IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

In re: TAYLOR, BEAN & WHITAKER MORTGAGE CORP., Debtor.	 Chapter 11 Case No. 3:09-bk-07047-JAF

STIPULATION BETWEEN TAYLOR, BEAN & WHITAKER MORTGAGE CORP., DEBTOR, AND WELLS FARGO BANK, NATIONAL ASSOCIATION

Taylor, Bean and Whitaker Mortgage Corp., Debtor ("Debtor" or "TBW") and Wells Fargo Bank, National Association ("Wells Fargo"), stipulate and agree as follows:

Background

A. On August 24, 2009 (the "Petition Date"), TBW filed a voluntary petition (the "Petition") for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Middle District of Florida (the "Bankruptcy Court").

B. Wells Fargo is the Master Servicer and TBW is a Designated Servicer or a Servicer (in either such capacity, the "Servicer") in each of the twelve residential mortgage-backed securitizations listed on Exhibit 1 (the "Trusts") to its *Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds* (Docket No. 58) (the "Motion").

C. Each of the Trusts was created pursuant to the terms of a pooling and

servicing agreement or other similar transaction document, which are listed on Exhibit 2 to the Motion (the "Pooling Agreements"). Each Trust issued various classes of securities (the "Securities") backed by the assets owned by such Trust.

D. The assets owned by each Trust are certain pools of residential mortgage loans, and, in the case of foreclosures, deeds in lieu of foreclosures or similar proceedings relating to a residential mortgage loan that was or is an asset of a Trust, the real property and improvements thereon originally secured by the mortgage. Payment on the Securities issued by each of the Trusts is entirely dependent upon payments received with respect to the mortgage loans and sales of such property owned by such Trust.

E. The primary obligations of the Servicer are detailed in separate servicing agreements issued in connection with each of the Trusts, which are listed on Exhibit 4 to the Motion (collectively, the "Servicing Agreements"). In its capacity as Servicer under each Servicing Agreement, TBW plays a central role (i) in the day-to-day management of the mortgage loans that are subject to such Servicing Agreement (the "Loans") and serves as the primary liaison between the Trust and the borrowers of the Loans (the "Mortgagors") and (ii) in the management, maintenance and resale of the real property owed by such Trust following the foreclosure, deed in lieu of foreclosure or similar proceeding relating to a Loan and that are subject to such Servicing Agreement (the "REO Property").

F. Wells Fargo, in its capacity as Master Servicer of each of the Trusts, is responsible for monitoring, overseeing and enforcing TBW's obligation to service the Loans and the REO Property in accordance with the terms of the applicable Servicing Agreements.

G. Wells Fargo contends that TBW was validly terminated as Servicer for each of the Trusts and filed the Motion. Wells Fargo further contends that TBW has committed further defaults under each of the Servicing Agreements since the filing of the Petition.

H. TBW denies that TBW was validly terminated as Servicer for each of the Trusts for the reasons given in the *Debtor's Response to Wells Fargo Bank, N.A.'s Motion for (i) Relief from the Automatic Stay and (ii) to Prohibit Use of Certain Funds* (Docket No. 191) (the "Response").

I. In addition, TBW asserts in the Response that it has the right to receive:

(i) its servicing fees (the "Servicing Fees");

(ii) additional servicing compensation (the "Additional Compensation");

(iii) reimbursement for advances it has made to cover principal and interest (in the approximate amount of $60,665,000) ("P&I Advances");

(iv) reimbursement for advances it has made to cover tax and insurance payments (in the approximate amount of $10,333,000) ("T&I Advances") that homeowners did not pay on time;

(v) reimbursement for costs it has paid for foreclosure costs, property inspection, bankruptcy or other legal actions, appraisals, property preservation, repairs, maintenance, and closing costs (in the approximate amount of $2,778,000) ("Corporate Advances"); and

(vi) reimbursement for costs it has paid for costs and expenses relating to maintenance of REO Property (in the approximate amount of $27,921,000) ("REO Advances").

J. The P&I Advances, the T&I Advances, the Corporate Advances and the REO Advances referred to above, and any made since the date of the Response and the Effective Date, are referred to in this Stipulation by such terms and are collectively

referred to in this Stipulation as the "Advances." The Servicing Fees and Additional Compensation are collectively referred to as the "Fees."

K. Notwithstanding their disputes, the parties agree that a transition of servicing to a successor servicer as provided below is desirable for the protection of the Mortgagors, the holders of the Securities, and any certificate insurer on any Trust.

THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound, the Debtor and Wells Fargo have entered into this *Stipulation between Taylor, Bean & Whitaker Mortgage Corp., Debtor, and Wells Fargo Bank, National Association* (the "Stipulation") and do hereby agree and stipulate as follows:

1. ***Transfer of Servicing.*** Immediately upon the entry of an interim or final order of the Bankruptcy Court approving and adopting this Stipulation (the "Effective Date"), TBW will cooperate with Wells Fargo in effecting the transfer of all servicing (which transfer shall be completed as soon as possible, and in any event by October 30, 2009, or such later date acceptable to Wells Fargo, in consultation with any applicable certificate insurer), to Wells Fargo, as successor servicer, or a sub-servicer on behalf of Wells Fargo (in either case, the "Successor Servicer"), pursuant to those provisions of the Servicing Agreements that would be applicable as if the notices of termination were valid in all respects. As of the Effective Date, it is acknowledged that Wells Fargo or a sub-servicer on behalf of Wells Fargo will be the successor servicer to TBW under the Servicing Agreements. In connection with such cooperation, in accordance with the applicable provisions of the Servicing Agreements, TBW will (at TBW's cost) do or cause to be done all acts or things necessary or appropriate in furtherance of the transfer

of servicing of the Loans and the REO Property, including, without limitation:

(a) prepare, execute and deliver to the Successor Servicer any and all data files, documents and other instruments necessary to implement the servicing of the Loans and the REO Property by the Successor Servicer contemplated by this Stipulation;

(b) place in the Successor Servicer's possession all Servicing Files (as that term is defined in the Servicing Agreements) related to any Loan and REO Property;

(c) do or cause to be done all such other acts or things necessary or appropriate to transfer the servicing of Loans and REO Property contemplated by this Stipulation, including but not limited to the transfer and endorsement or assignment of the Loans, any Mortgages and related documents and deeds related to the REO Property;

(d) endorse all checks, and redirect all ACH transfers, relating to the Loans received on or after the Effective Date, to the Successor Servicer;

(e) upon final approval of the FDIC Stipulation (as defined below) and disposition of objections to the FDIC Stipulation, immediately transfer (or work with the FDIC to cause to be transferred) to the Successor Servicer all un-cashed checks that are held in Colonial Bank lockbox accounts and are related to the Loans and redirect (or work with the FDIC to forward) ACH transfers that are held at Colonial Bank and are related to the Loans;

(f) pursuant to the reconciliation process contemplated by the order of the Bankruptcy Court approving that certain *Stipulation Between Debtor Taylor, Bean & Whitaker Mortgage Corp. and Federal Deposit Insurance Corporation, as Receiver for Colonial Bank* (Docket No. 222) (the "FDIC Stipulation") cooperate with all interested parties in reconciling certain funds as more fully described therein and, after the completion of the reconciliation and, pursuant to the terms of the FDIC Stipulation or as ordered by the Bankruptcy Court or upon the agreement of Wells Fargo and TBW (assuming no party in interest objects which objection is sustained by the Bankruptcy Court), distribute any such funds that relate to the Trusts in accordance with the terms of the FDIC Stipulation, such Bankruptcy Court order, or such agreement, as applicable;

(g) cooperate with the Successor Servicer to comply with the Real

Estate Settlement Procedures Act ("RESPA") by preparing and sending change-of-servicer letters to each of the borrowers for each of the Loans (and any Mortgage related thereto) (*i.e.*, the "hello" and "good-bye" letters);

(h) account for all funds relating to the Loans, Mortgages or REO Property; and

(i) do any and all other things necessary to effect the transfer of servicing of the Loans (and related Mortgages) and REO Property.

TBW's obligations set forth in this paragraph are subject to Wells Fargo's obligation to pay to TBW the Accelerated Reimbursement Amount (as defined below). For the avoidance of doubt, TBW shall begin performing its obligations in this paragraph on the Effective Date and will continue each week until the transfer of servicing is complete, unless for any of the first twelve (12) weeks after the Effective Date, Wells Fargo fails to pay the required portion of the Accelerated Reimbursement Amount for such week, in which case TBW may suspend its performance under this paragraph 1 until such time as Wells Fargo pays such required portion of the Accelerated Reimbursement Amount to TBW. After receipt of the full Accelerated Reimbursement Amount, TBW shall not suspend its performance of its obligations under this Stipulation for any reason. TBW shall comply with all obligations applicable to it under the Servicing Agreements that expressly survive the transfer of servicing.

2. ***Accelerated Reimbursement of Advances.*** On the first business day of the week following the week in which the Effective Date occurs, and on the first business day of each of the twelve (12) successive weeks thereafter, Wells Fargo as Successor Servicer shall pay the sum of One Hundred Thousand Dollars ($100,000), for an aggregate total of One Million Three Hundred Thousand Dollars ($1,300,000), (the "Accelerated Reimbursement Amount") to TBW so that TBW will have the funds

necessary to defray TBW's costs of transitioning the servicing under the terms set forth in this Stipulation. The Accelerated Reimbursement Amount shall constitute an early reimbursement, in such amount, of the Advances and Fees for which TBW has not been reimbursed or paid previously, made by Wells Fargo, as Successor Servicer, on behalf of the Trusts, prior to and without regard to the date such reimbursement or payment would otherwise be due and payable to TBW under the Servicing Agreements. All payments of the Accelerated Reimbursement Amount to TBW shall be made by wire transfer in accordance with wire instructions given in writing by TBW to Wells Fargo, as Successor Servicer. Wells Fargo, as Successor Servicer, shall be entitled to receive and retain, in satisfaction of the Accelerated Reimbursement Amount, an amount equal to the Accelerated Reimbursement Amount from the amount of any reimbursements for previously made Advances or payment of earned but unpaid Fees that would otherwise be due and owing from any of the Trusts to TBW (and prior to any right of TBW to receive such amounts). Such reimbursement shall be paid from any source of funds described in the Servicing Agreements as an eligible and available source of funds that can be used to reimburse a Servicer for advances or previously earned but unpaid fees, including but not limited to (i) liquidation proceeds received in connection with the disposition of any Loan or REO Property, and (ii) collections received by the Successor Servicer on the Loans (including any that are in the form of un-cashed checks or ACH transfers that have not yet been initiated or completed) or previous collections on Loans that are currently frozen at Colonial Bank or are on deposit at Regions Bank. For clarification purposes, Wells Fargo shall not use funds required to be distributed to any holders of Securities or any certificate insurer thereon to reimburse itself for the

Accelerated Reimbursement Amount. Such right of Wells Fargo as Successor Servicer to receive and retain reimbursement for the Accelerated Reimbursement Amount, and the priority of such reimbursement, shall be referred to in this Stipulation as the "Wells Fargo ARA Payment." In the event that any party in interest claiming a security interest in any reimbursements of Advances owed, or claimed to be owed, to TBW from any Trust, objects to the right of Wells Fargo, as Successor Servicer, to receive and retain the Wells Fargo ARA Payment in satisfaction of the Accelerated Reimbursement Amount, at the direction of Wells Fargo, TBW and Wells Fargo will restructure the Accelerated Reimbursement Amount as a loan from Wells Fargo to TBW, as debtor in possession, secured by a first priority priming lien against any and all rights TBW may have for reimbursement of Advances, pursuant to 11 U.S.C. § 364(d)(1), on such terms as are acceptable to Wells Fargo in its sole discretion.

3. ***Construction and Reservation of Rights.*** The parties reserve all rights in connection with matters not specifically addressed herein, 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.

4. ***Modification.*** This Stipulation may not be modified, altered or amended except in writing signed by the parties hereto and subject to the approval of the Bankruptcy Court, after notice and hearing.

5. ***Bankruptcy Court Approval.*** This Stipulation is subject to the approval of

the Bankruptcy Court. In the event the Bankruptcy Court declines to approve this Stipulation, the parties hereto shall return to their respective rights and obligations existing prior to the execution of this Stipulation, and in such case, nothing in this Stipulation shall be deemed an admission of the Debtor or Wells Fargo.

6. ***Entry of Order***. The Bankruptcy Court order approving this Stipulation shall provide for relief from the stay to the extent necessary for the parties to carry out the provisions of this Stipulation.

Stipulated and agreed to, this 7th day of October, 2009.

TAYLOR, BEAN & WHITAKER MORTGAGE CORP., DEBTOR IN POSSESSION

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