

Exhibit B

Third Amendment

THIRD AMENDMENT TO SETTLEMENT AGREEMENT

This Third Amendment to Settlement Agreement (this “**Third Amendment**”) is dated as of January 14, 2011. This Third Amendment is made by and among the Federal Deposit Insurance Corporation, as Receiver of Colonial Bank, Montgomery, Alabama (“**FDIC-R**”), Taylor, Bean & Whitaker Mortgage Corp., as Chapter 11 Debtor and Debtor in Possession (“**TBW**” or “**Debtor**”), and the Official Committee of Unsecured Creditors of the Debtor (all parties referenced above, collectively, the “**Settling Parties**”) and amends that certain Settlement Agreement by and among the Settling Parties dated as of August 11, 2010, amended by that certain First Amendment to Settlement Agreement dated as of August 31, 2010 (“**First Amendment**”) and amended by that certain Second Amendment to Settlement Agreement dated as of December 22, 2010 (which extended the Termination Date from January 31, 2011 to April 30, 2011) (as amended, the “**Agreement**”).

RECITALS

A. WHEREAS on August 24, 2009, TBW filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the Middle District of Florida.

B. WHEREAS on November 25, 2009, TBW's wholly-owned subsidiaries, Home America Mortgage, Inc., a Florida corporation (“**HAM**”), and REO Specialists, LLC, a Florida limited liability company (“**REO**”), filed voluntary petitions under chapter 11 of the Bankruptcy Code in the Bankruptcy Court. The Debtors’ respective cases were administratively consolidated for ease of administration.

C. WHEREAS on November 12, 2010, Debtors TBW, HAM and REO filed the Second Amended and Restated Joint Plan of Liquidation of the Debtors and the Official Committee of Unsecured Creditors dated November 12, 2010 (as same has been or may be further amended or restated, the “**Plan**”).

D. WHEREAS the Plan provides for the establishment of a liquidating trust for federal income tax purposes in which all Assets of the Debtors shall vest on the Plan’s Effective Date. The purpose of the liquidating trust is to appoint a trustee to liquidate the Assets of the respective Debtors and make the Distributions provided for under the Plan.

E. WHEREAS due to the necessity of continuing the hearing on confirmation of the Plan from its originally scheduled date of January 19, 2011, the Settling Parties desire to amend the Agreement to provide that (i) the date of recognition of the FDIC-R’s ownership of 99% participation interests in the COLB Loans under section 1.2 of the Agreement shall be the date of Bankruptcy Court approval of this Third Amendment rather than the Effective Date and (ii) that the FDIC-R will hold all proceeds from any sale by the FDIC-R of the COLB Loans in escrow until the Effective Date.

NOW, THEREFORE, the Settling 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 to amend the Agreement (pursuant to Section 7.3 thereof) as follows:

1. **Defined Terms.** All capitalized terms used herein and not expressly defined herein shall have the same respective meanings given to such terms in the Agreement. All references herein to a Section or Paragraph shall mean and refer to a Section or Paragraph of the Agreement.

2. **Amendment to COLB Loan Ownership Recognition Date.** The Settling Parties desire to amend the Agreement to provide that the date of recognition of the FDIC-R's ownership of 99% participation interests in the COLB Loans and the transfer of the Debtor's 1% interests in the COLB Loans to the FDIC-R under section 1.2 of the Agreement shall be the date of Bankruptcy Court approval of this Third Amendment rather than the Effective Date and that the FDIC-R will hold all proceeds from any sale by the FDIC-R of the COLB Loans in escrow until the Effective Date. Accordingly, the Agreement is hereby amended to delete Section 1.2 in its entirety and substitute in lieu thereof the following:

Section 1.2. COLB Loans. Effective upon entry by the Bankruptcy Court of an order approving the Third Amendment to this Agreement (the "**COLB Approval Date**"), the FDIC-R's ownership of 99% participation interests in the mortgage loans purchased pursuant to the COLB Agreements for which there are no conflicting claims of ownership with third-parties or for which Colonial Bank is determined to have superior ownership rights, shall be recognized. A list of the loans for which the FDIC-R's superior rights shall be recognized (each, a "**COLB Loan**" and collectively, the "**COLB Loans**") is attached as **Schedule A** to that certain "Mortgage Loan Assignment and Servicing Agreement [COLB]" between FDIC-R and Debtor dated January 14, 2011 (the "**COLB Agreement**"). In exchange for the consideration provided hereunder, upon the occurrence of the COLB Approval Date the Debtor shall transfer each COLB Loan to the FDIC-R, provided that the Debtor has obtained from the Bankruptcy Court an order which has not been stayed or reversed, authorizing the sale and conveyance of all right, title, and interest of the Debtor and its affiliates in and to the COLB Loans to the FDIC-R, free and clear of all claims, encumbrances, liens, and interests in and to the COLB Loans of any kind or nature, and which order shall include an express finding of fact and conclusion of law that the FDIC-R is a good faith purchaser pursuant to Bankruptcy Code section 363(m), subject to the 99% participation interest therein held by the FDIC-R such that, as of the COLB Approval Date, the FDIC-R shall have the right (on an arms-length basis) to sell, securitize, syndicate or otherwise dispose of the COLB Loans or any interest therein or any interest created thereby resulting from the COLB Loans into a securitization. In addition to the transfer of the COLB Loans, the Debtor shall also transfer all mortgage servicing rights relating to the COLB Loans without restriction to the FDIC-R. The FDIC-R shall pay the Debtor 1% of the net proceeds of any such disposition of the COLB Loans, in whole or in part, or any other proceeds collected with respect to the COLB Loans after August 11, 2010, as and when and in the same manner that the FDIC-R receives payment for such disposition or collection.

The FDIC-R shall have full discretion to dispose of the COLB Loans so long as

the Debtor receives 1% of the net proceeds of any such disposition or other liquidation after August 11, 2010; provided, however, that the FDIC-R will hold in escrow on terms reasonably acceptable to the Debtor and the Committee all proceeds from any sale or other disposition of, and all payments received with respect to, the COLB Loans (the “**COLB Proceeds**”) until the Effective Date

The FDIC-R and the Debtor shall enter into appropriate mutually acceptable written agreements, including without limitation the COLB Agreement, evidencing the transfer of the COLB Loans to the FDIC-R, which agreements shall be, to the extent applicable, in a form customary for the transfer of loans, provided that such agreements shall not contain representations, warranties or repurchase obligations by the Debtor with respect to the COLB Loans.

3. **Amendment to Section 5.3(a) Concerning Effect of Termination.** The Settling Parties desire to amend the Agreement concerning treatment of the COLB Proceeds in the event of the occurrence of the Termination Date. Accordingly, the Agreement is hereby amended to delete Section 5.3(a) in its entirety and substitute in lieu thereof the following:

(a) to the extent reasonably practicable, the Settling Parties shall be restored to their respective positions as of the date of this Agreement (August 11, 2010) with all of their respective claims and defenses (including without limitation all claims and defenses relating to the COLB Loans as if the order contemplated by Section 1.2 of this Agreement had not been entered, which claims and defenses shall attach to the COLB Proceeds with respect to COLB Loans sold by the FDIC-R as of the Termination Date), preserved as they existed on that date, provided that in such event the Debtor shall remain entitled to amounts due to it under the AOT Waterfall and the Overline Waterfall, and further provided that the COLB Proceeds shall remain in escrow and subject to the reserved claims and defenses relating to the COLB Loans pending agreement of the Settling Parties or order of the Bankruptcy Court which has become a final order. The Settling Parties shall take such steps and file such documents as are necessary to cause such claims and defenses to be restored;

4. **Entire Agreement.** The Agreement, as amended by this Third Amendment, reflects the entire agreement of the Settling Parties with respect to the FDIC-R’s Claims in the Chapter 11 Cases and it’s Liens in any and all assets of the Debtor, and remains in full force and effect as amended hereby.

5. **Counterparts.** This Third Amendment may be executed in any number of counterparts, and any Settling Party may execute any counterpart, each of which, when executed and delivered, will be deemed to be an original and all of which, taken together, will be deemed to be but one and the same agreement. The delivery by facsimile of any signature hereto shall be as effective as the delivery of the original of such signature.

6. **Governing Law.** This Third Amendment and any attachments 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 Third Amendment 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.

[SIGNATURE PAGE FOLLOWS]

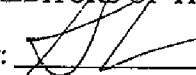
IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be executed as of the date set forth above.

TAYLOR, BEAN & WHITAKER
MORTGAGE CORP.

By: 

Neil F. Luria
Chief Restructuring Officer

OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF THE DEBTOR

By: 

Sheryl Newman
Chairperson

FEDERAL DEPOSIT INSURANCE
CORPORATION, as Receiver of Colonial
Bank, Montgomery, Alabama

By: _____
Lawrence A. McCrief
Post Closing Asset Manager

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be executed as of the date set forth above.

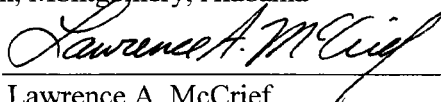
TAYLOR, BEAN & WHITAKER
MORTGAGE CORP.

By: _____
Neil F. Luria
Chief Restructuring Officer

OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF THE DEBTOR

By: _____
Sheryl Newman
Chairperson

FEDERAL DEPOSIT INSURANCE
CORPORATION, as Receiver of Colonial
Bank, Montgomery, Alabama

By:  _____
Lawrence A. McCrief
Post Closing Asset Manager