CSMC Mortgage-Backed Trust Series 2007-6, CSMC Mortgage-Backed Pass-Through Certificates, Series 2007-6 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties**."

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans was securitized and certificates representing an interest in the mortgage loans were issued pursuant to the terms of a Series Supplement and Standard Terms of Pooling and Servicing Agreement, each dated as of September 1, 2007 (collectively, the "**Pooling Agreement**"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc. ("**DLJ**"), as seller (the "**Seller**"), Wells Fargo Bank, N.A., as Master Servicer, Trust Administrator, and a servicer, Bank of America, National Association, as servicer, Universal Master Servicing, LLC, as servicer, Select Portfolio Servicing, Inc., as servicer, special servicer, and modification oversight agent, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans (as defined below), became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement).

2.02 The Servicing Agreement

TBW agreed to service a portion of the mortgage loans contained in the Trust (such mortgage loans referred to herein as the "**Mortgage Loans**") in accordance with the terms of the Seller's Purchase, Warranties and Servicing Agreement, dated as of February 1, 2007, by and between DLJ, as purchaser, and TBW, as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of September 1, 2007, by and among DLJ, TBW, the Master Servicer, the Trust Administrator, and the Trustee (collectively, the "**Servicing Agreement**").

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Section 3.20 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account ("**Certificate Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the **"FDIC Settlement Agreement"**).

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the **"Servicing Advances"**).

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the **"Servicing Fees"**).

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the **"TBW Claim."**

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the **"Damage Claims"**): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2583) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 3053) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no

proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the "**Disclosure Statement**"), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred ("**Effective Date**"): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the "**9019 Order**"), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the "**Confirmation Order,**" together with the 9019 Order, the "**Approval Orders**"); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter

or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term "**Termination Date**" shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the "**Colonial Funds**")	$186,375.00
Regions Bank (the "**Regions Funds**")	$5,179,071.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $387,470.00 (the "**Allowed Servicing Advances Claim**").

The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $82,381.00 (the **"Allowed Servicing Fees Claim"**).

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the **"Eligible Funds"**) which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the **"Inventory Date"**), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $1,005,994.00, and that the Trust holds 12 Mortgage Loans having an aggregate unpaid principal balance of approximately $5,684,905.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the **"Remaining Assets"**), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $310,655.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $1,270.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released

Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals,

the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a "**Trust Released Claim**" and collectively, the "**Trust Released Claims**"); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, DLJ and/or Credit Suisse First Boston Mortgage Securities Corp. (collectively with Credit Suisse Securities (USA) LLC, "***Credit Suisse***"), each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the "**Seller/Depositor Parties**"), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller/Depositor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller/Depositor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl Newman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: Timothy Pillar
Vice President

Trust	CSMC 2007-6
Trustee/Bond Insurer .	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	469,851
TBW Advances Allowed [§ 5.02]	387,470
TBW Fees Allowed [§ 5.02]	82,381
Regions Funds [§ 5.01]	5,179,071
Less TBW Fees Allowed (paid on Eff. Date)	82,381
Balance of Regions Funds (to WF on Eff. Date)	5,096,690
Colonial Funds (to WF by Eff. Date) [§ 5.01]	186,375
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	1,270
Subtotal Wells Fargo DC Capped	252,196
Subtotal Trust DC Capped	57,189
Damage Claims Capped/Recouped Amt [§ 6.03]	310,655
Total Distribution to Tees/Insurers	1,270
Balance of Recouped Amount	309,385
Total Distribution to WF [§ 6.07]	252,196
Balance of Recouped Amount	57,189
Total Distribution to Trusts [§ 6.07]	57,189
Balance of Recouped Amount:	0
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	1,005,994
less Recouped Amount	310,655
less Accelerated Reimb. Amount	-
Net Eligible Funds	695,339
TBW Advances Allowed	387,470
less Recouped Amount	310,655
Net TBW Advances	76,815
Amount to TBW (as of 9/30) [§ 6.04]	76,815
EF to be collected Post 9/30 and Paid	-
Total EF Paid and to be Paid to TBW	76,815
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	

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Settlement Agreement

This Settlement Agreement (the "**Agreement**") is dated as of November 11, 2010, and is made by and among: (i) Wells Fargo Bank, N. A., acting solely in its capacities as Master Servicer ("**Master Servicer**"), Successor Servicer ("**Successor Servicer**") and Trust Administrator ("**Trust Administrator**"), as applicable (acting solely in such capacities, "**Wells Fargo**"), for CSMC Mortgage-Backed Trust Series 2007-7, CSMC Mortgage-Backed Pass-Through Certificates, Series 2007-7 (the "**Trust**"), (ii) U.S. Bank National Association, in its capacity as Trustee of the Trust (the "**Trustee**"); (iii) Taylor Bean & Whitaker Mortgage Corp. ("**TBW**" or the "**Debtor**"), as debtor and debtor in possession in the following case: In re: Taylor, Bean and Whitaker Mortgage Corp., Debtor, Case No. 09-07047 JAF (the "**Bankruptcy Case**"), pending in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division (the "**Bankruptcy Court**"); and (iv) the Official Committee of Unsecured Creditors of the Debtor (the "**Committee**"). References herein to TBW or the Debtor are intended to refer to TBW, as debtor and debtor in possession, and the estate of the Debtor prior to consummation of the Plan (as defined in Section 4.01 of the Agreement herein), and to the "Liquidating Trust" contemplated by the Plan on a post-confirmation basis, as applicable. Wells Fargo, the Trustee, TBW and the Committee are each a "**Party**" to this Agreement and are sometimes referred to collectively as the "**Parties.**"

2. Background

2.01 The Pooling Agreement

Prior to the Petition Date, a pool of residential mortgage loans was securitized and certificates representing an interest in the mortgage loans were issued pursuant to the terms of a Pooling and Servicing Agreement dated as of November 1, 2007 (the "**Pooling Agreement**"), by and among Credit Suisse First Boston Mortgage Securities Corp., as depositor, DLJ Mortgage Capital, Inc. ("**DLJ**"), as seller (the "**Seller**"), Wells Fargo Bank, N.A., as Master Servicer, Trust Administrator, and a servicer, Universal Master Servicing, LLC, as servicer, Banco Popular de Puerto Rico, as servicer and back-up servicer, Greenpoint Mortgage Funding, Inc., as servicer, Select Portfolio Servicing, Inc., as servicer, special servicer, and modification oversight agent, and the Trustee. Pursuant to the Pooling Agreement, the Trust was created and certain property, including the Mortgage Loans (as defined below), became the **Trust Fund** (as that term is defined in the Pooling Agreement), held by the Trustee for the benefit of the **Certificateholders** (as that term is defined in the Pooling Agreement).

2.02 The Servicing Agreement

TBW agreed to service a portion of the mortgage loans contained in the Trust (such mortgage loans referred to herein as the "**Mortgage Loans**") in accordance with the terms of the Seller's Purchase, Warranties and Servicing Agreement, dated as of February 1, 2007, by and between DLJ, as purchaser, and TBW, as seller and servicer, as modified by that certain Reconstituted Servicing Agreement, dated as of November 1, 2007, by and among DLJ, TBW, the Master Servicer, the Trust Administrator, and the Trustee (collectively, the "**Servicing Agreement**").

2.03 Certain Duties

TBW's servicing obligations included, but were not limited to (i) collecting principal and interest payments on the Mortgage Loans, and receiving and holding moneys in escrow for purposes of paying property taxes and insurance premiums, (ii) establishing and maintaining custodial and escrow accounts, (iii) advancing certain amounts with respect to principal and interest payments that were due on the Mortgage Loans during the applicable period and that were delinquent at the close of business on a specific determination date, (iv) monitoring and identifying delinquent Mortgage Loans and taking appropriate action, including pursuit of foreclosure actions, with respect to such Mortgage Loans, (v) timely remitting funds collected on the Mortgage Loans to the Master Servicer, and (vi) providing specific reports, data, and other information regarding the Mortgage Loans. TBW maintained such custodial and escrow accounts at Colonial Bank, N.A. ("**Colonial Bank**").

Pursuant to Section 3.20 of the Pooling Agreement, the Master Servicer assumed responsibility for monitoring, overseeing and enforcing TBW's obligations to service the Mortgage Loans under the terms of the Servicing Agreement. The Trust Administrator is responsible for performing certain tasks on behalf of the Trust, including, but not limited to, distributing payments to Certificateholders from the certificate account ("**Certificate Account**") each month, and publishing statements regarding such distributions to Certificateholders.

2.04 Events Leading Up to the Bankruptcy Case

On August 4, 2009, the United States Department of Housing and Urban Development suspended or terminated TBW's HUD/FHA origination and underwriting approval. Also on August 4, 2009, Freddie Mac notified TBW that TBW's eligibility as a Freddie Mac seller and servicer was terminated for cause, effective immediately.

On August 5, 2009, a hold was placed on all the bank accounts established by TBW at Colonial Bank.

By order dated August 14, 2009, the Alabama State Banking Department closed Colonial Bank and appointed the Federal Deposit Insurance Corporation as the receiver ("**FDIC-R**") of Colonial Bank (the "**Receivership**"). By operation of law, the FDIC-R succeeded to all rights, title, powers and privileges of Colonial Bank and of any stockholder, member, accountholder, depositor, officer, or director of Colonial Bank with respect to such institution and the assets of such institution pursuant to 12 U.S.C. § 1821(d)(2)(A)(i). The FDIC-R exercised its statutory powers as receiver to freeze all activity in the bank accounts maintained by TBW at Colonial Bank.

Following the FDIC freeze of the Colonial accounts, TBW established new bank accounts, or deposited funds into existing accounts, at Wachovia Bank, National Association ("**Wachovia**") and later at Regions Bank ("**Regions Bank**") which mirrored the account structure at Colonial and were used to deposit collections received from borrowers on the Mortgage Loans. The amounts on deposit in the accounts maintained at Wachovia were later combined with the amounts on deposit at Regions Bank.

On August 13, 2009, Wells Fargo issued a notice of termination to TBW for its failure to maintain certain servicer eligibility requirements under the Pooling Agreement and the Servicing Agreement. On August 20, 2009, Wells Fargo issued an additional notice of event of default to TBW as a result of TBW's failure to remit the Remittance Amount (as defined below) by the related Remittance Date (as defined below) for August 2009.

2.05 Certain Events in the Bankruptcy Case

TBW filed for bankruptcy on August 24, 2009 (the "**Petition Date**").

On August 28, 2009, Wells Fargo filed its "Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" (Docket No. 58). TBW filed its "Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds" with the Court on September 10, 2009 (Docket No. 191).

On October 7, 2009, the Debtor and Wells Fargo entered into a Stipulation (the "**Stipulation**") whereby TBW transferred ongoing servicing of the Mortgage Loans to Wells Fargo as Successor Servicer. On October 15, 2009, the Court entered an Order approving the Stipulation (Docket No. 456) and Wells Fargo became Successor Servicer of the Mortgage Loans for the benefit of the Trust. The date servicing was transferred to Wells Fargo as Successor Servicer is referred to herein as the "**Transition Date.**" Pursuant to paragraph 3 of the Stipulation, the parties reserved "all rights in connection with matters not specifically addressed therein, including without limitation, whether the Servicing Agreements were validly terminated on a pre-Petition basis, whether TBW defaulted under the Servicing Agreements on a post-Petition basis, whether TBW retains any rights to the mortgage servicing rights related to the Loans or the REO, and whether TBW is entitled to be reimbursed for previously made Advances or earned but unpaid Fees in accordance with the Servicing Agreements."

On February 24, 2010, the Bankruptcy Court entered an Order Establishing Protocol to Resolve Borrower Issues (Docket 1079) (the "**Borrower Protocol**"). Wells Fargo became an Electing Investor by giving the Election Notice for Issues 1, 2, 3 and 4 (as those terms are used in the Borrower Protocol). Pursuant to paragraph 53 of the Borrower Protocol, Wells Fargo's rights to recover any costs, expenses, loss or damages suffered in performing its obligations under the Borrower Protocol were preserved.

2.06 The Reconciliation and the FDIC Settlement

On September 10, 2009 the FDIC-R and the Debtor entered into a written stipulation (the "**FDIC Stipulation**") which (i) provided a framework for the interface between the Debtor's estate and the Receivership and (ii) defined a reconciliation process designed to identify and address issues regarding the appropriate allocation, receipt, and disbursement of borrower funds and other cash, as well as questions regarding the nature and ownership of the mortgages and other related assets under the Debtor's management and control as of early August 2009 (such process, the "**Reconciliation**"). The FDIC Stipulation was approved by the Bankruptcy Court by orders entered on September 29, 2009 (Docket 348) and October 16, 2009 (Docket 468). The final reconciliation report was filed with the Bankruptcy Court on July 1, 2010 (the "**Final Reconciliation Report**") (Docket 1644).

The Debtor entered into that certain Settlement Agreement with FDIC-R dated on or about August 11, 2010 and which was approved by the Bankruptcy Court on September 14, 2010 (Docket 1936) which, in part, addresses the distribution of funds that were in accounts at Colonial Bank and which accounts were frozen as described above (the "**FDIC Settlement Agreement**").

2.07 The TBW Claim

TBW has asserted that it has the right to receive the following amounts from the Trust Fund: (i) reimbursement for advances made by TBW to the Trust Fund to cover principal and interest that the homeowners did not pay on time; (ii) reimbursement for advances made by TBW to the Trust Fund to cover tax and insurance payments that homeowners did not pay on time; (iii) reimbursement for amounts paid by TBW for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs; and (iv) reimbursement for amounts paid by TBW for costs and expenses relating to maintenance of REO Property (collectively referred to as the "**Servicing Advances**").

TBW has also asserted that it has the right to receive the following amounts from the Trust Fund: (i) unpaid servicing fees and (ii) additional servicing compensation (collectively referred to as the "**Servicing Fees**").

TBW has also asserted, among other things, that it has the right to receive pre-judgment interest on the Servicing Advances and Servicing Fees from the date the servicing was transferred from TBW to Wells Fargo pursuant to the Stipulation, and that such interest will continue to accrue until such time as the Servicing Advances and Servicing Fees are paid.

The Servicing Advances, the Servicing Fees and other amounts asserted by TBW to be owed to, or which are asserted to continue to accrue for the benefit of, TBW, are sometimes referred to collectively as the "**TBW Claim.**"

Wells Fargo disputes certain of the assertions made by TBW.

2.08 The Damage Claims

Wells Fargo and the Trustee both timely filed in the Bankruptcy Case the proofs of claims described below that relate to the Trust.

Each of Wells Fargo and the Trustee assert, among other things, that the claims set out in the proof of claims described below or otherwise set out in this Agreement, including, without limitation, any and all rights to indemnification or amounts which are asserted to continue to accrue for any such party (collectively, the "**Damage Claims**"): (i) can be recouped from amounts due TBW on the TBW Claim for Servicing Advances, (ii) the amount of the Damage Claims so recouped will reduce the TBW Claim for Servicing Advances on a dollar for dollar basis, and (iii) after such recoupment and reduction, the remaining amount of the TBW Claim for Servicing Advances will be due and payable but only to the extent of Eligible Funds (as that term is defined below) on hand immediately prior to the Effective Date (as that term is defined below) or collected thereafter.

Wells Fargo filed its proof of claim on or about June 14, 2010 (Claim Number 2584) (the "**Wells Fargo POC**") and Wells Fargo contends that certain Damage Claims will continue to increase in accordance with the terms of the Servicing Agreement and the Pooling Agreement, as applicable.

In its proof of claim filed on or about June 14, 2010 (Claim Number 3054) (the "**Trustee POC**"), the Trustee asserted several contingent and unliquidated claims against TBW, which included, but were not limited to, claims for the repurchase of TBW originated Mortgage Loans in the event breaches of representations and warranties are later discovered.

The Wells Fargo POC and the Trustee POC are sometimes collectively referred to as the "**POCs**".

TBW disputes certain of the assertions made by Wells Fargo and the Trustee.

2.09 Basis for the Settlement

The Parties (other than the Trustee) have concluded that because of, among other things, the complexity, inherent delay and substantial expense of litigating the issues associated with the TBW Claim, the Damage Claims and the respective rights of the parties with respect to same, the length of time necessary to resolve each of the issues presented therein, the complexity and uncertainty involved and the concomitant disruption to the Debtor's effort to generate distributions for the benefit of the Debtor's creditors, it is in their respective best interests to resolve their disputes and related matters on the terms set forth in this Agreement and as embodied in the **Plan** (as defined below). The Debtor and the Committee confirm that the compromise and settlement set forth in this Agreement could not proceed but for the inclusion of all of the Damage Claims therein, including the Trustee POC which is to be disallowed as set forth herein, and on that basis the Trustee is entering into the compromise and settlement set forth in this Agreement. The Parties (other than the Trustee) believe that the compromise and settlement provided herein is fair and reasonable, and the Debtor believes it is in the best interests of the Debtor, the Debtor's estate and its creditors.

NOW, THEREFORE, the Parties, in consideration of the promises, covenants and agreements herein described and for other good and valuable consideration acknowledged by each of them to be satisfactory and adequate, and intending to be legally bound, do hereby mutually agree, subject to Bankruptcy Court approval, as follows:

3. Representations and Warranties

3.01 Representations and Warranties of the Debtor

The Debtor hereby represents and warrants that: (a) it is duly organized and validly existing under the laws of the jurisdiction of its organization; (b) subject to any necessary approval by the Bankruptcy Court, it has full requisite power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith, (i) have been duly and validly authorized by it and (ii) are not in contravention of its organization documents or any material agreement specifically applicable to it or to which it is a party; (d) no

proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) except as disclosed in this Section 3.01, other than the amounts on deposit at Regions Bank and Colonial Bank, the Debtor does not have possession, custody or control over any borrower funds or property of any type that should have been, or should be, remitted to Wells Fargo as Master Servicer or Successor Servicer. Notwithstanding clause (e) of the preceding sentence to the contrary, the Parties acknowledge that the Borrower Protocol and the FDIC Settlement contain provisions for the use of certain funds for resolution of certain borrower issues which funds are or may come into the possession of TBW and such funds including the BB&T Funds (as defined in the FDIC Settlement) may be used in accordance with, and as contemplated by, the Borrower Protocol and Section 1.7 of the FDIC Settlement.

3.02 Representations and Warranties of Wells Fargo

Wells Fargo hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; (b) it has full requisite power and authority in its capacities as Master Servicer, Successor Servicer and Trust Administrator to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacities and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by Wells Fargo Bank, N.A., in the Bankruptcy Case other than the Wells Fargo POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.03 Intentionally Omitted

3.04 Representations and Warranties of the Trustee

U.S. Bank National Association hereby represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization; and in its capacity as Trustee, but not in its individual capacity, hereby represents and warrants that (b) it has full requisite power and authority in its capacity as Trustee to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it in such capacity and (ii) are not in contravention of its organizational documents or any agreements specifically applicable to it; (d) no proceeding, litigation or adversary proceeding before any court, arbitrator or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder; and (e) none of the proofs of claim filed by U.S. Bank National Association in the Bankruptcy Case other than the Trustee POC relate in any way to the Trust, the Servicing Agreement or the Pooling Agreement.

3.05 Representations and Warranties of the Committee

The Committee hereby represents and warrants that: (a) it is duly organized and validly existing under the provisions of the Bankruptcy Code; (b) subject to the approval of the Bankruptcy Court, it has full requisite power and authority to execute and deliver and to perform its obligations under this Agreement; (c) the execution, delivery and performance hereof, and the instruments and documents required to be executed by it in connection herewith (i) have been duly and validly authorized by it and (ii) are not in contravention of its bylaws or any material agreement specifically applicable to it; and (d) no proceeding, litigation or adversary proceeding before any court, distributor or administrative or governmental body is pending against it which would adversely affect its ability to enter into this Agreement or to perform its obligations hereunder.

3.06 Representations of the Parties

Each Party (other than the Trustee) represents and acknowledges that: (a) in executing this Agreement, it does not rely, and has not relied, upon any representation of statement made by any other Party or any of such other Party's representatives, agents or attorneys, with regard to the subject matter, basis or effect of this Agreement or otherwise, other than as may be stated specifically in this Agreement, and (b) in executing this Agreement, it has relied entirely upon its own judgment, beliefs and interest and upon the advice of its counsel and that it has had a reasonable period of time to consider the terms of this Agreement before entering into it. Each of the Parties hereto represents and acknowledges it has reviewed this Agreement and that it fully understands and voluntarily accepts all of the provisions contained herein. Each Party further represents, acknowledges and agrees that this Agreement was the product of negotiations among the Parties and that any rule of construction as to ambiguities being resolved against the drafting party shall not apply in the interpretation of this Agreement. Notwithstanding the foregoing, the Trustee is relying on the recitation in Section 2.09 of this Agreement that Wells Fargo believes that the compromise and settlement is fair and reasonable.

4. Court Approval of this Agreement and Implementation Pursuant to a Plan

4.01 Plan of Liquidation Bankruptcy Court Approval of this Agreement

The Debtor and the Committee (collectively, the "**Plan Proponents**") intend to amend the joint Plan of Liquidation filed on or about September 21, 2010 (as amended, the "**Plan**"), and the Plan Proponents agree that the Plan shall provide that the claims of the Debtor, Wells Fargo, and the Trustee shall be described and treated therein in a manner consistent with the terms of this Agreement.

The Debtor shall promptly seek Bankruptcy Court approval and entry of this Agreement as a compromise pursuant to Bankruptcy Rule 9019 (the "**9019 Motion**"), and give written notice to all creditors in accordance with Bankruptcy Rule 2002 of (i) the hearing on approval of this Agreement and (ii) the terms and conditions of this Agreement, including but not limited to the releases to be given to Wells Fargo, the Trustee, and the Trust by Certificateholders (the "**9019 Notice**"). The 9019 Notice shall be in a form reasonably acceptable to Wells Fargo and the Trustee. The terms and conditions of this Agreement shall be incorporated into the Plan.

Wells Fargo shall cause the 9019 Notice to be sent to the Certificateholders of the Trust in order to provide them a reasonable opportunity to object, or to direct the Trustee to object, to the relief sought.

4.02 Covenants of the Debtor

The Debtor shall take all actions reasonably necessary to obtain, and shall take no action to impede or preclude, entry of the Confirmation Order (defined below) and the consummation, implementation and administration of the Plan, provided that the Plan (and its consummation, implementation and administration) are consistent with the terms herein. Such necessary actions shall include, but not be limited to, (i) filing on or prior to November 12, 2010 (or such later date as may be agreed to in writing by the Parties), an amended disclosure statement, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement (as amended, the **"Disclosure Statement"**), (ii) filing the Plan, which shall be subject to review and reasonable approval by Wells Fargo and the Trustee prior to filing as to those provisions relating to the terms and provisions of this Agreement, and (iii) prosecuting the approval of the Disclosure Statement and the Plan at hearings in accordance with applicable orders entered in the Bankruptcy Case.

4.03 Covenants of the Committee

The Committee will support, and otherwise take no action to impede or preclude, the approval of the 9019 Motion, the approval of the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement.

4.04 Covenants of Wells Fargo and the Trustee

Wells Fargo will support, and the Trustee will take no action to impede or preclude, the approval of the 9019 Motion, the Disclosure Statement or the confirmation, implementation and administration of the Plan consistent with this Agreement; *provided, however*, the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in conformance with the terms of the Pooling Agreement.

4.05 Effective Date

This Agreement shall become effective on the first date on which all of the following have occurred (**"Effective Date"**): (i) this Agreement has been fully executed; (ii) the Bankruptcy Court enters orders in form and substance reasonably satisfactory to Wells Fargo, the Trustee, the Debtor and the Committee (A) overruling any objections of any party in interest to, and approving, the compromise and settlement set forth in this Agreement (the **"9019 Order"**), and (B) overruling any objection of any party in interest to, and confirming, the Plan in accordance with section 1129 of the Bankruptcy Code (the **"Confirmation Order,"** together with the 9019 Order, the **"Approval Orders"**); (iii) either (A) the time to appeal or seek review or rehearing of the Approval Orders has expired and no appeal or petition for review or rehearing of either of the Approval Orders has been taken or is pending, or (B) notwithstanding the filing or pendency of an appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter

or amend judgment, motion for rehearing or motion for new trial with respect to either of the Approval Orders (provided that neither of the Approval Orders has been reversed, modified or amended) or that the time to do any of the foregoing has not yet expired (provided that neither of the Approval Orders has been stayed) the Parties, in their sole and absolute discretion, jointly elect to declare this Agreement effective; and (iv) the Colonial Funds (as that term is defined below) shall have been paid to Wells Fargo. If, as a condition to the release of such funds, FDIC–R requests a release by Wells Fargo from liability in connection with the FDIC-R's holding or handling of such funds, Wells Fargo shall execute and deliver to the FDIC-R a release in form and substance reasonably acceptable to Wells Fargo and the FDIC-R.

4.06 Termination and Effect of Termination

If the Effective Date does not occur by the Termination Date (as defined below) then this Agreement may be terminated at the option of Wells Fargo and the Trustee, as agreed by them in writing, or TBW, and: (i) the Parties shall be restored to their respective positions as of the date of this Agreement with all of their respective claims and defenses, preserved as they existed on that date; (ii) the terms and provisions of this Agreement shall be null and void and shall have no further force or effect with respect to the Parties, and neither the existence nor the terms of this Agreement (nor any negotiations preceding this Agreement nor any acts performed pursuant to, or in furtherance of, this Agreement) shall be used in any action or proceeding for any purpose; and (iii) any judgment or order entered by the Bankruptcy Court in accordance with the terms of this Agreement shall be treated, insofar as it relates to this Agreement, as vacated, *nunc pro tunc*. As used herein, the term "**Termination Date**" shall mean the date which is the earlier of (a) April 30, 2011, or (b) the date which the FDIC-R and the Debtor agree by amendment to the FDIC Settlement Agreement, as the outside date upon which the Plan must become effective or in the absence of such effectiveness, the FDIC Settlement Agreement shall automatically terminate.

The parties hereto agree that the covenants and agreement of the parties set forth in this Section 4 are binding and effective upon execution of this Agreement.

5. Agreements Regarding Certain Amounts

5.01 Agreement Regarding Amounts on Deposit at Colonial Bank and Regions Bank

Pursuant to the Final Reconciliation Report and further work done by the Parties, the amounts on deposit at Colonial Bank and Regions Bank that belong to the Trust are as follows:

Colonial Bank (the "**Colonial Funds**")	$394,568.00
Regions Bank (the "**Regions Funds**")	$111,713.00

5.02 Agreement Regarding the TBW Claim

The amount of the Servicing Advances not reimbursed prior to the Petition Date, net of reimbursements received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $38,453.00 (the "**Allowed Servicing Advances Claim**").

The Allowed Servicing Advances Claim is subject to reduction by the Recouped Amount (defined below) pursuant to Section 6.03.

The amount of Servicing Fees unpaid as of the Petition Date, net of payments received by TBW after the Petition Date and after the reconciliation by the parties of miscellaneous amounts, is $8,860.00 (the "**Allowed Servicing Fees Claim**").

5.03 Agreement Regarding Amount of Eligible Funds Collected

TBW will be reimbursed for the Allowed Servicing Advances Claim only from funds (collectively, the "**Eligible Funds**") which are either (i) late payments with respect to Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim or (ii) proceeds from the liquidation of REO and Mortgage Loans as to which TBW made advances which constitute part of the Allowed Servicing Advances Claim. Wells Fargo hereby (i) represents and warrants that, as of September 30, 2010 (the "**Inventory Date**"), the amount of Eligible Funds collected by Wells Fargo in accordance with the Servicing Agreement and the Pooling Agreement after the Transition Date and held in escrow is $67,697.00, and that the Trust holds 1 Mortgage Loan having an aggregate unpaid principal balance of approximately $611,656.00 as to which TBW made specific Servicing Advances that remain unreimbursed (such Mortgage Loans include all REO and Mortgage Loans currently held by or on behalf of the Trust and as to which TBW made Servicing Advances and such assets are collectively referred to herein as the "**Remaining Assets**"), and (ii) agrees to cause the continued liquidation of the Remaining Assets in accordance with the Servicing Agreement and the Pooling Agreement and in a similar fashion as the liquidation of assets which resulted in the existing Eligible Funds. For the avoidance of doubt, the parties agree that the determination of what constitutes Eligible Funds which come into existence after the Inventory Date shall be made in accordance with the Servicing Agreement, the Pooling Agreement and the procedures, assumptions and priorities used to determine the amount of the Eligible Funds as of the Inventory Date. Any and all Eligible Funds which come into existence after the Inventory Date shall be held in escrow and disbursed in accordance with Section 6.04.

6. Events to Occur Upon and After the Effective Date

6.01 Payment of Regions Funds to TBW for Allowed Servicing Fees Claim and to Trust Fund

On the Effective Date, from the Regions Funds, TBW (i) will distribute the Allowed Servicing Fees Claim to TBW, and, (ii) after deduction of the Allowed Servicing Fees Claim from the Regions Funds, will distribute the balance of the Regions Funds to Wells Fargo as Successor Servicer, for the benefit of the Trust.

6.02 Distribution of the Regions Funds and Colonial Funds

The Parties understand that on or before the Effective Date, the Colonial Funds shall be distributed by the FDIC-R to Wells Fargo as Successor Servicer, for the benefit of the Trust.

Wells Fargo will hold in escrow or distribute, as applicable, the Colonial Funds and the balance of the Regions Funds remitted to it pursuant to Section 6.01 in accordance with the Servicing Agreement and the Pooling Agreement, as applicable.

6.03 Payment to Wells Fargo, Reduction of Allowed Servicing Advances Claim and Disallowance of Wells Fargo's POC

On the Effective Date, the parties hereto agree that the Damage Claims are agreed to be liquidated in the amount of $32,843.00 (the "**Recouped Amount**") and that, on the Effective Date, (i) the Recouped Amount will be paid to Wells Fargo for the benefit of itself, the Trustee, and the Trust from Eligible Funds in escrow on the last business day of the month immediately prior to the Effective Date, to be distributed as described herein; (ii) the amount of Eligible Funds in escrow will be reduced by the Recouped Amount; and (iii) the Allowed Servicing Advances Claim will be reduced by the Recouped Amount. Upon payment of the Recouped Amount the Wells Fargo POC will be disallowed.

6.04 Payment of Allowed Servicing Advances Claim

(a) If, following the payment of the Recouped Amount, the reduction of the Eligible Funds in escrow and the reduction of the Allowed Servicing Advances Claim (all as provided pursuant to Section 6.03) (i) the amount of the Allowed Servicing Advances Claim remaining is greater than zero and (ii) the balance of Eligible Funds remaining in escrow is greater than zero, then, on the Effective Date, the remaining Allowed Servicing Advances Claim will be paid from the amount of Eligible Funds remaining in escrow, but only up to the lower of the remaining Allowed Servicing Advances Claim or the amount of the Eligible Funds remaining in escrow, in each case after the reductions described in Section 6.03.

(b) If the amount of the Eligible Funds remaining in escrow is sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then upon such payment the Allowed Servicing Advances Claim will be deemed paid in full and satisfied.

(c) If the amount of Eligible Funds remaining in escrow is not sufficient to pay the Allowed Servicing Advances Claim remaining after such reductions, then, following such partial payment on the Effective Date, the remaining balance of the Allowed Servicing Advances Claim will be paid as and to the extent that additional Eligible Funds are collected after the last business day of the month immediately preceding the Effective Date (the "**Subsequently Collected Eligible Funds**"), until the remaining balance of the Allowed Servicing Advances Claim is paid in full, on a monthly basis, in arrears, without interest, as follows: Subsequently Collected Eligible Funds collected in a month will be paid to the Liquidating Trust up to the remaining Allowed Servicing Advances Claim two business days following the day the report described in Section 6.04(f) below is provided to TBW.

(d) Until the remaining balance of the Allowed Servicing Advances Claim is paid in full from Subsequently Collected Eligible Funds, Wells Fargo will not use Subsequently Collected Eligible Funds for any other purpose and shall retain Subsequently Collected Eligible Funds in escrow until payments are made to the Liquidating Trust as contemplated by subparagraph (c), above.

(e) After the Allowed Servicing Advances Claim (after the reduction described in Section 6.03) is paid in full, TBW (and any other Plan Releasing Party, as defined below) shall have no further right to receive any Subsequently Collected Eligible Funds and such Subsequently Collected Eligible Funds shall be collected and distributed in accordance with the terms of the Pooling Agreement and Servicing Agreement.

(f) On or before the date which is the earlier of (i) ten (10) days after the Distribution Date (as that term is defined in the Pooling Agreement), or (ii) the fifth (5th) business day of each month following the month in which Subsequently Collected Eligible Funds are received by Wells Fargo, Wells Fargo will report to TBW the amount of Subsequently Collected Eligible Funds, and will give TBW reasonable access to the books and records of the Trust regarding same, at TBW's cost and expense, until such time as the balance of the Allowed Servicing Advances Claim has been paid in full.

6.05 Intentionally Omitted

6.06 Payment to the Trustee and Disallowance of the Trustee POC

On the Effective Date, Wells Fargo will cause the Trust to pay the Trustee, from the Recouped Amount, the sum of $156.00 for its fees and expenses and in consideration therefore and upon such payment, the Trustee POC will be disallowed. For the avoidance of doubt, payment to the Trustee pursuant to this Agreement shall not prejudice the Trustee's right to collect from the Trust any unreimbursed amounts owing to the Trustee pursuant to and in accordance with the terms of the Pooling Agreement and other related agreements.

6.07 Distribution of the Remainder of the Recouped Amount

Promptly following receipt of the Recouped Amount and the payments to the Trustee (pursuant to Section 6.06), Wells Fargo will distribute the remaining amount of the Recouped Amount to (i) the Trust and/or the Certificateholders, as applicable, on the claims asserted in the POC filed by Wells Fargo on behalf of the Trust and/or Certificateholders (the "**Trust Claims**") and (ii) to itself, as Master Servicer, Successor Servicer, or Trust Administrator, as applicable, on the claims asserted in the POC filed by Wells Fargo on its own behalf (the "**Wells Fargo Claims**"). Wells Fargo will allocate the Recouped Amount between (i) the Trust and/or Certificateholders and (ii) Wells Fargo, as described in Schedule 6.07 attached hereto.

7. Release of Claims

7.01 Requirement for Certain Releases

The Parties agree that releases set out below are fair and equitable because none of the Parties will cooperate in the consummation of this Agreement without such releases, and without this Agreement there can be no plan of liquidation on terms as favorable to the Debtor's estate as the Plan. Therefore, the Plan shall include the following releases.

7.02 Releases of the Trust Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, (a) the Debtor, the Debtor's estate, all the Debtor's creditors, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively, and (b) the Committee (collectively, the "**Plan Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, the past, present and future Certificateholders, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of these (collectively, the "**Trust Released Parties**") from any and all claims, demands, rights, obligations, liabilities, promises, agreements, damages, actions, suits, losses, expenses (including attorneys fees) or causes of action of any and every kind, character or nature whatsoever, in law or in equity, known or unknown, now accrued or which may hereafter accrue, whether asserted or unasserted (each a "**Claim**" and collectively, the "**Claims**"), which the Plan Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Trust Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof that (i) relate to or arise from or in connection with TBW's rights to fees incurred or reimbursement of advances made by TBW in connection with the Trust, in its role as servicer or otherwise, or the termination or attempted termination of TBW as servicer by Wells Fargo, or for interest on such fees or advances; (ii) relate to or arise out of TBW's failure to perform any of its undertakings, obligations, covenants, representations, warranties, and agreements under the Servicing Agreement, or to third parties; (iii) relate to or arise under 11 U.S.C. § 547, 11 U.S.C. § 548, or any other avoiding powers under the Bankruptcy Code or similar federal or state laws which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; (iv) relate to or arise under any other federal or state laws (including common law claims or equitable remedies) which arise out of or are related to any obligations or transfers made to, from, or in connection with the Trust; or (v) were asserted or could have been asserted by any Plan Releasing Party in or in connection with the Bankruptcy Case, the Stipulation (or were reserved in the Stipulation), the Plan or during the negotiations that preceded the compromises set forth in this Agreement (any of the foregoing, individually, a "**Debtor Released Claim**", or collectively, the "**Debtor Released Claims**"); and all Plan Releasing Parties will be permanently enjoined, except as expressly contemplated by Section 7.02(b), from taking any of the following actions against any Trust Released Party or any property of a Trust Released Party on account of Debtor Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Debtor Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Debtor Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Debtor Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Trust Released Party with respect to any Debtor Released

Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in Section 7.02(a), the foregoing is not intended to release, nor shall it have the effect of releasing, Wells Fargo or the Trustee from the performance of their obligations in accordance with this Agreement.

7.03 Release by the Certificateholders

The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Releasing Certificateholders**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged Wells Fargo, the Trustee, and the Trust, their respective past or present parent entities, subsidiaries, affiliates, agents, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them (each, a "**Certificateholder Releasee**"), from any and all Claims which the Releasing Certificateholders or any of them have or may have, or claim to have, now or in the future, against any Certificateholder Releasee based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to the negotiations and compromises set forth in this Agreement; and all Releasing Certificateholders will be permanently enjoined from taking any of the following actions against any Certificateholder Releasee or any property of a Certificateholder Releasee on account of or with respect to any such Claims released hereunder: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Certificateholder Releasee; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

7.04 Release of the Plan Proponent Released Parties

(a) The Plan shall provide that on and effective as of the Effective Date, and without the need for the execution and delivery of additional documentation or the entry of any additional orders of the Bankruptcy Court, Wells Fargo, the Trustee, the Trust, each of the past, present and future Certificateholders, each of their respective subsidiaries and affiliates and the predecessors, successors and assigns of any of them and any other person that claims or might claim through, on behalf of or for the benefit of any of the foregoing, whether directly or derivatively (collectively, the "**Trust Releasing Parties**") shall be deemed to have irrevocably and unconditionally, fully, finally, and forever waived, released, acquitted and discharged the Debtor, the Debtor's estate, the Debtor's current directors, officers, employees, agents and professionals,

the Committee and the Committee's professionals (collectively, the "**Plan Proponent Released Parties**") from any and all Claims which the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, against any Plan Proponent Released Party based in whole or in part on any facts, conduct, activities, transactions, events, or occurrences, known or unknown, which have or allegedly have existed, occurred, happened, arisen, or transpired from the beginning of time to the date hereof, that relate to or arise out of the Trust, the Servicing Agreement or the Pooling Agreement, specifically including but not limited to (i) any post-petition claims relating thereto, and (ii) the Damage Claims (individually, a "**Trust Released Claim**" and collectively, the "**Trust Released Claims**"); and all Trust Releasing Parties will be permanently enjoined except as expressly contemplated by Section 7.04(b) from taking any of the following actions against any Plan Proponent Released Party or any property of a Plan Proponent Released Party on account of such released Trust Released Claims: (i) commencing, conducting or continuing in any manner, directly or indirectly, any suit, action or other proceeding of any kind with respect to any Trust Released Claim; (ii) enforcing, levying, attaching, collecting or otherwise recovering by any manner or means, directly or indirectly, any judgment, award, decree or order with respect to any Trust Released Claim; (iii) creating, perfecting or otherwise enforcing in any manner, directly or indirectly, any lien with respect to any Trust Released Claim; (iv) asserting any setoff, right of subrogation or recoupment of any kind, directly or indirectly, against any obligation due a Plan Proponent Released Party with respect to any Trust Released Claim; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Agreement.

(b) Notwithstanding anything contained in this Section 7.04, the foregoing is not intended to release, nor shall it have the effect of releasing, the Debtor or the Committee from the performance of their obligations pursuant to or in accordance with this Agreement.

(c) Notwithstanding anything contained in this Section 7.04 or other sections of this Agreement, nothing contained in this Agreement is intended to release, nor shall it have the effect of releasing, DLJ and/or Credit Suisse First Boston Mortgage Securities Corp. (collectively with Credit Suisse Securities (USA) LLC, "***Credit Suisse***"), each of their respective past or present parent entities, subsidiaries, affiliates, agents, underwriters, directors, officers, employees, professionals and the predecessors, successors and assigns of any of them and any other person that might be liable through any of the foregoing, whether directly or derivatively (the "**Seller/Depositor Parties**"), from any Claims that the Trust Releasing Parties or any of them have or may have, or claim to have, now or in the future, in their individual or representative capacities or as assignee or subrogee, against the Seller/Depositor Parties either at law, in equity, pursuant to contract, whether arising under and in connection with the Pooling Agreement, the Servicing Agreement or otherwise.

8. Miscellaneous Provisions

8.01 Good Faith

The Parties agree that the Agreement was negotiated in good faith by the Parties, and reflects a settlement that was reached voluntarily after consultation with each of the Parties' representative competent legal counsel.

8.02 Integration

Any exhibits to this Agreement, including Sections 1 and 2, are material and integral parts hereof and are fully incorporated herein by this reference.

8.03 Amendments

This Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties.

8.04 Authority

Each person executing this Agreement or any of its exhibits on behalf of a Party hereto hereby warrants that such person has the full authority to do so.

8.05 Counterparts

This Agreement may be executed by facsimile and in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Counsel for the parties to this Agreement shall exchange among themselves original signed counterparts and a complete set of executed counterparts shall be filed with the Bankruptcy Court.

8.06 Intentionally Omitted

8.07 Successors

This Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto, including any corporation or other entity into or with which any party merges, consolidates or reorganizes.

8.08 Jurisdiction

The Bankruptcy Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all parties hereto submit to the jurisdiction of the Bankruptcy Court for purposes of implementing and enforcing the settlement embodied in this Agreement.

8.09 Further Assurances

Each of the Parties hereto agrees to execute and deliver, or to cause to be executed and delivered, all such instruments, and to take all such action as another Party may reasonably request in order to effectuate the intent and purposes of, and to carry out the terms of, this Agreement.

8.10 Governing Law

This Agreement and any exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of New York, and the rights and obligations of the parties to this Agreement shall be construed and enforced in accordance with,

and governed by, the internal, substantive laws of the State of New York without giving effect to that state's choice of law principles.

8.11 Entire Agreement

This Agreement (together with the Exhibits hereto) constitutes the entire agreement between the Parties and no representations, warranties or inducements have been made to any party concerning this Agreement or any of its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. It is understood by the Parties that, except for the matters expressly represented herein, the facts or law with respect to which this Agreement is entered into may turn out to be other than or different from the facts now known to each party or believed by such party to be true; each party therefore expressly assumes the risk of the facts or law turning out to be so different, and agrees that this Agreement shall be in all respects effective and not subject to termination by reason of any such different facts or law.

8.12 No Admissions

The Parties intend this Agreement and the settlement described herein to be a final and complete resolution of all disputes between them, and it shall not be deemed an admission by any Party as to the merits of any claim or defense with respect to these claims.

8.13 Agreement Inadmissible

Neither this Agreement nor the settlement described herein, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement is, or may be deemed to be or may be used as an admission of, or evidence of, any liability, fault or omission of the Parties in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal. Neither this Agreement nor the settlement, nor any act performed or document executed pursuant to or in furtherance of this Agreement or the settlement shall be admissible in any proceeding for any purpose, except to seek approval of or to enforce the terms of the settlement.

8.14 Recitals Not Binding

In the event that this Agreement does not become effective or is terminated, the recitals set forth in this Agreement shall not constitute binding admissions, statements against interest or be admissible as evidence in any proceedings between or involving one or more of the Parties to establish any fact, waiver, estoppel, contention, assertion or allegation of any kind or nature whatsoever.

8.15 Acknowledgement of the Limited Role of the Trustee

The Trustee hereby executes this Agreement for the limited purpose of agreeing to: (1) disallow the Trustee POC as outlined in Section 6.06, (ii) take no action to impede or preclude the approval of this Agreement, the Disclosure Statement or the confirmation, implementation, and administration of the Plan consistent with this Agreement, *provided, however,* the Trustee may follow any direction it may receive from the requisite percentage of Certificateholders in

conformance with the terms of the Pooling Agreement, (iii) make the representations set forth in Section 3.04 hereof, (iv) consent to the distribution of funds pursuant to Article 6 hereof, and (v) the release of claims in accordance with and to otherwise comply with, the terms of Sections 7.01, 7.02, 7.03, and 7.04 hereof. The Parties (other than the Trustee) hereby acknowledge that the Trustee is not making any representations, other than as set forth in Section 3.04, regarding the underlying facts and events that led the Parties (other than the Trustee) to enter into this Agreement.

8.16 No Third Party Beneficiaries

The provisions of this Agreement are solely for the benefit of the Parties to this Agreement, and unless otherwise explicitly set forth in this Agreement no provision of this Agreement should be deemed to confer third party beneficiary rights upon any other person. For the avoidance of doubt, none of the Seller/Depositor Parties shall be a third-party beneficiary of this Agreement or any provision hereof, and shall not be entitled to enforce the provisions hereof.

[Signature Page Follows]

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: Sheryl Newman
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: Robert Campitelli
Name: Robert Campitelli
Title: Senior Vice President

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: _____

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

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.

By: _____
Name: _____
Title: _____

OFFICIAL COMMITTEEE OF UNSECURED CREDITORS OF THE DEBTOR

By: _____
Name: _____
Title: _____

WELLS FARGO BANK, N.A., as Master Servicer, Successor Servicer, and Trust Administrator

By: _____
Name: _____
Title: _____

U.S. BANK NATIONAL ASSOCIATION, as Trustee

By: _____
Name: _____
Title: Timothy Pillar
Vice President

Trust	**CSMC 2007-7**
Trustee/Bond Insurer	US Bank
TWB's Claims:	
Total TBW Claim [§ 2.07]:	47,313
TBW Advances Allowed [§ 5.02]	38,453
TBW Fees Allowed [§ 5.02]	8,860
Regions Funds [§ 5.01]	111,713
Less TBW Fees Allowed (paid on Eff. Date)	8,860
Balance of Regions Funds (to WF on Eff. Date)	102,853
Colonial Funds (to WF by Eff. Date) [§ 5.01]	394,568
Damage Claims (DC) [§ 2.08]	
Subtotal Trustee/Insurer DC	156
Subtotal Wells Fargo DC Capped	27,218
Subtotal Trust DC Capped	5,469
Damage Claims Capped/Recouped Amt [§ 6.03]	32,843
Total Distribution to Tees/Insurers	156
Balance of Recouped Amount	32,688
Total Distribution to WF [§ 6.07]	27,218
Balance of Recouped Amount	5,469
Total Distribution to Trusts [§ 6.07]	5,469
Balance of Recouped Amount:	-
Eligible Funds (EF) (on hand as of 9/30) [§ 5.03]	67,697
less Recouped Amount	32,843
less Accelerated Reimb. Amount	-
Net Eligible Funds	34,854
TBW Advances Allowed	38,453
less Recouped Amount	32,843
Net TBW Advances	5,610
Amount to TBW (as of 9/30) [§ 6.04]	5,610
EF to be collected Post 9/30 and Paid	-
Total EF Paid and to be Paid to TBW	5,610
Fees Paid	
Total Before Other Items	
Less Other Items	-
Total	