

Hearing Date and Time: March 18, 2013 at 9:00 a.m. (ET)
Objection Deadline: December 3, 2012 at 4:00 p.m. (ET)

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Attorneys for MBIA Insurance Corporation

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

RESIDENTIAL CAPITAL, LLC, *et al.*,

Debtors.

Chapter 11

Case No. 12-12020 (MG)

(Jointly Administered)

**DECLARATION OF JARED STANISCI IN SUPPORT OF OBJECTION OF MBIA
INSURANCE CORPORATION TO DEBTORS' MOTION PURSUANT TO FED. R.
BANKR. P. 9019 FOR APPROVAL OF THE RMBS TRUST SETTLEMENT
AGREEMENTS**

I, JARED STANISCI, hereby declare, pursuant to 28 U.S.C. § 1746, that the following is
true and correct to the best of my knowledge, information, and belief:



1. I am an associate at the law firm of Cadwalader, Wickersham & Taft LLP, counsel to MBIA Insurance Corporation (“MBIA”) in the chapter 11 cases of the above-captioned debtors and debtors-in-possession. I respectfully submit this declaration in support of MBIA’s Objection, dated December 3, 2012, to Debtors’ Motion Pursuant to Fed. R. Bankr. P. 9019 For Approval of the RMBS Trust Settlement Agreements (“9019 Motion”).

2. Attached to my Declaration are the following documents in support of MBIA’s Objection:

EXHIBIT	DESCRIPTION OF EXHIBIT
A	ResCap, LLC Board of Directors Meeting Minutes, dated May 9, 2012. <i>See Ex. 9019-004.</i>
B	Email dated April 26, 2012 from Mark Renzi, of FTI Consulting, to Gary Lee and Jamie Levitt of Morrison Foerster, attaching spreadsheet. <i>See Ex. 9019-018.</i>
C	Email dated May 1, 2012 from Timothy Devine, Chief Litigation Counsel of Ally Financial, Inc, to Ally and ResCap personnel and counsel. <i>See Ex. 9019-034.</i>
D	Email dated May 12, 2012 from Jeff Cancelliere, of ResCap Mortgage Risk, to Ally and ResCap personnel and counsel. <i>See Ex. 9019-36.</i>
E	Email dated May 13, 2012 from Katharine Crost, of Orrick, to Ally and ResCap personnel and counsel. <i>See Ex. 9019-042.</i>
F	Email dated April 27, 2012 from Tim Devine to Ally and ResCap personnel and counsel. <i>See Ex. 9019-044.</i>
G	Email dated October 19, 2011 from William Solomon, General Counsel of Ally Financial, Inc., to Ally and ResCap personnel and counsel. <i>See Ex. 9019-048.</i>
H	Email dated Feb. 19, 2012 from Tom Marano, CEO of ResCap, to Jim Mackey of ResCap. <i>See Ex. 9019-052.</i>
I	Email dated March 16, 2012 from William Solomon to ResCap personnel and counsel. <i>See Ex. 9019-64.</i>
J	Email dated May 8, 2012 from Tim Devine to Ally and ResCap personnel and counsel. <i>See Ex. 9019-086.</i>

K	Email dated April 27, 2012 from Jim Mackey to Ally and ResCap personnel and counsel. <i>See Ex. 9019-137.</i>
L	Email dated May 6, 2012 from Tim Devine to Ally and ResCap personnel and counsel. <i>See Ex. 9019-141.</i>
M	Email dated May 8, 2012 from Mark Renzi to Ally and ResCap personnel and counsel. <i>See Ex. 9019-144.</i>
N	Email dated May 9, 2012 from Tim Devine to Gary Lee. <i>See Ex. 9019-147.</i>
O	Email dated May 10, 2012 from Kathy Patrick of Gibbs & Bruns to Tim Devine. <i>See Ex. 9019-150.</i>
P	Email dated May 10, 2012 from Jamie Levitt to Ally and ResCap personnel and counsel. <i>See Ex. 9019-151.</i>
Q	Email dated May 12, 2012 from Tim Devine to Ally and ResCap personnel and counsel. <i>See Ex. 9019-154.</i>
R	Email dated May 13, 2012 from Kathy Patrick to Ally and ResCap counsel. <i>See Ex. 9019-158.</i>
S	Email dated May 13, 2012 from Jamie Levitt to Ally and ResCap counsel. <i>See Ex. 9019-159.</i>
T	Email dated May 14, 2012 from Michael Carpenter to Lara Hall. <i>See ALLY_0145816.</i>
U	Email dated May 8, 2012 from Barbara Yastine to Ally and ResCap personnel and counsel. <i>See ALLY_0209219.</i>
V	Email dated October 19, 2011 from William Solomon to Ally and ResCap personnel and counsel. <i>See ALLY_0212896.</i>
W	Email dated May 10, 2012 from Gary Lee to Ally and ResCap counsel. <i>See RC-9019_00047999.</i>
X	Email dated May 13, 2012 from Jamie Levitt to Ally and ResCap counsel. <i>See RC-9019_00048597.</i>
Y	Email dated May 13, 2012 from David Beck to Ally and ResCap counsel. <i>See RC-9010_00048798.</i>
Z	Email dated April 16, 2012 from Tammy Hamzehpour, ResCap General Counsel, to Gary Lee. <i>See RC-9019_00048948.</i>
AA	Email dated May 7, 2012 from Jeff Cancelliere to Ally and ResCap personnel and counsel. <i>See RC-9019_00049157.</i>

BB	Email dated May 8, 2012 from Tim Devine to Ally and ResCap counsel. <i>See</i> RC-9019_00049175.
CC	Email dated May 9, 2012 from Kathy Patrick to Gary Lee. <i>See</i> RC-9019_00049218.
DD	Email dated May 10, 2012 from David Beck, of Carpenter Lipps, to Ally and ResCap counsel. <i>See</i> RC-9019_00049668.
EE	Email dated May 10, 2012 from David Beck to Ally and ResCap counsel. <i>See</i> RC-9019_00050237.
FF	Email dated May 12, 2012 from Noah Ornstein, of Kirkland & Ellis, to Ally and ResCap counsel. <i>See</i> RC-9019_00050446.
GG	Email dated May 13, 2012 from Tim Devine to Ally and ResCap counsel. <i>See</i> RC-9019_00050824.
HH	Email dated May 13, 2012 from Anthony Princi to Kathy Patrick and Ally and ResCap counsel. <i>See</i> RC-9019_00051061.
II	Email dated May 13, 2012 from Gary Lee to Kathy Patrick and Ally and ResCap counsel. <i>See</i> RC-9019_00055348.
JJ	Email dated May 13, 2012 from Tim Devine to Ally and ResCap counsel. <i>See</i> RC-9019_00055651
KK	Email dated May 25, 2012 from James Newton, of Morrison Foerster, to Kathy Patrick. <i>See</i> RC-9019_00069517
LL	Email dated May 9, 2012 from Gary Lee to Kathy Patrick. <i>See</i> RC-9019_00071068.
MM	MBIA Ins. Corp. v. Residential Funding Co., LLC, Index No. 603552/2008 (12/22/2009 Decision Sup. Ct. N.Y. Co.)
NN	MBIA Ins. Corp. v. GMAC Mortgage, LLC, Index No. 600837/2010 (04/01/2010 Summons Sup. Ct. N.Y. Co.)
OO	Proposed Order Granting Debtor's Motion Pursuant to Fed. Rule Bankr. P. 9019 For Approval of The RMBS Trust Settlement Agreements [Docket No. 1887-1]
PP	Second Amended RMBS Trust Settlement Agreements [Docket Nos. 1887-2 and 1887-3]
QQ	Deposition Transcript of Jeffrey Cancelliere, dated November 14, 2012.
QQ.1	Excerpts from Deposition Transcript of Jeffrey Cancelliere

RR	Deposition Transcript of Timothy Devine, dated November 19, 2012.
RR.1	Excerpts from Deposition Transcript of Timothy Devine
SS	Deposition Transcript of Tammy Hamzehpour, dated November 13, 2012.
SS.1	Excerpts from Deposition Transcript of Tammy Hamzehpour
TT	Deposition Transcript of Jeffrey Lipps, dated November 19, 2012.
TT.1	Excerpts from Deposition Transcript of Jeffrey Lipps
UU	Deposition Transcript of John Mack, dated November 14, 2012.
UU.1	Excerpts from Deposition Transcript of John Mack
VV	Deposition Transcript of Thomas Marano, dated November 12, 2012.
VV.1	Excerpts from Deposition Transcript of Thomas Marano
WW	Deposition Transcript of Frank Sillman, dated November 20, 2012.
WW.1	Excerpts from Deposition Transcript of Frank Sillman
XX	Deposition Transcript of James Whitlinger, dated November 15, 2012.
XX.1	Excerpts from Deposition Transcript of James Whitlinger

Dated: December 3, 2012
New York, New York


Jared Stanisci

EXHIBIT A

REDACTED

EXHIBIT B

REDACTED

EXHIBIT C

REDACTED

EXHIBIT D

Outlook E-mail

From: Cancelliere, Jeff - PA
Sent: 5/12/2012 6:20:38 PM
To: Crost, Katharine I.; Ruckdaschel, John; Lee, Gary S.; Levitt, Jamie A.; Devine, Timothy
Subject: RE: outline
Attachments: KP_Footprint_Working_File.xlsx

Good evening.....well its evening at least. Attached is an all in KP footprint file. There are several tabs you might want to focus on and are outlined below. Let me know if anyone has any questions, concerns, additions, etc..

The file layout is as follows:

Overall Summary – Is a comparison of KP's deal level listing to the ResCap 04-07 issuance. In the first box, there is a column for the total issue, a column where I identified KP as having $\geq 25\%$ in at least one individual tranche, a column for the deals she has $< 25\%$ in an individual tranche, a total for all KP deals and two columns calculating the % of total ResCap issuance.

The second box is the breakdown of KP's deals by monoline.

Summary DEALS – Is the deal level view of KP's group.

John R – in this tab have a column identifying if the deal is a PSA or Indenture (think I have that right) and did a calc of % of total deal using KPs holdings (excluding the IO tranches) and identifying if she has $> 25\%$ in the deal. If I have these tagged correctly (I think it would be good you could have someone double check my work to make sure I identified these correctly) and on the non-remic deals (indenture) she needs $> 25\%$ in the deal the % of total ResCap issuance goes down 5-10% depending on what metric you use (OPB, Cur Bal, deal Count)

KP_Cusip_Level - This is the cusip level info KP sent over with the full current balance of the tranche added in to calc the % investment in the tranche based on KP's holdings. There are a few other columns added in as well for my pivot summary purposes.

Please review and let me know if anyone has any questions. I am running out to grab dinner but will be back in the office around 645 and here until about 730-8.

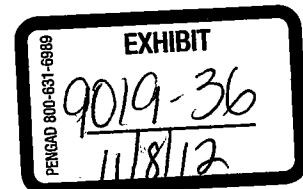
Jeff Cancelliere

Mortgage Risk
1100 Virginia Drive| Fort Washington, PA| 19034
(215)734-5853 (p) | (215) 749-2975 (Mobile)
Jeff.Cancelliere@qmacrescap.com

From: Crost, Katharine I. [mailto:kcrost@orrick.com]
Sent: Saturday, May 12, 2012 2:58 PM
To: Ruckdaschel, John; 'GLee@mofo.com'; Cancelliere, Jeff - PA
Subject: Fw: outline

Sorry about the formatting

Katharine I. Crost
Attorney at Law
ORRICK, HERRINGTON & SUTCLIFFE LLP
tel 212-506-5070
fax 212-506-5151
Kcrost@orrick.com
www.orrick.com



From: kathy crost [mailto:kathycrost@yahoo.com]
Sent: Saturday, May 12, 2012 01:45 PM
To: Crost, Katharine I.
Subject: outline

Based on representations by the Investor Group, the Investor Group holds approximately []% of the outstanding securities in [] of the [] Series of RMBS issued by affiliates of ResCap during [2004-2007]

Based on representations by the Investor Group the Investor Group holds as least 25% of one or more classes of securities in each Series

WE HAVE NOT INDEPENDENTLY VERIFIED OWNERSHIP OF THE SECURITIES BY THE INVESTOR GROUP

Some securities are issued pursuant to a PSA (pass through certificates); others are issued pursuant to an Indenture (notes)

Under the PSAs, holders of 25% of a class of pass through certificates may provide notice to the trustee of a default under the PSA and request the trustee to take action under the PSA. If those investors provide adequate indemnity to the trustee and the trustee fails to take action, the investors may institute action under the PSA without the participation of the trustee. (In one Series, holders of 33% of the voting rights may take such actions.) [consider effect of rights of monolines in insured deals]. At this time, the Investors Group has not agreed to provide such indemnity.

Under the Indentures, holders of 25% of all of the notes may provide notice to the trustee of an Event of Default under the Indenture and request the trustee to take action under the Indenture. If those investors provide adequate indemnities to the trustee and the trustee fails to take action, the investors may institute action under the Indenture without the participation of the trustee. We do not believe there has been an Event of Default under any of these Indentures. [consider effect of rights of monolines]

After an Event of Default under a PSA or an Indenture, the trustee is required to act as a prudent person would act in the circumstances.[Melissa, have you checked all of the PSAs and Indentures for this provision?] We do not believe there has been an Event of Default under any of these Indentures. [Discuss whether we take the position there has been an Event of Default under the PSAs by virtue of the bankruptcy filing.]

What the settlement of this group of holders does mean:

Significant portion of the investors in these Series have agreed to a settlement, which could encourage the trustees to agree

What the settlement of holders of 25% of a class of pass through certificates or 25% of the notes does not mean:

Holders cannot require the trustee to act in accordance with the Investor Group's direction

Investor Group's settlement does not preclude other holders from bringing additional actions under the PSAs or Indentures

Holders cannot exercise rights of monolines, who have the right to []

Monolines may object to the settlement amount because they also are making fraudulent inducement claims that they have asserted are owed by ResCap outside of the trust

The settlement agreement does not affect rights of holders to bring securities claims directly against ResCap (outside of the trusts)

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EXHIBIT E

Outlook E-mail

Confidential

From: Crost, Katharine I.
Sent: 5/13/2012 9:10:57 PM
To: Levitt, Jamie A.; 'John.Ruckdaschel@ally.com'; 'lipps@CarpenterLipps.com'
Cc: 'Timothy.Devine@ally.com'; Lee, Gary S.; Princi, Anthony
Subject: Re: Settlement documents -- confidential

My thoughts - I'm sure you have thought of many of these points already.

Para 1 - Allocating the Allowed Claim on a pro rata basis in accordance with losses in each trust does not attempt to allocate the Allowed Claim based on harm to the respective trusts based on possible breaches of reps and warranties by ResCap.

Other holders and monolines could object that their deals had a greater concentration of harm from breaches of reps and warranties.

In addition, the various trustees could make a similar objection (in the BofA settlement, only BNY was a trustee, I believe) .

I would delete para 1(iii). The distribution rules that they mandate under para 2 might be inconsistent.

Para 2 -

There would be a potential REMIC issue if you deposit into the trust and distribute more than the actual amount of losses incurred by that trust to date. The Allowed Claim may not be large enough for that to occur, but if substantial losses are projected in the future for certain trusts, this might be a possibility. If any trust receives more than losses incurred to date, the solution would be to deposit the excess in a reserve account to be drawn upon as losses are incurred.

Para 2 - 4 . Some provisions in this agreement are or may be inconsistent with the documents. I realize there are trade offs between trying to get a settlement with KP and tracking the documents as closely as possible to try to avoid objections by trustees, monolines, etc. Examples of possible inconsistencies are: holding money that would otherwise go to REMIC residuals, [treating the Credit Support Depletion Date as having occurred notwithstanding these payments - this may be consistent with deals - I will check a sample], last sentence in para 4, and para 6. I think most of the terms in para 4 conform to the document provisions with the Subsequent Recovery term, but we don't have any concept of writing up principal balances of securities when there is not such a term. It makes sense to write up balances as we did when we added the Subsequent Recovery concept, but it wasn't contemplated in the earlier deals.

Para 3 - some deals with no REMIC residuals have another subordinate interest (usually called SB) that KP may not want \$ going to. Maybe not our issue.

Para -4 5th line "previously allocated AND UNREIMBURSED Realized Losses" if this language stays in the agreement.

Last sentence is not clear. I think the intent is that the distribution of Claims will be made before giving effect to the balance increase.

Para 5 - is this intended to offset any amount of this recovery the monoline receives against their fraudulent inducement claims? If not, it might be worth clarifying what it is intended.

Para 6 - could be written more clearly. I think they are trying to say that any triggers that are determined by the amount of losses will not be recalculated as a result of these payments.

Please let me know if you have any questions or would like additional information.

Kathy
Katharine I. Crost
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ORRICK, HERRINGTON & SUTCLIFFE LLP
tel 212-506-5070
fax 212-506-5151
Kcrost@orrick.com
www.orrick.com

----- Original Message -----

From: Levitt, Jamie A. [mailto:JLevitt@mofo.com]
Sent: Sunday, May 13, 2012 05:50 PM
To: John.Ruckdaschel@ally.com ; Crost, Katharine I.; lipps@CarpenterLipps.com
Cc: Timothy.Devine@ally.com ; Lee, Gary S. ; Princi, Anthony
Subject: FW: Settlement documents -- confidential



Confidential

John, Kathy and Jeff,

Confidential

Attached is Kathy Patrick's proposed allocation methodology -- she said it comes largely from BoA. Can you give us your thoughts asap.

Thanks.

-----Original Message-----

From: Scott A. Humphries [mailto:SHumphries@gibbsbruns.com]
Sent: May 13, 2012 6:16 PM
To: Kathy D. Patrick; Princi, Anthony; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.;
nornstein@kirkland.com; Timothy.Devine@ally.com;
Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com; Scott A.
Humphries
Subject: RE: Settlement documents -- confidential

This is the allocation methodology revised. Paras 2-6 are new.

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EXHIBIT F

Outlook E-mail

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From: Devine, Timothy
Sent: 4/27/2012 8:50:10 PM
To: Solomon, William Legal; Hamzhepour, Tammy; Lee, Gary S.; 'RCieri@kirkland.com'; 'rschrock@kirkland.com'; Ruckdaschel, John
Subject: RE: next steps

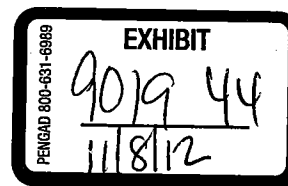
Thanks Bill.

This has been an exemplary team effort, with expert support from both "sides".

Lots to do, and have to manage all client expectations since KP's clients will take several hacks at us.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477



From: Solomon, William Legal
Sent: Friday, April 27, 2012 8:48 PM
To: Devine, Timothy; Hamzhepour, Tammy; 'GLee@mofo.com'; 'RCieri@kirkland.com'; 'rschrock@kirkland.com'; Ruckdaschel, John
Subject: Re: next steps

Very encouraging. Thanks to all, but especially Tim and John! Let's continue to drive this hard. Good momentum, development and dynamic -- so far.

From: Devine, Timothy
To: Solomon, William Legal; Hamzhepour, Tammy; 'GLee@mofo.com' <GLee@mofo.com>; Cieri, Richard M. <rcieri@kirkland.com>; 'rschrock@kirkland.com' <rschrock@kirkland.com>; Ruckdaschel, John
Sent: Fri Apr 27 20:22:25 2012
Subject: RE: next steps

Just spoke with KP. Good news overall. Lots more work in short timing.

She told me that she met with her steering committee for 90 minutes today in preliminary session re: our deal.

She told me that the group is committed to working toward a resolution within the bankruptcy. I asked her whether she presented the "input" dollars as we had presented to her and she confirmed that she did. She said that they have authorized her to keep working with us on an accelerated schedule and they are looking forward to a meeting with us directly. I have the clear impression they are at this point at least favorably disposed.

I asked Kathy to send us specific questions her steering committee has so we can work to address them.

When I get those questions I'll forward them to all on this email so we can have both teams collaborate in drafting responses, ensuring alignment at every step.

Couple details: Monoline issue: Kathy and her steering committee understand that some of the monolines will get in line for recovery and thereby deviate some of the water flowing down the waterfall. She is ok with that. To KP's understanding, the monolines get a supersenior position in the waterfall to the extent of their payments to the trust. That's different from the more nuanced understanding we're getting from John R. John R and Orrick are going to do a deep dive this weekend on some deals and educate all of us as to how a settlement would flow in a wrapped deal.

Kathy also asked us to be more clear with regard to who will "take" under the waterfall -- all trusts, or only such trusts as present and prove 25% + authority? She is clearly biased to the latter. To that end, she asked that we clarify the FTI waterfalls to indicate whether the percentages indicate takeaways for only such trusts as are "empowered" by 25% + claimants, or all trusts.

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RC-9019_00048974

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KP asked us to let her know as soon as we can when we would be ready for a steering committee presentation.

She asked me to pass along thanks to John R and his team for all their work on the GSE data and also asked me to request John R to reach out again for a couple follow up questions.

Thanks again to all for support of this conversation.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Kathy D. Patrick [mailto:kpatrick@gibbsbruns.com]

Sent: Friday, April 27, 2012 7:11 PM

To: Devine, Timothy

Cc: Kathy Patrick; Scott Humphries

Subject: Re: next steps

Tim - I just returned your email and got voicemail. Please feel free to call me at home when you are free. The number is 713 680 3270. I'm available most of the weekend, except Sunday morning, if you want to choose a time.

Thanks,

Kathy

Kathy Patrick
Gibbs & Bruns LLP
713.751.5253

On Apr 27, 2012, at 5:44 PM, "Devine, Timothy" <Timothy.Devine@ally.com> wrote:

Kathy:

Will you please phone me at your convenience? I want to touch base on next steps and am conscious of the clock.

Thanks again.

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

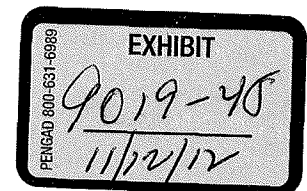
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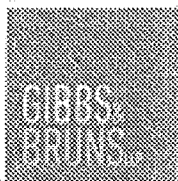
EXHIBIT G

From: Solomon, William Legal
Sent: Wednesday, October 19, 2011 1:47 PM
To: Carpenter, Michael; Yastine, Barbara; Marano, Tom; Hamzehpour, Tammy; Brown, Jeff; Mackey, James; Pinkston, Corey
Subject: PLS Claimant

Yesterday, I received the attached letter from Kathy Patrick, a Houston attorney, requesting to meet with Ally representatives next week to "seek a resolution of repurchase and servicing claims with Ally". Ms Patrick represented the claimants in the \$8.5 billion settlement with BofA.

I am meeting with Tim Devine and the litigation team later today to develop a recommend approach for dealing with this.





Kathy D. Patrick
kpatrick@gibbsbruns.com
713.751.5253

October 17, 2011

Via Federal Express

William B. Solomon, Jr., Esq.
General Counsel
Ally Financial Inc.
200 Renaissance Center
Detroit, Michigan 48265

Dear Mr. Solomon:

This firm represents investment advisers and holders of Residential Mortgage Backed Securities (RMBS) issued and/ or underwritten by Ally Financial Inc. and/or its affiliates ("Ally"). The aggregate outstanding balance of the 242 Ally deals in which our clients collectively hold 25% or more of the voting rights of a class in that deal, exceeds \$51 billion. The aggregate outstanding balance of the 173 Ally deals in which our clients collectively hold 50% or more of the voting rights of a class in that deal, exceeds \$36 billion.

There is widespread, readily available evidence suggesting that large numbers of mortgages securing the certificates held by our clients were sold or deposited into the RMBS pools based on false and/or fraudulent representations and warranties by the mortgage originators, sellers and/or depositories. This evidence includes, but is certainly not limited to:

- excessive early default and foreclosure rates experienced in the underlying mortgage pools;
- a loan-level analysis of Ally RMBS conducted by the Federal Housing Finance Agency (FHFA), which revealed that up to 13% of the mortgage loans in Ally RMBS breached owner-occupancy representations and warranties, and that up to 49% of the mortgage loans in Ally RMBS breached Loan-to-Value representations and warranties¹;

¹ Our clients collectively hold 25% or more of the voting rights of a class in 18 of the 21 Ally deals which FHFA analyzed.

- MBIA's lawsuits against Ally, reporting that its loan-level analysis of various Ally RMBS showed that high numbers of mortgages in the pools were ineligible at origination²;
- detailed allegations in securities cases against Ally, which suggest widespread deficiencies in Ally's underwriting practices, including inaccurate representations and warranties regarding important loan characteristics such as borrower incomes and home appraisals³;
- substantial downgrades of the certificates by credit rating agencies; and
- Ally's own apparent acknowledgement that it is potentially liable for violations of representations and warranties in Ally RMBS, evidenced by its \$829 million reserve for repurchase liabilities as of June 30, 2011, which relates "primarily" to non-GSE exposure,⁴ as well as its statement that such liabilities are "most significant for loans originated and sold between 2004 through 2008, specifically the 2006 and 2007 vintages *that were originated and sold prior to enhanced underwriting standards and risk-mitigation actions implemented in 2008 and forward.*"⁵

In addition, there is widespread, readily available evidence suggesting that Ally, as servicer and/or master servicer of mortgage loans securing the certificates held by our clients, has failed to observe and perform the covenants and agreements imposed on it by the governing agreements, and has failed to meet its duty to prudently service those mortgage loans, including, but certainly not limited to:

- Ally's admittedly flawed and "embarrassing"⁶ mortgage loan servicing and foreclosure practices, including deficient document signing practices, leading to Ally's foreclosure suspension and review in Fall 2010;
- Ally's April 2011 consent order with the Board of Governors of the Federal Reserve System and the FDIC, which alleged that, in connection with certain

² MBIA has reported that 89% of adversely selected loans from 3 separate GMAC securitizations were not originated in material compliance with GMAC's underwriting guidelines or representations and warranties. See Complaint ¶ 6, *MBIA Ins. Co. v. GMAC Mortg., LLC*, No. 600837/2010 (N.Y. Sup. Ct.). MBIA has also reported that 93% of adversely selected loans from 5 separate RFC securitizations were not originated or acquired in material compliance with RFC's representations and warranties. See Complaint ¶ 46, *MBIA Ins. Co. v. Residential Funding Co., LLC*, No. 603552/2008 (N.Y. Sup. Ct.).

³ See, e.g., Complaint, *Mass. Mut. Life Ins. Co. v. Residential Funding Co., LLC*, No. 3:11-cv-30035 (D. Mass.).

⁴ See Ally Financial Inc.'s Second Quarter 2011 Form 10-Q at 83.

⁵ See *id.* at 81 (emphasis added).

⁶ See Dakin Campbell and Natalie Doss, *Ally Will Keep ResCap, 'Screwed Up' Using Robosigners*, BLOOMBERG NEWS, Nov. 3, 2010.

foreclosures of loans in Ally's servicing portfolio, Ally engaged in "unsafe or unsound banking practices" because, among other reasons, Ally filed or caused to be filed in courts inaccurate affidavits, filed or caused to be filed in courts or in land record offices improperly notarized mortgage-related documents, litigated or initiated foreclosure proceedings without ensuring proper assignment and possession of promissory notes or mortgage documents, failed to devote adequate resources to foreclosure processes, failed to ensure timely, effective, and efficient communication with borrowers with respect to loss mitigation and foreclosure activities, failed to subject its foreclosure processes to adequate oversight, internal controls, policies, and procedures, and failed to sufficiently oversee third parties handling foreclosure-related services;

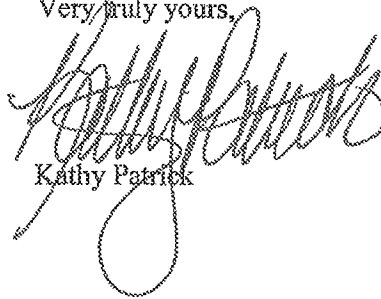
- ongoing investigations by state attorneys general and other government agencies into Ally's mortgage loan servicing and foreclosure-related practices;
- evidence of wholly avoidable and unnecessary servicing fees to maintain mortgaged property, which have resulted from Ally's flawed mortgage loan servicing and foreclosure practices; and
- Ally's apparent failure to notify other parties to the governing agreements of mortgage loans in the pools that violated representations and warranties at the time they were sold into the pools, and its apparent failure to enforce the sellers' obligations to cure, substitute, or repurchase such loans, as Ally is required to do under the governing agreements.

Based on this and other evidence, our clients believe that large numbers of ineligible loans were sold or deposited into, and remain in, the RMBS pools securing the certificates. Under the governing agreements, Ally has substantial repurchase liability for such loans. Our clients further believe that Ally's failure to observe and perform the covenants and agreements imposed on it by the governing agreements, and to meet its duty to prudently service those mortgages, may constitute a servicer event of default under the governing agreements.

Our clients are not willing to suffer further losses resulting from ineligible loans in the pools and improper servicing of the loans in the pools, and they wish to seek a resolution of repurchase and servicing claims with Ally. As such, our clients hope and anticipate that Ally will begin a constructive dialogue with them regarding the concerns raised by this letter. If, however, Ally proves to be an obstacle to their efforts to mitigate such losses, our clients fully intend to exercise their rights under the governing agreements—including the issuance of binding instructions to Trustees—to pursue enforcement of repurchase and servicing claims against Ally.

Should Ally wish to begin a constructive dialogue regarding these issues, please make appropriately senior legal and business personnel available to meet with me and various of our clients on Thursday, October 27, 2011. To arrange the details of this meeting, please contact me as soon as possible.

Very truly yours,

A handwritten signature in black ink, appearing to read "Kathy Patrick", written over a horizontal line.

Kathy Patrick

EXHIBIT H

REDACTED

EXHIBIT I

REDACTED

EXHIBIT J

Outlook E-mail

From: Devine, Timothy
Sent: 5/8/2012 7:24:48 AM
To: Lee, Gary S.; 'rcieri@kirkland.com'; Levitt, Jamie A.; Hamzehpour, Tammy; Ruckdaschel, John
Cc: 'rschrock@kirkland.com'; Solomon, William Legal; Thompson, William - Legal Dept - PA; Delehey, Lauren - PA
Subject: Talcott Franklin

I spoke with Talcott Franklin this morning.

I told him the timing is extremely short and that if he wants to improve the chances of the Plan he should get his clients' consent and sign the draft Settlement Agreement and PSA today.

I told KP last night again that her footprint alone is not big enough and that Talcott Franklin ought to sign on. She was fine with that.

She is also working on Freddie.

Freddie claims that they understood from our meeting with Hart that FHFA/Freddie would have to waive its securities law claims if it were to join in support of the r/w deal. I have reached out to Hart to disabuse him of this misunderstanding.

I expect we'll hear something back from the MBIA folks today. I don't know what to expect from them in particular but I think they understood that the Plan is by far best game in town.

Thanks.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

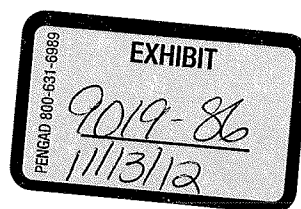


EXHIBIT K

REDACTED

EXHIBIT L

Outlook E-mail

From: Devine, Timothy
Sent: 5/6/2012 6:07:54 PM
To: 'GLee@mofo.com'; Hamzehpour, Tammy; Thompson, William - Legal Dept - PA; Delehey, Lauren - PA; Ruckdaschel, John; Cancelliere, Jeff - PA; 'ray.schrock@kirkland.com'; 'richard.cieri@kirkland.com'; 'battle@CarpenterLipps.com'; 'lipps@carpenterlipps.com'; 'MWare@mayerbrown.com'; 'Rspehr@mayerbrown.com'; 'eraymond@mayerbrown.com'
Cc: 'JLevitt@mofo.com'; Solomon, William Legal
Subject: Re: FRE 408 - Kathy Patrick PSA and Settlement Agreement

Ally Team: we need to match the remarkable effort and turnaround by the ResCap team -

Target: to turn around a combined set of suggested revisions by the time folks go to bed TONIGHT.

The timeline is terrible short but necessary to preserve the very important prospect of an executed settlement and PSA with KP by end of day Tuesday.

Rick, Ray, Michael, Libby:

If it would be helpful we can schedule a phone call for 8 pm as a status check. Please let me know.

In any event, I will take and integrate your markups and will turn the draft back to Gary, Jeff and team when I arrive in NY tonight.

Thank you all very much.

Tim

From: Lee, Gary S. <GLee@mofo.com>
To: Devine, Timothy; Hamzehpour, Tammy; Thompson, William - Legal Dept - PA; Delehey, Lauren - PA; Ruckdaschel, John; Cancelliere, Jeff - PA; ray.schrock@kirkland.com <ray.schrock@kirkland.com>; richard.cieri@kirkland.com <richard.cieri@kirkland.com>; battle@CarpenterLipps.com <battle@CarpenterLipps.com>; lipps@carpenterlipps.com <lipps@carpenterlipps.com>
Cc: Levitt, Jamie A. <JLevitt@mofo.com>; Lee, Gary S. <GLee@mofo.com>
Sent: Sun May 06 15:37:42 2012
Subject: FRE 408 - Kathy Patrick PSA and Settlement Agreement

All. Please find attached a draft settlement agreement and draft PSA for KPs group. In light of the complexity of the issues presented, please consider these as drafts for discussion - they are the product of a lot of fast work and creative thinking from the recipients of this email. If there have to be material changes to get this to KP tomorrow that's perfectly fine. With that said, and given the timing here, can we get back comments tonight to the extent possible.

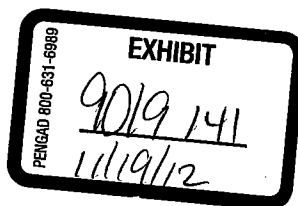
Tim-Tammy after you have reviewed happy to have a call today or evening.

Regards,

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

----- Original Message -----

From: Newton, James A.
To: Lee, Gary S.
Sent: Sun May 06 15:30:10 2012
Subject: Kathy Patrick PSA and Settlement Agreement



To ensure compliance with requirements imposed by the IRS, Morrison & Foerster LLP informs you that, if any advice concerning one or more U.S. Federal tax issues is contained in this communication (including any attachments), such advice is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

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EXHIBIT M

Outlook E-mail

From: Renzi, Mark
Sent: 5/8/2012 7:27:30 AM
To: Timothy.Devine@ally.com; Lee, Gary S.; rcieri@kirkland.com
Cc: John.Ruckdaschel@ally.com; Jeff.Cancelliere@gmacrescap.com; rschrock@kirkland.com; Levitt, Jamie A.; William.b.Solomon@ally.com
Subject: Re: Are you available

Is she referring to bond or collateral losses? If we use bond we can get close to the rates she described below - without addressing portfolio composition variances. Jeff?

From: Devine, Timothy [mailto:Timothy.Devine@ally.com]
Sent: Tuesday, May 08, 2012 07:14 AM
To: Lee, Gary S. <GLee@mofo.com>; 'rcieri@kirkland.com' <rcieri@kirkland.com>
Cc: Ruckdaschel, John <John.Ruckdaschel@ally.com>; Cancelliere, Jeff - PA <Jeff.Cancelliere@gmacrescap.com>; 'rschrock@kirkland.com' <rschrock@kirkland.com>; JLevitt@mofo.com <JLevitt@mofo.com>; Renzi, Mark; Solomon, William Legal <William.b.Solomon@ally.com>
Subject: FW: Are you available

Here's KP's version -- the BoA settlement was not at 14% but at 36% -- and then haircut to the risk that BoA would not be responsible for Countrywide if the matter was litigated rather than settled.

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Kathy D. Patrick [mailto:kpatrik@gibbsbruns.com]
Sent: Tuesday, May 08, 2012 1:19 AM
To: Devine, Timothy
Subject: Re: Are you available

No, that's wrong: the BofA defect rate was over 30%. BofA ARGUED with us that the defect rate was 14%, which is why that is scenario 1 in the spreadsheet that BNY's expert used--but the ACTUAL defect rate we used, and settled on, was 36%. That would be scenario 3 or 4 in our spreadsheet, which is in the BNY expert report, too. I'm at a loss to understand why ResCap and Ally won't just look at the spreadsheet we used in BofA--because the scenarios in it track exactly what I've said. BofA argued for a vastly lower defect rate, which we rejected; they paid based on our much higher defect rate, which we accepted.

Importantly, the 36% defect rate we used for BofA was before litigation discounts, a primary one of which was the risk--which has obtained here--that Countrywide would go into bankruptcy. But for that risk, and the insolvency of Countrywide, the size of the CLAIM that we calculated against BofA was \$32 billion. That's why I keep telling you that what we got from them was 25.7 cents on the dollar: the CLAIM size was \$32 billion against them, and we settled for \$8.5 billion, which is a recovery of 25.7 cents on the dollar based on a defect rate of 36%. Here, we've got a CLAIM size of more than \$10 billion on which, as a practical matter, the recovery will be far less due to ResCap's bankruptcy.

Below is the relevant set of comparisons:

BofA Original Face: \$432 billion

ResCap OF: \$220 billion

BofA Current Face at Settlement: \$163 billion

ResCap CF: \$63 billion



BofA Claim Size: \$32.5 billion
BofA Defect vs. Losses: 36%
BofA Settlement: \$8.5 billion
BofA Settlement vs. Claim Size: 25.7 cents

ResCap Claim Size: \$10 billion
ResCap Defect vs. Losses 22.2%
ResCap Settlement: whatever is distributed
ResCap Settlement: distrib. amt / \$10 billion

That's why the numbers you're giving me don't make any sense, either with regard to our BofA Settlement--because the numbers you have are just wrong--or by virtue what we know about ResCap. We've analyzed and assessed what we think is ResCap's actual exposure: if we were using the same, 36% defect rate we used with Bank of America, the claim size for ResCap would be well in excess of \$18 billion. Instead, we've offered to resolve by agreeing to a claim size of \$10 billion.

Thus, the claim size is not just ratably lower based on issuance size, it is actually lower as a result of our analysis of the the ResCap defect rate vs. Countrywide's. ResCap will have problems not just with us but with every investor if you try to suggest that the defect rate is a lot lower than where we've analyzed it: you can't reconcile that with the data, the accrued losses or the allegations in existing and future lawsuits.

Bottom line: you are getting a lower defect rate, but it's a realistic rate based on accurate data and using the same methodology we used before.

Kathy Patrick
Gibbs & Bruns LLP
713.751.5253

On May 8, 2012, at 12:12 AM, "Devine, Timothy" <Timothy.Devine@ally.com> wrote:

I'm getting lots of pressure on valuation now. BoA 8.5 billion represents 14 defect rate, correct? Everything we know about our product - from origination through pooling through reps and diligence through servicing - makes our folks believe we are better (lower) than Countrywide by a large margin. I am being asked to explain how we could agree to a defect rate 150 of Countrywide's.

----- Original Message -----

From: Kathy D. Patrick <kpatrick@gibbsbruns.com>
To: Devine, Timothy; Kathy D. Patrick <kpatrick@gibbsbruns.com>
Sent: Mon May 07 21:15:14 2012
Subject: Re: Are you available

Sure. 713 972 4695

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

----- Original Message -----

From: Devine, Timothy [<mailto:Timothy.Devine@ally.com>]
Sent: Monday, May 07, 2012 08:10 PM
To: Kathy D. Patrick
Subject: Re: Are you available

May I call you in 15 minutes? Sorry.

----- Original Message -----

From: Kathy D. Patrick <kpatrick@gibbsbruns.com>
To: Devine, Timothy
Sent: Mon May 07 19:57:18 2012
Subject: Are you available

At 830 Eastern tonight?
Where can I reach you?

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

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EXHIBIT N

Outlook E-mail

From: Devine, Timothy
Sent: 5/9/2012 9:03:30 AM
To: Lee, Gary S.
Cc: Cieri, Richard M.; Schrock, Ray C.
Subject: KP

Gary: as I told you on the phone, Ally will support the \$8.7 billion allowed claim. There is no new Ally money. Hard stop at 750 + 200 + 100. Thanks. Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

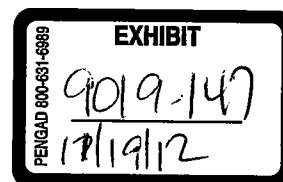


EXHIBIT O

From: Kathy D. Patrick <kpatrick@gibbsbruns.com>
Sent: Thursday, May 10, 2012 3:41 AM
To: Devine, Timothy
Subject: Re: Settlement

Good. Gary just called me, too. I explained to him that this will never get done if he tries that: we only valued the putback claims, we didn't even look at or consider a valuation of securities claims, and if he tried to take the position now that securities claims are covered then:

1. The Trustees will say it is now too little, because it doesn't adequately compensate the Putback claims;
2. The securities claimants will say it is too little, because it didn't even value--much less compensate, their claims;
3. MBIA and Freddie will have to fight like demons, when the alternative would be that this settlement goes through and they get their securities claims estimated and resolved later.

We're all on a ragged edge of fatigue, but we can't do something that will never get approved: the deal is simple and will work as it is--it will never work if he tries to do that, and we can't support it.

Kathy Patrick
Gibbs & Bruns LLP
713.751.5253

On May 9, 2012, at 10:27 PM, "Devine, Timothy" <Timothy.Devine@ally.com> wrote:

I'll try to straighten everything out. I noticed some strange questions coming from Freddie's counsel this evening. Let me work on it.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

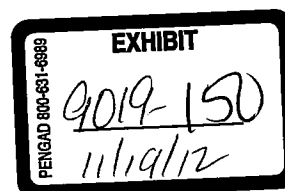
-----Original Message-----

From: Kathy D. Patrick [<mailto:kpatrick@gibbsbruns.com>]
Sent: Wednesday, May 09, 2012 10:52 PM
To: Devine, Timothy
Subject: Settlement

Tim -

I need your help.

Gary is claiming he was "told" that our clients would release securities claims in the plan. We never told him that and we have never offered or agreed to release securities claims. We've been very clear about that from the very beginning. It's the basis on which I got my clients to approve it, it's what I've told the Trustees this morning, it's also what I assured Freddie Mac, as you and I discussed: a release of securities claims is not part of this putback



settlement.

Gary's misunderstanding--or his effort to extract something that we never offered and don't have to give--is impeding getting the deal documented.

Would you please intercede with him and tell him to move on? Insisting on this will destroy any chance of the deal happening. I understand his determination to try again, but we need to move on.

I'm sorry to bother you, but we need you to intercede here.

Thanks,

Kathy

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

EXHIBIT P

Outlook E-mail

From: Levitt, Jamie A.
Sent: 5/10/2012 7:02:56 AM
To: 'Timothy.Devine@ally.com'; Lee, Gary S.; 'rcieri@kirkland.com'; Nashelsky, Darren M.; 'nornstein@kirkland.com'
Cc: 'William.b.Solomon@ally.com'
Subject: Re: RMBS Stipulated Claim

I apologize, but with the lateness of the hour I believe I sent a confusing email, so I will clarify:

1. First, we have NOT sent anything back yet to Ropes or KP re these revisions. They are for your review and further revision.
2. Although we know we will have to eventually trade this point, based on the deal Gary discussed with KP, the agreement currently makes the \$8.7B a cap, such that all claims including securities claims, come out of it.
3. Once we reach agreement on the rest of the terms, we will eventually give on the point that KP's clients are not releasing securities claims, but for now we are going to put the full release back into the draft settlement agreement. In other words we will, for this turn state that all claims, including securities claims are released.

Sorry if I created any confusion.

Jamie

From: Levitt, Jamie A.
To: 'Timothy.Devine@ally.com'; Lee, Gary S.; 'rcieri@kirkland.com'; Nashelsky, Darren M.; 'nornstein@kirkland.com'
Cc: 'William.b.Solomon@ally.com'
Sent: Thu May 10 02:01:17 2012
Subject: Re: RMBS Stipulated Claim

Tim,

Consistent with what you state below, we have accepted their revision to the release in the settlement agreement to exclude securities law claims. We are marking up the settlement agr and PSA based on our discussions tonight with Ropes and will circulate internally before sending back to them.

Assume we should agree to the same change for Talcott when we talk to them tomorrow?

Jamie

From: Devine, Timothy
To: Lee, Gary S.; rcieri@kirkland.com; Nashelsky, Darren M.; nornstein@kirkland.com; Levitt, Jamie A.
Cc: Solomon, William Legal
Sent: Thu May 10 01:55:08 2012
Subject: RE: RMBS Stipulated Claim

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Folks:

The KP settlement is for everything except securities claims. And we can define securities claims narrowly.

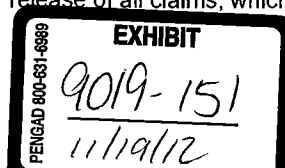
Is that what the language in the current/final draft settlement agreement reads? Remember, we talked about this in some detail.

Please let me know what the main remaining arguments are and I will weigh in. I want to read the drafts before Ally agrees to them.

The circle is squared at the Plan. KP can only get us the "everything-but-securities" settlement release because that is the full extent of her representation. She has been clear about that. Same as in her BoA/BoNYM work. Etc.

But notice: though her clients don't release securities claims, they sign Plan Support Agreements, and the Plan includes very simple comprehensive releases, which of course include third party release of all claims, which of course includes securities

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RC-9019_00049486

claims.

Presto.

So while she can't represent parties in giving up their securities claims, clients face a choice: either sign up with the settlement to make sure your trust receives monies under the waterfall, in which case you need to sign the Plan Support Agreement and support the Plan. And the Plan wipes out all their claims of any sort.

This is the beauty of it.

It is also the reason that FHFA/Freddie probably can't sign the settlement agreement. They believe their securities law claims are worth something, even in the filing; and they are also hedging against the contingency that the Plan fails, in which case they would like to be able to get on with a lawsuit against Ally Financial Inc. on the \$1 billion loss on Freddie's securities.

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Wednesday, May 09, 2012 11:35 PM
To: Devine, Timothy; rcieri@kirkland.com; Nashelsky, Darren M.; nornstein@kirkland.com; Levitt, Jamie A.
Subject: Re: RMBS Stipulated Claim

I'm around.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Devine, Timothy
To: Lee, Gary S.; rcieri@kirkland.com ; Nashelsky, Darren M.; nornstein@kirkland.com
Sent: Wed May 09 23:26:53 2012
Subject: RE: RMBS Stipulated Claim
Can we pull a call together this evening?

Would folks be available at 11:45?

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Wednesday, May 09, 2012 11:17 PM
To: rcieri@kirkland.com; Nashelsky, Darren M.; Devine, Timothy; nornstein@kirkland.com

Subject: Fw: RMBS Stipulated Claim

Fyi

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Lee, Gary S.
To: 'Kathy D. Patrick'
Sent: Wed May 09 23:08:24 2012
Subject: RMBS Stipulated Claim

Kathy, the waterfall is attached. It is not yet ready for distribution beyond the two of us.

[REDACTED]
[REDACTED] That is clearly and materially better than where we were.

There seems to be disagreement (based on our call with Ropes) on one fundamental point. So we are clear, I am writing it down so you and I can discuss.

My understanding of our deal is that the \$8.7bn number settles all claims arising from the sale and servicing of the RMBS. That's what I was agreeing to when I said "8.7 to be all deals wrapped and unwrapped as per all our waterfalls" in response to your email to me. The waterfall clearly delineates and separates pls and rw claims from all other unsecured claims (that's the purpose of the separate categories). The pls and rw lines cover all claims of any kind by that creditor class - we don't distinguish between servicing claims, contract breach claims, fraud claims or securities. These claims are - simply - claims arising from wrapped and unwrapped securitisations and nothing more. That's why I said everyone gets one claim full stop.

So if your clients do not or can not release their securities claims through you, and we cannot defeat them entirely in the bk court, then they get a share in the \$8.7bn. But either way, the \$8.7bn is the number for wrapped and unwrapped deals.

So when Ross tells me an unknown amount of securities claims comes on top of this I get spooked - because that renders a deal at \$8.7bn illusory. And if you ask why I care - which is what Ross screamed at me this evening - beyond the fact that this is the deal I sold to our board and thought we had, it (a) gives everyone an incentive to manage attacks by other claimants to get into the class or attempt to get a bigger share and (b) is consistent with the need to maintain recoveries for other constituents who are key to the success of the plan.

Aside from my lack of interest in aggressive behavior from counsel, I like you don't expect to be re-traded. I remind you I said I would get you \$8.7bn and that's what I did. Please call me after you have reviewed. There are some other smaller points that fall into this category and we can discuss those as well.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Kathy D. Patrick [mailto:kpatrick@gibbsbruns.com]
Sent: Wednesday, May 09, 2012 8:52 PM
To: Ross.Martin@ropesgray.com; Lee, Gary S.; Wishnew, Jordan A.; Kathy D. Patrick
Cc: Keith.Wofford@ropesgray.com; Levitt, Jamie A.; David Sheeren
Subject: Re: RMBS Stipulated Claim

We do. David, what's the total holdings number (not just our holdings in deals where we have 25 per cent)?

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

From: Martin, D. Ross [mailto:Ross.Martin@ropesgray.com]
Sent: Wednesday, May 09, 2012 04:57 PM
To: 'Lee, Gary S.' <GLee@mofo.com>; Wishnew, Jordan A. <JWishnew@mofo.com>; Kathy D. Patrick
Cc: Wofford, Keith H. <Keith.Wofford@ropesgray.com>; Levitt, Jamie A. <JLevitt@mofo.com>
Subject: RE: RMBS Stipulated Claim

I think Kathy is in transit at the moment, but I do believe we have a number like that.

D. Ross Martin
ROPES & GRAY LLP
T(BOS) +1 617 951 7266 | T(NY) +1 212 596 9177 | M +1 617 872 1574 | F +1 617 235 0454
Prudential Tower, 800 Boylston Street
Boston, MA 02199-3600
ross.martin@ropesgray.com
www.ropesgray.com

From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Wednesday, May 09, 2012 5:56 PM
To: Wishnew, Jordan A.; kpatrick@gibbsbruns.com; Martin, D. Ross
Cc: Wofford, Keith H.; Levitt, Jamie A.; Lee, Gary S.
Subject: Re: RMBS Stipulated Claim

If possible we would like to say investors holding x dollars in aggregate.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

----- Original Message -----

From: Wishnew, Jordan A.
To: 'kpatrick@gibbsbruns.com' <kpatrick@gibbsbruns.com>; 'ross.martin@ropesgray.com' <ross.martin@ropesgray.com>
Cc: 'Keith.Wofford@ropesgray.com' <Keith.Wofford@ropesgray.com>; Levitt, Jamie A.; Lee, Gary S.
Sent: Wed May 09 17:47:33 2012
Subject: RE: RMBS Stipulated Claim

Kathy:

One question - in our documents, we want to note that the Debtors have come to terms with your clients as memorialized in a plan support agreement. We would propose to refer to your clients as "investors in residential mortgage-backed securities", but are open to any other suggestions that you may have or prefer.

The sentence would read, in part, "The debtors intend to implement a comprehensive reorganization by consummating the Asset Sales through a plan of reorganization consistent with the terms of a plan support agreement with ...[]."

We look forward to hearing from you.

Thank you.

Regards,

Jordan

Jordan A. Wishnew
jwishnew@mofo.com
212-336-4328

-----Original Message-----

From: Lee, Gary S.
Sent: Wednesday, May 09, 2012 4:28 PM
To: 'kpatrick@gibbsbruns.com'; 'ross.martin@ropesgray.com'
Cc: 'Keith.Wofford@ropesgray.com'; Levitt, Jamie A.; Wishnew, Jordan A.; Lee, Gary S.
Subject: Re: RMBS Stipulated Claim

Jordan, let Kathy and Ross know when we get a time. Kathy, we will want to talk about messaging and preparation for your remarks at the hearing. Pick a time Saturday afternoon.

-----Original Message-----

From: Kathy D. Patrick
To: Gary Lee
To: Ross Martin
To: Kathy D. Patrick
Cc: Keith.Wofford@ropesgray.com
Cc: Jamie A. Levitt
Subject: Re: RMBS Stipulated Claim
Sent: May 9, 2012 4:13 PM

Before you do, who on your team will let us know time to show up for first day? Thanks. Kathy D. Patrick Gibbs & Bruns, L.L.P. From: Lee, Gary S. [<mailto:GLEE@mofo.com>] Sent: Wednesday, May 09, 2012 03:10 PM To: ross.martin@ropesgray.com <ross.martin@ropesgray.com>; Kathy D. Patrick Cc: Keith.Wofford@ropesgray.com <Keith.Wofford@ropesgray.com>; Levitt, Jamie A. <JLevitt@mofo.com> Subject: Re: RMBS Stipulated Claim Jamie and Tony Princi. I am slowly vanishing. Gary S. Lee Morrison & Foerster LLP 1290 Avenue of the Americas New York, NY 10104-0050 T. 212.468.8042 F. 212.468.7900 glee@mofo.com From: Martin, D. Ross To: Lee, Gary S.; kpatrick@gibbsbruns.com Cc: Wofford, Keith H. Sent: Wed May 09 16:05:44 2012 Subject: RE: RMBS Stipulated Claim Obviously you've been tied up; just let us know when (and with whom) you want to discuss the Plan Support Agreement.

D. Ross Martin ROPES & GRAY LLP T(BOS) +1 617 951 7266 | T(NY) +1 212 596 9177 | M +1 617 872 1574 | F +1 617 235 0454
Prudential Tower, 800 Boylston Street Boston, MA 02199-3600 ross.martin@ropesgray.com www.ropesgray.com Circular 230 Disclosure (R&G): To ensure compliance with Treasury Department regulations, we inform you that any U.S. tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of avoiding U.S. tax-related penalties or promoting, marketing or recommending to another party any tax-related matters addressed herein.

This message

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

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EXHIBIT Q

Outlook E-mail

From: Devine, Timothy
Sent: 5/12/2012 4:29:50 PM
To: Lee, Gary S.; Levitt, Jamie A.; Ornstein, Noah; Ruckdaschel, John
Cc: Cieri, Richard M.; Schrock, Ray C.
Subject: RE: Has Talcott Franklin signed on without reservation to support the Plan, including broad third party release of all claims against Ally etc including security claims?

Got it.

Had call with KP.

We told her PSA support – whole hog – is drop dead.

Her aversion to lock up is, she said, drop dead for her clients.

What are our best fall-backs on the lockup?

Thanks.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

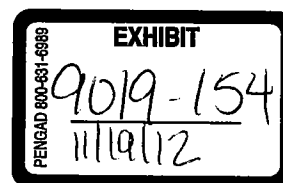
From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Saturday, May 12, 2012 4:26 PM
To: Devine, Timothy; Levitt, Jamie A.; Ornstein, Noah; Ruckdaschel, John
Subject: RE: Has Talcott Franklin signed on without reservation to support the Plan, including broad third party release of all claims against Ally etc including security claims?

Its complicated - they are trying to preserve lots of other claims, their clients dont seem to have brought equity claims. I dont even know whether their clients are 40 act advisors (anyone?). we sent Talcott the agreement the way we wanted it and told him he couldn't really negotiate it - but if KP doesnt sign I dont know if he will.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Devine, Timothy [mailto:Timothy.Devine@ally.com]
Sent: Saturday, May 12, 2012 4:22 PM
To: Levitt, Jamie A.; Lee, Gary S.; Ornstein, Noah; Ruckdaschel, John
Subject: Has Talcott Franklin signed on without reservation to support the Plan, including broad third party release of all claims against Ally etc including security claims?

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RC-9019_00050455

Thanks.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

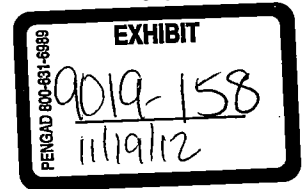
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EXHIBIT R



Outlook E-mail

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From: Kathy D. Patrick
Sent: 5/13/2012 7:03:15 PM
To: Levitt, Jamie A.; Scott A. Humphries
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com; Princi, Anthony
Subject: RE: Settlement documents -- confidential

Sure. Use our dial in: 1 866 228 9900, passcode 763234. Suggest you under-react to the red and focus on the substance of it, as this is what we discussed this morning: a) the monolines have rights as subrogated certificateholders when they pay claims, those arise under the Trust agreements (which contain that language) so all you need to do for that is to say the Trusts; b) separately, the Credit Enhancers have separate indemnity claims, and those arise under separate agreements. This is exactly what we discussed on the earlier call and it corrects an error in your draft which, otherwise, would have put the indemnity claims in the 8.7billion. Simple enough to explain and not a reason for this to go sideways. KP

From: Levitt, Jamie A. [mailto:JLevitt@mofo.com]
Sent: Sun 5/13/2012 5:59 PM
To: Scott A. Humphries; Kathy D. Patrick
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com; Princi, Anthony
Subject: RE: Settlement documents -- confidential

Kathy -- we need a call at 7:30. You took out all reference to the monolines in 5.01 (and the whereas), which as we discussed is in neither of our interest.

Call in 800-650-4949, code 4688203.

-----Original Message-----
From: Scott A. Humphries [mailto:SHumphries@gibbsbruns.com]
Sent: May 13, 2012 6:54 PM
To: Scott A. Humphries; Princi, Anthony; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

Belay that. These correct one reference. Can you make the nits re the holdings that you sent in a couple of emails, please?

-----Original Message-----
From: Scott A. Humphries
Sent: Sunday, May 13, 2012 5:52 PM
To: 'Princi, Anthony'; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

Here is the Settlement Agreement. PSA to follow momentarily.

-----Original Message-----
From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sunday, May 13, 2012 5:49 PM
To: Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Scott A. Humphries; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

Kathy, we received the exhibits and they appear to be in order. We will

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therefore shortly be sending you final, execution versions of both the SA and PSA for your and your clients' signatures. As we are severely under the press of time we would ask that once you receive them you please promptly forward us your executed signature pages. We will hold the signature pages and not release them until we forward you our client's and Ally's signature pages. Thanks for your cooperation.

-----Original Message-----

From: Kathy D. Patrick [mailto:kpatrick@gibbsbruns.com]
Sent: Sunday, May 13, 2012 6:14 PM
To: Princi, Anthony; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Scott A. Humphries; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com;
Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: Re: Settlement documents -- confidential

Ropes is running the blackline on that now--I think we addressed it appropriately, but am happy to discuss

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

----- Original Message -----

From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sunday, May 13, 2012 05:00 PM
To: Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S. ; Scott A. Humphries; Clark, Daniel E.
; Newton, James A. ;
nornstein@kirkland.com ; Timothy.Devine@ally.com
; Ross.Martin@ropesgray.com
; Keith.Wofford@ropesgray.com

Subject: RE: Settlement documents -- confidential

Thanks Kathy. As it turned out, my rushing like a madman led me to screw up the wording below so I've asked Noah at K&E to send corrected language (it will remain minor changes so I don't expect that you'll have a problem with it).

More importantly, we need to get your exhibits relating to allocation methodology and list of investor holdings by cusips -- can you have somebody forward that to us ASAP?

-----Original Message-----

From: Kathy D. Patrick [mailto:kpatrick@gibbsbruns.com]
Sent: Sunday, May 13, 2012 5:57 PM
To: Princi, Anthony; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Scott A. Humphries; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com;
Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: Re: Settlement documents -- confidential

This is fine.

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

----- Original Message -----

From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sunday, May 13, 2012 04:47 PM
To: Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S. ; Scott A. Humphries; Clark, Daniel E.
; Newton, James A. ;
nornstein@kirkland.com ; Timothy.Devine@ally.com
; Ross.Martin@ropesgray.com
; Wofford, Keith H.

Subject: RE: Settlement documents -- confidential

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Kathy, we have made a couple of minor word changes (see below in caps) and with that ResCap and Ally are both good with this language. We will revise the agreement accordingly and send you a final execution version shortly.

-----Original Message-----

From: Kathy D. Patrick [mailto:kpatrick@gibbsbruns.com]
Sent: Sunday, May 13, 2012 5:04 PM
To: Princi, Anthony; Levitt, Jamie A.
Cc: Lee, Gary S.; Scott A. Humphries; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com;
Ross.Martin@ropesgray.com; Wofford, Keith H.
Subject: RE: Settlement documents -- confidential

Here's the holdings section. You chunked a bunch of extraneous stuff into the rest of the agreement, but here's the holdings language.

Section 1.01 Purchasers and Assigns. The Consenting Claimants currently and collectively hold Securities representing in aggregate 25% of the voting rights in one or more classes of Securities of not less than 290 of the Covered Trusts. The Consenting Claimants, collectively, shall maintain holdings aggregating 25% of the voting rights in one or more classes of Securities of not less than 235 of the Covered Trusts (Requisite Holdings) until the earliest of: (i) confirmation of the Plan, (ii) December 31, 2012, (iii) a Consenting Claimant Termination Event, (iv) a Debtor Termination Event, or (v) an Ally Termination Event; provided, however, that any reduction in Requisite Holdings caused by: a) sales by Maiden Lane I and Maiden Lane III; or b) exclusion of one or more trusts due to the exercise of Voting Rights by a Credit Enhancer, shall not be considered in determining whether the Requisite Holdings threshold has been met. If the Requisite Holdings are not maintained, EACH OF Ally and ResCap shall have the right to terminate the agreement, but shall not terminate the agreement before EACH OF ALLY AND RESCAP HAVE conferrED in good faith with the Consenting Claimants concerning whether termination is warranted. For the avoidance of doubt, other than as set forth above, this Agreement shall not restrict the right of any Consenting Claimant to sell or exchange any Securities issued by a Trust free and clear of any encumbrance. The Consenting Claimants will not sell OR PURCHASE any of the Securities for the purpose of avoiding their obligations under this Agreement, and each Consenting Claimant commits to maintain at least one position in one of the Securities in one of the Trusts until the earliest of the dates set forth above. If the Debtor or Ally reach a similar agreement to this with another bondholder group, the Debtor and Ally will include a substantially similar proportionate holdings requirement in that agreement as contained herein.

From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sun 5/13/2012 3:48 PM
To: Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Scott A. Humphries; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com
Subject: RE: Settlement documents -- confidential

Thanks Kathy.

Scott, to underscore Jamie's message, we truly are running out of time so we need to see the transfer language ASAP so that we can finalize the agreements and have them signed. Thanks.

From: Kathy D. Patrick [mailto:kpatrick@gibbsbruns.com]

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RC-9019_00055574

Sent: Sunday, May 13, 2012 4:49 PM
To: Levitt, Jamie A.; Kathy D. Patrick
Cc: Princi, Anthony; Lee, Gary S.; Scott A. Humphries
Subject: Re: Settlement documents -- confidential

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Scott -

Can we get them the docs?

Thanks,

KP

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

From: Levitt, Jamie A. [mailto:JLevitt@mofo.com]
Sent: Sunday, May 13, 2012 03:43 PM
To: Kathy D. Patrick
Cc: Princi, Anthony ; Lee, Gary S.
Subject: Fw: Settlement documents -- confidential

Kathy -- can you have someone send us the documents. We really need to review asap -- time is even shorter. Thanks.

From: Levitt, Jamie A.
To: 'Ross.Martin@ropesgray.com' ; 'Kathy D. Patrick' ; 'Scott A. Humphries'

Cc: 'Ornstein, Noah' ; Princi, Anthony; Lee, Gary S.; 'Devine, Timothy' ; 'rcieri@kirkland.com'
Sent: Sun May 13 14:02:28 2012
Subject: Settlement documents -- confidential

Kathy and Scott,

Attached are the settlement documents redlined against the documents Scott sent last night. I thought you might want to see the changes we think exist from last night and this morning. Noah will separately send a set of redlines against what we sent last night in case you prefer to review that way. Please let us know if you have changes on the monoline references as Gary discussed. We have not addressed the sale/transfer point because that language is being revised by you and I understand you will be sending the allocation exhibit including the bypass language you propose.

Our goal needs to be to get your additions and thoughts and get these documents finalized asap.

Thanks.

Jamie

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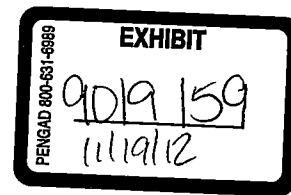
Confidential

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EXHIBIT S

Outlook E-mail



From: Levitt, Jamie A.
Sent: 5/13/2012 7:34:16 PM
To: 'nornstein@kirkland.com'; Princi, Anthony
Cc: Lee, Gary S.
Subject: Re: Settlement documents -- confidential

I'll call and explain. It's all good. I just explained to Tim.

From: Ornstein, Noah <nornstein@kirkland.com>
To: Princi, Anthony
Cc: Lee, Gary S.; Levitt, Jamie A.
Sent: Sun May 13 19:33:17 2012
Subject: RE: Settlement documents -- confidential

To be clear, does that mean the indemnity claims are or are not covered by the \$8.7 billion?

From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sunday, May 13, 2012 7:31 PM
To: Ornstein, Noah
Cc: Lee, Gary S.; Levitt, Jamie A.
Subject: RE: Settlement documents -- confidential

It didn't work from a mechanical vantage point under the Governing Agreements (she actually knows how this stuff works a lot better than we do I'm sorry to admit).

From: Ornstein, Noah [mailto:nornstein@kirkland.com]
Sent: Sunday, May 13, 2012 7:29 PM
To: Princi, Anthony
Subject: RE: Settlement documents -- confidential

Didn't she ask to stip out indemnity claims. I understood those were to be in the bucket. Is that not the deal?

From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sunday, May 13, 2012 7:26 PM
To: Devine, Timothy; Scott A. Humphries; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; Ornstein, Noah; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

Don't believe the terms of the agreements allow for that but if K&E disagrees please let us know ASAP.

We spoke to Kathy and resolved the issues and are going to be circulating final, execution versions of the agreements soon.

From: Devine, Timothy [mailto:Timothy.Devine@ally.com]
Sent: Sunday, May 13, 2012 7:09 PM
To: Princi, Anthony; Scott A. Humphries; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

If there is any discussion about the total \$ for allowed claims arising out of these issuances – wrapped, unwrapped, monoline, trust, whatever (excepting securities law claims) – going over \$8.7 billion then we have no deal. Ally did not, cannot and will not approve it.

I am sure I misunderstood the notes below.

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RC-9019_00055615

Thanks.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sunday, May 13, 2012 7:05 PM
To: Scott A. Humphries; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Devine, Timothy; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

Gary is calling Kathy to deal with all this.

From: Scott A. Humphries [mailto:SHumphries@gibbsbruns.com]
Sent: Sunday, May 13, 2012 7:05 PM
To: Scott A. Humphries; Princi, Anthony; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

<< File: 30507447-v11-Revised Plan Support Agreement (RG 513 draft).docx >> << File: Change-Pro Redline - 30507447-v10-Revised Plan Support Agreement (MoFo 513 draft) and 30507447-v11-Revised Plan Support Agreement (RG 513 draft).pdf >>

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such advice is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein.

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information, and is intended only for the use of the addressee. It is the property of Kirkland & Ellis LLP or Kirkland & Ellis International LLP. Unauthorized use, disclosure or copying of this communication or any part thereof is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by return e-mail or by e-mail to postmaster@kirkland.com, and destroy this communication and all copies thereof, including all attachments.

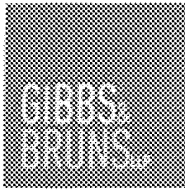
EXHIBIT T

REDACTED

EXHIBIT U

REDACTED

EXHIBIT V



Kathy D. Patrick
kpatrick@gibbsbruns.com
713.751.5253

October 17, 2011

Via Federal Express

William B. Solomon, Jr., Esq.
General Counsel
Ally Financial Inc.
200 Renaissance Center
Detroit, Michigan 48265

Dear Mr. Solomon:

This firm represents investment advisers and holders of Residential Mortgage Backed Securities (RMBS) issued and/ or underwritten by Ally Financial Inc. and/or its affiliates ("Ally"). The aggregate outstanding balance of the 242 Ally deals in which our clients collectively hold 25% or more of the voting rights of a class in that deal, exceeds \$51 billion. The aggregate outstanding balance of the 173 Ally deals in which our clients collectively hold 50% or more of the voting rights of a class in that deal, exceeds \$36 billion.

There is widespread, readily available evidence suggesting that large numbers of mortgages securing the certificates held by our clients were sold or deposited into the RMBS pools based on false and/or fraudulent representations and warranties by the mortgage originators, sellers and/or depositors. This evidence includes, but is certainly not limited to:

- excessive early default and foreclosure rates experienced in the underlying mortgage pools;
- a loan-level analysis of Ally RMBS conducted by the Federal Housing Finance Agency (FHFA), which revealed that up to 13% of the mortgage loans in Ally RMBS breached owner-occupancy representations and warranties, and that up to 49% of the mortgage loans in Ally RMBS breached Loan-to-Value representations and warranties¹;

¹ Our clients collectively hold 25% or more of the voting rights of a class in 18 of the 21 Ally deals which FHFA analyzed.

- MBIA's lawsuits against Ally, reporting that its loan-level analysis of various Ally RMBS showed that high numbers of mortgages in the pools were ineligible at origination²;
- detailed allegations in securities cases against Ally, which suggest widespread deficiencies in Ally's underwriting practices, including inaccurate representations and warranties regarding important loan characteristics such as borrower incomes and home appraisals³;
- substantial downgrades of the certificates by credit rating agencies; and
- Ally's own apparent acknowledgement that it is potentially liable for violations of representations and warranties in Ally RMBS, evidenced by its \$829 million reserve for repurchase liabilities as of June 30, 2011, which relates "primarily" to non-GSE exposure,⁴ as well as its statement that such liabilities are "most significant for loans originated and sold between 2004 through 2008, specifically the 2006 and 2007 vintages *that were originated and sold prior to enhanced underwriting standards and risk-mitigation actions implemented in 2008 and forward.*"⁵

In addition, there is widespread, readily available evidence suggesting that Ally, as servicer and/or master servicer of mortgage loans securing the certificates held by our clients, has failed to observe and perform the covenants and agreements imposed on it by the governing agreements, and has failed to meet its duty to prudently service those mortgage loans, including, but certainly not limited to:

- Ally's admittedly flawed and "embarrassing"⁶ mortgage loan servicing and foreclosure practices, including deficient document signing practices, leading to Ally's foreclosure suspension and review in Fall 2010;
- Ally's April 2011 consent order with the Board of Governors of the Federal Reserve System and the FDIC, which alleged that, in connection with certain

² MBIA has reported that 89% of adversely selected loans from 3 separate GMAC securitizations were not originated in material compliance with GMAC's underwriting guidelines or representations and warranties. See Complaint ¶ 6, *MBIA Ins. Co. v. GMAC Mortg., LLC*, No. 600837/2010 (N.Y. Sup. Ct.). MBIA has also reported that 93% of adversely selected loans from 5 separate RFC securitizations were not originated or acquired in material compliance with RFC's representations and warranties. See Complaint ¶ 46, *MBIA Ins. Co. v. Residential Funding Co., LLC*, No. 603552/2008 (N.Y. Sup. Ct.).

³ See, e.g., Complaint, *Mass. Mut. Life Ins. Co. v. Residential Funding Co., LLC*, No. 3:11-cv-30035 (D. Mass.).

⁴ See Ally Financial Inc.'s Second Quarter 2011 Form 10-Q at 83.

⁵ See *id.* at 81 (emphasis added).

⁶ See Dakin Campbell and Natalie Doss, *Ally Will Keep ResCap, 'Screwed Up' Using Robosigners*, BLOOMBERG NEWS, Nov. 3, 2010.

foreclosures of loans in Ally's servicing portfolio, Ally engaged in "unsafe or unsound banking practices" because, among other reasons, Ally filed or caused to be filed in courts inaccurate affidavits, filed or caused to be filed in courts or in land record offices improperly notarized mortgage-related documents, litigated or initiated foreclosure proceedings without ensuring proper assignment and possession of promissory notes or mortgage documents, failed to devote adequate resources to foreclosure processes, failed to ensure timely, effective, and efficient communication with borrowers with respect to loss mitigation and foreclosure activities, failed to subject its foreclosure processes to adequate oversight, internal controls, policies, and procedures, and failed to sufficiently oversee third parties handling foreclosure-related services;

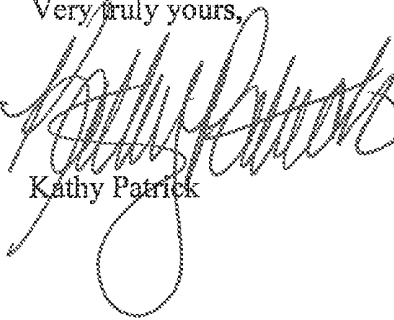
- ongoing investigations by state attorneys general and other government agencies into Ally's mortgage loan servicing and foreclosure-related practices;
- evidence of wholly avoidable and unnecessary servicing fees to maintain mortgaged property, which have resulted from Ally's flawed mortgage loan servicing and foreclosure practices; and
- Ally's apparent failure to notify other parties to the governing agreements of mortgage loans in the pools that violated representations and warranties at the time they were sold into the pools, and its apparent failure to enforce the sellers' obligations to cure, substitute, or repurchase such loans, as Ally is required to do under the governing agreements.

Based on this and other evidence, our clients believe that large numbers of ineligible loans were sold or deposited into, and remain in, the RMBS pools securing the certificates. Under the governing agreements, Ally has substantial repurchase liability for such loans. Our clients further believe that Ally's failure to observe and perform the covenants and agreements imposed on it by the governing agreements, and to meet its duty to prudently service those mortgages, may constitute a servicer event of default under the governing agreements.

Our clients are not willing to suffer further losses resulting from ineligible loans in the pools and improper servicing of the loans in the pools, and they wish to seek a resolution of repurchase and servicing claims with Ally. As such, our clients hope and anticipate that Ally will begin a constructive dialogue with them regarding the concerns raised by this letter. If, however, Ally proves to be an obstacle to their efforts to mitigate such losses, our clients fully intend to exercise their rights under the governing agreements—including the issuance of binding instructions to Trustees—to pursue enforcement of repurchase and servicing claims against Ally.

Should Ally wish to begin a constructive dialogue regarding these issues, please make appropriately senior legal and business personnel available to meet with me and various of our clients on Thursday, October 27, 2011. To arrange the details of this meeting, please contact me as soon as possible.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Kathy Patrick", written over a horizontal line.

Kathy Patrick

EXHIBIT W

Outlook E-mail

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From: Lee, Gary S.
Sent: 5/10/2012 10:48:38 AM
To: 'Cancelliere, Jeff - PA'; Ruckdaschel, John; Devine, Timothy; Levitt, Jamie A.; nornstein@kirkland.com
Cc: Kushman, Todd; rcieri@kirkland.com
Subject: RE: Favor

Yes, but just securities claims. Can someone send me the KP tolling agreement and all others you have.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Cancelliere, Jeff - PA [mailto:Jeff.Cancelliere@gmacrescap.com]
Sent: Thursday, May 10, 2012 9:50 AM
To: Lee, Gary S.; Ruckdaschel, John; Devine, Timothy; Levitt, Jamie A.; nornstein@kirkland.com
Cc: Kushman, Todd; rcieri@kirkland.com
Subject: RE: Favor

Will the following work:

A summary by party (KP, FHFA, MBIA, FGIC, etc.) by vintage? Similar to the below? It has to be refreshed for new deals identified by KP, Tal and not de-dupped by vintage?

		FHFA (b)	Kathy P >25% (b)	Talcott >25% (b)	AIG (b)	FGIC	MBIA	Non-Lit Wrapped	Other	Total
Deal Collat	Original Balance	23,945.1	80,265.7	2,652.8	6,963.9	14,384.0	7,735.8	21,819.0	68,263.0	226,029.3
	Current Balance	6,599.3	27,399.6	892.6	2,120.9	3,810.3	1,934.0	3,765.5	16,762.6	63,284.8
	Cume Loss To Date	4,424.4	11,249.5	446.2	1,318.0	2,445.3	2,107.8	1,561.0	6,339.6	29,891.9
	Projected Loss	2,105.2	5,843.3	266.4	594.4	983.1	515.9	794.7	3,122.7	14,225.7
	Est Lifetime Loss	6,529.6	17,092.8	712.6	1,912.4	3,428.4	2,623.8	2,355.8	9,462.2	44,117.5
	Est Lifetime Loss % of Orig Bal	27%	21%	27%	27%	24%	34%	11%	14%	19.5%

Jeff Cancelliere
Mortgage Risk
1100 Virginia Drive| Fort Washington, PA| 19034
(215)734-5853 (p) | (215) 749-2975 (Mobile)
Jeff.Cancelliere@gmacrescap.com

From: Lee, Gary S. [mailto:GLEE@mofo.com]
Sent: Thursday, May 10, 2012 9:47 AM
To: Cancelliere, Jeff - PA; Ruckdaschel, John; Devine, Timothy; Levitt, Jamie A.; nornstein@kirkland.com
Cc: Kushman, Todd; rcieri@kirkland.com; Lee, Gary S.
Subject: Re: Favor

I need to know the universe of what could be brought.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Lee, Gary S.
To: 'jeff.cancelliere@gmacrescap.com'; 'john.ruckdaschel@ally.com'; 'Timothy.Devine@ally.com'; Levitt, Jamie A.; 'nornstein@kirkland.com'
Cc: 'Todd.Kushman@ally.com'; 'rcieri@kirkland.com'; Lee, Gary S.
Sent: Thu May 10 09:27:29 2012
Subject: Re: Favor
Err on the side of inclusion so we can scale the issues.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Cancelliere, Jeff - PA
To: Lee, Gary S.; Ruckdaschel, John; Devine, Timothy; Levitt, Jamie A.; nornstein@kirkland.com
Cc: Kushman, Todd; rcieri@kirkland.com
Sent: Thu May 10 09:21:06 2012
Subject: RE: Favor

Overall question is what deals stay in and what fall out.

Tim/John, can you assist in identifying from a statute standpoint should fall out of the total claim pool?

Jeff Cancelliere
Mortgage Risk
1100 Virginia Drive| Fort Washington, PA| 19034
(215)734-5853 (p) | (215) 749-2975 (Mobile)
Jeff.Cancelliere@gmacrescap.com

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From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Thursday, May 10, 2012 9:09 AM
To: Cancelliere, Jeff - PA; Ruckdaschel, John; Devine, Timothy; Levitt, Jamie A.; nornstein@kirkland.com
Cc: Kushman, Todd; rcieri@kirkland.com; Lee, Gary S.
Subject: Re: Favor

I don't know exactly what you tolled with her - can I see agreement (I'm out of office). I recall its just contract claims and so her clients don't get enhanced tolling if that's your question.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Cancelliere, Jeff - PA
To: Lee, Gary S.; Ruckdaschel, John; Devine, Timothy; Levitt, Jamie A.; nornstein@kirkland.com
Cc: Kushman, Todd; rcieri@kirkland.com
Sent: Thu May 10 09:05:24 2012
Subject: RE: Favor

Tim/John R, can you confirm or correct me for the statute cut-- All wrapped stay in and all non-wrapped is 06-07 vintage with MN 6 year statute running out? Also the only 04-05 deals that fall out are the ones where we do not have a tolling agreement in place?

Gary, If the above is true do the KP deals that are not under tolling and pre06 fall out of her #?

Jeff Cancelliere
Mortgage Risk
1100 Virginia Drive| Fort Washington, PA| 19034
(215)734-5853 (p) | (215) 749-2975 (Mobile)
Jeff.Cancelliere@gmacrescap.com

From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Thursday, May 10, 2012 8:09 AM
To: Cancelliere, Jeff - PA; Ruckdaschel, John; Devine, Timothy; Levitt, Jamie A.; nornstein@kirkland.com
Cc: Kushman, Todd; rcieri@kirkland.com; Lee, Gary S.
Subject: Re: Favor

By party - assume that statute of limitations arguments are losers.

Gary S. Lee
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T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Cancelliere, Jeff - PA
To: Lee, Gary S.; Ruckdaschel, John; Devine, Timothy; Levitt, Jamie A.; 'nornstein@kirkland.com'
Cc: Kushman, Todd; 'rcieri@kirkland.com'
Sent: Thu May 10 08:06:47 2012
Subject: Re: Favor
Gary do you want totals from each party or a de-duped total where there are overlaps?

From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Thursday, May 10, 2012 06:50 AM
To: Ruckdaschel, John; Devine, Timothy; Cancelliere, Jeff - PA; Levitt, Jamie A. <JLevitt@mofo.com>; nornstein@kirkland.com <nornstein@kirkland.com>
Cc: Kushman, Todd; rcieri@kirkland.com <rcieri@kirkland.com>; Lee, Gary S. <GLee@mofo.com>
Subject: Re: Favor

John-tim-jeff.

What's the potential securities claims pool? Made up of whom? Want to see what this does to our recoveries.

Thanks,

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Ruckdaschel, John
To: Devine, Timothy; Cancelliere, Jeff - PA; Levitt, Jamie A.; nornstein@kirkland.com
Cc: Kushman, Todd; 'rcieri@kirkland.com'; Lee, Gary S.
Sent: Thu May 10 07:30:27 2012
Subject: RE: Favor
No problem. David S. walks around with a fair number of thick binders, so I'm pretty confident he's got it somewhere.

Just so I understand, the forum in which you want to disclose this is in the Court and maybe thinking ahead to an Ally 8-K filing next week?

Someone please send to me the final settlement agreement and support agreement and anything else, if applicable.

From: Devine, Timothy
Sent: Thursday, May 10, 2012 12:30 AM
To: Cancelliere, Jeff - PA; Ruckdaschel, John; 'JLevitt@mofo.com'; nornstein@kirkland.com
Cc: Kushman, Todd; 'rcieri@kirkland.com'; 'GLee@mofo.com'
Subject: FW: Favor

John R and Jeff:

I spoke with Kathy P this evening and she will tell David Shereen he can expect to hear from you re: the kind of info we need to get confidence level around "footprint" facts. I told her that she now has to

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demonstrate what she has already asserted – that her clients individually and as aggregated have power under the applicable respective agreements to take the actions we're describing in the settlement agreement and PSA.

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In short, I have volunteered you.

Noah and Jamie:

Will you please talk with Jeff and John R to understand exactly what info they are asking KP for, and then to put Talcott Franklin's purported holdings to the same tests.

All so that we can be entirely accurate and clear and consistent when we stand up and say "we have all the big players and X% of holders of r/w claims" or whatever it is we're going to say.

Thanks in advance!

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Devine, Timothy
Sent: Wednesday, May 09, 2012 6:58 PM
To: 'GLee@mofo.com'; Cancelliere, Jeff - PA; 'rcieri@kirkland.com'; Ruckdaschel, John; 'nornstein@kirkland.com'; 'JLevitt@mofo.com'; Kushman, Todd
Subject: Re: Favor

Creating that sense of inevitability.

From: Devine, Timothy
To: 'GLee@mofo.com' <GLee@mofo.com>; Cancelliere, Jeff - PA; 'rcieri@kirkland.com' <rcieri@kirkland.com>; Ruckdaschel, John; 'nornstein@kirkland.com' <nornstein@kirkland.com>; 'JLevitt@mofo.com' <JLevitt@mofo.com>; Kushman, Todd
Sent: Wed May 09 18:57:17 2012
Subject: Re: Favor

Gary and Rick: I'm thinking ahead not only for media but for filing. Please weigh in with needs/thoughts on point.

Thanks to all.

From: Devine, Timothy
To: 'GLee@mofo.com' <GLee@mofo.com>; Cancelliere, Jeff - PA; 'rcieri@kirkland.com' <rcieri@kirkland.com>; Ruckdaschel, John; 'nornstein@kirkland.com' <nornstein@kirkland.com>; 'JLevitt@mofo.com' <JLevitt@mofo.com>; Kushman, Todd
Sent: Wed May 09 18:54:44 2012
Subject: Re: Favor

Yes. Jeff, John R: what exactly should I request from KP to improve/cross-check her clients' footprint?

Same Q for Talcott.

From: Lee, Gary S. <GLee@mofo.com>
To: Devine, Timothy; Cancelliere, Jeff - PA; 'rcieri@kirkland.com' <rcieri@kirkland.com>; Ruckdaschel, John; 'nornstein@kirkland.com' <nornstein@kirkland.com>; Levitt, Jamie A. <JLevitt@mofo.com>; Kushman, Todd
Sent: Wed May 09 18:51:17 2012
Subject: Re: Favor

Can you speak to her?

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

----- Original Message -----

From: Devine, Timothy <Timothy.Devine@ally.com>
To: Cancelliere, Jeff - PA <Jeff.Cancelliere@gmacescap.com>; Lee, Gary S.; 'rcieri@kirkland.com' <rcieri@kirkland.com>; Ruckdaschel, John <John.Ruckdaschel@ally.com>; 'nornstein@kirkland.com' <nornstein@kirkland.com>; Levitt, Jamie A.; Kushman, Todd <Todd.Kushman@ally.com>
Sent: Wed May 09 18:42:12 2012
Subject: Re: Favor

Need to find a way to do 2 things - increase confidence level in assertions of Tal and KP and anyone else - can insist now on greater disclosure etc - and 2 agree amongst ourselves on best simplest most accurate way to describe the "footprint", always over the denominator of the entire issuance.

----- Original Message -----

From: Cancelliere, Jeff - PA
To: Devine, Timothy
Sent: Wed May 09 18:30:29 2012
Subject: Re: Favor

Will send when I get home. On the train back to Philly now so will be in a couple hours.
Unofficially kps most recent list was about 170B and talcotts was 95B with all but 12B covered by KP. So total between them is around 182B. That assumes they will both prove the greater than 25pct.

----- Original Message -----

From: Devine, Timothy
Sent: Wednesday, May 09, 2012 05:24 PM
To: Cancelliere, Jeff - PA
Subject: Favor

Pls re-send me footprint info reflecting KP + Tal. Tx

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RC-9019_00048001

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EXHIBIT X

Outlook E-mail

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From: Levitt, Jamie A.
Sent: 5/13/2012 5:45:58 PM
To: 'Ornstein, Noah'; 'Timothy.Devine@ally.com'
Cc: Lee, Gary S.; Princi, Anthony; Clark, Daniel E.
Subject: FW: Confidential Draft -- For Settlement Purposes Only
Attachments: KP Settlement 5-13-12 - 3[1].doc

Tim -- we are almost across the finish line with Talcott. Please confirm you are fine with his small changes and we will put in the transfer language from the KP agreement once everyone signs off on it. Two things I wanted to be sure everyone is aware of:

1. Tal is going to give an Exhibit with list of holders now, but will supplement it on a rolling basis as he recruits more signatories. We are going to draft language that says he can do this rolling basis addition until 45 day offer period ends (to correspond with 5.01). Then we'll base his sale/transfer rep off of that total of holders.

2. Tal's clients instructed the trustee a month ago to sue Ally -- he confirmed they will change that instruction as part of this agreement. We thought it would be best not to have that information as a whereas or otherwise in the agreement because you don't want that public.

Please let me know if we have your ok on all this.

Jamie

From: Talcott J. Franklin [mailto:Tal@talcottfranklin.com]
Sent: May 13, 2012 5:22 PM
To: Levitt, Jamie A.; Ornstein, Noah
Subject: Re: Confidential Draft -- For Settlement Purposes Only

Actually, the Whereas works fine so I added it back in unchanged. You'll handle the "search and replace" Gibbs and Bruns and Ropes and Gray with Talcott Franklin P.C.; Miller, Johnson, Snell & Cummiskey, P.L.C.; and Carter Ledyard & Milburn LLP when you get the final document. Thanks!

From: <Levitt>, "Jamie A." <JLevitt@mofo.com>
To: Talcott Franklin <tal@talcottfranklin.com>
Subject: Re: Confidential Draft -- For Settlement Purposes Only

Can I call you in 2 mins just so I understand -- what number to call?

From: Talcott J. Franklin <Tal@talcottfranklin.com>
To: Newton, James A.
Cc: Levitt, Jamie A.; Ornstein, Noah <nornstein@kirkland.com>; Clark, Daniel E.
Sent: Sun May 13 16:51:08 2012
Subject: Re: Confidential Draft -- For Settlement Purposes Only

Here is the revised language.

From: <Newton>, "James A." <JNewton@mofo.com>
To: Talcott Franklin <tal@talcottfranklin.com>
Cc: "Levitt, Jamie A." <JLevitt@mofo.com>, "Ornstein, Noah" <nornstein@kirkland.com>, "Clark, Daniel E." <DClark@mofo.com>
Subject: RE: Confidential Draft -- For Settlement Purposes Only

Tal,

Jamie requested that I forward you a copy of the most recent draft of the G&B documents. They are attached. These documents are subject to a few additional changes, particularly in the transfer

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language.

Confidential

-James

From: Talcott J. Franklin <Tal@talcottfranklin.com>
To: Levitt, Jamie A.; Jerry Phelps <Jerry@talcottfranklin.com>
Cc: sarbt@millerjohnson.com <sarbt@millerjohnson.com>; Gadsden, James <gadsden@clm.com>; wolfordr@millerjohnson.com <wolfordr@millerjohnson.com>; Paul Snyder <paul@talcottfranklin.com>; Derek Witte <derek@talcottfranklin.com>; Lee, Gary S.; Princi, Anthony; rcieri@kirkland.com <rcieri@kirkland.com>; nornstein@kirkland.com <nornstein@kirkland.com>; Devine, Timothy <Timothy.Devine@ally.com>
Sent: Sun May 13 15:08:19 2012
Subject: Re: Confidential Draft -- For Settlement Purposes Only

Jamie:

Just spoke with Tim — he says we need to get the deal done now. I'm good with Noah's addition to 7.05 — good work Noah — so we're over that.

I need the latest documents for G&B, apparently there have been some changes, and I need to push it out to clients. I'm working on a press release that I will provide to Ally/RFC and they can release it whenever — we will not release it. Tim agreed to a slight modification to the representation that we have 25% in order to get us on board. I'll give you that language when I see the new documents.

Tim understands we'll do everything we can to get signatures tonight, but given the holiday and that it is a Sunday, he's understanding if we cannot. We'll push forward on Monday, etc. with additional clients and help create momentum for the settlement throughout the week. I've already discussed in general terms with DB's outside counsel how we'd do the instruction — we weren't able to specifically talk about RFC because of the NDA, but we've done it before on many other deals, so I don't see this as a problem. Thanks!

Tal

From: <Levitt>, "Jamie A." <JLevitt@mofo.com>
To: Talcott Franklin <tal@talcottfranklin.com>, Jerry Phelps <Jerry@talcottfranklin.com>
Cc: "sarbt@millerjohnson.com" <sarbt@millerjohnson.com>, "Gadsden, James" <gadsden@clm.com>, "wolfordr@millerjohnson.com" <wolfordr@millerjohnson.com>, Paul Snyder <paul@talcottfranklin.com>, Derek Witte <derek@talcottfranklin.com>, "Lee, Gary S." <GLee@mofo.com>, "Princi, Anthony" <APrinci@mofo.com>, "rcieri@kirkland.com" <rcieri@kirkland.com>, "nornstein@kirkland.com" <nornstein@kirkland.com>
Subject: RE: Confidential Draft -- For Settlement Purposes Only

Tal -- confidentially, attached is the AFI-ResCap settlement agreement.

From: Talcott J. Franklin [mailto:tal@talcottfranklin.com]
Sent: Saturday, May 12, 2012 6:36 AM
To: Levitt, Jamie A.; Jerry Phelps
Cc: sarbt@millerjohnson.com; Gadsden, James; wolfordr@millerjohnson.com; Paul Snyder; Derek Witte; Lee, Gary S.; Princi, Anthony; rcieri@kirkland.com; nornstein@kirkland.com
Subject: Re: Confidential Draft -- For Settlement Purposes Only
Importance: High

May we please have exhibit B?

From: <Levitt>, "Jamie A." <JLevitt@mofo.com>
To: Jerry Phelps <Jerry@talcottfranklin.com>, Talcott Franklin <tal@talcottfranklin.com>
Cc: "sarbt@millerjohnson.com" <sarbt@millerjohnson.com>, "Gadsden, James"

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<gadsden@clm.com>, "wolfordr@millerjohnson.com" <wolfordr@millerjohnson.com>, Paul Snyder
<paul@talcottfranklin.com>, Derek Witte <derek@talcottfranklin.com>, "Lee, Gary S." <GLee@mofo.com>, "Princi, Anthony"
<APrinci@mofo.com>, "rcieri@kirkland.com" <rcieri@kirkland.com>, "nornstein@kirkland.com" <nornstein@kirkland.com>
Subject: Confidential Draft -- For Settlement Purposes Only

CONFIDENTIAL DRAFT -- FOR SETTLEMENT PURPOSES ONLY

Tal and Jerry,

As has been discussed, attached is a working-draft of the settlement agreement we are negotiating with Kathy Patrick's group that, when final, will reflect the deal we would agree to enter with your group. I apologize for the lateness of the hour, but understand you hoped to see this for your morning meeting. We provide the draft to that end, with all the caveats that it is still subject to review and negotiation on our side.

Please let us know if you would like to discuss. Although we do not have time left to negotiate the terms with you, we are happy to explain and discuss them.

Thank you.

Jamie

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EXHIBIT Y

Outlook E-mail

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From: David A. Beck
Sent: 5/13/2012 11:02:47 PM
To: kcrost@orrick.com; aprincipi@mofo.com; Levitt, Jamie A.; john.ruckdashel@ally.com; Jeffrey A. Lipps; timothy.devine@ally.com; Lee, Gary S.
Subject: Fwd: Settlement documents -- confidential

Kathy: would a generic savings clause that no allocation shall be made which jeopardizes the REMIC status of a trust get us to where we need to be on the tax issue?

David

From: Crost, Katharine I. [mailto:kcrost@orrick.com]
Sent: Sunday, May 13, 2012 10:44 PM
To: Princi, Anthony <APrinci@mofo.com>
Cc: Levitt, Jamie A. <JLevitt@mofo.com>; John.Ruckdaschel@ally.com <John.Ruckdaschel@ally.com>; Jeffrey A. Lipps; Timothy.Devine@ally.com <Timothy.Devine@ally.com>; Lee, Gary S. <GLee@mofo.com>
Subject: Re: Settlement documents -- confidential

I checked a few deals, and the treatment of Credit Support Depletion Date was consistent with paragraph 4. Para 4 is likely consistent with most of the deals that include the concept of Credit Support Depletion Date.

I now realize why para 1(iii) is included. In some deals, Subsequent Recoveries are allocated to the principal only certificates only if the recovery relates to certain loans in the pool. Here, the Subsequent Recovery cannot be traced to any particular loan. However, Para 1(iii) as written does not give any guidance to the expert as to how to allocate to the principal only certificates or notes, so you might consider revising to say that if the allocation to the principal only certificates or notes cannot be determined in accordance with the documents, the expert shall allocate pro rata in accordance with losses previously allocated to the senior certificates or notes, or some other standard that seems appropriate.

Kathy

Sent from my iPad

On May 13, 2012, at 9:19 PM, "Princi, Anthony" <APrinci@mofo.com> wrote:

Thanks Kathy

----- Original Message -----

From: Crost, Katharine I. <kcrost@orrick.com>
To: Levitt, Jamie A.; 'John.Ruckdaschel@ally.com' <John.Ruckdaschel@ally.com>; 'lipps@CarpenterLipps.com' <lipps@CarpenterLipps.com>
Cc: 'Timothy.Devine@ally.com' <Timothy.Devine@ally.com>; Lee, Gary S.; Princi, Anthony
Sent: Sun May 13 21:10:57 2012
Subject: Re: Settlement documents -- confidential

My thoughts - I'm sure you have thought of many of these points already.

Para 1 - Allocating the Allowed Claim on a pro rata basis in accordance with losses in each trust does not attempt to allocate the Allowed Claim based on harm to the respective trusts based on possible breaches of reps and warranties by ResCap.

Other holders and monolines could object that their deals had a greater concentration of harm from breaches of reps and warranties.

In addition, the various trustees could make a similar objection (in the BofA settlement, only BNY was a trustee, I believe) .

I would delete para 1(iii). The distribution rules that they mandate under para 2 might be inconsistent.

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Para 2 -

There would be a potential REMIC issue if you deposit into the trust and distribute more than the actual amount of losses incurred by that trust to date. The Allowed Claim may not be large enough for that to occur, but if substantial losses are projected in the future for certain trusts, this might be a possibility. If any trust receives more than losses incurred to date, the solution would be to deposit the excess in a reserve account to be drawn upon as losses are incurred.

Para 2 - 4 . Some provisions in this agreement are or may be inconsistent with the documents. I realize there are trade offs between trying to get a settlement with KP and tracking the documents as closely as possible to try to avoid objections by trustees, monolines, etc. Examples of possible inconsistencies are: holding money that would otherwise go to REMIC residuals, [treating the Credit Support Depletion Date as having occurred notwithstanding these payments - this may be consistent with deals - I will check a sample], last sentence in para 4, and para 6. I think most of the terms in para 4 conform to the document provisions with the Subsequent Recovery term, but we don't have any concept of writing up principal balances of securities when there is not such a term. It makes sense to write up balances as we did when we added the Subsequent Recovery concept, but it wasn't contemplated in the earlier deals.

Para 3 - some deals with no REMIC residuals have another subordinate interest (usually called SB) that KP may not want \$ going to. Maybe not our issue.

Para -4 5th line "previously allocated AND UNREIMBURSED Realized Losses" if this language stays in the agreement.

Last sentence is not clear. I think the intent is that the distribution of Claims will be made before giving effect to the balance increase.

Para 5 - is this intended to offset any amount of this recovery the monoline receives against their fraudulent inducement claims? If not, it might be worth clarifying what it is intended.

Para 6 - could be written more clearly. I think they are trying to say that any triggers that are determined by the amount of losses will not be recalculated as a result of these payments.

Please let me know if you have any questions or would like additional information.

Kathy
Katharine I. Crost
Attorney at Law
ORRICK, HERRINGTON & SUTCLIFFE LLP
tel 212-506-5070
fax 212-506-5151
Kcrost@orrick.com
www.orrick.com

----- Original Message -----

From: Levitt, Jamie A. [<mailto:JLevitt@mofo.com>]
Sent: Sunday, May 13, 2012 05:50 PM
To: John.Ruckdaschel@ally.com <John.Ruckdaschel@ally.com>; Crost, Katharine I.; lipps@CarpenterLipps.com <lipps@CarpenterLipps.com>
Cc: Timothy.Devine@ally.com <Timothy.Devine@ally.com>; Lee, Gary S. <GLee@mofo.com>; Princi, Anthony <APrinci@mofo.com>
Subject: FW: Settlement documents -- confidential

John, Kathy and Jeff,

Attached is Kathy Patrick's proposed allocation methodology -- she said it comes largely from BoA. Can you give us your thoughts asap.

Thanks.

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-----Original Message-----

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From: Scott A. Humphries [mailto:SHumphries@gibbsbruns.com]

Sent: May 13, 2012 6:16 PM

To: Kathy D. Patrick; Princi, Anthony; Levitt, Jamie A.

Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.;

nornstein@kirkland.com; Timothy.Devine@ally.com;

Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com; Scott A.

Humphries

Subject: RE: Settlement documents -- confidential

This is the allocation methodology revised. Paras 2-6 are new.

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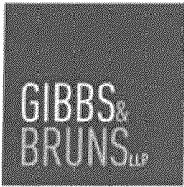
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EXHIBIT Z

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Kathy D. Patrick
kpatrick@gibbsbruns.com
713.751.5253

October 25, 2011

Via Federal Express

William B. Solomon, Jr., Esq.
General Counsel
Ally Financial Inc.
200 Renaissance Center
Detroit, Michigan 48265

Dear Mr. Solomon:

I am in receipt of your October 21st, 2011 letter. As you know, Ally Financial Inc. ("Ally") is the parent and 100% owner of GMAC Mortgage Group, Inc. ("GMACM"). Residential Capital, LLC ("ResCap"), in turn, is a wholly-owned subsidiary of GMACM. ResCap is the direct or indirect parent of the parties to the pooling and servicing agreements at issue, including GMAC Mortgage and Residential Funding, to which you referred in your letter.

In response to your suggestion, I will forward my October 17th, 2011 letter to Ms. Hamzehpour, who appears to be the General Counsel of Ally's Mortgage Operations, as well as the General Counsel of ResCap.

Our clients do not, however, accept your assertion that Ally Financial Inc. does not ultimately bear the liability associated with the repurchase and servicing claims described in my October 17th letter. Ally does.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Kathy Patrick', written over the printed name.

Kathy Patrick

EXHIBIT AA

REDACTED

EXHIBIT BB

Outlook E-mail

Confidential

From: Devine, Timothy
Sent: 5/8/2012 9:06:28 AM
To: Lee, Gary S.; rcieri@kirkland.com; rscrock@kirkland.com
Subject: RE: Are you available

Yes

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Tuesday, May 08, 2012 8:45 AM
To: Devine, Timothy; rcieri@kirkland.com; rscrock@kirkland.com
Subject: RE: Are you available

Tim, are you-k+e talking to davis polk about disclosures.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Devine, Timothy [mailto:Timothy.Devine@ally.com]
Sent: Tuesday, May 08, 2012 7:57 AM
To: Lee, Gary S.; 'rcieri@kirkland.com'; 'rscrock@kirkland.com'
Subject: Re: Are you available

I'm in NY. I have informed Kirkland of 3 pm key meeting and requested on-site participation.

Gary, Rick and Ray: what happens to 12/31 timeline if we don't get sufficient momentum behind the Plan from r/w or other claimants in that category?

From: Lee, Gary S. <GLee@mofo.com>
To: Devine, Timothy
Sent: Tue May 08 07:50:14 2012
Subject: Re: Are you available

Tim, who at ally side can look at this and compare? Trying to get comfortable with new numbers - boa is helpful but as everyone says "we aint countrywide". Also, must have a k+e person at 3 onwards who can help draft-edit live with us. You in NY?

Gary S. Lee
Morrison & Foerster LLP

Confidential

1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

Confidential

From: Devine, Timothy
To: Lee, Gary S.; 'rcieri@kirkland.com'
Cc: Ruckdaschel, John ; Cancelliere, Jeff - PA ; 'rschrock@kirkland.com' ; Levitt, Jamie A.; Renzi, Mark ; Solomon, William Legal
Sent: Tue May 08 07:14:36 2012
Subject: FW: Are you available
Here's KP's version – the BoA settlement was not at 14% but at 36% -- and then haircut to the risk that BoA would not be responsible for Countrywide if the matter was litigated rather than settled.

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Kathy D. Patrick [mailto:kpatrick@gibbsbruns.com]
Sent: Tuesday, May 08, 2012 1:19 AM
To: Devine, Timothy
Subject: Re: Are you available

No, that's wrong: the BofA defect rate was over 30%. BofA ARGUED with us that the defect rate was 14%, which is why that is scenario 1 in the spreadsheet that BNY's expert used--but the ACTUAL defect rate we used, and settled on, was 36%. That would be scenario 3 or 4 in our spreadsheet, which is in the BNY expert report, too. I'm at a loss to understand why ResCap and Ally won't just look at the spreadsheet we used in BofA--because the scenarios in it track exactly what I've said. BofA argued for a vastly lower defect rate, which we rejected; they paid based on our much higher defect rate, which we accepted.

Importantly, the 36% defect rate we used for BofA was before litigation discounts, a primary one of which was the risk--which has obtained here--that Countrywide would go into bankruptcy. But for that risk, and the insolvency of Countrywide, the size of the CLAIM that we calculated against BofA was \$32 billion. That's why I keep telling you that what we got from them was 25.7 cents on the dollar: the CLAIM size was \$32 billion against them, and we settled for \$8.5 billion, which is a recovery of 25.7 cents on the dollar based on a defect rate of 36%. Here, we've got a CLAIM size of more than \$10 billion on which, as a practical matter, the recovery will be far less due to ResCap's bankruptcy.

Below is the relevant set of comparisons:

BofA Original Face: \$432 billion	ResCap OF: \$220 billion
BofA Current Face at Settlement: \$163 billion	ResCap CF: \$63 billion
BofA Claim Size: \$32.5 billion	ResCap Claim Size: \$10 billion
BofA Defect vs. Losses: 36%	ResCap Defect vs. Losses 22.2%
BofA Settlement: \$8.5 billion	ResCap Settlement: whatever is distributed
BofA Settlement vs. Claim Size: 25.7 cents	ResCap Settlement: distrib. amt / \$10 billion

That's why the numbers you're giving me don't make any sense, either with regard to our BofA Settlement--because the the numbers you have are just wrong--or by virtue what we know about ResCap. We've analyzed and assessed what we think is ResCap's actual exposure: if we were using the same, 36% defect rate we used with Bank of America, the claim size for ResCap would be well in excess of \$18 billion. Instead, we've offered to resolve by agreeing to a claim size of \$10 billion.

Confidential

Thus, the claim size is not just ratably lower based on issuance size, it is actually lower as a result of our analysis of the the ResCap defect rate vs. Countrywide's. ResCap will have problems not just with us but with every investor if you try to suggest that the defect rate is a lot lower than where we've analyzed it: you can't reconcile that with the data, the accrued losses or the allegations in existing and future lawsuits.

Bottom line: you are getting a lower defect rate, but it's a realistic rate based on accurate data and using the same methodology we used before.

Kathy Patrick
Gibbs & Bruns LLP
713.751.5253

On May 8, 2012, at 12:12 AM, "Devine, Timothy" <Timothy.Devine@ally.com> wrote:

I'm getting lots of pressure on valuation now. BoA 8.5 billion represents 14 defect rate, correct? Everything we know about our our product - from origination through pooling through reps and diligence through servicing - makes our folks believe we are better (lower) than Countrywide by a large margin. I am being asked to explain how we could agree to a defect rate 150 of Countrywide's.

----- Original Message -----

From: Kathy D. Patrick <kpatrick@gibbsbruns.com>
To: Devine, Timothy; Kathy D. Patrick <kpatrick@gibbsbruns.com>
Sent: Mon May 07 21:15:14 2012
Subject: Re: Are you available

Sure. 713 972 4695

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

----- Original Message -----

From: Devine, Timothy [<mailto:Timothy.Devine@ally.com>]
Sent: Monday, May 07, 2012 08:10 PM
To: Kathy D. Patrick
Subject: Re: Are you available

May I call you in 15 minutes? Sorry.

----- Original Message -----

From: Kathy D. Patrick <kpatrick@gibbsbruns.com>
To: Devine, Timothy
Sent: Mon May 07 19:57:18 2012
Subject: Are you available

At 830 Eastern tonight?
Where can I reach you?

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

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EXHIBIT CC

Outlook E-mail

Confidential

From: Kathy D. Patrick
Sent: 5/9/2012 11:20:21 AM
To: Lee, Gary S.
Subject: Update

I've talked to Ally this morning. They confirmed they will do 8.7 bn for the stipulated claim. Waiting on the waterfall from you.

Where does it stand?

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

EXHIBIT DD

From: David A. Beck
Sent: 5/10/2012 1:39:53 PM
To: Clark, Daniel E.; Cieri, Richard M.; Schrock, Ray C.; Ornstein, Noah; Timothy.Devine@ally.com; William.b.Solomon@ally.com; Jeffrey A. Lipps; Jennifer A.L. Battle; Ruckdaschel, John; Hamzehpour, Tammy
Cc: Newton, James A.; Lee, Gary S.; Levitt, Jamie A.
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

In addition to a few minor changes listed below, we'd note that the drafting raises the following issues which the group may want to discuss the appropriate approach on.

1. Extent of Kathy Patrick's Group's obligations to support the settlement. The Ropes version of both drafts appears to be designed to limit their obligation to support the settlement to providing the initial direction to the trustees to approve, but not require them to take any subsequent actions. While it may not be possible to force them to provide an indemnity to the trustees, it would seem reasonable to require them to actively oppose any attempt by the trustees to act in an inconsistent manner with the Settlement Agreement. There may also be some value in explicitly requiring them, if requested, to file pleadings with the court in favor of all of the activities in Section 3.1 of the PSA and to make statements supporting those items in open court.
2. Treatment of Monoline Claims. The allowance of claim provision in Section 5.01 of the Settlement Agreement is currently drafted to include the claims by monolines under the securitization in the "Allowed Claim" for Kathy Patrick's group. This is inconsistent with the carveout of the monolines from the release in Section 8.02 of the Settlement Agreement, which would preserve claims under the Governing Documents. We need to decide what approach to take with regards to the monolines.
3. Subordination of securities claims. We note that rather than release the securities claims, Ropes took the approach of both wanting to retain their securities claims and to have a termination event if securities claims aren't subordinated. A possible response would be to allow them to retain the claims, but delete the termination right if claims are not subordinated and add to the list of actions they need to support in section 3.1 of the Plan Support Agreement that the securities claims be subordinated?

-
Our more literal comments/questions are as follows:

Settlement Agreement:

Section 2.01 is incorrect as drafted. The approval order will only become final once the appeal period has run without an appeal or an appeal has been finally resolved and not on entry of the order. The effective date needs to be defined as the date on which the appeal period runs or the final resolution of any appeal of the order.

Section 3.01. - The second sentence needs to have the word into inserted so that it reads "Each of the Institutional Investors represents, that as of May 11, 2012: (i) it is the holder, and/or advisor of holders, with power to enter into this Agreement"

Section 3.03. - Is the intent to use the same date for the authority rep as the holdings rep in Section 3.01 or a different date?

Section 4.02 – We believe the deleted introductory clause stating that except for issuing the directions under Section 4.01, they shall take no act should go back in, together with a cross reference to any acts they are to take as part of their support of the items listed in Section 3.1 of the Plan Support Agreement.

Section 5.02 – Shouldn't the adjustment to the Allowed Claim be based on the percentage of the total outstanding principal of the trusts for the trusts which accept the deal and not just the percentage of the total number of trusts which accept the deal?

Section 7.01 – The first sentence on the release by the institutional investors is missing the language contained at the end of the first sentence in section 7.02 about "or brought in any other capacity that the Precluded Persons may now or may hereafter have against ResCap." We think the language should be parallel in the two provisions.

Section 7.04 – There is a typo in the fifth line about “SectionsSection 7.01.”

Plan Support Agreement:

Section 2.2(b) – The Settlement Agreement has a deadline of 21 days to file the motion while the PSA reference is to 30 days. Should the deadline to take these actions be the same?

Section 3.2 – The comment made here was to only allow de minimis transfers on account of automated asset reallocations. This is narrower than the carveout provided in the settlement agreement for transfers at client direction in accounts where Kathy’s clients only have advisory powers.

David A. Beck
Carpenter Lipps & Leland LLP
280 North High Street, Suite 1300
Columbus, Ohio 43215
Direct Dial: (614) 365-4142
Firm Fax Number: (614) 365-9145
Email: beck@carpenterlipps.com
[Download vCard](#)

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=====

From: Clark, Daniel E. [<mailto:DClark@mofo.com>]
Sent: Thursday, May 10, 2012 11:49 AM
To: Cieri, Richard M.; Schrock, Ray C.; Ornstein, Noah; Timothy.Devine@ally.com; William.b.Solomon@ally.com; Jeffrey A. Lipps; Jennifer A.L. Battle; David A. Beck; Ruckdaschel, John; Hamzehpour, Tammy
Cc: Newton, James A.; Lee, Gary S.; Levitt, Jamie A.
Subject: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

Privileged and Confidential Attorney Work Product

All -
Attached please find our Settlement Agreement and PSA for Kathy Patrick's group. The settlement agreement has been redlined against the version sent yesterday by Ropes & Gray, and the PSA is a hand mark-up of the document sent yesterday by Ropes & Gray (from which they will turn a new draft). Please note that there are additional changes in a rider on the final page of the PSA attachment.

Please provide any final comments by 1:30pm EST today.

Thanks,
Dan Clark

Daniel E. Clark
Associate
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, New York 10104
(212)336-4386

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EXHIBIT EE

From: David A. Beck
Sent: 5/10/2012 11:22:10 PM
To: Lee, Gary S.; Clark, Daniel E.; Levitt, Jamie A.; Jennifer A.L. Battle; nornstein@kirkland.com
Cc: Newton, James A.; Jeffrey A. Lipps
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

Would it make sense for now to go with the simple formulation of:

The amount of the Allowed Claim shall be reduced by the sum of:

- (a) Any amounts allowed as claims for Credit Enhancers; and
- (b) Any amount allowed as claims by Trustees for Trusts which do not accept the offer contained in Section 5.01.

This would not only gives Kathy not only an incentive to sign up people, but also an incentive to argue that any holdouts should receive lesser recoveries than her group.

-David

From: Lee, Gary S. [GLee@mofo.com]
Sent: Thursday, May 10, 2012 10:56 PM
To: Clark, Daniel E.; Levitt, Jamie A.; David A. Beck; Jennifer A.L. Battle; nornstein@kirkland.com
Cc: Newton, James A.; Jeffrey A. Lipps
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

They can make 20 claims if they want. its 8.7 bn total to be shared. if the monolines are all out, the 8.7 bn goes down by about 18%. the most she can get then is 82% of 8.7bn for the trustee claims. As that percentage goes down she gets less. Securities dont form part of the 8.7 (but we havent given that argument up yet).

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Clark, Daniel E.
Sent: Thursday, May 10, 2012 10:54 PM
To: Lee, Gary S.; Levitt, Jamie A.; 'David A. Beck'; 'Jennifer A.L. Battle'; 'nornstein@kirkland.com'
Cc: Newton, James A.; 'Jeffrey A. Lipps'
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

So we are no longer concerned about monolines making direct claims or securities plaintiffs making claims?

From: Lee, Gary S.
Sent: Thursday, May 10, 2012 10:52 PM
To: Levitt, Jamie A.; 'David A. Beck'; Clark, Daniel E.; 'Jennifer A.L. Battle'; 'nornstein@kirkland.com'
Cc: Newton, James A.; 'Jeffrey A. Lipps'
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

Let me make it easier. She gets whatever percentage of the 226/8.7bn she brings in. So if she represented the monolines and the trusts she gets it all. If she brings in 113bn (of whatever) she gets half. Forget who or where it comes from. Its a straight percentage off 8.7bn.

From: Levitt, Jamie A.
Sent: Thursday, May 10, 2012 10:44 PM
To: 'David A. Beck'; Clark, Daniel E.; Jennifer A.L. Battle; nornstein@kirkland.com; Lee, Gary S.
Cc: Newton, James A.; Jeffrey A. Lipps
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

Thanks Dave. Here's the landscape:

Total OPB: \$226B
KP Group: \$171B

Total Estimated Loss: \$44B
KP Group Estimated Loss: \$33B

Total Allowed Claim: \$8.7B
KP Group: \$6.6B

The Allowed Claim covers all R/W -- monoline and trustee. So my understanding is that outside of KP's \$6.6B (based on her group's OPB and Loss) is both monoline claims and trustee claims, for trusts she doesn't control or bring in.

Gary, please weigh in if I have this wrong. The drafting of your ratchet idea is proving to be a difficult task.

From: David A. Beck [mailto:beck@CarpenterLipps.com]
Sent: May 10, 2012 10:35 PM
To: Levitt, Jamie A.; Clark, Daniel E.; Jennifer A.L. Battle; nornstein@kirkland.com
Cc: Newton, James A.; Jeffrey A. Lipps
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

As I understood from Noah and Dan, we're trying to make two adjustments:

1. Take off the \$8.7 billion a number based on where the monolines reject the deal. This is A and looks just at the monoline wrapped world.
2. You then have to adjust the resulting number based on the percentage of the total universe which rejects the deal based on Kathy's schedule. If we don't adjust this amount based on how the \$8.7 is racheted down, you end up taking too much off.

It may make sense to talk this through on the phone so we're all on the same page.

-David

From: Levitt, Jamie A. [JLevitt@mofo.com]
Sent: Thursday, May 10, 2012 10:19 PM
To: David A. Beck; Clark, Daniel E.; Jennifer A.L. Battle; nornstein@kirkland.com
Cc: Newton, James A.; Jeffrey A. Lipps
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

I don't understand why we are tying this to wrapped deals only?

From: David A. Beck [mailto:beck@CarpenterLipps.com]

12-12020-mg Doc 2812-31 Filed 02/01/13 Entered 02/01/13 16:20:44 Exhibit EE
12-12020-mg Doc 2812-31 Filed 02/01/13 Entered 02/01/13 16:20:44 Exhibit EE
Sent: May 10, 2012 10:19 PM
To: Clark, Daniel E.; Jennifer A.L. Battle; nornstein@kirkland.com
Cc: Newton, James A.; Levitt, Jamie A.; Jeffrey A. Lipps
Subject: RE: Kathy Patrick PSA and Settlement Agreement - Privileged and Confidential

In following up on the conversation I just had with Dan Clark and Noah Ornstein on the phone, and with no pride of authorship, I think Section 5.02 should be revised to read as listed below. I've got brackets here for two spots where we need to plug in actual numbers. I also think we should walk through the formula with some hypothetical numbers and see if this is working in the way you want the ratchet to work. Please feel free to call me if you want to discuss at (614) 668-1064. Attorney fee adjuster will follow in a separate email.

Section 5.02 Reductions to Allowed Claim. The amount of the Allowed Claim shall be reduced by (A) an amount equal to the product of [total \$ of outstanding debt wrapped by the monolines] times the percentage of the total debt outstanding for the trusts wrapped by the monolines which reject the deal times [Percentage Allowed Claim is of total debt currently outstanding] plus (B) an amount equal to (i) the sum of the Allocated Allowed Claims attributable to each Trust identified on Exhibit C that fail to accept the offer to settle described in Section 5.01 within the applicable time period times (ii) 1 minus the percentage of total debt outstanding for trusts wrapped by monolines which reject the deal.

This is assuming that Kathy's exhibit gives an actual allocation and not just refers to having some valuation mechanism.

EXHIBIT FF

Outlook E-mail

Confidential

From: Ornstein, Noah
Sent: 5/12/2012 10:46:20 AM
To: Levitt, Jamie A.; Princi, Anthony; Lee, Gary S.
Cc: Newton, James A.; Clark, Daniel E.; Schrock, Ray C.; Cieri, Richard M.
Subject: KP Settlement Agreement - Ally Release - Subject to FRE 408

All, two comments, the second more substantive:

1. Please add "arising under law or equity" to the long list of types of claims released.
2. Spoke with T. Devine this morning. He is adamant that Ally get a release from Trusts in the settlement agreement. Notwithstanding that Ally is not a party to that agreement, I think we can get there. Consider a third party beneficiary provision running to Ally that is a full release of Ally upon the Effective Date. I'm in MoFo's offices if you want to discuss or on my cell 646.338.1620.

Regarding the third party release of securities related claims, understand that the signatories will have an issue granting that, but it would, as discussed with Ropes, be required under the Trusts' support obligations.

All parties' rights preserved.

Noah J. Ornstein
Kirkland & Ellis LLP
300 North LaSalle | Chicago, IL 60654
p. (312) 862-2122 | f. (312) 862-2200

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EXHIBIT GG

From: Devine, Timothy
Sent: 5/13/2012 2:36:01 PM
To: Levitt, Jamie A.; Ruckdaschel, John; Ornstein, Noah; 'rschrock@kirkland.com'; 'RCieri@kirkland.com'; Lee, Gary S.
Subject: FW: great news and very important note

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Devine, Timothy
Sent: Sunday, May 13, 2012 2:28 PM
To: Devine, Timothy; 'Talcott J. Franklin'
Subject: RE: great news and very important note

Tal: need to close now – you have all my apologies – the machine is grinding – ceo will give embargoed interviews etc – final 8Ks – it's all going in – this is my last chance to get you in the deal pre-filing – and in my mind that makes a ton of difference for you and your clients...

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Devine, Timothy
Sent: Sunday, May 13, 2012 12:35 PM
To: Talcott J. Franklin
Subject: RE: great news and very important note

I can try to call you but on phone now with CEO and making range of final decisions before 1pm bd mtg. I can't expose Ally to any claims however remote.

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Talcott J. Franklin [mailto:Tal@talcottfranklin.com]
Sent: Sunday, May 13, 2012 12:16 PM
To: Devine, Timothy
Subject: Re: great news and very important note

Please call me. 214.642.9191.

Sent from my iPhone

On May 12, 2012, at 1:28 PM, "Devine, Timothy" <Timothy.Devine@ally.com> wrote:

12-12020-mg Doc 2812-33 Filed 02/01/13 Entered 02/01/13 16:20:44 Exhibit GG
Tal: first – great news that your clients are on board. As you and I said, this deal is starkly superior to any of the alternative scenarios for all concerned. And thank you for speedy work. I know that you invested a great deal of effort to be prepared for a speedy turn on the documents.

Second – very, very important: we need the cusip level holdings of the clients – like yesterday. The value of this settlement is that we have X% footprint out of all the certificates issued. And X is big. So that increases the chances that it will actually be approved. And we need 100% reliability and credibility, for all of us, when we represent the holdings of the consenting claimants. I know you get this but I'm reaching out to you personally because we need absolute full court press to get all this lined up so our folks can bake maximum X with accuracy and credibility into their very first statements that support the Plan, tomorrow.

Thanks again.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

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EXHIBIT HH

From: Princi, Anthony
Sent: 5/13/2012 7:25:47 PM
To: 'Devine, Timothy'; Scott A. Humphries; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

Don't believe the terms of the agreements allow for that but if K&E disagrees please let us know ASAP.

We spoke to Kathy and resolved the issues and are going to be circulating final, execution versions of the agreements soon.

From: Devine, Timothy [mailto:Timothy.Devine@ally.com]
Sent: Sunday, May 13, 2012 7:09 PM
To: Princi, Anthony; Scott A. Humphries; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

If there is any discussion about the total \$ for allowed claims arising out of these issuances – wrapped, unwrapped, monoline, trust, whatever (excepting securities law claims) – going over \$8.7 billion then we have no deal. Ally did not, cannot and will not approve it.

I am sure I misunderstood the notes below.

Thanks.

Tim

Timothy A. Devine
Chief Counsel - Litigation
Ally Financial Inc. Legal Staff
200 Renaissance Center
M/C: 482-B09-B11
Detroit, MI 48265
(313) 656-3477

From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sunday, May 13, 2012 7:05 PM
To: Scott A. Humphries; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Devine, Timothy; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

Gary is calling Kathy to deal with all this.

From: Scott A. Humphries [mailto:SHumphries@gibbsbruns.com]
Sent: Sunday, May 13, 2012 7:05 PM
To: Scott A. Humphries; Princi, Anthony; Kathy D. Patrick; Levitt, Jamie A.
Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.; nornstein@kirkland.com; Timothy.Devine@ally.com; Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com
Subject: RE: Settlement documents -- confidential

<< File: 30507447-v11-Revised Plan Support Agreement (RG 513 draft).docx >> << File: Change-Pro Redline - 30507447-v10-Revised Plan Support Agreement (MoFo 513 draft) and 30507447-v11-Revised Plan Support Agreement (RG 513 draft).pdf >>

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EXHIBIT II

Outlook E-mail

Confidential

From: Lee, Gary S.
Sent: 5/13/2012 2:42:58 PM
To: 'Ornstein, Noah'; Levitt, Jamie A.; 'Ross.Martin@ropesgray.com'; 'Kathy D. Patrick'; 'Scott A. Humphries'
Cc: Princi, Anthony; 'Devine, Timothy'; Cieri, Richard M.
Subject: RE: Settlement documents -- confidential

Kathy, as you and your team look at this can you make sure we have properly captured the mechanics for the allowed claim definition to encompass the Credit Enhancers and whether the following language in section 5.01 reflects the way the claim is to be calculated.

"The amount of the Allowed Claim shall equal (i) \$8,700,000,000, multiplied by (ii) the percentage represented by (a) the total dollar amount of original principal balance for the Accepting Trusts, divided by (b) the total dollar amount of original principal balance for all Trusts."

The notion is that the monolines claims (other than indemnity) are captured in their entirety in 5.01 and that the claim calculation works. I am not convinced this language is perfect.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

From: Ornstein, Noah [mailto:nornstein@kirkland.com]
Sent: Sunday, May 13, 2012 2:11 PM
To: Levitt, Jamie A.; 'Ross.Martin@ropesgray.com'; 'Kathy D. Patrick'; 'Scott A. Humphries'
Cc: Princi, Anthony; Lee, Gary S.; 'Devine, Timothy'; Cieri, Richard M.
Subject: RE: Settlement documents -- confidential

All,

Please find attached a blackline of each of the settlement agreement and PSA showing just those changes discussed on the phone for which MOFO was to turn the draft. These drafts remain subject to FRE 408.

Noah

From: Levitt, Jamie A. [mailto:JLevitt@mofo.com]
Sent: Sunday, May 13, 2012 2:02 PM
To: Ross.Martin@ropesgray.com; Kathy D. Patrick; Scott A. Humphries
Cc: Ornstein, Noah; Princi, Anthony; Lee, Gary S.; Devine, Timothy; Cieri, Richard M.
Subject: Settlement documents -- confidential

Kathy and Scott,

Attached are the settlement documents redlined against the documents Scott sent last night. I thought you might want to see the changes we think exist from last night and this morning. Noah will separately send a set of redlines against what we sent last night in case you prefer to review that way. Please let us know if you have changes on the monoline references as Gary discussed. We have not addressed the sale/transfer point because that language is being revised by you and I understand you will be sending the allocation exhibit including the bypass language you propose.

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RC-9019_00055348

Our goal needs to be to get your additions and thoughts and get these documents finalized asap.

Thanks.

Jamie

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EXHIBIT JJ

Outlook E-mail

Confidential

From: Devine, Timothy
Sent: 5/13/2012 9:24:56 PM
To: Lee, Gary S.; Princi, Anthony; Levitt, Jamie A.; Ornstein, Noah; rcieri@kirkland.com; Jeffrey A. Lipps; Ruckdaschel, John
Subject: FW: Settlement documents -- confidential

All: no matter what, the allocation details cannot be the least bit ambiguous or tricky on this point: \$8.7 billion is the allowed claim for all takers, including monolines as well as trustees. There's no separate bite at the apple for monolines, no matter how they designate their claims. Trustees and monolines need to resolve amongst themselves how the water flows through the trusts. No separate indemnity claims by monolines against some other part of the estate. It's all in here. Thanks. If the language does not support this, the actual deal, then we need to fix the language. Tim

Timothy A. Devine

Chief Counsel - Litigation

Ally Financial Inc. Legal Staff

200 Renaissance Center

M/C: 482-B09-B11

Detroit, MI 48265

(313) 656-3477

From: Princi, Anthony [mailto:APrinci@mofo.com]
Sent: Sunday, May 13, 2012 9:20 PM
To: kcrost@orrick.com; Levitt, Jamie A.; Ruckdaschel, John; lipps@CarpenterLipps.com
Cc: Devine, Timothy; Lee, Gary S.
Subject: Re: Settlement documents -- confidential

Thanks Kathy

----- Original Message -----

From: Crost, Katharine I. <kcrost@orrick.com>
To: Levitt, Jamie A.; 'John.Ruckdaschel@ally.com' <John.Ruckdaschel@ally.com>; 'lipps@CarpenterLipps.com' <lipps@CarpenterLipps.com>
Cc: 'Timothy.Devine@ally.com' <Timothy.Devine@ally.com>; Lee, Gary S.; Princi, Anthony
Sent: Sun May 13 21:10:57 2012
Subject: Re: Settlement documents -- confidential

My thoughts - I'm sure you have thought of many of these points already.

Para 1 - Allocating the Allowed Claim on a pro rata basis in accordance with losses in each trust does not attempt to allocate the Allowed Claim based on harm to the respective trusts based on possible breaches of reps and warranties by ResCap.

Other holders and monolines could object that their deals had a greater concentration of harm from breaches of reps and warranties.

In addition, the various trustees could make a similar objection (in the BofA settlement, only BNY was a trustee, I believe) .

I would delete para 1(iii). The distribution rules that they mandate under para 2 might be inconsistent.

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RC-9019_00055651

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Para 2 -

There would be a potential REMIC issue if you deposit into the trust and distribute more than the actual amount of losses incurred by that trust to date. The Allowed Claim may not be large enough for that to occur, but if substantial losses are projected in the future for certain trusts, this might be a possibility. If any trust receives more than losses incurred to date, the solution would be to deposit the excess in a reserve account to be drawn upon as losses are incurred.

Para 2 - 4 . Some provisions in this agreement are or may be inconsistent with the documents. I realize there are trade offs between trying to get a settlement with KP and tracking the documents as closely as possible to try to avoid objections by trustees, monolines, etc. Examples of possible inconsistencies are: holding money that would otherwise go to REMIC residuals, [treating the Credit Support Depletion Date as having occurred notwithstanding these payments - this may be consistent with deals - I will check a sample], last sentence in para 4, and para 6. I think most of the terms in para 4 conform to the document provisions with the Subsequent Recovery term, but we don't have any concept of writing up principal balances of securities when there is not such a term. It makes sense to write up balances as we did when we added the Subsequent Recovery concept, but it wasn't contemplated in the earlier deals.

Para 3 - some deals with no REMIC residuals have another subordinate interest (usually called SB) that KP may not want \$ going to. Maybe not our issue.

Para -4 5th line "previously allocated AND UNREIMBURSED Realized Losses" if this language stays in the agreement.

Last sentence is not clear. I think the intent is that the distribution of Claims will be made before giving effect to the balance increase.

Para 5 - is this intended to offset any amount of this recovery the monoline receives against their fraudulent inducement claims? If not, it might be worth clarifying what it is intended.

Para 6 - could be written more clearly. I think they are trying to say that any triggers that are determined by the amount of losses will not be recalculated as a result of these payments.

Please let me know if you have any questions or would like additional information.

Kathy
Katharine I. Crost
Attorney at Law
ORRICK, HERRINGTON & SUTCLIFFE LLP
tel 212-506-5070
fax 212-506-5151
Kcrost@orrick.com
www.orrick.com

----- Original Message -----

From: Levitt, Jamie A. [mailto:JLevitt@mofo.com]
Sent: Sunday, May 13, 2012 05:50 PM
To: John.Ruckdaschel@ally.com <John.Ruckdaschel@ally.com>; Crost, Katharine I.; lipps@CarpenterLipps.com <lipps@CarpenterLipps.com>
Cc: Timothy.Devine@ally.com <Timothy.Devine@ally.com>; Lee, Gary S. <GLee@mofo.com>; Princi, Anthony <APrinci@mofo.com>
Subject: FW: Settlement documents -- confidential

John, Kathy and Jeff,

Attached is Kathy Patrick's proposed allocation methodology -- she said it comes largely from BoA. Can you give us your thoughts asap.

Thanks.

-----Original Message-----

From: Scott A. Humphries [mailto:SHumphries@gibbsbruns.com]
Sent: May 13, 2012 6:16 PM
To: Kathy D. Patrick; Princi, Anthony; Levitt, Jamie A.

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RC-9019_00055652

Cc: Lee, Gary S.; Clark, Daniel E.; Newton, James A.;
nornstein@kirkland.com; Timothy.Devine@ally.com;
Ross.Martin@ropesgray.com; Keith.Wofford@ropesgray.com; Scott A.
Humphries
Subject: RE: Settlement documents -- confidential

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This is the allocation methodology revised. Paras 2-6 are new.

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EXHIBIT KK

From: Newton, James A.
Sent: 5/25/2012 6:49:17 PM
To: 'Kathy D. Patrick'
Cc: Lee, Gary S.; Princi, Anthony; Levitt, Jamie A.
Subject: Amendments to ResCap/Kathy Patrick Settlement and Plan Support Agreements
Attachments: Amendment to KP Settlement - 2.DOC; Amendment to KP PSA - 2.DOC

Kathy,

Please find attached amendments to the PSA and Settlement Agreement which address the movement to June 4 and some other clean up (extending the date the trustees have to accept and offer to 45 days from the date of this motion). Hopefully they will be acceptable to you.

Additionally, we wanted to follow up on our earlier enquiry regarding whether you think there is any ambiguity in the allocation methodology as it relates to allocations to the monoline wrapped deals where the monoline has been paying claims.

The amendments make the following changes:

Settlement Agreement:

1. Section 2.1 of the Settlement Agreement Amendment extends the time to file the 9019 motion to June 4. It also changes the deadline for obtaining approval of the Settlement Agreement until the later of (i) 60 days following the Petition Date or (ii) the date on which the Disclosure Statement is approved in order to track the later filing of the 9019 motion.
2. Section 2.2 of the Settlement Agreement Amendment changes the deadline for the Trustees to accept the Debtors' offer from 45 days after the Petition Date to 45 days after the filing of the 9019 Motion.

Plan Support Agreement:

1. Section 1.1 of the PSA Amendment extends the time to file the 9019 motion to June 4. As with the Settlement Agreement Amendment, the approval language was also changed to track the later filed 9019 motion.
2. Section 1.2 of the PSA Amendment corrects the inconsistent provision in the PSA that stated that the offer would remain open for 60 days after the petition date, so that it now says that the offer will remain open for 45 days after the date on which the 9019 motion is filed.
3. Section 1.3 strikes a stray word from section 3.3 of the PSA
4. Section 1.4 strikes a provision in the Milestones exhibit related to the requirement that the Debtors obtain approval of the PSA Motion. This Milestone was not removed after the parties agreed to the language in Section 2.2(b) that the Debtors' would use commercially reasonable efforts to obtain an order approving the Debtors' performance under the PSA from the Bankruptcy Court.

Regards,
James

James A. Newton | Morrison & Foerster LLP
1290 Avenue of the Americas | New York, NY | 10104-0050
T. 212.336.4116 | C. 415.335.0870
jnewton@mofo.com

<<...>> <<...>>

EXHIBIT LL

From: Lee, Gary S.
Sent: 5/9/2012 11:08:24 PM
To: 'Kathy D. Patrick'
Subject: RMBS Stipulated Claim
Attachments: Bounce - Discussion Materials (05-09-12)_KP (3).pdf

Kathy, the waterfall is attached. It is not yet ready for distribution beyond the two of us.

[REDACTED]

[REDACTED]

[REDACTED] That is clearly and materially better than where we were.

There seems to be disagreement (based on our call with Ropes) on one fundamental point. So we are clear, I am writing it down so you and I can discuss.

My understanding of our deal is that the \$8.7bn number settles all claims arising from the sale and servicing of the RMBS. That's what I was agreeing to when I said "8.7 to be all deals wrapped and unwrapped as per all our waterfalls" in response to your email to me. The waterfall clearly delineates and separates pls and rw claims from all other unsecured claims (that's the purpose of the separate categories). The pls and rw lines cover all claims of any kind by that creditor class - we don't distinguish between servicing claims, contract breach claims, fraud claims or securities. These claims are - simply - claims arising from wrapped and unwrapped securitisations and nothing more. That's why I said everyone gets one claim full stop.

So if your clients do not or can not release their securities claims through you, and we cannot defeat them entirely in the bk court, then they get a share in the \$8.7bn. But either way, the \$8.7bn is the number for wrapped and unwrapped deals.

So when Ross tells me an unknown amount of securities claims comes on top of this I get spooked - because that renders a deal at \$8.7bn illusory. And if you ask why I care - which is what Ross screamed at me this evening - beyond the fact that this is the deal I sold to our board and thought we had, it (a) gives everyone an incentive to manage attacks by other claimants to get into the class or attempt to get a bigger share and (b) is consistent with the need to maintain recoveries for other constituents who are key to the success of the plan.

Aside from my lack of interest in aggressive behavior from counsel, I like you don't expect to be re-traded. I remind you I said I would get you \$8.7bn and that's what I did. Please call me after you have reviewed. There are some other smaller points that fall into this category and we can discuss those as well.

Gary S. Lee
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1290 Avenue of the Americas
New York, NY 10104-0050
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F. 212.468.7900
glee@mofo.com

From: Kathy D. Patrick [mailto:kpatrick@gibbsbruns.com]
Sent: Wednesday, May 09, 2012 8:52 PM
To: Ross.Martin@ropesgray.com; Lee, Gary S.; Wishnew, Jordan A.; Kathy D. Patrick
Cc: Keith.Wofford@ropesgray.com; Levitt, Jamie A.; David Sheeren
Subject: Re: RMBS Stipulated Claim

We do. David, what's the total holdings number (not just our holdings in deals where we have 25 per cent)?

Kathy D. Patrick
Gibbs & Bruns, L.L.P.

From: Martin, D. Ross [mailto:Ross.Martin@ropesgray.com]

12-12020 mg Doc 2813-38 Filed 02/01/13 Entered 02/01/13 16:20:44 Exhibit LL
Sent: Wednesday, May 09, 2012 4:57 PM
To: 'Lee, Gary S.' <GLee@mofo.com>; Wishnew, Jordan A. <jwishnew@mofo.com>; Kathy D. Patrick
Cc: Wofford, Keith H. <Keith.Wofford@ropesgray.com>; Levitt, Jamie A. <JLevitt@mofo.com>
Subject: RE: RMBS Stipulated Claim

I think Kathy is in transit at the moment, but I do believe we have a number like that.

D. Ross Martin

ROPES & GRAY LLP

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Prudential Tower, 800 Boylston Street
Boston, MA 02199-3600
ross.martin@ropesgray.com
www.ropesgray.com

From: Lee, Gary S. [mailto:GLee@mofo.com]
Sent: Wednesday, May 09, 2012 5:56 PM
To: Wishnew, Jordan A.; kpatrick@gibbsbruns.com; Martin, D. Ross
Cc: Wofford, Keith H.; Levitt, Jamie A.; Lee, Gary S.
Subject: Re: RMBS Stipulated Claim

If possible we would like to say investors holding x dollars in aggregate.

Gary S. Lee
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104-0050
T. 212.468.8042
F. 212.468.7900
glee@mofo.com

----- Original Message -----

From: Wishnew, Jordan A.
To: 'kpatrick@gibbsbruns.com' <kpatrick@gibbsbruns.com>; 'ross.martin@ropesgray.com' <ross.martin@ropesgray.com>
Cc: 'Keith.Wofford@ropesgray.com' <Keith.Wofford@ropesgray.com>; Levitt, Jamic A.; Lcc, Gary S.
Sent: Wed May 09 17:47:33 2012
Subject: RE: RMBS Stipulated Claim

Kathy:

One question - in our documents, we want to note that the Debtors have come to terms with your clients as memorialized in a plan support agreement. We would propose to refer to your clients as "investors in residential mortgage-backed securities", but are open to any other suggestions that you may have or prefer.

The sentence would read, in part, "The debtors intend to implement a comprehensive reorganization by consummating the Asset Sales through a plan of reorganization consistent with the terms of a plan support agreement with ...[]."

We look forward to hearing from you.

Thank you.

Regards,

Jordan

Jordan A. Wishnew
jwishnew@mofo.com
212-336-4328

-----Original Message-----

From: Lee, Gary S.
Sent: Wednesday, May 09, 2012 4:28 PM

12-12020-mg, Dec 28 12:38, Filed 02/01/13 Entered 02/01/13 16:20:44 Exhibit LL
To: 'kpatrick@gibbsbruns.com'; 'ross.martin@ropesgray.com'
Cc: 'Keith.Wofford@ropesgray.com'; Levitt, Jamie A.; Wishnew, Jonathan; Lee, Gary S.
Subject: Re: RMBS Stipulated Claim

Jordan, let Kathy and Ross know when we get a time. Kathy, we will want to talk about messaging and preparation for your remarks at the hearing. Pick a time Saturday afternoon.

-----Original Message-----

From: Kathy D. Patrick
To: Gary Lee
To: Ross Martin
To: Kathy D. Patrick
Cc: Keith.Wofford@ropesgray.com
Cc: Jamie A. Levitt
Subject: Re: RMBS Stipulated Claim
Sent: May 9, 2012 4:13 PM

Before you do, who on your team will let us know time to show up for first day? Thanks. Kathy D. Patrick Gibbs & Bruns, L.L.P. From: Lee, Gary S. [<mailto:GLee@mofo.com>] Sent: Wednesday, May 09, 2012 03:10 PM To: ross.martin@ropesgray.com <ross.martin@ropesgray.com>; Kathy D. Patrick Cc: Keith.Wofford@ropesgray.com <Keith.Wofford@ropesgray.com>; Levitt, Jamie A. <JLevitt@mofo.com> Subject: Re: RMBS Stipulated Claim Jamie and Tony Princi. I am slowly vanishing. Gary S. Lee Morrison & Foerster LLP 1290 Avenue of the Americas New York, NY 10104-0050 T. 212.468.8042 F. 212.468.7900 glee@mofo.com From: Martin, D. Ross To: Lee, Gary S.; kpatrick@gibbsbruns.com Cc: Wofford, Keith H. Sent: Wed May 09 16:05:44 2012 Subject: RE: RMBS Stipulated Claim Obviously you've been tied up; just let us know when (and with whom) you want to discuss the Plan Support Agreement.

D. Ross Martin ROPES & GRAY LLP T(BOS) +1 617 951 7266 | T(NY) +1 212 596 9177 | M +1 617 872 1574 | F +1 617 235 0454
Prudential Tower, 800 Boylston Street Boston, MA 02199-3600 ross.martin@ropesgray.com www.ropesgray.com Circular 230 Disclosure (R&G): To ensure compliance with Treasury Department regulations, we inform you that any U.S. tax advice contained in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of avoiding U.S. tax-related penalties or promoting, marketing or recommending to another party any tax-related matters addressed herein.

This message

Gary S. Lee
Morrison & Foerster LLP
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New York, NY 10104-0050
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F. 212.468.7900
glee@mofo.com

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EXHIBIT MM



26 Misc.3d 1204(A), 906 N.Y.S.2d 781, 2009 WL 5178337 (N.Y.Sup.), 2009 N.Y. Slip Op. 52662(U)
(Table, Text in WESTLAW), Unreported Disposition
(Cite as: 26 Misc.3d 1204(A), 2009 WL 5178337 (N.Y.Sup.))



(The decision of the Court is referenced in a table in the New York Supplement.)

Supreme Court, New York County, New York.
MBIA INSURANCE COMPANY, Plaintiff,
v.
RESIDENTIAL FUNDING COMPANY, LLC,
Defendant.

No. 603552/08.
Dec. 22, 2009.

Cadwalader, Wickersham & Taft LLP, ([Gregory M. Petrick](#), [Jonathan M. Hoff](#)), New York, for plaintiff.

Otterbourg, Steindler, Houston & Rosen, P.C., ([Richard G. Haddad](#), [Daniel Wallen](#)), New York, for defendant.

BERNARD J. [FRIED](#), J.

*1 Defendant Residential Funding Company, LLC (RFC) moves, pursuant to [CPLR 3211](#)(a)(7), to dismiss Claims II through VI of the complaint, arguing, *inter alia*, that these claims for breach of the implied covenant of good faith and fair dealing, equitable or implied indemnification, unjust enrichment, negligent misrepresentation and fraud, are all duplicative of the breach of contract claim asserted in Claim I by plaintiff MBIA Insurance Company (MBIA). RFC also moves to strike MBIA's request for punitive and consequential damages as not recoverable in a mere breach of contract action.

Defendant RFC originates and sells residential mortgage loans through securitization transactions. In these transactions, RFC sells mortgage loans to trusts it creates, and the trusts, in turn, issue securities to investors. Investors receive distributions based primarily on the aggregate principal and interest cash flows from the mortgage loans included in the securitizations. Starting in June 2006, MBIA agreed to provide financial guaranty insurance policies (the Policies) for five RFC transactions, which contained, for the most part, second-lien, residential equity lines of credit. The five transactions involved some 60,000 mortgage loans, with an approximate initial principal

loan balance of \$2,973,733,419. *See* Complaint, ¶¶ 25–30. MBIA agreed to insure the investors in each transaction against shortfalls in the cash flows generated by the portfolio of mortgage loans that were included in the securitizations.

MBIA alleges that, in connection with each transaction, RFC made certain representations, warranties and disclosures to MBIA regarding the quality of the mortgages and RFC's underwriting practices, all of which MBIA relied on in deciding to issue the Policies. MBIA alleges that all financial guaranty insurers require these representations and warranties, because it was impractical and infeasible for MBIA or any insurer to review the almost 60,000 mortgage loans that were contributed to the RFC transactions. In addition to giving representations and warranties, RFC also provided information to MBIA with respect to the mortgage loans. This information included data tapes and schedules incorporated in offering materials provided to potential investors and filed with the SEC that contained statistics for the loans' combined loan-to-value ratios (CLTV), and the borrowers' debt-to-income ratios (DTI) and Fair, Isaac & Co. (FICO) credit scores. Additionally, MBIA was provided with shadow credit ratings for the securitization transactions, which were issued by rating agencies and which are allegedly based on the same representations, warranties and data provided to MBIA.

In connection with each RFC transaction, MBIA and RFC entered into Insurance Agreements. Each Insurance Agreement incorporated by reference, for the benefit of MBIA, the representations and warranties contained in the "Transaction Documents." For the most part, the Transaction Documents included the following: the purchase agreements that set forth the terms of the sale of the mortgage loans to the relevant trust (Purchase Agreements); a servicing agreement that set forth the terms for RFC's servicing of the mortgage loans (Servicing Agreements); and offering materials provided to potential investors and filed with the SEC (the Offering Documents). The documentation for the 2007–HSA2 transaction includes an assignment agreement and a pooling and servicing agreement.

*2 MBIA alleges that the RFC transactions have

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“performed poorly.” Complaint, ¶ 42. Delinquencies and defaults on the underlying mortgages have been substantial, and MBIA alleges that, as of September 2008, it has paid approximately \$264 million in claims in connection with the RFC transactions. As a result, MBIA requested access to all relevant documentation for all mortgage loans that were delinquent as of December 31, 2007. Although RFC allegedly thwarted MBIA's efforts to obtain this information, MBIA contends that its review of selected mortgage loans revealed startling and disturbing information. MBIA contends that 3% of the 60,000 loans were already in default, and that approximately 93% of the loans in default were not originated or acquired by RFC in material compliance with RFC's representations and warranties.

MBIA alleges that RFC breached the following representations and warranties: (a) that the mortgage loans were underwritten in compliance with RFC's Underwriting Guidelines; (b) that the mortgage loan files contained all necessary documents and complied with all applicable laws; and (c) that the RFC transactions would not contain high cost loans. RFC allegedly breached all of these representations and warranties, because a significant number of the mortgage loans have DTI or CLTV ratios far in excess of RFC's Underwriting Guidelines, were made on the basis of “stated income” ^{FN1} that was unreasonable, or were originated in violation of federal and state predatory lending laws.

^{FN1}. The complaint alleges that a “stated income” loan is based on the borrower's declaration of his or her income. Although RFC does not undertake to independently verify the borrower's income, it was required to determine that the stated income was reasonable for the borrower's type of employment, line of work and assets. Complaint, ¶¶ 37–38.

More specifically, MBIA alleges that RFC underwrote mortgage loans by intentionally and consistently engaging in three improper underwriting practices that it later claimed were “exceptions” to its Underwriting Guidelines. The first improper underwriting practice is called a “negotiated commitment,” in which RFC prospectively entered into an agreement with a loan originator whereby RFC agreed that the loan originator could, in the future, originate

non-compliant mortgage loans and that RFC would purchase these loans, notwithstanding the fact that RFC understood that these mortgage loans would not comply with RFC's Underwriting Guidelines. The second improper practice allegedly engaged in by RFC is called a “bulk purchase program.” In such a program, RFC agreed to purchase a bulk amount of mortgage loans from a loan seller that had already been originated without undertaking to “re-underwrite” or confirm that the mortgage loans being acquired complied with RFC's Underwriting Guidelines. The third improper underwriting practice involved RFC's underwriting of, or purchase of, mortgage loans through a proprietary automated electronic loan underwriting program known as “Assetwise.” Although Assetwise is a software program that allows a loan originator to determine whether a proposed mortgage loan meets pre-specified underwriting criteria that are set up in the program, MBIA alleges that Assetwise did not, in fact, analyze the proposed mortgage loans on the basis of RFC's Underwriting Guidelines.

*3 MBIA alleges that, pursuant to the parties' various written agreements, in the event that MBIA determined that RFC breached its representations and warranties such that the breach materially and adversely affected the interests of MBIA, the parties agreed to what is described as a “Loan Breach Remedy Procedure.” Complaint, ¶ 70. This remedy could be invoked if MBIA determined that RFC had contributed mortgage loans to the mortgage loan pools that failed to comply with RFC's representations and warranties and its Underwriting Guidelines. MBIA contends that the parties established the Loan Breach Remedy Procedure, because they recognized that it was possible that “an isolated and limited number of mortgage loans,” among the thousands of mortgage loans in the mortgage loan pools underlying the RFC transactions, may not comply with RFC's Underwriting Guidelines. *Id.*, ¶ 72. MBIA could give notice to RFC of the presence of a non-compliant mortgage loan, and RFC would have 90 days to cure the breach by either repurchasing the mortgage loan from the pool or substitute a performing, compliant mortgage loan. MBIA contends that, pursuant to Section 3.03 of the Insurance Agreements, RFC agreed to indemnify MBIA for damages as a result of RFC's failure to comply with the Transaction Documents, including RFC's failure to comply with the Loan Breach Remedy Procedure, with interest plus reasonable attorneys' fees and other expenses incurred to enforce its con-

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tractual rights.

On May 22, 2008, MBIA sent notices to RFC identifying “numerous mortgage loans” that were in breach of one or more of RFC’s representations and warranties. Complaint, ¶ 73. Subsequent notices were sent in September 2008 with respect to each of the five RFC transactions, but MBIA alleges that these notices did not identify all of the mortgage loans that were in breach of RFC’s representations and warranties. Although the parties reached an agreement on approximately 20% of the mortgage loans identified in the May notice, RFC has allegedly failed to cure its breaches with respect to the remaining 80% of the mortgage loans and has failed or refused to repurchase or provide for a substitution of any of the mortgage loans identified in the September notices.

MBIA commenced this action on December 4, 2008. The complaint asserts six “Claims” for relief.^{FN2} In Claim I, MBIA sues for breach of contract and seeks specific performance of the Loan Breach Remedy Procedure. MBIA also seeks indemnification from RFC for “any and all damages it has [sustained] as a result of RFC’s breaches of its representations and warranties and RFC’s failure to comply with the Loan Breach Remedy Procedure with respect to the mortgage loans identified in the Remedy Notices.” Complaint, ¶ 82.

^{FN2} The terminology of the CPLR and state court practice is “cause of action.”

In Claim II, MBIA alleges that RFC breached the implied covenant of good faith and fair dealing, and, as such, “RFC is responsible for all losses incurred by MBIA whether or not such losses relate directly to non-compliant mortgage loans.” Complaint, ¶ 89. Claim III is entitled “Equitable or Implied Indemnification,” and seeks to hold RFC liable for all insurance claims against MBIA and other losses incurred by MBIA in connection with the RFC transactions. Claim IV seeks monetary damages on the theory of unjust enrichment. Claims V and VI are for negligent misrepresentation and fraudulent inducement. In addition to the other remedies alleged, the complaint seeks an award of punitive and consequential damages.

*4 In support of its motion for partial dismissal of the complaint, RFC contends that all of MBIA’s claims, other than the first claim for breach of con-

tract, should be dismissed as a matter of law for failure to state a cause of action. RFC maintains that MBIA’s woes are the direct result of the economic downturn and recession the country began to experience in December 2007, and that rather than live up to insurance contracts that were made for the precise purpose of protecting against borrower defaults, MBIA is attempting to shift its losses to RFC based on a host of tort claims that are, in reality, merely a repackaging of its breach of contract claim.

Turning first to the most serious claim (Claim VI)—fraudulent inducement of the Insurance Agreements and Policies—the rule is that a fraud claim should be dismissed as redundant only when the fraud alleged is that the defendant was not sincere when it promised to perform under the contract. *Mañías v. VMS Assoc., LLC*, 53 AD3d 451, 453 (1st Dept 2008); *767 Third Ave. LLC v. Greble & Finger, LLP*, 8 AD3d 75, 76 (1st Dept 2004); *The Hawthorne Group, LLC v. RRE Ventures*, 7 AD3d 320, 323–24 (1st Dept 2004). However,

if a plaintiff alleges that it was induced to enter into a transaction because a defendant misrepresented material facts, the plaintiff has stated a claim for fraud even though the same circumstances also give rise to the plaintiff’s breach of contract claim (*RKB Enters. v. Ernst & Young*, 182 A.D.2d 971, 972–973). Unlike a misrepresentation of future intent to perform, a misrepresentation of present facts is collateral to the contract (though it may have induced the plaintiff to sign the contract) and therefore involves a separate breach of duty (*Deerfield Communications Corp. v. Chesebrough-Ponds, Inc.*, 68 N.Y.2d 954, 956).

First Bank of Americas v. Motor Car Funding, Inc., 257 A.D.2d 287, 291–92 (1st Dept 1999); see also *Merrill Lynch & Co. Inc. v. Allegheny Energy, Inc.*, 500 F3d 171, 184 (2d Cir2007).

MBIA argues that its fraud and breach of contract causes of action are entirely distinct. MBIA’s fraudulent inducement cause of action is based on RFC’s representations, warranties and disclosures with respect to the credit characteristics of the mortgage loan pools included in the data tapes, schedules and other statistical information that were provided to MBIA, as well as falsely-induced shadow credit ratings. The breach of contract cause of action is allegedly limited

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to RFC's failure to comply with the Loan Breach Remedy Procedure with respect to specific, non-compliant loans identified in MBIA's May and September 2008 notice letters. MBIA further contends that the Loan Breach Remedy Procedure was never intended to address a scenario in which RFC's breaches of its representations and warranties were so massive and pervasive that RFC undermined the entire basis under which MBIA agreed to issue the Policies.

It is not necessary to reach the question of whether the Loan Breach Remedy Procedure was intended to be as limited a remedy as MBIA contends. However, the fraud cause of action survives here, because it is premised on allegations that RFC misrepresented various statistics and other existing facts about the underlying mortgage loans that RFC contributed to the mortgage loans pools. See Complaint, ¶¶ 49–50. This cannot be characterized merely as an insincere promise of future performance. The alleged fraud is that RFC intentionally misrepresented material existing facts about the credit risks of the underlying mortgage loans so that they would appear to satisfy RFC's contractual representations and warranties, inducing MBIA to issue the Policies. “[A] fraud claim can be based on a breach of contractual warranties notwithstanding the existence of a breach of contract claim.” *First Bank of Americas v. Motor Car Funding, Inc.*, 257 A.D.2d at 292; see also *Merrill Lynch & Co. Inc. v. Allegheny Energy, Inc.*, 500 F.3d at 184; *In re CINAR Corp. Sec. Litigation*, 186 F. Supp.2d 279, 303 (E.D.N.Y.2002) (“[i]t simply cannot be the case that any statement, no matter how false or fraudulent or pivotal, may be absolved of its tortious impact simply by incorporating it verbatim into the language of a contract”). Accordingly, the fraud cause of action is sustained, and RFC's request to strike MBIA's request for punitive and consequential damages is denied as premature.

*5 In order to state a claim for negligent misrepresentation, MBIA must plead facts showing a special relationship of trust and confidence between the parties, which created a duty on the part of RFC to impart correct information about the mortgage loans to MBIA, and that MBIA reasonably relied on incorrect information about the mortgage loans to its detriment. *J.A.O. Acquisition Corp. v. Stavitsky*, 8 NY3d 144, 148 (2007); *Hudson River Club v. Consolidated Edison Co. of New York*, 275 A.D.2d 218, 220 (1st Dept 2000).

Generally, the requisite “special relationship” does not exist between sophisticated commercial entities that enter into an agreement through an arm's-length business transaction. *Parisi v. Metroflag Polo, LLC*, 51 AD3d 424 (1st Dept 2008); *Atkins Nutritional, Inc. v. Ernst & Young, LLP*, 301 A.D.2d 547, 548–49 (2d Dept 2003). However, in *Kimmell v. Schaefer* (89 N.Y.2d 257 [1996]), the Court of Appeals recognized that a duty to speak with care may be imposed in a commercial transaction, but only “on those persons who possess unique or specialized expertise, or who are in a special position of confidence and trust with the injured party such that reliance on the negligent misrepresentation is justified.” *Id.* at 263.

MBIA argues that a special relationship could be found to exist here, because the complaint alleges that RFC was in a unique and superior position of knowledge with respect to the transactions. MBIA contends that RFC had superior knowledge of its own Underwriting Guidelines, the underwriting of the mortgage loans and the credit qualities of the mortgage loans, such as the DTI, CLTV and FICO scores. Because the credit shadow ratings were also based on RFC's disclosures, MBIA claims that it could not have determined from any other source that the mortgage loans failed to comply with RFC's representations and warranties. As for the requisite special relationship of trust and confidence, MBIA contends that it existed here because: (1) RFC sought MBIA's participation in the transactions; (2) RFC provided MBIA with credit ratings, data tapes and schedules regarding the mortgage loans, intending that MBIA would forbear from conducting additional due diligence; and (3) RFC induced MBIA to establish a continuous relationship as a financial guaranty insurer of RFC-sponsored securitization transactions.

While the question of whether a special relationship exists to support a negligent misrepresentation claim “generally raises an issue of fact” (*Kimmell*, 89 N.Y.2d at 264), where the plaintiff's allegations, accepted as true and given all favorable inferences, simply do not support the finding of a special relationship, the claim is subject to pre-answer dismissal. *Saunders v. AOL Time Warner, Inc.*, 18 AD3d 216, 217 (1st Dept 2005); *Knight Securities, L.P. v. Fiduciary Trust Co.*, 5 AD3d 172, 174 (1st Dept 2004).

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MBIA argues that RFC was in a unique and superior position of knowledge with respect to the transactions. However, a company's knowledge of the particulars of its own business is not the type of unique or specialized knowledge that the Court of Appeals was talking about in *Kimmel*. *JP Morgan Chase Bank v. Winnick*, 350 F Supp 2d 393, 402 (SD N.Y.2004). Indeed, MBIA is a monoline insurer, experienced in writing financial guaranty insurance policies. In addition, despite counsel's claim of a "long-standing commercial relationship" between MBIA and RFC (Letter dated July 9, 2009 from Howard R. Hawkins), the only connection alleged between MBIA and RFC arose from MBIA's issuance of five insurance policies within a one-year period between June 2006 and May 2007. The relationship of trust and confidence must have existed prior to the very contractual relationship giving rise to the alleged wrong, and not as a result of it. *Emmigrant Bank v. UBS Real Estate Securities, Inc.*, 49 AD3d 382, 385 (1st Dept 2008); *Elghanian v. Harvey*, 249 A.D.2d 206 (1st Dept 1998). For these reasons, MBIA has failed to state a claim for negligent misrepresentation, and Claim V is dismissed.

*6 RFC argues that MBIA's good faith and fair dealing claim should be dismissed, because it is wholly duplicative of MBIA's claim for breach of contract, and because MBIA is attempting to create a new contractual obligation by seeking a remedy beyond those provided in the Insurance Agreements and other contract documents.

All contracts in New York imply a covenant of good faith and fair dealing in the course of performance. *511 West 232nd Owners Corp. v. Jennifer Realty Co.*, 98 N.Y.2d 144, 153 (2002); *Security Pacific Natl. Bank v. Evans*, 62 AD3d 512, 514 (1st Dept 2009). "This embraces a pledge that neither party shall do anything which will have the effect of destroying or injuring the right of the other party to receive the fruits of the contract." *Dalton v. Educational Testing Serv.*, 87 N.Y.2d 384, 389 (1995), quoting *Kirke La Shelle Co. v. Armstrong Co.*, 263 N.Y. 79, 87 (1933). However, this duty will not serve to imply obligations "inconsistent with other terms of the contractual relationship" (*Murphy v. American Home Prods. Corp.*, 58 N.Y.2d 293, 304 [1983]), will be dismissed as redundant if it merely pleads that the defendant did not act in good faith in performing its contractual obligations (*New York Univ. v. Continental Ins. Co.*, 87

N.Y.2d 308, 319-20 (1995); *Rather v. CBS Corp.*, 68 AD3d 49, 886 N.Y.S.2d 121, 128 [1st Dept 2009]), and cannot be used to seek damages or remedies not recoverable under the parties' written agreement (*Levi v. Utica First Ins. Co.*, 12 AD3d 256, 257-58 [1st Dept 2004]; *Canstar v. J.A. Jones Const. Co.*, 212 A.D.2d 452, 453 [1st Dept 1995]).

Claim II of the complaint alleges that RFC breached its implied duty of good faith and fair dealing in three ways. First, MBIA alleges that RFC had an implied good faith duty to ensure that the mortgage loan pools complied with RFC's representations and warranties, and that RFC, in bad faith, knowingly and systematically contributed mortgage loans to the mortgage loan pools that RFC knew breached one or more of RFC's representations and warranties. See Complaint, ¶¶ 85-86. Second, RFC failed to employ mortgage servicing procedures consistent with its obligations pursuant to the Transaction Documents, to service, in good faith, the mortgage loans for the RFC transactions. *Id.*, ¶ 86. Third, RFC has allegedly, in bad faith, denied MBIA reasonable access to information necessary to evaluate RFC's actions as servicer of the mortgage loans or to enforce MBIA's contractual rights in connection with the RFC Transactions. *Id.*, ¶ 87.

It appears that all MBIA has done is pick out clauses of the parties' written agreements that it feels RFC did not comply with and adding that RFC's non-performance was in "bad faith." MBIA has separately alleged specific breaches of the written agreements between itself and RFC that encompass each of these three alleged duties. See Complaint, ¶¶ 32-35, 41, 45. For example, the complaint alleges that RFC "covenanted, represented and warranted that it would service the mortgage loans in each of the RFC Transactions in a manner consistent with its servicing guidelines and the Servicing Agreements and would employ, in its good faith business judgment, all of its normal and usual' procedures in servicing the mortgage loans." Complaint, ¶ 41; see also Insurance Agreements, § 2.05[j] ["All Home Equity Line Loans will be serviced in all material respects in compliance with the Servicing Agreement and the Indenture ..."]).

*7 Like the fraud cause of action, MBIA argues that its good faith claim is not duplicative of its contract cause of action, because Claim I is limited to enforcement of the Loan Breach Remedy Procedure

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with regard to specific non-compliant loans identified in the May and September 2008 notices, and in Claim II, MBIA argues that RFC's actions have destroyed the fruits of the Insurance Agreements. In response, RFC contends that Sections 2.01, 3.03 and 3.04(a) of the Insurance Agreements specifically address the extent to which the parties agreed that MBIA would be reimbursed or indemnified for breaches by RFC of its contractual representations and warranties, and that MBIA has elected not to assert claims available under the Insurance Agreements for strategic reasons, or is seeking to improperly split a cause of action in an attempt to pursue remedies beyond those expressly agreed to by the parties.

I agree with MBIA that Claim II is not duplicative of the breach of contract cause of action asserted in Claim I. However, Claim II is, in essence, a contract-based cause of action, and thus, any damages or remedies recoverable for RFC's alleged breaches will be governed by the parties' written agreements. This Claim is, therefore dismissed.

Under New York law, "the existence of a valid and enforceable contract governing a particular subject matter ordinarily precludes recovery in quasi-contract for events arising out of the same subject matter." American Tel. & Util. Consultants, Inc. v. Beth Israel Med. Ctr., 307 A.D.2d 834, 835 (1st Dept 2003), citing Clark-Fitzpatrick, Inc. v. Long Island R.R. Co., 70 N.Y.2d 382, 388 (1987); see also Goldman v. Metropolitan Life Ins. Co., 5 NY3d 561, 572 (2005) (unjust enrichment "is an obligation the law creates in the absence of any agreement"). "It is impermissible ... to seek damages in an action sounding in quasi contract where the suing party has fully performed on a valid written agreement, the existence of which is undisputed, and the scope of which clearly covers the dispute between the parties." Clark-Fitzpatrick, Inc. v. Long Is. R.R. Co., 70 N.Y.2d at 389.

In addition to the failure to plead facts demonstrating that there is something "special" about the relationship between MBIA and RFC that would warrant implying indemnification remedies not agreed to by sophisticated parties to such a complicated business transaction as these mortgage-backed securitizations (see LaSalle Bank Natl. Assoc. v. Citicorp Real Estate, Inc., 2003 WL 21671812 at *4 [SD N.Y.2003]; City of New York v. Black & Veatch, 1997

WL 624985, at *11 [SD NY1997]), MBIA cannot be permitted to circumvent the express provisions of the Insurance Agreements through the assertion of quasi-contractual and equitable remedies that go beyond the negotiated terms of those agreements. Accordingly, Claims III and IV are dismissed.

For the foregoing reasons, it is hereby

ORDERED that defendant's motion to dismiss Claims II through VI of the complaint, and to strike the requests for punitive and consequential damages, is granted only to the extent of dismissing Claims III, IV and V, and the motion is denied in all other respects; and it is further

***8 ORDERED** that defendant shall serve and file an answer to the remaining claims within twenty (20) days of service of a copy of this order with notice of entry.

N.Y.Sup.,2009.

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END OF DOCUMENT

EXHIBIT NN



For Opinion See [914 N.Y.S.2d 604](#)

Supreme Court of New York.
New York County
MBIA INSURANCE CORP.,
v.
GMAC MORTGAGE LLC f/k/a GMAC Mortgage Corporation.
No. 2010-600837.
April 1, 2010.

Summons

Quinn Emanuel Urquhart & Sullivan, LLP, [Peter E. Calamari](#), [Philippe Z. Selendy](#), [Christine H. Chung](#), 51 Madison Avenue, 22nd Floor, New York, New York 10010-1601, (212) 849 7000, Attorneys for MBIA Insurance Corporation.

TO THE ABOVE-NAMED DEFENDANT:

YOU ARE HEREBY SUMMONED and required to serve upon Plaintiff's attorneys an answer to the complaint in this action within twenty (20) days after the service of this summons, exclusive of the day of service, or within thirty (30) days after service is complete if this summons was not personally delivered to you within the State of New York. In case of your failure to answer, judgment will be taken against you by default for the relief demanded in the complaint.

The bases for venue are [CPLR §§ 501](#) and [503](#), because the Defendant agreed that the Courts within the County and State of New York are an appropriate venue and substantial acts giving rise to the Plaintiff's claims occurred in New York County.

DATED: New York, New York April 1, 2010

COMPLAINT

Plaintiff MBIA Insurance Corporation ("MBIA"), by its attorneys, Quinn Emanuel Urquhart & Sullivan, LLP, for its Complaint herein against GMAC Mortgage, LLC (formerly known as GMAC Mortgage Corporation) ("GMAC Mortgage" or "Defendant") alleges as follows:

NATURE OF THE ACTION

1. This action arises out of the fraudulent acts and breaches of contract of GMAC Mortgage in connection with three publicly offered securitizations of residential mortgages. All of the mortgage loans underlying the securitizations were originated or acquired by GMAC Mortgage, a subsidiary of lending giant GMAC Inc. This Complaint alleges that, in its dealings with MBIA, GMAC Mortgage affirmatively misrepresented the quality of tens of thousands of mortgage loans, with a total original principal balance of more than \$4 billion, as a means of unfairly shifting to investors and MBIA risks that GMAC Mortgage should have borne itself.

2. In particular, GMAC Mortgage pooled and conveyed mortgage loans into trusts, which in turn issued residential mortgage-backed securities ("RMBS") to investors in three offerings, in 2004, 2006, and 2007. The three mortgage loan securitization transactions at issue are: GMAC Mortgage Corporation Home Equity Loan Trust 2004-HE4 (the 2004 Transaction"),

GMAC Mortgage Corporation Home Equity Loan Trust 2006-HE4 (the “2006 Transaction”), and GMAC Mortgage Corporation Home Equity Loan Trust 2007-HE1 (the “2007 Transaction”) (collectively, the “Transactions”). In each of the Transactions, the loans at issue were collateralized by second mortgages and were represented to be prime because of the purportedly creditworthy nature of the borrowers and loans.

3. To make the securities more marketable in each of the three offerings, GMAC Mortgage sought a financial guaranty insurer to guarantee the trusts' payments to investors in the event that cash flows to the trusts were impaired by the failure of mortgage borrowers to make payments of principal and interest. To secure MBIA's agreement to provide this insurance, GMAC Mortgage made a comprehensive set of representations about the securitizations. These representations included loan-level representations about key attributes of individual loans and transaction-level representations about the characteristics of the pools of loans that were securitized.

4. While GMAC Mortgage was soliciting MBIA to provide financial guaranty insurance, and before each Transaction closed, GMAC Mortgage provided to MBIA: (1) loan “tapes” that included data about each borrower and loan, including measurements of each borrower's creditworthiness; (2) schedules that set forth key statistics about the loan pools, including averages of measures contained in the loan tapes; and (3) initial and final Prospectus Supplements that represented that all of the loans in the pools had been originated in compliance with GMAC Mortgage's Underwriting Guidelines, which supposedly had been developed to ensure that borrowers were creditworthy and that the mortgage loans would be repaid. Using the same loan tapes it provided to MBIA, and summary data conveying key characteristics of the loan pool, GMAC Mortgage also procured from rating agencies “shadow ratings” - credit ratings the Transactions would carry without financial guaranty insurance. GMAC Mortgage knew that MBIA would rely on these shadow ratings, as well as the loan tapes, schedules, and initial and final Prospectus Supplements, in determining whether to insure the Transactions.

5. As part of the Transactions, GMAC Mortgage also made to MBIA, and for MBIA's benefit, extensive contractual representations and warranties. GMAC Mortgage represented and warranted, among other things, that: (1) all of the information it provided to MBIA about the mortgage loans was accurate and not misleading; (2) all of the mortgage loans in the pools were underwritten in accordance with GMAC Mortgage's underwriting standards; and (3) in the case of each loan, after receiving all applicable employment, credit, and property information, a determination had been made that the borrower was able to meet his or her monthly payments, including loan payments.

6. In reality, however, GMAC Mortgage originated and sold loans into the trusts that contradicted the pre-closing representations it made to MBIA and blatantly violated its contractual representations and warranties. In 2009, faced with mounting claims payments caused by delinquent and so-called “charged-off” loans - loans deemed uncollectible and thus written down to zero - MBIA began examining loan files and documentation associated with thousands of loans. The results of this review made clear that GMAC Mortgage had wholly abandoned its own underwriting policies and instead routinely approved loans to borrowers who failed to meet basic risk criteria. At least 89% of the 4,104 delinquent or charged-off loans reviewed by MBIA were not originated in material compliance with GMAC Mortgage's Underwriting Guidelines or the contractual representations and warranties made by GMAC Mortgage.^[FN1]

FN1. As discussed below, although GMAC Mortgage has repeatedly and unreasonably denied MBIA access to complete versions of the GMAC Mortgage Underwriting Guidelines, there is little dispute as to the content of the Guidelines relevant to this action. In responses to correspondence in which MBIA sought to enforce contractual remedies, GMAC Mortgage has not challenged MBIA's contentions about the standards set forth in the Guidelines.

7. MBIA's review demonstrated that GMAC Mortgage had misrepresented the quality of the mortgage loans consistently from its first contacts with MBIA. Loan tapes and schedules - including those attached to GMAC Mortgage's first solicitations of bids from MBIA - contained false data about borrowers, loans, and the characteristics of the loan pools. GMAC Mortgage had used the same false loan tapes and other false pool-level information derived from the false data on the loan tapes to procure from the rating agencies inflated shadow ratings, which it then furnished to MBIA. GMAC Mortgage was able to carry out its fraudulent scheme by virtue of its unique and superior knowledge about the mortgage loans, its false representations about the quality of those loans, and the trust that MBIA placed in GMAC Mortgage. The relationship of trust and confidence existed

between MBIA and GMAC Mortgage as a result of MBIA having provided insurance in at least eight prior GMAC Mortgage-sponsored securitizations of RMBS, beginning in 1999.

8. GMAC Mortgage succeeded in concealing from MBIA the loans' hidden risks, and as a result MBIA has suffered tremendous harm. In agreeing to provide financial guaranty insurance, MBIA assumed only the risk that loans conforming to GMAC Mortgage's Underwriting Guidelines would not perform as expected. It did not, however, assume the risk that GMAC Mortgage would flagrantly ignore prudent underwriting standards and stock the securitizations with non-compliant loans. As of December 31, 2009, MBIA had received premiums of approximately \$12.5 million. These premiums were supposed to be commensurate with risks associated with loan pools that conformed to GMAC Mortgage's representations. As of December 31, 2009, MBIA had paid approximately \$132 million in claims and remains exposed to millions in further liabilities.

9. GMAC Mortgage has compounded MBIA's losses by breaching an express representation and warranty to cure, repurchase, or replace non-compliant mortgage loans with loans conforming to the representations made by GMAC Mortgage. To date, MBIA has requested that GMAC Mortgage cure, repurchase, or replace approximately 3,669 non-compliant loans. In response, GMAC Mortgage agreed to repurchase or replace only 28 of these loans. In an obvious and improper attempt to prevent MBIA from exercising its contractual rights, GMAC Mortgage has also refused to provide complete versions of GMAC Mortgage Underwriting Guidelines and has failed to provide information that would enable MBIA to gain full knowledge of the historical performance of the loans, including loan-level data dating from the closing of each Transaction to early 2008.

10. GMAC Mortgage's refusal to participate in good faith in the so-called "putback" process leaves MBIA uncompensated for its losses. At a more fundamental level, the repurchase obligation was never intended to provide an adequate remedy where non-compliant loans pervade the pools rather than constitute isolated exceptions. Had GMAC Mortgage told the truth about the risks associated with the mortgage loans, MBIA never would have agreed to insure the securitizations.

11. GMAC Mortgage's deception enabled it to sell pools of mortgage loans it represented to be worth billions of dollars, while transferring the risks embedded in those loan pools to investors and, ultimately, MBIA. Because GMAC Mortgage's fraud, concealment, and breaches of contract have deprived MBIA of the benefit of its bargain, MBIA is entitled to recover from GMAC Mortgage, at a very minimum, the value of payments that MBIA has made and will make in the future.

PARTIES

12. Plaintiff MBIA Insurance Corporation is a New York corporation with its principal place of business at 113 King Street, Armonk, New York. MBIA is one of the nation's oldest and largest monoline insurers, and provides financial guaranty insurance and other forms of credit protection, generally on financial obligations, which are sold in the new issue and secondary markets.

13. Defendant GMAC Mortgage, LLC, formerly known as GMAC Mortgage Corporation, is a Delaware limited liability company with its principal place of business in Fort Washington, Pennsylvania. Upon information and belief, the members of GMAC Mortgage, LLC include at least one New York resident. In the period relevant to this action, GMAC Mortgage acquired, originated, and serviced residential mortgage loans. GMAC Mortgage also sponsored securitizations of mortgage loans.

14. GMAC Mortgage is a wholly owned subsidiary of Residential Capital, LLC ("ResCap"), which in turn is a wholly owned subsidiary of GMAC Inc. In September 2008, ResCap announced that it was closing much of its business of acquiring mortgage loans. At or about this time, GMAC Mortgage closed all of its retail locations, locations at which home buyers or owners could obtain mortgages. GMAC Mortgage remains one of the largest residential mortgage servicers in the nation.

JURISDICTION AND VENUE

15. This Court has jurisdiction over this proceeding pursuant to [CPLR §§ 301](#) and [302](#). GMAC Mortgage is authorized to do business in New York, has appointed an agent for service of process and has consented to the jurisdiction of the Courts within

the State. In addition, GMAC Mortgage expressly consented to the jurisdiction of this Court over all claims arising out of the Transactions. GMAC Mortgage participated in negotiations and other activities within the State which led to the transactions that give rise to the claims in the Complaint, and the transactions themselves occurred within the State. GMAC Mortgage has also regularly transacted business within the State.

16. Venue is proper in this Court pursuant to [CPLR §§ 501](#) and [503](#). GMAC Mortgage expressly agreed that the Courts within the County and State of New York are an appropriate venue for all actions arising out of the transactions that give rise to the claims in the Complaint. In addition, negotiations and other substantial activities relating to the transactions that give rise to the claims in this Complaint occurred within New York County.

RELEVANT NON-PARTIES

17. GMAC Inc. (“GMAC”), the ultimate parent company of GMAC Mortgage, is a Delaware corporation with its principal place of business in Detroit, Michigan. GMAC specializes in automotive financings, residential mortgage financings and services, and insurance services. GMAC is the indirect parent company of all GMAC and GMAC-affiliated entities relevant to this action.

18. GMAC Bank, formerly an indirect, wholly owned subsidiary of GMAC, was at all times relevant to this Complaint a loan originator. GMAC Bank sold loans it originated to GMAC Mortgage to be securitized. GMAC Bank was renamed Ally Bank in May 2009. Ally Bank is an online bank chartered under Utah law.

19. Walnut Grove Mortgage Loan Trust 2003-A (“Walnut Grove”) is a Delaware statutory trust established by an affiliate of GMAC Mortgage. Beginning in 2003, GMAC Mortgage sold to Walnut Grove mortgage loans it had originated or purchased from GMAC Bank. At the time of each of the three securitizations at issue in this case, Walnut Grove sold mortgage loans to Residential Asset Mortgage Products, Inc. (“RAMP”).

20. RAMP, a special purpose vehicle, is an indirect, wholly owned subsidiary of GMAC and a Delaware corporation with its principal place of business in Minnesota. In connection with each securitization at issue in this case, RAMP purchased mortgage loans from GMAC Mortgage and Walnut Grove and deposited those loans into a “GMAC Mortgage Home Equity Loan Trust” arranged by GMAC Mortgage. Each trust then issued securities to underwriters to be sold to investors.

21. GMAC RFC Securities, an entity incorporated in Delaware, is an affiliate of GMAC Mortgage and RAMP and a registered broker-dealer under the Securities Act of 1934. GMAC RFC Securities, also known as Residential Funding Securities, LLC, served as an underwriter of the securities issued in each of the securitizations at issue in this case.

FACTUAL ALLEGATIONS

A. The Securitization of Mortgage Loans

22. Asset-backed securitization is the process by which risk is distributed by pooling cash-producing financial assets, such as mortgage loans, and issuing securities backed by the pool.

23. The most common form of securitization of mortgage loans involves a sponsor - the original owner of the mortgages - and the creation of a trust, to which the sponsor sells a portfolio of mortgage loans. In many instances, the transfer of assets to a trust “is a two-step process: the financial assets are transferred by the sponsor first to an intermediate entity, often a limited purpose entity created by the sponsor... and commonly called a depositor, and then the depositor will transfer the assets to the [trust] for the particular asset-backed transactions.” SEC Release “[Asset-Backed Securities](#)” ([Regulation AB](#)), [SEC Release Nos. 33-8518; 34-50905, 70 Fed. Reg. 1,506-1,631 \(Jan. 7, 2005\)](#).

24. After receiving the portfolio of mortgage loans, the trust will issue debt securities using the pool of loans as collateral. Investors acquire rights to the income flowing from the mortgage pools. This income is generated by homeowners' payments of principal and interest on the mortgage loans held by the trust.

25. A servicer is also necessary to manage the collection of proceeds from the mortgage loans. The servicer is responsible for maximizing homeowners' mortgage loan payments, which the servicer remits to the trust after deducting a monthly servicing fee. The servicer is also responsible for minimizing potential losses to the trust when homeowners fail to make required payments. The servicer's duties include making collection efforts on delinquent loans, initiating foreclosure proceedings, and determining when to charge off a loan by writing down its balance to zero. The servicer reports key information about the loans to the trustee, which administers the trust funds and delivers payments due each month on the investors' notes.

26. To decrease the risk to investors of a shortfall in cash flows to the trust, and to make the securitization more attractive to investors, many securitizations include additional credit "enhancement" in the form of a financial guaranty insurance policy. Under the terms of such a policy, a financial guaranty insurer, in consideration of a premium and subject to the terms and conditions of the policy, will guarantee to investors that in the event there is a shortfall in cash flows to the trust, the insurer will insure certain payments with respect to current interest and ultimate principal to the trustee for the benefit of the investors. In this way, the risk to the investors of a shortfall in the anticipated cash flows to the trust is mitigated, thus increasing the marketability and pricing of the securities.

27. The financial viability of an investment in a securitization, or an insurance policy issued on that investment, is a function of the quality of the underlying mortgage loans. If, for instance, the lender that originated the mortgage loans employed substandard underwriting practices, risk increases. Among the factors that determine the interest rate of a loan are the degree to which the borrower is required to verify his or her income, the borrower's credit score and employment history, and the amount of equity the borrower has in the mortgaged property. For example, a borrower who is not required to verify income and has little or no equity in his or her home typically pays a higher interest rate. Likewise, the value of a pool of mortgage loans depends on the quality of the loans, because a pool in which there is a higher risk of delinquencies and charge-offs is deemed more likely to suffer impaired cash flows. Based on its assessment of the risk of impaired cash flows, an insurer may decide not to provide insurance on a particular transaction, ask that the transaction be structured to provide additional protection against losses, or increase premiums to reflect the risk.

28. Accordingly, the ability of the market, or of a potential financial guaranty insurer, to accurately assess risk depends on the information it has regarding the quality of the underlying mortgage loans and the standards used to originate those loans. Sponsors of securitizations thus make extensive disclosures to investors in publicly filed offering documents and make separate and additional disclosures, representations, and warranties to the providers of financial guaranty insurance.

29. The sponsor possesses unique and special knowledge and expertise regarding the characteristics of the loans and the underwriting. At all times relevant to this Complaint, it was standard in the industry for sponsors to require financial guaranty insurers to submit bids within weeks of a sponsor's initial solicitation, for a securitization that would close only weeks later. Because of this compressed time frame, it also became the practice in the industry that insurers did not undertake to re-underwrite the thousands or tens of thousands of loans that might be contributed to the pool. Instead, sponsors provided potential insurers with comprehensive representations and warranties about the quality of the underlying loans and the standards under which they had been originated and encouraged reliance on those representations and warranties. Sponsors also bore the risk that their representations and warranties would be proven untrue; they routinely undertook to cure, repurchase, or replace loans that were found before or after closing to fail to conform to its representations and warranties in a manner that materially and adversely affected the insure's interests.

30. Also because sponsors do not expect potential insurers to undertake a loan-by-loan review, they furnish to potential insurers loan tapes and schedules, or spreadsheets and charts, respectively, that contain data regarding key characteristics of the mortgage loans to be included in the securitization, including borrowers' Fair Isaac Corporation, or "FICO," scores; the appraised value of the mortgaged properties; and statistics such as combined loan-to-value ("CLTV"), the ratio of the sum of the first and second mortgage amounts to the appraised value of the property; and debt-to-income ("DTI"), the ratio of the borrowers

monthly debt to income. Underwriters - typically investment banks responsible for selling the mortgage-backed securities - also provide potential insurers with due diligence performed by a third-party accounting or underwriting firm on a sample of the loans in the pool. The due diligence is intended to assess whether the characteristics of the sampled loans, and the underwriting used to originate them, conform to the sponsor's disclosures and representations.

31. Sponsors also provide to rating agencies, as part of the securitization process, loan tapes and pool-level data based on the loan-level information contained in the loan tapes. Rating agencies use that information to create expected loan-level default and loss estimates. These estimates, in turn, are used to generate cash flow projections for the securitization. On the basis of the expected losses for the proposed securitization, the rating agency will provide a so-called "shadow rating" for the securitization, the credit rating the securitization would carry without financial guaranty insurance. Sponsors cause these shadow ratings to be provided to potential insurers, knowing that the insurers will rely on the shadow ratings when determining whether to insure a securitization.

32. In sum, the ability of the investor or insurer to accurately assess the risks associated with an RMBS securitization depends entirely on the truthfulness of the sponsor's disclosures and representations about the quality of the loan pools and underwriting standards. The investor or insurer takes responsibility for certain risks not within the sponsor's control, such as risks created by changes in interest rates or the economic climate. However, the sponsor alone is responsible for the risks hidden by its own fraudulent misrepresentations.

B. GMAC Mortgage and the Securitization of Mortgage Loans

33. GMAC Mortgage first began acquiring, originating, and servicing residential mortgage loans in 1985 when it purchased other companies in those lines of business. By the mid-2000s, GMAC Mortgage was originating tens of billions of dollars' worth of mortgage loans per year, or consistently over 500,000 mortgage loans annually. It also sponsored publicly offered securitizations of mortgage loans. For each year from 2002 to 2006, the aggregate principal balance of the mortgage loans backing GMAC Mortgage-sponsored securitizations ranged from \$5 billion to \$7 billion.

34. Second-lien mortgage loans represented a rapidly growing portion of GMAC Mortgage's mortgage loan business during this same period. A second-lien mortgage is subordinate to the main or first mortgage; if the homeowner/borrower defaults, the holder of the first mortgage must be satisfied first from any proceeds from sale of the collateral or the home. From 2002 to 2006, the value of GMAC Mortgage-sponsored securitizations of second-lien mortgage loans more than doubled, from \$2.4 billion to \$5.7 billion.

35. Securitization played an important role in GMAC Mortgage's business model. Pooling mortgage loans and selling them into securitizations enabled GMAC Mortgage to reduce the credit risk on its balance sheet and acquire funds with which it could originate new loans to be pooled in future securitizations. GMAC Mortgage also enriched other GMAC affiliates by sponsoring securitizations. GMAC entities participated in each of the key steps in the securitization process, and recorded gains and earned fees at each of those steps. In the Transactions at issue here, for example:

- * GMAC Bank gained fees for originating loans and proceeds from selling those loans to GMAC Mortgage;
- * GMAC Mortgage, because it originated and aggregated the loans before selling them to RAMP, gained loan origination fees as well as proceeds from selling the loans;
- * Walnut Grove purchased a portion of the loans from GMAC Mortgage, and then gained proceeds from selling the loans to RAMP;
- * RAMP established the trusts, transferred the loans to the trusts, and charged fees to cover its operating expenses;
- * GMAC RFC Securities made fees for underwriting GMAC Mortgage-sponsored securities offerings; and
- * GMAC Mortgage gained fees for acting as Servicer for loan pools that were securitized, after it sold the pooled loans to be deposited into the securitizing trust.

36. To promote demand for the lucrative securitizations, GMAC Mortgage touted its experience in acquiring, originating, and servicing the underlying mortgage loans. It represented that the loans it sold into securitizations "were originated generally in

accordance with the underwriting standards of GMAC Mortgage, LLC.” GMAC Mortgage assured potential buyers of RMBS that in the case of each loan within the pool, an underwriter had made an assessment, after receiving all applicable employment, credit, and property information, that the borrower had the ability to repay his or her loan.

37. As described below, GMAC Mortgage failed to fulfill these promises in a series of transactions that involved a significant portion of GMAC Mortgage's securitization of prime, second-lien loans from 2004 to 2007. In truth, GMAC Mortgage routinely extended loans to borrowers whose ability and willingness to repay could not be verified and regularly purchased loans that were not originated in compliance with its own purported origination standards. GMAC Mortgage then schemed to off-load billions of dollars worth of debt by misrepresenting facts uniquely within its knowledge.

38. The collapse of the housing market has exposed the hidden risks embedded in the loan pools GMAC Mortgage repeatedly pooled and sold. Today, an extremely high percentage of GMAC Mortgage-originated loans have suffered delinquencies or been charged-off. It is widely known that the mortgage lending practices of GMAC's subsidiaries have led GMAC - now majority-owned by the U.S. Government - to the brink of financial ruin. GMAC recently announced that it is seeking a buyer for all or parts of ResCap, the subsidiary of GMAC that houses GMAC's mortgage operations, including GMAC Mortgage.

39. This suit seeks to prevent GMAC Mortgage, which banked billions of dollars from the sale and servicing of defective loans, and at the time enriched other GMAC entities through its sponsorship of securitizations, from walking away from its responsibility for the harm it has foisted on others.

C. The Transactions

40. The Transactions at issue in this action involve securitizations of pools of second-lien mortgage loans. The 2004 and 2006 Transactions involved pools of mostly home equity lines of credit (“HELOCs”). A HELOC allows a borrower to draw upon a line of credit, collateralized by a mortgage, for a fixed period of time after the origination of the HELOC, in any amount up to limit of the credit line, and at an adjustable interest rate. The 2007 Transaction involved a pool of mostly closed-end mortgages, loans in which the borrower receives the full amount of the loan at origination at a fixed interest rate. Certain of the basic characteristics of each of the Transactions at the time of closing are set forth in the following table:

Transaction	Date of Closing	Number of Loans at Closing	Aggregate Note Balance Issued at Closing	Type of Loans Securitized
2004	10/28/04	23,428	\$1,018,000,000	91.82% HELOCs
2006	09/27/06	17,342	\$1,159,060,631	94.10% HELOCs
2007	03/29/07	16,638	\$1,185,871,000	94.55% Closed-End Se- conds
Totals		57,408	\$3.363 billion	

In each Transaction, the aggregate note balance represented the face value of the notes issued at closing, an amount which should not be exceeded by the aggregate principal balance of the mortgage loans backing those notes.

41. The Transactions were structured to permit GMAC Mortgage to add mortgage loans to the pool during specified periods after closing. In each Transaction, the mortgage loan pool was not fully populated at closing. Rather, GMAC Mortgage was permitted to sell loans to the pool for a three-month Pre-Funding Period immediately after closing, in exchange for payments made by the trust, until the aggregate principal balance of the loans in the pool approached the aggregate note balance. The 2004 and 2006 Transactions also permitted GMAC Mortgage to sell loans during specified periods - called Revolving and Managed Amortization Periods, the latter of which ended five years after closing - on the condition that the aggregate principal balance of the pool at any given time never exceeded the balance at closing.

42. The feature of the so-called “Subsequent Mortgage Loans” thus enabled GMAC Mortgage for a number of years past closing to continue to shift credit risk to investors and to MBIA, in exchange for immediate gains on the loans it sold. In creating the Revolving and Managed Amortization periods, in particular, the parties agreed that as the aggregate loan balance of each pool fell - a characteristic that is usually the result of borrowers paying off their loans - GMAC Mortgage could sell new loans to the pool and MBIA would continue to insure payments to holders of the RMBS for which the pool served as collateral. Critical to MBIA's acceptance of the feature of the “Subsequent Mortgage Loans” were GMAC Mortgage's representations and warranties that any loan added to a pool after closing would conform to the same contractual representations and warranties GMAC Mortgage made about the quality and underwriting of the loans in the pool at closing.

43. The approximate number and dollar amount of loans in each Transaction over the entire life of the transactions are set forth in the following table:

Transaction	Date of Closing	Aggregate Number of Loans in Pool During Life of Transaction	Aggregate Principal Balance of Loans in Pool During Life of Transaction
2004	10/28/04	42,753	\$1,662,888,882
2006	09/27/06	30730	\$1,550,141,454
2007	03/29/07	22,132	\$1,185,871,165
Totals		95,615	\$4.399 billion

The figure of 30,730 loans in the pool over the life of the 2006 Transaction is, if anything, understated because GMAC Mortgage has failed to provide loan-level data that spans the life of any of the Transactions, and the number of Subsequent Mortgage Loans for the 2006 Transaction could not be determined using other information.

44. GMAC Mortgage and other wholly owned subsidiaries of GMAC and affiliates of GMAC Mortgage carried out the steps of each Transaction, as described above. Nearly 90% of the mortgage loans in the pools were originated by GMAC Bank and GMAC Mortgage. GMAC Mortgage then conveyed, directly or indirectly, mortgage loans it had originated or acquired from GMAC Bank to RAMP, the special purpose vehicle that acted as the depositor and transferred the loans to the trust created by GMAC Mortgage for each securitization. In each of the Transactions, GMAC RFC Securities was one of the underwriters that marketed the securities issued by the trusts.

45. In addition to its role as the sponsor in each Transaction, GMAC Mortgage was also appointed the Servicer for each of the pools. The Servicing Agreements provided that GMAC Mortgage would collect prorated monthly fees equal to 0.50% per year of the outstanding principal balance of each loan it serviced, in exchange for servicing the loan pool in compliance with its “normal and usual” procedures, which included making reasonable efforts to collect all payments due from borrowers.

D. GMAC Mortgage's Fraudulent Inducement of the Transactions

46. For each Transaction, GMAC Mortgage sought credit enhancement in the form of financial guaranty insurance provided by MBIA. GMAC Mortgage solicited a bid from MBIA a matter of weeks before it planned to close each Transaction. In each case, the insurance GMAC Mortgage obtained from MBIA enabled it to market the RMBS on the basis of an AAA credit rating, rather than the lower credit quality of the collateral and structure of the Transaction alone.

47. In order to induce MBIA to write financial guaranty insurance for the Transactions, GMAC Mortgage provided to MBIA, directly or indirectly, information including: (1) loan tapes detailing attributes of individual borrowers and loans; (2) schedules that set forth statistics about the loan pool; (3) registered initial and final Prospectus Supplements summarizing GMAC Mortgage's Underwriting Guidelines and loan origination criteria; and (4) shadow ratings that GMAC Mortgage represented

characterized the credit quality of each loan pool.

48. In connection with each Transaction, GMAC Mortgage sent or caused to be sent to MBIA, by email, bid requests, loan tapes, and schedules. Specifically:

- * On October 12, 2004, MBIA received a loan tape and schedule for the 2004 Transaction;
- * On September 11, 2006, MBIA received a bid request, loan tape, and schedule for the 2006 Transaction;
- * On September 13, 2006, MBIA received a revised loan tape for the 2006 Transaction;
- * On March 8, 2007, MBIA received a bid request, loan tape, and schedule for the 2007 Transaction; and
- * On March 12, 2007, MBIA received a revised loan tape for the 2007 Transaction.

The loan tapes provided by GMAC Mortgage set forth, on a loan-by-loan basis, such statistics as the borrower's FICO score, DTI, and CLTV. The schedules purported to describe - at the level of the pool as a whole - key characteristics also relevant to the assessment of risk, including weighted averages of FICO scores and DTI and CLTV ratios.

49. Further, GMAC Mortgage provided MBIA with Prospectus Supplements that also would be filed with the SEC on or before the day each Transaction closed. In the Prospectus Supplements, GMAC Mortgage made specific representations describing GMAC Mortgage's underwriting standards, including the criteria set forth in GMAC Mortgage's Underwriting Guidelines applicable to the GMAC Mortgage Home Equity Program. According to the Prospectus Supplements, the Underwriting Guidelines set forth the types of documentation which borrowers must provide and should be included in the mortgage loan file, under each loan program. This documentation can include the loan application, verifications of income, assets, funds available to the borrower at closing, and mortgage payment histories. The GMAC Mortgage Underwriting Guidelines also require appraisals of the mortgaged property and an underwriter's assessment of whether the applicable thresholds for DTI and CLTV are met.

50. For example, according to the Prospectus Supplements, the Underwriting Guidelines provide that to qualify for a "Standard" program loan - one requiring full documentation - a borrower applying for a loan mortgaged by his primary residence must fill out a detailed application providing pertinent credit information, including tax returns, pay stubs, or a W-2, and must provide authorization for GMAC Mortgage to obtain a credit report. The borrower is also required to provide an appraisal of the subject property, or collateral.

51. The Prospectus Supplements also state that an important variable in evaluating a loan under the GMAC Mortgage Underwriting Guidelines is the level of documentation of a borrower's income and assets. According to the Prospectus Supplements, a borrower can apply for a loan through programs that require significantly less documentation from the borrower than that required under the "Standard" full documentation program. These reduced documentation programs - which typically charge higher interest rates - include the "Stated Income," "Stated Value," and "No Income/No Appraisal" programs, among others. For these loan programs, and unlike the "Standard" full documentation program, GMAC Mortgage does not independently verify a borrower's income (in the case of "Stated Income" loans), the value of the collateral (in the case of "Stated Value" loans), or either income or collateral value (in the case of "No Income/No Appraisal" loans).

52. Critically, although income is not independently verified in Stated Income loans, such loans remain subject to the requirement that the borrower's income be reasonable in light of three main factors: employment, credit, and assets. For every program, GMAC Mortgage's Underwriting Guidelines, and prevailing mortgage origination industry standards, require an underwriter to determine, after receiving all applicable employment, credit, and property information, whether the borrower is able to meet his or her monthly loan payments and other expenses related to the home, such as taxes, insurance, and debt service on senior liens.

53. Each Prospectus Supplement provided to MBIA expressly states that all mortgage loans contributed to the pools had been underwritten generally in compliance with GMAC Mortgage's underwriting standards.

54. A final, key representation that GMAC Mortgage sent or caused to be sent to MBIA, and upon which MBIA relied in each

Transaction, was the shadow rating GMAC Mortgage procured from rating agencies. GMAC Mortgage knew that MBIA would not agree to provide the requested financial guaranty insurance unless each Transaction carried a shadow rating of at least BBB- or the equivalent. GMAC Mortgage approached Moody's Investors Service and Standard & Poor's and provided them with the same loan tapes GMAC Mortgage provided to MBIA, together with pool-level data derived from the loan-level information on the loan tapes. These rating agencies relied on the information furnished by GMAC Mortgage to issue shadow ratings for each Transaction to MBIA. MBIA received shadow ratings from the rating agencies on or about the following dates, among others:

- * On September 27, 2006, MBIA received a letter from Standard & Poor's assigning a shadow rating of BBB- for the 2006 Transaction;
- * On September 27, 2006, MBIA received a letter from Moody's Investors Service assigning a shadow rating of Baa3 for the 2006 Transaction;
- * On March 28, 2007, MBIA received an email from Standard & Poor's assigning a shadow rating of BBB for the 2007 Transaction; and
- * On March 29, 2007, MBIA received a facsimile from Moody's Investors Service assigning a shadow rating of Baa3 for the 2007 Transaction.

55. GMAC Mortgage was well aware that MBIA would rely on GMAC Mortgage's representations in deciding whether to enter into the Insurance Agreements. MBIA had no contractual right to review loan origination files before the Transactions closed, nor any meaningful opportunity to do so. In addition, and in accordance with the custom and practice of financial guaranty insurers at the time, MBIA relied on representations and warranties made by the loan originator and/or owner to ensure that risks in the loan pools were known and fully disclosed and that it would not face additional risks hidden in the pools. MBIA relied on the unique and special knowledge and expertise of GMAC Mortgage regarding the mortgage loans, and the standards under which they were originated, in deciding to insure the Transactions.

56. The relationship of trust and confidence GMAC Mortgage and MBIA had forged in the preceding five years also fostered MBIA's reliance on the representations GMAC Mortgage made. The 2004 Transaction was the ninth GMAC Mortgage-sponsored securitization of second-lien mortgage loans for which MBIA had provided insurance since 1999. The eight prior GMAC Mortgage-sponsored securitizations also involved specifically prime HELOC or closed-end second-lien mortgages. MBIA thus had been relying on GMAC Mortgage's unique and special knowledge for many years preceding the first Transaction. Its longstanding relationship with GMAC Mortgage caused MBIA to trust that GMAC Mortgage would conduct itself in good faith.

57. Based on the representations made by GMAC Mortgage to MBIA in the loan tapes, schedules, Prospectus Supplements, and by means of the shadow ratings issued by the rating agencies, and because of the special trust that MBIA placed in GMAC Mortgage, MBIA decided to provide financial guaranty insurance for each Transaction. MBIA insured the trusts' payments to investors, and received in return an annual premium, based on a small, fixed percentage (tenths of one percent) of the aggregate principal balance of each loan pool. The existence of financial guaranty insurance enhanced the ability of GMAC Mortgage and GMAC RFC Securities, among others, to market the securities issued in each Transaction as AAA, the highest possible investment grade.

E. The Contractual Terms

1. The Representations and Warranties

58. In each Transaction, pursuant to insurance agreements it made with GMAC Mortgage, among other entities, on the closing date (the "Insurance Agreements"), MBIA issued a financial guaranty insurance policy (collectively, the "Policies"). These Insurance Agreements are:

- * Insurance Agreement among MBIA, GMAC Mortgage, Walnut Grove, Home Equity Loan Trust 2004-HE4, RAMP, Wilmington Trust and Wells Fargo, dated October 1, 2004;
- * Insurance Agreement among MBIA, GMAC Mortgage, Walnut Grove, Home Equity Loan Trust 2006-HE4, RAMP, Wilmington Trust and JP Mortgage Chase, dated September 1, 2006; and

* Insurance Agreement among MBIA, GMAC Mortgage, Walnut Grove, Home Equity Loan Trust 2007-HE1, RAMP, Wilmington Trust and The Bank of New York, dated March 1, 2007.

59. Through the provisions of the Insurance Agreements, GMAC Mortgage made representations and warranties to MBIA concerning: (1) the key characteristics of the mortgage loans that backed the securities issued in the Transaction; and (2) the underwriting standards used by GMAC Mortgage, GMAC Bank, and any other originator whose loans were acquired by GMAC Mortgage and sold into the pools of loans to be securitized.

60. Specifically, the Insurance Agreements incorporated by reference, and for MBIA's benefit, the representations and warranties contained in the "Transaction Documents," as that term was defined in the Insurance Agreements. The incorporation by reference of the Transaction Documents into the Insurance Agreements granted to MBIA the right to rely upon representations and warranties that GMAC Mortgage made to other entities who were parties to the Transactions and also to investors. For each Transaction, "Transaction Documents" was defined to include, among other documents:

- * the Mortgage Loan Purchase Agreements that set forth the terms of the sale of the mortgage loans to the relevant trust (the "Purchase Agreements");
- * the Servicing Agreements that set forth the terms for servicing the relevant pool of mortgage loans (the "Servicing Agreements"); and
- * the offering materials provided to potential investors and filed with the SEC to market the securities issued by the trusts (the "Offering Documents").

MBIA is an express third-party beneficiary of the Purchase Agreements and the Servicing Agreements.

61. GMAC Mortgage made two representations and warranties directly to MBIA in the Insurance Agreements that are particularly relevant to this action.

62. First, GMAC Mortgage represented and warranted that all representations and warranties in each of the Transaction Documents to which it was a party were "true and correct in all material respects," and that it made all of those representations and warranties "to, and for the benefit of, the Insurer as if the same were set forth in full herein [i.e., in the Insurance Agreement itself]." GMAC Mortgage thus re-made for MBIA's benefit the representations and warranties that it had initially made in, inter alia, the Purchase Agreements. These representations and warranties included, but were not limited to, the following: 1

- * **Proper Documentation:** Each mortgage loan file was complete, and all of the required documents and instruments were contained therein.
- * **Accurate Loan Information:** Information furnished in Mortgage Loan Schedules provided by GMAC Mortgage was true and correct in all material respects, and as to each loan, as of the date when GMAC Mortgage provided the information.
- * **No Offset, Defense or Counterclaim of a Borrower:** To the best of GMAC Mortgage's knowledge, there was no valid offset, defense or counterclaim of any obligor under any loan agreement or mortgage.
- * **CLTV Ratio Not in Excess of 100%:** The combined loan-to-value ratio of each mortgage loan - i.e., the ratio of the combined value of the first and second mortgages to the appraised value of the property - was not in excess of 100%, as of the relevant "Cut-Off Date" (defined in the Transaction Documents to be a date a few weeks before the closing of the Transaction or, for a Subsequent Mortgage Loan, the date upon which it may be added to the pool).
- * **No Delinquent Loans:** No mortgage loan was 30 days or more delinquent in payment of principal or interest, as of the relevant "Cut-Off Date."
- * **No Adverse Selection:** GMAC Mortgage used no selection procedures that identified the mortgage loans as being less desirable or valuable than other comparable mortgage loans originated or acquired by GMAC Mortgage under the GMAC Mortgage Home Equity Program, and the mortgage loans are representative of GMAC Mortgage's portfolio of home equity lines of credit that were originated under the GMAC Mortgage Home Equity Program.
- * **Compliance with Applicable Laws:** To the best of GMAC Mortgage's knowledge, the loan agreements and mortgages at the time made complied in all material respects with applicable local, state, and federal laws, including, but not limited to, applicable predatory lending laws.
- * **No Material Breach Or Default:** There was no material default, breach, violation or event of acceleration existing under the terms of any Loan Agreement or Mortgage and, to the best of GMAC Mortgage's knowledge, no event which, with notice and

expiration of any grace or cure period, would constitute a material default, breach, violation or event of acceleration under the terms of any Loan Agreement or Mortgage, and no such material default, breach, violation or event of acceleration has been waived by GMAC Mortgage involved in originating or servicing the related Mortgage Loan.

63. Second, GMAC Mortgage represented and warranted that any information it furnished or supplied for inclusion in the Transaction Documents, and any information relating to the mortgage loans that it furnished to MBIA, was accurate and not misleading. Specifically, GMAC Mortgage represented and warranted that:

Neither the information supplied by [GMAC Mortgage] contained in the Transaction Documents to which it is a party nor any other material information relating to the Mortgage Loans... furnished to the Insurer by [GMAC Mortgage]... contains any statement of material fact made by [GMAC Mortgage] which was untrue or misleading in any material respect as of the date reflected therein

Through this provision, GMAC Mortgage represented and warranted that the specific information it provided for inclusion in the Prospectus Supplements issued at or around the time that each Transaction closed was accurate and not untrue or misleading in any material respect. These representations and warranties included, but were not limited to, the following:

* **Compliance with Underwriting Guidelines:** All of the mortgage loans were underwritten generally in accordance with GMAC Mortgage's underwriting standards.

* **DTI Ratio Not in Excess of 45%:** Loans were generally originated with a maximum total monthly DTI ratio of 45%.

* **CLTV Ratio Not in Excess of 100%:** Loans were generally originated subject to a maximum CLTV ratio of 100%.

* **Determination Made as to Borrower's Ability To Repay:** Once all applicable employment, credit, and property information was received, a determination was made as to whether the prospective borrower had sufficient monthly income available to meet the borrower's monthly obligations on the proposed mortgage loan and other expenses and other financial obligations.

64. Under the Purchase Agreements and the Servicing Agreements, MBIA is entitled to notify GMAC Mortgage if it learns that any loan fails to conform to the above representations and warranties in a manner that "materially and adversely affects" MBIA's interests. Within 90 days of such notice, GMAC Mortgage is obligated to cure the breach, repurchase the defective loan, or substitute a conforming loan. Because GMAC Mortgage had complete control over information about the origination of the loans, the Servicing Agreements also obligated GMAC Mortgage to give prompt written notice to MBIA if GMAC Mortgage was aware that any such non-conforming loans were in the pools. In addition, GMAC Mortgage represented and warranted in the Insurance Agreements that it would promptly provide all data reasonably requested by MBIA, and would not "interfere in any material respect with the enforcement of any rights of [MBIA] under or with respect to any of the Transaction Documents."

65. The Insurance Agreements also incorporated the representations and warranties that GMAC Mortgage made in the Servicing Agreements in its capacity as Servicer. In the Servicing Agreements, GMAC Mortgage covenanted, represented, and warranted that it would service the mortgage loans in each of the Transactions in a manner consistent with its own servicing guidelines. It also covenanted, represented, and warranted that it would use all of its "normal and usual" procedures in servicing the mortgage loans, which included making reasonable efforts to collect all payments due from borrowers.

2. MBIA's Remedies

66. The Insurance Agreements entitle MBIA to broad remedies for breaches by GMAC Mortgage of its representations and warranties.

67. As described above at paragraph 64, the Purchase and Servicing Agreements grant MBIA the right to notify GMAC Mortgage of any loan failing to conform to GMAC Mortgage's representations and warranties in a manner that "materially and adversely affects" MBIA's interests, an event that in turn triggers a 90-day period during which GMAC Mortgage is obligated to cure the breach, repurchase the loan, or substitute a conforming loan (the "Putback Procedure").

68. The Insurance Agreements also provide that upon an “Event of Default,” MBIA is entitled to “take whatever action at law or in equity as may appear necessary or desirable in its judgment to collect the amounts, if any, then due under the Transaction Documents or to enforce performance and observance of any obligation, agreement or covenant of [GMAC Mortgage].” An “Event of Default” occurs when “any representation or warranty” made by GMAC Mortgage in the Insurance Agreements or the Transaction Documents is materially untrue or incomplete, or when GMAC Mortgage fails to perform any covenant in any material respect.

69. In addition, the Insurance Agreements require GMAC Mortgage to reimburse MBIA for any payments it makes as a result of GMAC Mortgage's failure to comply with its obligations under the Putback Procedure and “any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur, including, but not limited to, reasonable attorneys' and accountants' fees and expenses, in connection with... the enforcement, defense, or preservation of any rights in respect of any of the Transaction Documents.” The Insurance Agreements also require GMAC Mortgage to pay and indemnify MBIA for any losses or liabilities “arising out of or relating to,” among other things, any breach of a representation or warranty made to MBIA in the Purchase Agreements or the Insurance Agreements.

F. GMAC Mortgage's Misconduct Is Revealed

1. MBIA's Review Demonstrates GMAC Mortgage's Breach of Contract

70. Since closing, the Transactions have performed extremely poorly. Delinquencies and charge-offs for mortgage loans in the loan pools have been much higher than would be expected for loan pools allegedly of the “prime” quality that GMAC Mortgage represented and warranted, even taking into account the downturn in the housing market. By the end of 2009, for example, loans representing over 15% of the initial aggregate pool balance in the 2006 Transaction had defaulted and been charged off. A total of at least \$326 million has been lost from the original aggregate pool balances of the three Transactions due to defaulted and charged-off loans.

71. In January 2009, concerned about the high delinquencies and charge-off rates, MBIA asked GMAC Mortgage to provide MBIA and its representatives and agents access to documents relating to the mortgage loans underlying the Transactions.

72. MBIA requested access to documentation that would facilitate a review of the loan files for all mortgage loans that were 60 or more days delinquent and/or charged-off MBIA requested copies of the relevant loan files and also of the relevant GMAC Mortgage Underwriting Guidelines. It made these requests under the provisions in the Insurance Agreements requiring GMAC Mortgage to comply with MBIA's reasonable requests for data and not to interfere in any material respect with MBIA's attempts to enforce its rights under the Transaction Documents.

73. GMAC Mortgage's response to these basic requests has been wholly unsatisfactory. GMAC Mortgage has repeatedly and unreasonably denied MBIA access to complete versions of the GMAC Mortgage Underwriting Guidelines. Also, in many instances, the loan files provided by GMAC Mortgage were incomplete and MBIA has been forced to make supplemental requests. As a result, to conduct the evaluation that would enable MBIA to enforce rights explicitly granted to it under the Insurance Agreements, MBIA has been compelled to refer to: (1) portions of certain GMAC Mortgage Underwriting Guidelines that GMAC Mortgage has made available to the public; (2) the underwriting guidelines of GMAC Mortgage affiliate Residential Funding Corporation, which is also a major mortgage loan originator and acquirer; and (3) reasonable and prudent underwriting standards that are customary in the industry.

74. Despite GMAC Mortgage's obstructive conduct, there is little dispute about the content of the Underwriting Guidelines, insofar as those Guidelines relate to this action. GMAC Mortgage's responses to MBIA's requests, pursuant to the Putback Procedure, that GMAC Mortgage cure, repurchase, or substitute loans found not to comply with its representations and warranties are described below in paragraphs 86 and 87. These responses have not challenged MBIA's claims about the standards set forth in GMAC Mortgage's Underwriting Guidelines.

75. To date, MBIA has been able to obtain and review loan files associated with 4,104 delinquent and charged-off loans. The review has uncovered that the overwhelming majority of the delinquent or charged-off loans - at least 89% - were in breach of one or more of GMAC Mortgage's representations and warranties. The aggregate original principal balance of just this modest portion of non-compliant loans is over \$246 million.

76. Most of the loans found by MBIA to be non-compliant with GMAC Mortgage's representations and warranties contain multiple breaches of those representations and warranties. As a result of these breaches, the real risk profile of these loans was materially understated. The most prevalent and troubling of the breaches identified by MBIA in the loan pools of the Transactions include the following:

- * GMAC Mortgage egregiously and routinely breached its representation and warranty that the mortgage loans were underwritten generally in compliance with GMAC Mortgage's underwriting standards.

- * A significant number of mortgage loans were made on the basis of "stated incomes" that were grossly unreasonable or were approved despite DTI or CLTV ratios in excess of the cut-offs stated in GMAC Mortgage's Underwriting Guidelines or the Purchase Agreements or Prospectus Supplements.

- * Moreover, contrary to its Underwriting Guidelines, GMAC Mortgage failed in many cases to verify the borrower's employment when required to do so or to verify prior rental or mortgage payment history, approved mortgage loans with ineligible collateral, approved mortgage loans to borrowers with ineligible credit scores, and approved loans without verifying that the borrower had sufficient funds or reserves.

- * GMAC Mortgage used its proprietary automated electronic loan underwriting program, known as "Assetwise," to approve loans that did not comply with its Underwriting Guidelines. Assetwise assisted in the underwriting of mortgage loans by automating the process of determining whether a loan met pre-specified underwriting criteria set up in the program. GMAC Mortgage used the program itself and also made the program available to its affiliates. Assetwise, however, failed to analyze proposed mortgage loans using the criteria set forth in GMAC Mortgage's Underwriting Guidelines. As a result, GMAC Mortgage routinely contributed loans to the Transactions that failed to comply with its own underwriting standards.

- * GMAC Mortgage routinely breached its representation and warranty that the mortgage loan files were complete and contained all required documents and instruments. The vast majority of mortgage loan files are missing necessary mortgage loan documents, such as disclosures relating to loan transfers and notes establishing the first lien. The absence of these and other necessary documents from the loan files impedes the ability of the trustees for the Transactions to enforce their rights and remedies with respect to delinquent mortgages. The failure to maintain the required loan documentation also impairs proper servicing.

- * GMAC Mortgage breached its representation and warranty that all mortgage loans would comply with all local, state and federal laws, by furnishing, among other things, mortgage loans to the pools that violated state predatory lending laws. These laws are designed to protect borrowers from abusive lending practices by, for example, prohibiting the approval of a loan to a borrower who lacks the ability to repay.

77. MBIA's review has demonstrated that notwithstanding its representation and warranty that all loans in the pools had been underwritten generally in compliance with the Underwriting Guidelines, GMAC Mortgage in fact had failed to ensure conformity with those Guidelines. GMAC Mortgage regularly contributed loans to the pools that failed to satisfy representations and warranties setting maximum permissible DTI and CLTV ratios and requiring the maintenance of complete loan files. Most important, GMAC Mortgage routinely breached the representation and warranty that each mortgage loan had been made to a borrower who was able to repay his or her mortgage loan.

78. The following examples illustrate the types of breaches that pervade the loan pools for the Transactions:

- * On January 25, 2006, a loan in the amount of \$210,000 was made to a borrower in Vacaville, California on a property with an original appraisal value of \$460,000 and a senior loan balance of \$368,150. The borrower was employed as a correctional officer by the State of California. The loan was approved based on a DTI that was calculated using the borrower's highest reported monthly income, rather than his average income over a 33-month period, as is required by the Underwriting Guidelines. As a result, the true DTI on the loan was 65.56%, which exceeded the maximum ratio of 50% permitted under the applicable loan program. The CLTV ratio of 125.68% also exceeded the maximum CLTV ratio of 100% permitted under the Guidelines. The loan has been charged-off. (Loan # 8601487693-2004 Transaction.)

- * On April 20, 2007, a loan in the amount of \$40,000 was made to co-borrowers in Vernon, New Jersey on a property with an

original appraisal value of \$305,000 and a senior loan balance of \$244,000. The loan file is incomplete and lacks, among other documents, verbal verification of either borrower's employment, evidence of sufficient closing funds and reserves, an appraisal, a copy of the note from the senior lien, and the borrowers' credit reports. Further, the loan was approved even though the income stated by each borrower was unreasonable. One claimed to earn \$4,583 per month as a counter manager at a discount tire store though, for example, salary.com, a website which maintains a national salary database based on job title and zip code, reports that the income at the 90th percentile for such a position is only \$2,801 per month. The second borrower claimed to earn \$59,592 annually as a sales associate at a home improvement store, but an income verification database showed that the borrower earned only \$28,092 in 2006 and \$32,977 in 2007. The loan has been charged-off. (Loan # 1000117685 - 2006 Transaction.)

* On December 15, 2006, a loan in the amount of \$22,000 was made to a borrower in Medford, Oregon on a property with an original appraisal value of \$220,000 and a senior loan balance of \$176,000. The loan file is missing many documents that bear upon the borrower's ability to repay and are required to be included in the file, including: verification of down payment funds, a CPA letter, an appraisal, a twelve-month housing history, a copy of the first mortgage, a preliminary title commitment, a credit report, and the final loan application. Moreover, although the borrower, an operator at a dry wall company, had declared bankruptcy prior to applying for the loan, the loan file lacks documentation that the bankruptcy had been discharged for at least three years, as required by the Guidelines. The loan has been charged-off. (Loan # 8254682837 - 2007 Transaction.)

* On January 23, 2007, a loan with a principal balance of \$100,000 was made to a borrower in Yuma, Arizona on a property with an original appraisal value of \$298,000 and a senior loan balance of \$129,035. The borrowers claimed on their loan application that their combined income was \$113,520 per year. However, on May 12, 2009, the borrowers jointly filed for bankruptcy under Chapter 7, and their court filings indicated that they earned only \$13,085 in 2007 and \$1,650 in 2008. Moreover, no record of the borrower's claimed employer can be located on websites commonly used to verify the existence of a business: manta.com or yellowpages.com. The loan has been charged-off. (Loan # 8254730412-2007 Transaction.)

79. The gross underwriting deficiencies MBIA identified in its review establish that GMAC Mortgage breached not only its representations and warranties setting criteria for the underwriting of the mortgage loans, but also the representations and warranties in the Insurance Agreements that information about the mortgage loans furnished by GMAC Mortgage - either for inclusion in the Transaction Documents or directly to MBIA - was accurate and not untruthful or misleading in any material respect, as of the date of the information.

2. MBIA's Review Demonstrates GMAC Mortgage's Scheme To Defraud

80. The information that GMAC Mortgage provided to MBIA from its first solicitations of MBIA to provide financial guaranty insurance, was indeed false and misleading, and intentionally so. MBIA's review has made clear that the defects in the loan pools are not isolated or accidental. To the contrary, the incidence of violations of GMAC Mortgage's Underwriting Guidelines is so extraordinarily high - at least 89% of the loan files reviewed by MBIA for delinquent or charged-off loans - that it could not have been result of mere error. GMAC Mortgage induced MBIA to provide insurance for the Transactions based on blatant misrepresentations of the true state of the characteristics of the loans and loan pools.

81. MBIA's review demonstrates that the loan tapes GMAC Mortgage provided to MBIA, as a means of inducing MBIA's participation in the Transactions, are replete with false statistics relating to individual loans. In many instances, DTI and CLTV ratios are falsely understated in the tapes. Schedules provided to MBIA, which also were reproduced in the Offering Documents, contain pool-level statistics about DTI and CLTV ratios that are likewise materially false. The DTI ratios are materially false and misleading because the monthly income has been falsely overstated or monthly debt obligations falsely understated. The CLTV ratios are materially false and misleading because, among other things, the value of the underlying collateral has been falsely overstated.

82. The Prospectus Supplements provided to MBIA also contain representations that are materially false and misleading. They reproduce schedules that purport to describe the loan pool but contain false data about FICO scores, DTI and CLTV. They falsely state that the mortgage loans contributed to the Transactions were underwritten generally in compliance with GMAC Mortgage's underwriting standards and fail to disclose that GMAC Mortgage regularly contributed non-compliant loans to the pools. The Prospectus Supplements represent that loans were generally originated subject to a maximum total monthly DTI

ratio of 45% and a maximum CLTV ratio of 100%, when in truth GMAC Mortgage frequently added to the pools loans with DTI and CLTV ratios exceeding these cut-offs.

83. The Prospectus Supplements also falsely state that once all applicable employment, credit, and property information had been received, a determination had been made as to the borrower's ability to meet his or her monthly obligations. MBIA's review of loan files establishes that instead, the loan underwriter routinely failed to collect applicable employment, credit, and property information and also regularly failed to make determinations that the borrower had the ability to repay his or her mortgage loan.

84. The shadow ratings GMAC Mortgage caused to be provided to MBIA, with knowledge MBIA would rely on them, were also intended to deceive. GMAC Mortgage obtained shadow ratings of the level it knew that MBIA would require - BBB- or the equivalent - by knowingly providing to the rating agencies the same false loan tapes and pool-level data that it provided to MBIA. GMAC Mortgage knew that the rating agencies would rely on the false information, including false data about key characteristics of the mortgage loans and the loan pools, and as a result issue falsely inflated shadow ratings. By supplying false information to Moody's Investors Service and Standard & Poor's, GMAC Mortgage ensured that MBIA would be provided with artificial shadow ratings that concealed from MBIA the true risk in the loan pools.

85. Importantly, GMAC Mortgage knew that MBIA would not only rely on GMAC Mortgage's false representations but would be unable to detect any falsity. MBIA was prevented from discovering the scheme to defraud before being induced to enter the Insurance Agreements because: (1) MBIA had no contractual right or meaningful opportunity to review loan origination files before closing; (2) MBIA followed the industry practice of relying on the sponsor's representations and warranties about the matters within the sponsor's special expertise and unique knowledge, namely the mortgage loans and the Underwriting Guidelines under which they were originated; and (3) MBIA placed trust and confidence in GMAC Mortgage, as a result of a business relationship based upon on MBIA having provided insurance in connection with eight prior GMAC Mortgage-sponsored securitizations in the preceding five years. GMAC Mortgage capitalized on MBIA's inability to discover the falsity of GMAC Mortgage's representations by passing the risks embedded in the loan pools to unwitting investors and, ultimately, to MBIA.

3. MBIA Is Entitled To Recover All Past and Future Claims Payments, at a Minimum

86. Beginning in May 2009, in an attempt to recoup some of the massive losses that GMAC Mortgage had transferred to it, MBIA initiated the Putback Procedure. MBIA began notifying GMAC Mortgage, in writing and with specificity, of the nature of the contract breaches MBIA had discovered and the factual support for its conclusions. As of today, MBIA has sent 25 letters to GMAC Mortgage, requesting that GMAC Mortgage cure, repurchase, or replace with eligible loans a total of 3,669 mortgage loans that were found not to be in compliance with GMAC Mortgage's representations and warranties. These loans have an aggregate initial principal balance of approximately \$244 million,

87. To date, GMAC Mortgage has agreed to repurchase a token 28 of these 3,669 loans. In its responses to MBIA's letters, GMAC Mortgage takes positions that are contrary to the representations it made in the Transaction Documents. As just one example, and as described above in paragraph 78, GMAC Mortgage now claims that loans originated through use of its automated underwriting program are excused from that representation and warranty, despite having represented and warranted that all of the mortgage loans were underwritten in general compliance with GMAC Mortgage's underwriting standards.

88. GMAC Mortgage's unreasonable and arbitrary refusal to fulfill its obligations of cure, repurchase, or substitution highlights the inadequacy of the Putback Procedure to redress the harm suffered by MBIA. The Putback Procedure assumes isolated and accidental breaches of loan-level representations and warranties. By contrast, GMAC Mortgage's deliberate contribution of non-compliant loans to the Transactions breached representations and warranties so fundamental that the very heart of the bargain struck by the parties has been pierced. GMAC Mortgage breached transaction-level representations and warranties, contained in the Insurance Agreements that it would furnish information to MBIA and for inclusion in the Transaction Documents about the mortgage loans that was accurate and not untruthful or misleading in any material respect. GMAC Mortgage's

breach of its representation and warranty about the quality of the underwriting used to originate the loans has also been so pervasive and extreme that it has deprived MBIA of any benefit of having entered into the Insurance Agreements.

89. Moreover, GMAC Mortgage's conduct in fraudulently inducing MBIA to provide insurance for the Transactions, based on representations about the loans and loan pools that GMAC Mortgage knew to be untrue, entitles MBIA to be returned to the position it would have been in had it not entered into the Insurance Agreements. MBIA has been, and will continue to be, required to satisfy its obligations under the Insurance Agreements and Policies by making payments to cover shortfalls in cash flows to the trusts. As of December 31, 2009, MBIA had paid approximately \$132 million in claims in connection with the Transactions, while receiving approximately \$12.5 million in premiums. MBIA is exposed to additional claims because additional loans continue to go delinquent or be charged off every month. To place MBIA in the position it would have occupied absent GMAC Mortgage's fraud and breaches of contract, GMAC Mortgage must pay to MBIA, at a very minimum, all claims payments made to date and all future claims payments under the Policies.

G. GMAC Mortgage's Breaches of Its Servicing Obligations

90. Finally, GMAC Mortgage has compounded the harm it has inflicted on MBIA by breaching its representations and warranties that as Servicer, it would: (1) provide prompt written notice to MBIA if it was aware of loans in the pools that failed to conform with GMAC Mortgage's representations and warranties in a manner that materially and adversely affected MBIA's interests; and (2) make reasonable efforts to collect all payments due from borrowers and service loans in a manner consistent with its own servicing guidelines.

91. GMAC Mortgage has not provided MBIA with notice of the non-conforming loans MBIA uncovered through its review, although as originator, owner, and servicer of the loans, GMAC Mortgage was well aware that such loans pervaded the pools and materially and adversely affected MBIA's interests.

92. In October 2009, MBIA exercised its right under the Servicing Agreements to terminate GMAC Mortgage as Servicer on all three Transactions. The termination was based on the occurrence of a Servicing Default on the part of GMAC Mortgage, which was triggered when a certain measure of loss of aggregate principal balance exceeded a limit specified in the Servicing Agreements.

93. Since the termination of GMAC Mortgage as Servicer, MBIA has reviewed records relating to the servicing of the loans contributed to the Transactions. While again MBIA has yet to gain access to all relevant records, this review has brought to light that GMAC Mortgage employed wholly deficient servicing practices and made only perfunctory efforts to service the loans properly. In essence, after deliberately and routinely selling non-compliant loans into the pools and fraudulently procuring insurance to protect investors from shortfalls in payments to the trust, GMAC Mortgage walked away from its contractual obligation to make reasonable efforts to collect payments from borrowers to be used as cash flows for the trusts. It collected fees as Servicer, while providing loan servicing so defective that it increased the losses inflicted on the trust, investors, and ultimately MBIA by GMAC Mortgage's fraud and breaches of representations and warranties relating to the quality of the loans and loan pools.

94. MBIA's review revealed, most fundamentally, that GMAC Mortgage allocated resources and staff that were entirely inadequate to service and administer the loans in the Transactions effectively. As a result, servicing of the mortgage loans was overly passive. GMAC Mortgage failed to treat borrowers and loans individually, and failed to maintain records sufficient to support reasonable servicing efforts. Delinquent loans advanced to the stage of charge-off without adequate exploration of means of collecting some part of the payments owed.

95. Among the host of unreasonable and substandard practices that have been revealed by MBIA's review are GMAC Mortgage's: (1) failure to initiate and document contact with borrowers, or to follow up after successful initial contact; (2) failure to discuss loss mitigation with borrowers when delinquency was reasonably foreseeable; (3) failure to monitor and record information bearing on loss mitigation, such as the reasons for delinquency or default, the status of the senior lien holder, and the

progress of loss mitigation efforts; (4) failure to conduct property inspections as a means of, among other things, locating the borrower or valuing the property; (5) over-reliance on mass offerings of settlements, often with the result that a non-responsive borrower was rewarded with increasingly favorable terms; and (6) failure to monitor foreclosure sale activities.

96. GMAC Mortgage neglected its duties as Servicer in order to further its own interests at the expense of MBIA, among others. GMAC Mortgage's decision to allocate inadequate resources and staff to service the loan pools allowed it to minimize its own operating costs without suffering adverse consequences itself, because GMAC Mortgage no longer bore the risk of losses from delinquencies and charge-offs that it had fraudulently induced MBIA to accept. In the meantime, GMAC Mortgage collected servicing fees equal to 0.50% per annum of the outstanding principal balance of the loan pools, or at least \$42 million. It collected late payment fees and charges that likely were increased through its own inactivity, including its failure to modify loans so as to maximize collections.

97. MBIA has suffered significant harm as a result of GMAC Mortgage's breaches of the Servicing Agreements, and it is entitled to be compensated for the damages inflicted by GMAC Mortgage.

FIRST CAUSE OF ACTION

(Fraud)

98. MBIA repeats and realleges, as if set forth herein, the allegations of all of the preceding paragraphs.

99. GMAC Mortgage intentionally misrepresented existing material facts to induce MBIA to enter into the Insurance Agreements, both in documentation provided to MBIA before each Transaction closed and also at the time of execution of each Insurance Agreement.

100. GMAC Mortgage intentionally misrepresented existing material facts, before closing and while soliciting MBIA's participation in the Transactions, in requests for bids, loan tapes, and loan schedules that GMAC Mortgage either transmitted or caused to be transmitted to MBIA. Among these transmittals of requests for bids, loan tapes, and loan schedules to GMAC Mortgage were:

- * a materially false and misleading loan tape for the 2004 Transaction, by email dated October 12, 2004;
- * a materially false and misleading schedule for the 2004 Transaction, by email dated October 12, 2004;
- * a materially false and misleading bid request, loan tape, and schedule for the 2006 Transaction, by email dated September 11, 2006;
- * a materially false and misleading revised loan tape for the 2006 Transaction, by email dated September 13, 2006;
- * a materially false and misleading bid request, loan tape, and schedule for the 2007 Transaction, by email dated March 8, 2007; and
- * a materially false and misleading revised loan tape for the 2007 Transaction, by email dated March 12, 2007.

101. The materially false and misleading information contained in the loan tapes that GMAC Mortgage provided to MBIA included misrepresentations related to the characteristics of individual mortgage loans and borrowers, including FICO scores, DTI, and CLTV. The loan schedules presented materially false and misleading pool-level data, including weighted averages of FICO scores, DTI, and CLTV. In both loan tapes and schedules, statistics relating to DTI and CLTV were materially understated. In particular, the DTI ratios were materially false and misleading because the monthly income had been falsely overstated or monthly debt obligations falsely understated. The CLTV ratios were materially false and misleading because, among other things, the value of the underlying collateral was falsely overstated.

102. GMAC Mortgage also intentionally misrepresented existing material facts, before closing and while soliciting MBIA's participation in the Transactions, in Prospectus Supplements that it either transmitted or caused to be transmitted to MBIA. Among these transmittals of Prospectus Supplements were:

- * a materially false and misleading initial Prospectus Supplement for the 2006 Transaction, by email dated September 19, 2006;

- * a materially false and misleading final Prospectus Supplement for the 2006 Transaction, by email dated September 25, 2006;
- * a materially false and misleading initial Prospectus Supplement for the 2007 Transaction, by email dated March 21, 2007; and
- * a materially false and misleading final Prospectus Supplement for the 2007 Transaction, by email dated March 28, 2007.

103. The materially false and misleading information contained in the initial and final Prospectus Supplements that GMAC Mortgage provided to MBIA included reproductions of the same schedules that GMAC Mortgage provided to MBIA, containing false data about FICO scores, DTI, and CLTV. The Prospectus Supplements falsely state that the mortgage loans contributed to the Transactions were underwritten generally in compliance with GMAC Mortgage's standards and fail to disclose that GMAC Mortgage regularly contributed non-compliant loans to the pools. The Prospectus Supplements falsely represent that loans were generally originated subject to a maximum total monthly DTI ratio of 45% and a maximum CLTV ratio of 100%, when in truth GMAC Mortgage frequently contributed loans with DTI and CLTV ratios exceeding these cut-offs to the pools. The Prospectus Supplements falsely state that once all applicable employment, credit, and property information had been received, a determination had been made as to the borrower's ability to meet his or her monthly obligations. In truth, GMAC Mortgage routinely failed to collect applicable employment, credit, and property information and also regularly failed to make determinations that the borrower had the ability to repay his or her mortgage loan.

104. MBIA reasonably relied to its detriment on GMAC Mortgage's representations in the bid requests, loan tapes, schedules, and initial and final Prospectus Supplements. As GMAC Mortgage knew, MBIA did not have a contractual right to review loan origination files before closing, nor any meaningful opportunity to do so. GMAC Mortgage also knew that the industry practice was for a financial guaranty insurer to rely upon the representations and warranties of the sponsor regarding the quality of the mortgage loans and the standards under which they were originated, rather than to carry out a loan-by-loan review of thousands or tens of thousands of loan origination files.

105. GMAC Mortgage further intentionally misrepresented existing material facts, while soliciting MBIA's participation in the Transactions, by either transmitting or causing to be transmitted to MBIA false and misleading shadow ratings upon which MBIA reasonably relied. GMAC Mortgage knew that MBIA would not furnish financial guaranty insurance unless the rating agencies provided credit ratings of BBB- or the equivalent for each Transaction. GMAC Mortgage thus deliberately procured falsely inflated shadow ratings by conveying to Moody's Investors Service and Standard & Poor's the same false and misleading loan tapes that it had transmitted to MBIA, together with false pool-level data derived from the loan-level information in the tapes. GMAC Mortgage well knew that the rating agencies would rely on the false information and data in generating estimates of potential losses and thus issue false and inflated shadow ratings. The rating agencies thus issued to MBIA shadow ratings based on GMAC Mortgage's false representations on the following occasions, among others:

- * shadow rating of BBB- for the 2006 Transaction, by letter from Standard & Poor's dated September 27, 2006;
- * shadow rating of Baa3 for the 2006 Transaction, by letter from Moody's Investors Service dated September 27, 2006;
- * shadow rating of BBB for the 2007 Transaction, by email from Standard & Poor's dated March 28, 2007; and
- * shadow rating of Baa3 for the 2007 Transaction, by facsimile from Moody's Investors Service dated March 29, 2007.

106. GMAC Mortgage's false representations in the requests for bids, loan tapes, schedules, initial and final Prospectus Supplements, and shadow ratings, were material - indeed essential - to MBIA's decision to enter into the Insurance Agreements. MBIA never would have agreed to provide any of the Policies had it known that GMAC Mortgage's representations about characteristics of the mortgage loans and mortgage loan pools were false. It would not have entered into the Insurance Agreements had it been aware that GMAC Mortgage had omitted to state that it had routinely contributed loans to the Transactions: (1) that were not originated generally in compliance with GMAC Mortgage's Underwriting Guidelines; (2) that failed to meet cut-offs set out in the initial and final Prospectus Supplements and Purchase Agreements for DTI and CLTV ratios; and as to which (3) there had been no determination, once all applicable employment, credit, and property information had been received, that the borrower had the ability to repay the loan. Absent a shadow rating of at least BBB- or the equivalent, MBIA would not have agreed to provide the Policies.

107. GMAC Mortgage also intentionally misrepresented existing material facts with respect to and at the time of execution of each Insurance Agreement. Specifically, GMAC Mortgage falsely represented:

- * All of the mortgage loans were underwritten generally in accordance with GMAC Mortgage's underwriting standards;

* Under GMAC Mortgage's Underwriting Guidelines, the mortgage loans were generally originated with a maximum total monthly DTI ratio of 45%;

* Under GMAC Mortgage's Underwriting Guidelines, the CLTV ratio of each mortgage loan was generally not in excess of 100%; and

* For each of the mortgage loans in the Transactions, and after all applicable employment, credit, and property information was received, a determination had been made that the borrower was able to meet his or her monthly loan payments and other expenses related to the home, such as taxes, insurance, and debt service on senior liens.

108. These representations - like the misrepresentations GMAC Mortgage made before closing - were materially false. In truth, GMAC Mortgage consistently originated and acquired mortgage loans that failed to comply with its Underwriting Guidelines, and routinely and deliberately contributed such non-compliant loans to the Transactions. These misrepresentations of existing fact conveyed by means of the Insurance Agreements were material - indeed essential - to MBIA's decision to enter into the Insurance Agreements. MBIA never would have agreed to provide any of the Policies had it known that the pools were replete with loans that were not originated in compliance with GMAC Mortgage's Underwriting Guidelines, that GMAC Mortgage had routinely failed to ensure that loans contributed to the pools satisfied DTI and CLTV cut-offs set forth in the Transaction Documents, or that there had been routine failures to make determinations of a borrower's ability to satisfy his or her monthly obligations, before originating the loans.

109. As a result of knowing misrepresentations it made before and at closing, GMAC Mortgage intended to, and did, defraud MBIA into issuing the Policies for the Transactions. GMAC Mortgage defrauded MBIA so that it could sell mortgage loans it had acquired or originated and also earn fees for servicing those loans after their securitization, while simultaneously passing the risks embedded in the non-compliant loans to MBIA.

110. As a direct result of, and in reliance upon, GMAC Mortgage's misrepresentations, MBIA issued the Policies, requiring MBIA to pay, to its substantial detriment, insurance claims in an amount in excess of \$132 million. MBIA is exposed to further liabilities because delinquencies and charge-offs continue to occur in the loan pools.

111. Due to GMAC Mortgage's fraud, MBIA has incurred, and will continue to incur, damages in an amount to be determined at trial. Further, MBIA is entitled to recover punitive damages, because GMAC Mortgage committed its fraudulent acts maliciously, wantonly, and oppressively, and with knowledge that the consequences of its conduct would affect the general public.

SECOND CAUSE OF ACTION

(Negligent Misrepresentation)

112. MBIA repeats and realleges, as if set forth herein, the allegations of all of the preceding paragraphs.

113. In connection with MBIA's issuance of the Policies, GMAC Mortgage had a duty to communicate accurate and complete information to MBIA. This duty arose out of GMAC Mortgage's special relationship of trust and confidence with MBIA. By late 2004, when MBIA was deciding whether to provide insurance for the 2004 Transaction, MBIA had provided insurance for eight GMAC Mortgage-sponsored securitizations of second-lien mortgage loans since 1999. These prior securitizations also involved specifically prime HELOC or closed-end second-lien mortgages.

114. GMAC Mortgage misrepresented existing material facts with respect to the Transactions. It misrepresented that loans contributed to the pools were generally originated in compliance with GMAC Mortgage's Underwriting Guidelines and that data regarding the mortgage loans, including statistics relating to the borrower's FICO score, DTI, and CLTV, were accurate. It misrepresented that after all applicable employment, credit, and property information was received, a determination had been made that the borrower was able to meet his or her monthly loan payments and other expenses related to the home.

115. GMAC Mortgage possessed clear and reasonable grounds for believing or determining that its representations were ma-

terially false and should have known that its representations were materially false. GMAC Mortgage was the originator and/or owner of all loans contributed to the pools and indeed had unique knowledge and expertise about the manner in which the loans had been originated.

116. GMAC Mortgage knew or should have known that MBIA would rely on GMAC Mortgage's materially false representations and that those representations were essential and material to MBIA's decision to issue the Policies. GMAC Mortgage knew that the information it provided to MBIA, including the requests for bids, loan tapes, loan schedules, and initial and final Prospectus Supplements, was critical to MBIA's decision whether to enter into the Insurance Agreements. GMAC Mortgage knew that MBIA was not aware and could not reasonably have been aware of the falsity of GMAC Mortgage's representations, because GMAC Mortgage's knowledge and expertise were unique and special. GMAC Mortgage had unique and special knowledge and expertise regarding both the underwriting of mortgage loans generally, and the underwriting of the mortgage loans in the loan pools for the Transactions. MBIA is not a mortgage loan originator and did not originate any of the loans contributed to the Transactions. GMAC Mortgage also knew that MBIA followed the industry practice of requiring the sponsor to provide representations and warranties about the mortgage loans and the Underwriting Guidelines under which they were originated.

117. Accordingly, GMAC Mortgage acted either recklessly or negligently in making the materially false representations to MBIA with respect to the underwriting of the mortgage loans GMAC Mortgage contributed to the mortgage loan pools.

118. MBIA reasonably relied to its detriment on GMAC Mortgage's misrepresentations. MBIA had no contractual right to review loan origination files before closing, nor any meaningful opportunity to do so. MBIA reasonably followed the industry standard of relying on a sponsor's representations and warranties regarding the quality of the loans and the standards under which loans were originated, rather than attempting to re-underwrite thousands or tens of thousands of loans before closing. Finally, MBIA placed trust and confidence in GMAC Mortgage, as a result of a business relationship based upon at least eight prior GMAC Mortgage-sponsored securitizations for which MBIA had provided insurance since 1999.

119. Had MBIA known about GMAC Mortgage's significant and substantial misrepresentations, MBIA would not have issued the Policies.

120. As a proximate result of its reasonable reliance on GMAC Mortgage's reckless or negligent misrepresentations, MBIA issued the Policies, requiring MBIA to pay, to its substantial detriment, sizable insurance claims and to remain exposed to future liabilities.

121. As a result of GMAC Mortgage's negligent misrepresentations, MBIA has incurred, and will continue to incur, damages in an amount to be determined at trial.

THIRD CAUSE OF ACTION

(Breach of Contract: Insurance Agreements)

122. MBIA repeats and realleges, as if set forth herein, the allegations of all of the preceding paragraphs.

123. In the Insurance Agreements GMAC Mortgage made extensive representations and warranties concerning the loans that GMAC Mortgage contributed to the pools, the accuracy of the information that it provided for inclusion in the Transaction Documents or to MBIA, and the remedies to which MBIA would be entitled if GMAC Mortgage breached its representations and warranties.

124. GMAC Mortgage's representations and warranties were material to MBIA's decision to insure each of the Transactions. GMAC Mortgage's compliance with its representations and warranties was and is necessary to assure MBIA of the benefit of its bargain.

125. GMAC Mortgage has materially breached the Insurance Agreements. In Section 2.01(j) of the Insurance Agreements, GMAC Mortgage represented and warranted that any information relating to the mortgage loans that it furnished for inclusion in the Transaction Documents, or to MBIA, was accurate and not misleading, as of the dates reflected therein. GMAC Mortgage breached these representations and warranties by: (1) furnishing for inclusion in the Transaction Documents false and misleading statements, including the statement that the mortgage loans contributed to the Transactions were underwritten generally in accordance with 47 GMAC Mortgage's underwriting standards; and (2) giving MBIA false and misleading information, including requests for bids, loan tapes, schedules, and initial and final Prospectus Supplements that provided materially false statistics relating to DTI and CLTV, among other false information, and shadow ratings that were artificially inflated.

126. GMAC Mortgage breached its representation and warranty, contained in Section 2.01(m) of the Insurance Agreements, that each of the representations and warranties contained in the Transaction Documents to which it is a party is true and correct in all material respects. Specifically, GMAC Mortgage breached numerous representations and warranties it made in the Purchase Agreements, including that each mortgage loan file was complete, that the information in schedules furnished by GMAC Mortgage was true and correct in all material respects, and that the CLTV ratio for each mortgage loan was not in excess of 100%. It breached representations and warranties made in the initial and final Prospectus Supplements that all of the mortgage loans were underwritten generally in accordance with GMAC Mortgage's underwriting standards, that loans were generally originated with a maximum DTI ratio of 45% and CLTV ratio of 100%, and that once all applicable employment, credit, and property information had been received, a determination had been made that the borrower had sufficient monthly income available to meet monthly obligations, including payments on the proposed mortgage loan.

127. These breaches of GMAC Mortgage's transaction-level representations and warranties strike at the heart of the Insurance Agreements. Had MBIA known that GMAC Mortgage had furnished false and misleading information for inclusion in the Transaction Documents or to MBIA, or had routinely contributed loans to the Transactions that had not been originated generally in compliance with GMAC Mortgage's Underwriting Guidelines, MBIA would not have entered into the Insurance Agreements.

128. GMAC Mortgage has also materially breached the Insurance Agreements by: (1) failing to provide MBIA with access to information reasonably requested by MBIA; and (2) failing to honor its covenant not to interfere with MBIA's enforcement of its rights under the Transaction Documents. Specifically, GMAC Mortgage has breached the Insurance Agreements by refusing MBIA's requests for copies of complete versions of the GMAC Mortgage Underwriting Guidelines. It has failed to provide, for each Transaction and despite MBIA's written request, monthly loan-level collateral performance tapes for each month preceding early 2008.

129. GMAC Mortgage's breaches constitute Events of Default under the Insurance Agreements.

130. MBIA has fully complied with its obligations under the Transaction Documents, the Insurance Agreements, and the Policies.

131. MBIA has incurred and will continue to incur damages, including without limitation interest and reasonable attorneys' and accountants' fees and expenses in an amount to be determined at trial.

132. Pursuant to Section 3.04 of the Insurance Agreements, GMAC Mortgage agreed to indemnify MBIA for these liabilities when they arise out of the breach by [GMAC Mortgage] ... of any representation or warranty... under any of the Transaction Documents to which it is a party."

133. Accordingly, MBIA seeks declaratory judgment that GMAC Mortgage is required: (1) to reimburse MBIA for all claims payments made to date and all future claims payments under the Policies; and (2) to indemnify MBIA for any and all payments made as a result of GMAC Mortgage's breaches of its representations and warranties in the Insurance Agreements.

FOURTH CAUSE OF ACTION

(Breach of Contract: Servicing Agreement)

134. MBIA repeats and realleges, as if set forth herein, the allegations of all of the preceding paragraphs.

135. In October 2009, MBIA exercised its right under the Servicing Agreements to terminate GMAC Mortgage as Servicer, in all three Transactions. Since that time, GMAC Mortgage has not serviced the mortgage loans underlying the Transactions.

136. In each Transaction, GMAC Mortgage was required to give MBIA prompt, written notice if it became aware that loans failed to conform with its representations and warranties in the Purchase Agreements in a manner that “materially and adversely affects” MBIA's interests.

137. In each Transaction, GMAC Mortgage was required to make reasonable efforts to collect all payments due from borrowers and service loans in a manner consistent with its own servicing guidelines. As Servicer, GMAC Mortgage was required to employ, in its good faith business judgment, all of its “normal and usual” servicing procedures.

138. GMAC Mortgage failed to give notice of loans failing to conform with its representations and warranties in the Purchase Agreements, and materially and adversely affecting MBIA's interests, even though it was fully aware, from the inception of the Transactions, that the pools were replete with non-conforming loans that materially and adversely affected MBIA's interests.

139. GMAC Mortgage also failed to make reasonable efforts to collect all payments due from borrowers. GMAC Mortgage employed wholly deficient servicing practices and made only perfunctory efforts to collect payments from borrowers. The resources that GMAC Mortgage allocated to servicing the loan pools fell far short of being adequate to fulfill its contractual obligation. As a result of the lack of resources, the servicing of the mortgage loans was overly passive. GMAC Mortgage failed to treat borrowers and loans individually, and failed to maintain records sufficient to support reasonable servicing efforts.

140. The material deficiencies in GMAC Mortgage's servicing included: (1) failure to initiate and document contact with borrowers, or to follow up after successful initial contact; (2) failure to discuss loss mitigation with borrowers when delinquency was reasonably foreseeable; (3) failure to monitor and record information bearing on loss mitigation, such as the reasons for delinquency or default, the status of the senior lien holder, and the progress of loss mitigation efforts; (4) failure to conduct property inspections as a means of, among other things, locating the borrower or valuing the property; (5) over-reliance on mass offerings of settlements, often with the result that a non-responsive borrower was rewarded with increasingly favorable terms; and (6) failure to monitor foreclosure sale activities.

141. GMAC Mortgage's improperly inactive approach resulted in delinquent loans advancing to the stage of charge-off without adequate exploration of means of collecting some part of the payments owed. GMAC Mortgage's failure to devote adequate resources to collection efforts also exploited its role as a collector of funds for the trusts, because GMAC Mortgage made gains at the expense of MBIA and investors. GMAC Mortgage wrongly minimized the expense to itself while disregarding its obligation to seek returns for the trusts, for the benefit of investors.

142. MBIA has fully complied with its obligations under the Transaction Documents and the Insurance Agreements,

143. GMAC Mortgage's breaches of the Servicing Agreements have caused substantial harm and damages to MBIA, in an amount to be proved at trial, but at a minimum including substantially higher claims on Policies and other losses and expenses.

FIFTH CAUSE OF ACTION

(Breach of Contract: Repurchase Obligation)

144. MBIA repeats and realleges, as if set forth herein, the allegations of all of the preceding paragraphs.

145. Pursuant to the Servicing Agreements, if MBIA determines that, with respect to any loan, GMAC Mortgage breached its representations and warranties in the Purchase Agreements in a manner that “materially and adversely affect [ed] the interests of the Securityholders or the Enhancer [i.e., MBIA],” MBIA may notify GMAC Mortgage of the presence of such breach. Upon such notice, GMAC Mortgage has 90 days to: (1) cure the breach; (2) repurchase the mortgage loan; or (3) substitute one or more eligible loans for the mortgage loan. Under the terms of the Putback Procedure, however, substitution is only permitted within a two-year period following the closing date of the Transaction. The Putback Procedure is not an exclusive remedy and does not apply to breaches of the Insurance Agreements.

146. MBIA has provided GMAC with 25 notices of breach by letters dated May 15, 2009; May 19, 2009; May 26, 2009; June 4, 2009; June 10, 2009; June 15, 2009; June 22, 2009; June 30, 2009; July 7, 2009; July 28, 2009; July 29, 2009; August 6, 2009; August 12, 2009; August 18, 2009; August 26, 2009; September 1, 2009; September 9, 2009; September 15, 2009; September 22, 2009; September 30, 2009; October 9, 2009; October 14, 2009; February 16, 2010; February 22, 2010; and March 10, 2010. MBIA notified GMAC of specific deficiencies in 3,669 individual loans in these putback requests, which are hereby incorporated by reference. These letters notified GMAC Mortgage of loans that were in breach of one or more of GMAC Mortgage's representations and warranties set forth in the Purchase Agreements and that such breaches materially and adversely affected the interests of MBIA.

147. MBIA continues to notify GMAC Mortgage of additional loans that are discovered to be in breach of one or more of GMAC Mortgage's representations and warranties. Additional loans continue to become delinquent or are charged-off every month. On information and belief, such delinquencies and charge-offs will continue through the date of trial in this action and beyond.

148. The mortgage loans identified in MBIA's notices failed to comply with one or more of the representations and warranties made by GMAC Mortgage in the Purchase Agreements. For example, many of the loan files relating to the mortgage loans were incomplete and lacked required documentation and instruments, including mortgage notes, disclosures relating to the sale of the mortgage loans, disclosures relating to the transfer of servicing for the mortgage loans, documents confirming appropriate reserves, and documents relating to the appraisal. Mortgage loans were underwritten in violation of the representation and warranty that the CLTV ratio would not exceed 100%. GMAC Mortgage also approved loans that did not comply with applicable local, state, and federal laws, including applicable predatory lending laws.

149. MBIA has incurred, and will continue to incur, damages in an amount to be determined at trial. For the vast majority of the mortgage loans identified in MBIA's letters, GMAC Mortgage has neither cured the material breaches nor repurchased or substituted eligible mortgage loans as required by the Putback Procedure. By failing either to cure the defective aspects of the non-compliant mortgage loans identified in MBIA's letters or to repurchase or substitute those non-compliant mortgage loans, GMAC Mortgage has caused MBIA to incur payments for shortfalls in cash flows to investors when, in fact, such shortfalls should properly be paid by GMAC Mortgage. In addition, MBIA expects that because delinquencies and charge-offs continue to occur, it will continue to make payments under the Insurance Agreements due to the true quality of the mortgage loans, which GMAC Mortgage misrepresented to MBIA in obtaining the Policies.

150. MBIA also has incurred, and will continue to incur, significant fees for professional services, including attorneys' fees, to engage in, and enforce GMAC Mortgage's obligations under, the Putback Procedure. Pursuant to Section 3.03 of the Insurance Agreements, GMAC Mortgage agreed to indemnify MBIA for these payments, when made as a result of GMAC Mortgage's failure to comply with the Transaction Documents, including, without limitation, GMAC Mortgage's failure to comply with the Putback Procedure.

151. MBIA has fully complied with its obligations under the Transaction Documents, the Insurance Agreements, and the

Policies.

152. Accordingly, MBIA seeks declaratory judgment that GMAC Mortgage is required: (1) to repurchase the mortgage loans identified in MBIA's notices; (2) to repurchase any additional mortgage loans that breach the applicable representations and warranties; and (3) to indemnify MBIA for any and all payments made as a result of GMAC Mortgage's breaches of its representations and warranties, including GMAC Mortgage's failure to comply with the Putback Procedure.

SIXTH CAUSE OF ACTION

(Breach of Contract - Good Faith and Fair Dealing)

153. MBIA repeats and realleges, as if set forth herein, the allegations of all of the preceding paragraphs.

154. Under the Insurance Agreements, the Purchase Agreements, and the Servicing Agreements, GMAC Mortgage is required to comply with the covenant or duty of good faith and fair dealing that is implied in all contracts.

155. The Insurance Agreements and the Transaction Documents incorporated therein are built on the premise that, as GMAC Mortgage affirmatively represented, the mortgage loans had been evaluated consistently with the underwriting standards of GMAC Mortgage. The Insurance and Servicing Agreements are founded on the understanding that GMAC Mortgage, a Servicer, would make reasonable servicing efforts. GMAC Mortgage encouraged trust and reliance on its underwriting and servicing precisely because of its expertise and experience.

156. The implied duty of good faith and fair dealing required application of underwriting and servicing standards consistent with MBIA's understanding and with GMAC Mortgage's awareness of what MBIA had understood about those standards.

157. GMAC Mortgage breached its duty of good faith and fair dealing by knowingly, and in bad faith, deliberately and routinely contributing mortgage loans to the pools that had not been originated in accordance with GMAC Mortgage's underwriting standards.

158. GMAC Mortgage further breached its implied duty of good faith and fair dealing by failing in good faith to employ loan servicing procedures consistent with servicing industry standards, or make efforts to collect all payments due from borrowers.

159. GMAC Mortgage also breached its implied duty of good faith and fair dealing by failing to provide MBIA with access to information reasonably requested by MBIA, such as the complete versions of the GMAC Mortgage Underwriting Guidelines. The Insurance Agreements are based on the premise that GMAC Mortgage will not affirmatively frustrate MBIA's ability to enforce its contractual rights. GMAC Mortgage's bad faith withholding of information relating to the mortgage loans, and the standards under which those loans were underwritten, has impermissibly interfered with MBIA's enforcement of its rights.

160. Had MBIA known of the true risk profile of the loan pools in the Transactions, or that GMAC Mortgage would fail to undertake reasonable servicing efforts or refuse access to information necessary for MBIA to enforce its contractual rights, MBIA would not have issued the Policies. GMAC Mortgage's breach of its implied duty of good faith and fair dealing has deprived MBIA of the benefit of having entered into the Insurance Agreements.

161. MBIA has fully complied with its obligations under the Transaction Document the Insurance Agreements, and the Policies.

162. As a result of GMAC Mortgage's breach of the implied covenant of good faith and fair dealing, MBIA has incurred, and will continue to incur, damages including, without limitation, interest and reasonable attorneys' and accountants' fees and expenses. GMAC Mortgage is responsible for all losses incurred by MBIA whether or not such losses relate directly to

non-compliant mortgage loans.

PRAYER FOR RELIEF

WHEREFORE MBIA prays for relief as follows:

a. For an award of damages against GMAC Mortgage, in an amount to be proven at trial, but including at a minimum:

- i. MBIA's payments on current and future claims under the Policies;
- ii. MBIA's compensatory and consequential losses, including lost profits and business opportunities;
- iii. Indemnification for MBIA's attorneys' fees, costs, and expenses associated with enforcing its legal rights under the Transaction Documents;
- iv. Punitive damages; and
- v. Pre-judgment interest at the maximum legal rate.

b. For a declaratory judgment that GMAC Mortgage is required: (1) to repurchase the mortgage loans identified in MBIA's notices; (2) to repurchase any additional mortgage loans that breach the applicable representations and warranties; and (3) to indemnify MBIA for any and all payments made as a result of GMAC Mortgage's failure to comply with the Putback Procedure.

c. For a declaratory judgment that GMAC Mortgage is required to reimburse MBIA for all claims payments made to date and all future claims payments under the Policies, and to indemnify MBIA for any and all payments made as a result of GMAC Mortgage's breaches of the representations and warranties in the Insurance Agreements.

d. Such other and further relief as the Court may deem just and proper.

DATED: New York, New York April 1, 2010

QUINN EMANUEL URQUHART & SULLIVAN, LLP

By:

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Philippe Z. Selendy

Christine H. Chung

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(212) 849 7000

Attorneys for MBIA Insurance Corporation

END OF DOCUMENT

EXHIBIT OO

Exhibit 1

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----)	
In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
-----)	

**ORDER GRANTING DEBTORS' MOTION PURSUANT TO FED. R. BANKR. P. 9019
FOR APPROVAL OF THE RMBS TRUST SETTLEMENT AGREEMENTS**

1. Upon consideration of *Debtors' Motion Pursuant to Fed. R. Bankr. P. 9019 for Approval of RMBS Trust Settlement Agreements* (the "Initial Motion") of the above-captioned debtors and debtors in possession (collectively, the "Debtors" and each, a "Debtor") for entry of an order granting Debtors' Motion Pursuant to Fed. R. Bankr. P. 9019 for Approval of the RMBS Trust Settlement Agreements and the *Debtors' Supplemental Motion Pursuant to Fed. R. Bankr. P. 9019 for Approval of RMBS Trust Settlement Agreements* (the "Supplement," and together with the Initial Motion, the "Motion"), requesting the same remedy;¹ and upon the Whitlinger Affidavit and the Declarations of Jeffrey Lipps, Frank Sillman, and William J. Nolan, and the affidavits of publication and mailing to all Investors and Releasors (the "RMBS Trustee Notice Affidavits") of the notice of the Trustees (defined below) of the Motion and the RMBS Trust Settlement (the "RMBS Trustee Notice"); and it appearing that this Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that venue of these Chapter 11 cases and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that this proceeding on the Motion is a core proceeding pursuant to 28 U.S.C. §157(b); and sufficient notice of the Motion having been given; and it appearing that no

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

other or further notice need be provided; and the Court having found that the RMBS Trust Settlement is reasonable, fair and equitable and supported by adequate consideration; and that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest, including the Investors in any RMBS Trust that accepts the RMBS Trust Settlement pursuant to a Joinder (defined below); and after due deliberation and sufficient cause appearing therefore, it is hereby:

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted to the extent set forth herein.
2. The RMBS Trust Settlement Agreements between the Debtors and the Institutional Investors are hereby approved pursuant to Federal Rule of Bankruptcy Procedure 9019(a) and the applicable decisional case law, and the Parties are hereby authorized and ordered to take any and all actions as may be necessary to effectuate and implement the RMBS Trust Settlement, subject to the terms thereof.
3. Each Trust, each acting by its named trustee, or indenture trustee (*i.e.*, The Bank of New York Mellon Trust Company, N.A., Deutsche Bank Trust Company Americas, Deutsche Bank National Trust Company, U.S. Bank National Association or Wells Fargo Bank, N.A., in each case solely in their respective capacity as trustee or indenture trustee for a RMBS Trust and not in any other capacity) (collectively, the "Trustees") and the Debtors may enter into the RMBS Trust Settlement. A draft form for the acceptance by a Trust of the Trust Settlement, entitled "Trustee Joinder and Acceptance of the RMBS Trust Settlement Agreement," is attached hereto as Exhibit A (the "Joinder").
4. Each Trust that executes a Joinder to the RMBS Trust Settlement shall have an allowed general unsecured claim in these cases under the terms of the RMBS Trust Settlement.

5. The RMBS Trust Settlement, including the releases given therein, meet the standards established by the Second Circuit for the approval of a compromise and settlement in bankruptcy, and are fair and reasonable to, and in the best interest of, all interested parties, including but not limited to the Debtors, their respective creditors, including but not limited to the Institutional Investors, the Investors for each Trust that executes a Joinder and each such Trust, the Trustees, and other Releasors, as a compromise of each joining Trust's asserted claims against the Debtors.

6. Notice of the RMBS Trust Settlement and the Motion, including the notice given by the Debtors in these bankruptcy cases and the RMBS Trustee Notice, was sufficient and effective in satisfaction of federal and state due process requirements and other applicable law to put the parties in interest in this bankruptcy proceeding, including the Investors and Releasors, on notice of the RMBS Trust Settlement, the Motion, and the relief requested therein

7. The terms and conditions of this Order shall be effective and enforceable immediately upon entry of this Order.

8. All objections to the Motion or the relief requested therein that have not been withdrawn, waived or settled, and all reservations of rights included therein, are overruled on the merits.

9. Notwithstanding anything herein to the contrary, this Order shall not modify or affect the terms and provisions of, nor the rights and obligations under, (a) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (b) the consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012,

(c) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the Federal Deposit Insurance Act, as amended, dated February 10, 2012, and (d) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates.

10. Upon notice to the parties and no objection having been interposed, an affiliated debtor shall be deemed to be a “Future Debtor” upon the Court’s entry of an order authorizing the joint administration of such Future Debtor’s Chapter 11 case with the Chapter 11 cases of the Debtors. Upon notice to the parties and no objection being timely interposed, the relief granted by this Order shall apply to the Future Debtor in these jointly-administered cases.

11. Nothing contained in the RMBS Trust Settlement Agreement, this Order, and any associated expert reports, including exhibits, schedules, declarations, and other documents attached thereto or referenced therein, or in any declarations, pleadings, or other documents or evidence submitted to, or filed in, the Bankruptcy Court in connection therewith, shall be construed as an admission of, or to prejudice in any way, Ally Financial Inc. and its non-Debtor direct and indirect subsidiaries and affiliates (collectively, “Ally”) and may not be used as evidence against Ally in any court proceeding.

12. This Court shall retain jurisdiction with respect to all matters arising or related to the implementation of this Order.

Dated: _____, 2012
New York, New York

THE HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE

Exhibit A

TRUSTEE JOINDER AND ACCEPTANCE OF THE RMBS SETTLEMENT

This joinder and acceptance ("Joinder") relates to the RMBS Trust Settlement Agreement, dated as of May 13, 2012 (as amended, the "Settlement Agreement"), by and among Residential Capital, LLC ("ResCap") and certain of its direct and indirect subsidiaries (collectively, the "Debtors") and the Institutional Investors (as defined therein), is made by [_____], as trustee or indenture trustee (the "Joining Trustee") for [_____] (the "Accepting RMBS Trust") and is executed and delivered as of [_____], 2012. Each capitalized term used herein but not otherwise defined has the meaning set forth in the Settlement Agreement.

1. ***Agreement to be Bound.*** The Joining Trustee, on behalf of the Accepting RMBS Trust, hereby accepts the offer to settle set forth in Section 5.01 of the Settlement Agreement and agrees on its and the Accepting RMBS Trust's respective behalves to be bound by the terms of Articles V, VI, VII, VIII, IX and X of the Settlement Agreement and all exhibits referred to therein (as the same has been or may, with the consent of the Joining Trustee, be hereafter amended, restated or otherwise modified from time to time in accordance with the provisions hereof), applicable to Trusts and Trustees. The Accepting RMBS Trust shall be deemed to be an "Accepting RMBS Trust" for all purposes under the Settlement Agreement. For avoidance of doubt, the Joining Trustee and the Accepting RMBS Trust shall assume no obligations under the Settlement Agreement except as expressly set forth in this paragraph and nothing in this Joinder shall be deemed to represent an adoption, concurrence or consent by the Joining Trustee in or to any recital, representation or statement made by the Debtors, the Institutional Investors or any other party in interest in the Chapter 11 Cases either in the Settlement Agreement or in any motion, pleading, notice or other document relating to the Settlement Agreement or the settlement thereunder.

2. ***Representations and Warranties.*** The Joining Trustee hereby represents and warrants that it is the duly appointed trustee for the Accepting RMBS Trust and that it has the authority to take the actions contemplated under the Settlement Agreement and has the authority with respect to any other entities, account holders or accounts for which or on behalf of which it is signing this Joinder. In making this representations, the Joining Trustee has, with the consent of the Debtors, relied, *inter alia* on the Bankruptcy Court's order approving the Settlement Agreement.

3. ***Governing Law.*** This Joinder shall be governed by and construed in accordance with the internal laws of the State of New York, without regard to any conflicts of law provisions which would require the application of the law of any other jurisdiction.

4. ***Notice.*** All notices and other communications given or made pursuant to the Settlement Agreement shall be sent to:

To the Joining Trustee at:
[JOINING TRUSTEE]
As Trustee for [_____]

Attn.:
Facsimile:
Email:

IN WITNESS WHEREOF, the Joining Trustee has caused this Joinder to be executed
as of the date first written above.

[JOINING TRUSTEE]

solely in its capacity as trustee of the Accepting
RMBS Trust and not in its individual capacity

By: _____

Name:

Title:

EXHIBIT PP

Exhibit 2

THIRD AMENDED AND RESTATED RMBS TRUST SETTLEMENT AGREEMENT

This THIRD Amended and Restated RMBS Trust Settlement Agreement is entered into as of September 21, 2012, by and between Residential Capital, LLC (“ResCap LLC”) and its direct and indirect subsidiaries (collectively, “ResCap” or the “Debtors”), on the one hand, and the Institutional Investors (as defined below), on the other hand (the “Settlement Agreement”), and amends and restates in its entirety the Second Amended RMBS Trust Settlement Agreement entered into as of September 17, 2012, by and between ResCap, on the one hand, and the Institutional Investors, on the other hand. Each of ResCap and the Institutional Investors may be referred to herein as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, certain ResCap entities were the Seller, Depositor, Servicer and/or Master Servicer for the securitizations identified on the attached Exhibit A (the “Settlement Trusts”);

WHEREAS, certain ResCap entities are parties to certain applicable Pooling and Servicing Agreements, Assignment and Assumption Agreements, Indentures, Mortgage Loan Purchase Agreements and/or other agreements governing the Settlement Trusts (the “Governing Agreements”), and certain ResCap entities have, at times, acted as Master Servicer and/or Servicer for the Settlement Trusts pursuant to certain of the Governing Agreements;

WHEREAS, pursuant to the Governing Agreements, certain ResCap entities have contributed or sold loans into the Settlement Trusts (the “Mortgage Loans”);

WHEREAS, the Institutional Investors have alleged that certain loans held by the Settlement Trusts were originally contributed in breach of representations and warranties contained in the Governing Agreements, allowing the Investors in such Settlement Trusts to seek to compel the trustee or indenture trustee (each, a “Trustee”) to take certain actions with respect to those loans, and further have asserted past and continuing covenant breaches and defaults by various ResCap entities under the Governing Agreements;

WHEREAS, the Institutional Investors have indicated their intent under the Governing Agreements for each Settlement Trust in which the Institutional Investors collectively hold or are authorized investment managers for holders of at least 25% of a particular tranche of the Securities (as defined below) held by such Settlement Trust either to seek action by the Trustee for such Settlement Trust or to pursue claims, including but not limited to claims to compel ResCap to cure the alleged breaches of representations and warranties, and ResCap disputes such claims and allegations of breach and waives no rights, and preserves all of its defenses, with respect to such allegations and putative cure requirements;

WHEREAS, the Institutional Investors are jointly represented by Gibbs & Bruns, LLP (“Gibbs & Bruns”) and Ropes & Gray LLP (“Ropes & Gray”) and have, through counsel, engaged in arm’s length settlement negotiations with ResCap that included the exchange of confidential materials;

WHEREAS, ResCap filed petitions for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”);

WHEREAS, ResCap and the Institutional Investors have reached agreement concerning all claims of the Settlement Trusts under the Governing Agreements; and

WHEREAS, the Parties therefore enter into this Settlement Agreement to set forth their mutual understandings and agreements for terms for resolving the disputes regarding the Governing Agreements:

AGREEMENT

NOW, THEREFORE, after good faith, arm’s length negotiations without collusion, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following terms:

ARTICLE I. DEFINITIONS.

As used in this Settlement Agreement, in addition to the terms otherwise defined herein, the following terms shall have the meanings set forth below (the definitions to be applicable to both the singular and the plural forms of each term defined if both forms of such term are used in this Settlement Agreement). Any capitalized terms not defined in this Settlement Agreement shall have the definition given to them in the Governing Agreements.

Section 1.01 “Bankruptcy Code” shall mean title 11 of the United States Code.

Section 1.02 “Covered Trusts” means the Settlement Trusts listed in Exhibit D hereto and any other Settlement Trusts for which the Institutional Investors in the aggregate hold, and/or are authorized investment managers for holders of, 25% or more of the voting rights in one or more classes of notes, bonds and/or certificates backed by mortgage loans held by the Trusts.

Section 1.03 “Depositor Entity” means, for each individual Settlement Trust, the entity from the following list that the Governing Agreements define as the “Company” for that Settlement Trust, including but not limited to: Residential Funding Mortgage Securities I, Inc., Residential Funding Mortgage Securities II, Inc., Residential Asset Securities Corp., Residential Accredited Loans, Inc., and Residential Asset Mortgage Products, Inc.

Section 1.04 “Direction” shall mean the direction by the Institutional Investors, to the extent permitted by the Governing Agreements, directing any Trustee to take or refrain from taking any action; *provided, however*, that in no event shall the Institutional Investors be required to provide a Trustee with any security or indemnity for action or inaction taken at the direction of the Institutional Investors and the Institutional Investors shall not be required to directly or indirectly incur any costs, fees, or expenses to compel any action or inaction by a Trustee, except that the Institutional Investors shall continue to retain contingency counsel.

Section 1.05 “Effective Date” shall have the meaning ascribed in Section 2.01.

Section 1.06 “Governmental Authority” shall mean any United States or foreign government, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory, or administrative functions of or pertaining to the foregoing, or any other authority, agency, department, board, commission, or instrumentality of the United States, any State of the United States or any political subdivision thereof or any foreign jurisdiction, and any court, tribunal, or arbitrator(s) of competent jurisdiction, and any United States or foreign governmental or non-governmental self-regulatory organization, agency, or authority (including the New York Stock Exchange, Nasdaq, and the Financial Industry Regulatory Authority).

Section 1.07 “Institutional Investors” shall mean the authorized investment managers and Investors identified in the attached signature pages.

Section 1.08 “Investors” shall mean all certificateholders, bondholders and noteholders in the Settlement Trusts, and their successors in interest, assigns, pledgees, and/or transferees.

Section 1.09 “Net Losses” means, with respect to any Settlement Trust, the amount of net losses for such Settlement Trust that have been or are estimated to be borne by that trust from its inception date to its expected date of termination, as determined by the Expert (as defined in Exhibit B) in accordance with the methodology described in Exhibit B. For the avoidance of doubt, a loss on a mortgage loan that has been reimbursed or indemnified by reason of applicable policies of mortgage or bond insurance shall be considered a loss on a mortgage loan and included within the calculation of “Net Losses.”

Section 1.10 “Person” shall mean any individual, corporation, company, partnership, limited liability company, joint venture, association, trust, or other entity, including a Governmental Authority.

Section 1.11 “Petition Date” means the date on which ResCap files petitions under chapter 11 of the Bankruptcy Code.

Section 1.12 “Plan” shall mean a chapter 11 plan of reorganization for the Debtors.

Section 1.13 “Purchaser” means Nationstar Mortgage LLC or any other successful bidder for any or all of the Debtors’ mortgage loan origination and servicing platform.

Section 1.14 “Scheduling Order” shall mean the Revised Joint Omnibus Scheduling Order and Provisions for Other Relief Regarding (I) Debtors’ Motion Pursuant to Fed. R. Bankr. P. 9019 for Approval of RMBS Trust Settlement Agreements, and (II) the Trustees’ Limited Objection to the Sale Motion, entered by the Bankruptcy Court on July 31, 2012.

Section 1.15 “Securities” shall mean securities, notes, bonds, certificates, and/or other instruments backed by mortgage loans held by Settlement Trusts.

Section 1.16 “Seller Entity” means, for each Settlement Trust, the entity from the following list that the Governing Agreements define as the “Seller” for that Trust, including but

not limited to: Residential Funding Company LLC (f/k/a Residential Funding Corporation) and GMAC Mortgage LLC (f/k/a GMAC Mortgage Corporation).

ARTICLE II. SETTLEMENT PROCESS.

Section 2.01 Effective Date. This Settlement Agreement shall be effective immediately except as to the granting of allowed claims to the Accepting Trusts (as defined below in Section 5.01) and the releases set forth herein. The claims allowance and releases shall only be effective, with respect to a specific Accepting Trust on the date on which a Trustee accepts the settlement with respect to such Settlement Trust (the “Effective Date”). However, for the sake of clarity, the Debtors’ obligations hereunder are subject to the approval of this Settlement Agreement by the Court.

Section 2.02 Bankruptcy Court Approval. The Debtors (a) orally presented this Settlement Agreement in court on the Petition Date, including the agreed amount of the Total Allowed Claim (as defined below in Section 5.01), and (b) shall comply with the schedule for the approval of this Settlement Agreement set forth in the Scheduling Order. The Trustee for each Settlement Trust may accept the offer of a compromise contemplated by this Settlement Agreement on behalf of such Settlement Trust, within the time set forth in the Scheduling Order, by a writing substantially in the form of acceptance included in the proposed order for approval of this Settlement Agreement to be submitted to the Bankruptcy Court.

Section 2.03 Standing. The Debtors agree that the Institutional Investors are parties in interest in the chapter 11 cases of ResCap for the purposes of enforcing rights and complying with obligations under this Settlement Agreement. The Parties further agree that they will not oppose any effort of the Institutional Investors or any other Investor(s) in seeking status as a party in interest in the Chapter 11 Cases.

ARTICLE III. REPRESENTATIONS AND WARRANTIES.

Section 3.01 Holdings and Authority. As of May 13, 2012, lead counsel to the Institutional Investors, Gibbs & Bruns, has represented to ResCap that the Institutional Investors have or advise clients who have aggregate holdings of greater than 25% of the voting rights in one or more classes of the Securities issued by each of the Settlement Trusts identified on the attached Exhibit D. Each Institutional Investor represents that (i) it has the authority to take the actions contemplated by this Settlement Agreement, to the extent that it has the authority with respect to any other entities, account holders, or accounts for which or on behalf of which it is signing this Settlement Agreement, and (ii) it holds, or is the authorized investment manager for the holders of, the Securities listed in Exhibit D hereto, in the respective amounts set forth therein by CUSIP number, that such schedule was accurate as of the date set forth for the respective institution, and that since the date set forth for the Institutional Investor, the Institutional Investor has not, in the aggregate, materially decreased the Institutional Investor’s holdings in the Securities. The Parties agree that the aggregate amounts of Securities collectively held by the Institutional Investors for each Settlement Trust may be disclosed publicly, but that the individual holdings of the Institutional Investors shall remain confidential, subject to review only by ResCap, the Bankruptcy Court, the Office of the United States Trustee,

the Trustees, and the official committee of unsecured creditors appointed in the Chapter 11 Cases.

Section 3.02 Holdings Retention. As of May 13, 2012, the Institutional Investors collectively held Securities representing in aggregate 25% of the voting rights in one or more classes of Securities of not less than 290 of the Settlement Trusts. The Institutional Investors, collectively, shall maintain holdings aggregating 25% of the voting rights in one or more classes of Securities of not less than 235 of the Covered Trusts (“Requisite Holdings”) until the earliest of: (i) confirmation of a plan of reorganization, (ii) December 31, 2012, (iii) a Consenting Claimant Termination Event, or (iv) a Debtor Termination Event (as the terms in subsections (iii) and (iv) were defined in the plan support agreement agreed to by the Parties); *provided, however*, that any reduction in Requisite Holdings caused by: (a) sales by Maiden Lane I and Maiden Lane III; or (b) exclusion of one or more trusts due to the exercise of voting rights by a third party guarantor or financial guaranty provider, shall not be considered in determining whether the Requisite Holdings threshold has been met. If the Requisite Holdings are not maintained, ResCap shall have the right to terminate the Settlement Agreement, but ResCap shall not terminate the Settlement Agreement before it has conferred in good faith with the Institutional Investors concerning whether termination is warranted. For the avoidance of doubt, other than as set forth above, this Settlement Agreement shall not restrict the right of any Institutional Investor to sell or exchange any Securities issued by a Settlement Trust free and clear of any encumbrance. The Institutional Investors will not sell any of the Securities for the purpose of avoiding their obligations under this Settlement Agreement, and each Institutional Investor (except Maiden Lane I and Maiden Lane III) commits to maintain at least one position in one of the Securities in one of the Settlement Trusts until the earliest of the dates set forth above. If the Debtor reaches a similar agreement to this with another bondholder group, the Debtor will include a substantially similar proportionate holdings requirement in that agreement as contained herein.

ARTICLE IV. DIRECTION TO TRUSTEES AND INDENTURE TRUSTEES.

Section 4.01 Direction to Trustees and Indenture Trustees. The relevant Institutional Investors for each Settlement Trust shall, by the time of the filing of a motion to approve this Settlement Agreement, provide the relevant Trustee with Direction to accept the settlement and compromises set forth herein. The Institutional Investors hereby agree to confer in good faith with ResCap as to any further or other Direction that may be reasonably necessary to effectuate the settlement contemplated herein, including filing motions and pleadings with the Bankruptcy Court and making statements in open court in support of the Debtors’ restructuring.

Section 4.02 No Inconsistent Directions. Except for providing Directions in accordance with Section 4.01, the Institutional Investors agree that (i) between the date hereof and the Effective Date, with respect to the Securities issued by the Settlement Trusts, they will not, individually or collectively, direct, vote for, or take any other action that they may have the right or the option to take under the Governing Agreements or to join with any other Investors or the Trustee of any note, bond or other security issued by the Settlement Trusts, to cause the Trustees to enforce (or seek derivatively to enforce) any representations and warranties regarding the Mortgage Loans or the servicing of the Mortgage Loans, and (ii) to the extent that any of the Institutional Investors have already taken any such action, the applicable Institutional Investor

will promptly rescind or terminate such action. Nothing in the foregoing shall restrict the ability of the Institutional Investors to demand that any Investor who seeks to direct the Trustee for a Settlement Trust post any indemnity or bond required by the Governing Agreements for the applicable Settlement Trust.

Section 4.03 Amendments to Governing Agreements Regarding Financing of Advances. The Institutional Investors agree to use commercially reasonable efforts (which shall not require the giving of any indemnity or other payment obligation or expenditure of out-of-pocket funds) to negotiate any request by the Debtors or the Trustees for any Settlement Trusts with respect to which the servicing rights are being assumed and assigned to the Purchaser, and if any Trustee shall require a vote of the certificate or note holders with respect thereto, shall vote in favor of (to the extent agreement is reached) any amendment to the relevant Governing Agreements and related documents requested by the Debtors in order to permit "Advances" (as it or any similar term may be defined in the Governing Agreements) to be financeable and to make such other amendments thereto as may be reasonably requested by the Debtors in accordance with any agreement to acquire all or substantially all of the Debtors' servicing assets, so long as such changes would not cause material financial detriment to the Settlement Trusts, their respective trustees, certificate or note holders, or the Institutional Investors.

ARTICLE V. ALLOWANCE OF CLAIM.

Section 5.01 The Allowed Claim. ResCap hereby makes an irrevocable offer to settle, expiring at 5:00 p.m. prevailing New York time on the date that is set forth in the Scheduling Order, with each of the Settlement Trusts (the Settlement Trusts that timely agree to the terms of this Settlement Agreement being the "Accepting Trusts"). In consideration for such agreement, ResCap will provide a general unsecured claim of \$8,700,000,000 in the aggregate against the Seller Entities and the Depositor Entities (as the Depositor Entities are jointly liable for such claim) (the "Total Allowed Claim"), all of which shall be allocated and implemented as provided in Section 6.01. For the avoidance of doubt, the Total Allowed Claim shall be allocated among the Accepting Trusts, subject to the provisions of this Settlement Agreement. Subject to the provisions of this Settlement Agreement, the Accepting Trusts shall be allowed an aggregate claim in an amount calculated as set forth below (the "Allowed Claim"), which aggregate claim shall be allocated to each Accepting Trust pursuant to Article VI herein. The amount of the Allowed Claim shall equal (i) \$8,700,000,000, less (ii) \$8,700,000,000 multiplied by the percentage represented by (a) the total dollar amount of original principal balance for the Settlement Trusts not accepting the offer outlined above, divided by (b) the total dollar amount of original principal balance for all Settlement Trusts.

Section 5.02 Waiver of Setoff and Recoupment. By accepting the offer to settle contained in Section 5.01, each Accepting Trust irrevocably waives any right to setoff and/or recoupment such Accepting Trust may have against ResCap, except that such right, if any, shall be preserved with respect to claims, described in Section 8.02 hereof, that are not released or waived under Article VII hereof.

ARTICLE VI. ALLOCATION OF ALLOWED CLAIM.

Section 6.01 The Allocation of the Allowed Claim. Each Accepting Trust shall be allocated a share of the Allowed Claim against its Seller Entity and its Depositor Entity (the "Allocated Claim"), calculated as set forth on Exhibit B hereto, for which such Seller Entity and Depositor Entity are jointly liable.

Section 6.02 In the event the Bankruptcy Court does not approve the Allowed Claim as to a particular Seller Entity or Depositor Entity, the settlement shall remain in full force with respect to any other Seller Entity or Depositor Entity, as applicable; *provided, however*, that if the Allowed Claim in the amounts proposed herein is not approved as to any of the Seller Entities or Depositor Entities, the Institutional Investors shall have the right to terminate this Settlement Agreement upon written notice to the Debtors; *provided, further*, that in the event that the Bankruptcy Court does not approve the Allowed Claim as to a particular Seller Entity or Depositor Entity, that particular Seller Entity or Depositor Entity shall not receive any release, waiver, or discharge of any Released Claims pursuant to Article VII.

Section 6.03 Legal Fees.

- (a) ResCap and the Institutional Investors agree that Gibbs & Bruns and Ropes & Gray shall, on the Effective Date, be allocated legal fees as follows, as an integrated and nonseverable part of this Settlement Agreement. First, Gibbs & Bruns and Ropes & Gray, as counsel to the Institutional Investors, shall be allocated by ResCap without conveyance to the Trustees the percentages of the Allowed Claim set forth on the fee schedule attached hereto as Exhibit C, without requirement of submitting any form of estate retention or fee application, for their work relating to these cases and the settlement. Second, the Debtors and Institutional Investors may further agree at any time, that the Debtors may pay Gibbs & Bruns and Ropes & Gray in cash, in an amount that Gibbs & Bruns and Ropes & Gray respectively agree is equal to the cash value of their respective portions of the Allowed Claim, and in any such event, no estate retention application, fee application or further order of the Bankruptcy Court shall be required as a condition of the Debtors making such agreed allocation. Third, the Debtors agree and the settlement approval order shall provide that the amount of the Allowed Claim payable to Gibbs & Bruns and Ropes & Gray may be reduced to a separate claim stipulation for convenience of the parties.
- (b) In the event that, prior to acceptance of this compromise by a Trustee for a Settlement Trust other than a Covered Trust, counsel to Investors in such Settlement Trust cause a direction to be given by more than 25% of the holders of a tranche of such Settlement Trust to accept this compromise, then the same provisions as contained in Section 6.02(a) shall apply to such counsel, solely as to the amounts allocated to such Settlement Trust. Such counsel shall be entitled to a share of the fee for such trust equal to the ratio of (a) 25% minus the percentage of such tranche held by Institutional Investors divided by (b) 25%. Counsel would be required to identify itself and satisfy the Debtors and Institutional Investors as to the holdings of client-investors and that counsel caused such directions.

ARTICLE VII. RELEASES.

Section 7.01 Releases. Except as set forth in Article VIII, as of the Effective Date, with respect to each and every Accepting Trust, and in exchange for the Allowed Claim, the Institutional Investors, Accepting Trusts, Trustees in respect of such trusts, and any Persons claiming by, through or on behalf of such Accepting Trust or the Trustees of such trusts (including Investors claiming derivatively) (collectively, the “Releasors”), irrevocably and unconditionally grant a full, final, and complete release, waiver, and discharge of all alleged or actual claims, demands to repurchase, demands to cure, demands to substitute, counterclaims, defenses, rights of setoff, rights of rescission, liens, disputes, liabilities, losses, debts, costs, expenses, obligations, demands, claims for accountings or audits, alleged events of default, damages, rights, and causes of action of any kind or nature whatsoever, whether asserted or unasserted, known or unknown, suspected or unsuspected, fixed or contingent, in contract, tort, or otherwise, secured or unsecured, accrued or unaccrued, whether direct or derivative, arising under law or equity (collectively, “Claims”), against the Debtors (with the exception of ResCap LLC as set forth in the last sentence of this Section 7.01) and their current and former officers, directors, and employees (but in no case does this section apply to Ally Financial Inc. (“AFI”) or any person who is an officer or director of AFI) that arise under the Governing Agreements. Such released claims include, but are not limited to, claims arising out of and/or relating to (i) the origination and sale of mortgage loans to the Accepting Trusts (including, without limitation, the liability of any Debtors that are party to a Pooling and Servicing Agreement with respect to representations and warranties made in connection with such sale or with respect to the noticing and enforcement of any remedies in respect of alleged breaches of such representations and warranties) (collectively, the “Origination-Related Provisions”), (ii) the documentation of the Mortgage Loans held by the Accepting Trusts including with respect to allegedly defective, incomplete, or non-existent documentation, as well as issues arising out of or relating to recordation, title, assignment, or any other matter relating to legal enforceability of a Mortgage or Mortgage Note, or any alleged failure to provide notice of such defective, incomplete or non-existent documentation, (iii) the servicing of the Mortgage Loans held by the Accepting Trusts (including any claim relating to the timing of collection efforts or foreclosure efforts, loss mitigation, transfers to subservicers, advances or servicing advances) (the “Servicing Claims”), but only to the extent assumed pursuant to Section 365 of the Bankruptcy Code by an assignee to the applicable Debtor in its capacity as Master Servicer or Servicer under any Governing Agreement (the “Assumed Servicing Claims”), (iv) any duty of a debtor as master servicer, servicer or sub-servicer to notice and enforce remedies in respect of alleged breaches of representations and warranties (together with the Assumed Servicing Claims, the “Released Servicing Claims”), (v) setoff or recoupment under the Governing Agreements against ResCap with respect to the Origination-Related Provisions or the Released Servicing Claims, and (vi) any loan seller that either sold loans to ResCap or AFI that were sold and transferred to such Accepting Trust or sold loans directly to such Accepting Trust, in all cases prior to the Petition Date (collectively, all such claims being defined as the “Released Claims”). For the avoidance of doubt, this release does not include individual direct claims for securities fraud or other disclosure-related claims arising from the purchase or sale of Securities. Notwithstanding any provision of this Section 7.01, the Releasors do not release, waive, or discharge any Claims against ResCap LLC.

Section 7.02 Release of Claims Against Investors, Accepting Trusts, and Trustees. Except as set forth in Article VIII, as of the Effective Date, ResCap irrevocably and unconditionally grants to the Accepting Trusts, Trustees in respect of such trusts, and Investors in such trusts, as well as such Accepting Trusts', Trustees' and Investors' respective officers, directors, and employees, a full final, and complete release, waiver, and discharge of all alleged or actual claims from any claim it may have under or arising out of the Governing Agreements.

Section 7.03 Agreement Not to Pursue Relief from the Stay. The Institutional Investors agree that neither they nor their successors in interest, assigns, pledges, delegates, affiliates, subsidiaries, and/or transferees, will seek relief from the automatic stay imposed by section 362 of the Bankruptcy Code in order to institute, continue or otherwise prosecute any action relating to the Released Claims; provided, however, nothing contained herein shall preclude the Institutional Investors or their advised clients from seeking any such relief with respect to direct claims for securities fraud or other disclosure-related claims arising from the purchase or sale of Securities. ResCap reserves its rights and defenses therewith.

Section 7.04 Inclusion of Accepting Trusts and Trustees in Plan Release and Exculpation Provisions. The Accepting Trusts and the Trustees in respect of any such Accepting Trust and their respective counsel shall be entitled to the benefit of any releases and plan exculpation provisions, if any, included in the Plan, which provisions shall be no less favorable than the releases and plan exculpation provisions extended to similarly situated creditors or parties in interest who are parties to any plan support agreement with ResCap.

ARTICLE VIII. CLAIMS NOT RELEASED

Section 8.01 ResCap LLC Claim. ResCap LLC does not concede or admit fault for any liability under the Governing Agreements. Without any limitation on the foregoing, each Accepting Trust shall be entitled to file a proof of claim against ResCap LLC for claims, if any, arising under the Governing Agreements (any such claim is hereinafter referred to as a "ResCap LLC Claim"). Nothing contained herein shall be deemed to establish the validity or amount of any ResCap LLC Claim, which shall remain subject to objections in all respects in accordance with the Federal Rules of Bankruptcy Procedure. Notwithstanding the foregoing, the allowed amount of any ResCap LLC Claim shall not exceed such Accepting Trust's Allocated Claim; provided that any recovery on any such allowed ResCap LLC Claim shall be reduced by any amount paid by any Seller Entity or Depositor Entity on account of the Accepting Trust's Allocated Claim. Subject to the provisions of this Agreement, the Accepting Trusts expressly reserve all rights regarding the validity and amount of any ResCap LLC Claim.

Section 8.02 Administration of the Mortgage Loans. The releases and waivers in Article VII herein do not include: (i) claims that first arise after the Effective Date and are based in whole or in part on any actions, inactions, or practices of the Master Servicer, Servicer, or Subservicer as to the servicing of the Mortgage Loans held by the Accepting Trusts, and (ii) any Servicing Claim that is not an Assumed Servicing Claim and for which the Court finds a cure or rejection claim exists pursuant to Section 365 of the Bankruptcy Code (it being understood that such cure or rejection claims, if any, are not intended to be affected by such releases and waivers).

Section 8.03 Financial-Guaranty Provider Rights and Obligations. To the extent that any third party guarantor or financial-guaranty provider with respect to any Settlement Trust has rights or obligations independent of the rights or obligations of the Investors, the Trustees, or the Settlement Trusts, the releases and waivers in Article VII are not intended to and shall not release such rights.

Section 8.04 Settlement Agreement Rights. The Parties do not release or waive any rights or claims against each other to enforce the terms of this Settlement Agreement or the Allowed Claim.

Section 8.05 Disclosure Claims. The releases and waivers in Article VII do not include any claims based on improper disclosures under federal or state securities law.

Section 8.06 Reservation of Rights. Notwithstanding anything in this Settlement Agreement to the contrary, the Institutional Investors have not waived their right to file an objection to a motion of the holders of the ResCap 9 5/8% bonds requesting payment of any interest on account of their ResCap 9 5/8% bond claims that may be due and owing after the Petition Date.

ARTICLE IX. RELEASE OF UNKNOWN CLAIMS.

Each of the Parties acknowledges that it has been advised by its attorneys concerning, and is familiar with, California Civil Code Section 1542 and expressly waives any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to the provisions of the California Civil Code Section 1542, including that provision itself, which reads as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH, IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

The Parties acknowledge that inclusion of the provisions of this Article IX to this Settlement Agreement was a material and separately bargained for element of this Settlement Agreement.

ARTICLE X. OTHER PROVISIONS

Section 10.01 Voluntary Agreement. Each Party acknowledges that it has read all of the terms of this Settlement Agreement, has had an opportunity to consult with counsel of its own choosing or voluntarily waived such right and enters into this Settlement Agreement voluntarily and without duress.

Section 10.02 No Admission of Breach or Wrongdoing. ResCap has denied and continues to deny any breach, fault, liability, or wrongdoing. This denial includes, but is not limited to, breaches of representations and warranties, violations of state or federal securities laws, and other claims sounding in contract or tort in connection with any securitizations,

including those for which ResCap was the Seller, Servicer and/or Master Servicer. Neither this Settlement Agreement, whether or not consummated, any proceedings relating to this Settlement Agreement, nor any of the terms of the Settlement Agreement, whether or not consummated, shall be construed as, or deemed to be evidence of, an admission or concession on the part of ResCap with respect to any claim or of any breach, liability, fault, wrongdoing, or damage whatsoever, or with respect to any infirmity in any defense that ResCap has or could have asserted.

Section 10.03 No Admission Regarding Claim Status. ResCap expressly states that in the event this Settlement Agreement is not consummated or is terminated prior to the Effective Date, then neither this Settlement Agreement, nor any proceedings relating to this Settlement Agreement, nor any of the terms of the Settlement Agreement, shall be construed as, or deemed to be evidence of, an admission or concession on the part of ResCap that any claims asserted by the Institutional Investors are not contingent, unliquidated or disputed. The Institutional Investors expressly state that in the event this Settlement Agreement is not consummated or is terminated prior to the Effective Date, neither this Settlement Agreement, nor any proceedings relating to this Settlement Agreement, nor any of the terms of the Settlement Agreement, shall be construed as, or deemed to be evidence of, an admission or concession on the part of the Institutional Investors that any claims asserted by the Institutional Investors and Trustees are not limited to the amounts set forth in this Settlement Agreement or are of any particular priority.

Section 10.04 Counterparts. This Settlement Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Settlement Agreement. Delivery of a signature page to this Settlement Agreement by facsimile or other electronic means shall be effective as delivery of the original signature page to this Settlement Agreement.

Section 10.05 Joint Drafting. This Settlement Agreement shall be deemed to have been jointly drafted by the Parties, and in construing and interpreting this Settlement Agreement, no provision shall be construed and interpreted for or against any of the Parties because such provision or any other provision of the Settlement Agreement as a whole is purportedly prepared or requested by such Party.

Section 10.06 Entire Agreement. This document contains the entire agreement between the Parties, and may only be modified, altered, amended, or supplemented in writing signed by the Parties or their duly appointed agents. All prior agreements and understandings between the Parties concerning the subject matter hereof are superseded by the terms of this Settlement Agreement.

Section 10.07 Specific Performance. It is understood that money damages are not a sufficient remedy for any breach of this Settlement Agreement, and the Parties shall have the right, in addition to any other rights and remedies contained herein, to seek specific performance, injunctive, or other equitable relief from the Bankruptcy Court as a remedy for any such breach. The Parties hereby agree that specific performance shall be their only remedy for any violation of this Agreement.

Section 10.08 Authority. Each Party represents and warrants that each Person who executes this Settlement Agreement on its behalf is duly authorized to execute this Settlement Agreement on behalf of the respective Party, and that such Party has full knowledge of and has consented to this Settlement Agreement.

Section 10.09 No Third Party Beneficiaries. There are no third party beneficiaries of this Settlement Agreement.

Section 10.10 Headings. The headings of all sections of this Settlement Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

Section 10.11 Notices. All notices or demands given or made by one Party to the other relating to this Settlement Agreement shall be in writing and either personally served or sent by registered or certified mail, postage paid, return receipt requested, overnight delivery service, or by electronic mail transmission, and shall be deemed to be given for purposes of this Settlement Agreement on the earlier of the date of actual receipt or three days after the deposit thereof in the mail or the electronic transmission of the message. Unless a different or additional address for subsequent notices is specified in a notice sent or delivered in accordance with this Section, such notices or demands shall be sent as follows:

To: Institutional Investors
c/o Kathy Patrick
Gibbs & Bruns LLP
1100 Louisiana
Suite 5300
Houston, TX 77002
Tel: 713-650-8805
Email: kpatrick@gibbsbruns.com
-and-
Keith H. Wofford
D. Ross Martin
Ropes & Gray LLP
1211 Avenue of the Americas
New York, NY 10036
Tel: 212-841-5700
Email: keith.wofford@ropesgray.com
ross.martin@ropesgray.com

To: ResCap
c/o Gary S. Lee
Jamie A. Levitt
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104
Tel: 212-468-8000
Email: glee@mofo.com
jlevitt@mofo.com

Section 10.12 Disputes. This Settlement Agreement, and any disputes arising under or in connection with this Settlement Agreement, are to be governed by and construed in accordance with the laws of the State of New York, without giving effect to the choice of laws principles thereof. Further, by its execution and delivery of this Settlement Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees that the United States District Court for the Southern District of New York shall have jurisdiction to enforce this Settlement Agreement, *provided, however*, that, upon commencement of the Chapter 11 Cases, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Settlement Agreement.

Section 10.13 The Parties have agreed to include the following statement in the proposed order attached to the Debtors' motion to approve this Settlement Agreement: "Nothing contained in the RMBS Trust Settlement Agreement, the order approving the RMBS Trust Settlement Agreement, and any associated expert reports, including exhibits, schedules, declarations, and other documents attached thereto or referenced therein, or in any declarations, pleadings, or other documents or evidence submitted to, or filed in, the Bankruptcy Court in connection therewith, shall be construed as an admission of, or to prejudice in any way, Ally Financial Inc. and its non-Debtor direct and indirect subsidiaries and affiliates (collectively, "Ally") and may not be used as evidence against Ally in any court proceeding."

Section 10.14 Notwithstanding anything to the contrary in this Settlement Agreement, nothing herein is intended to or shall be deemed to amend any of the Governing Agreements for any Settlement Trust.

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Dated the 21st day of September, 2012.

ROPES + GRAY LLP

~~Gibbs & Bruns LLP~~ on behalf of the
Institutional Investors

Signature: 

Name: KEITH WOFFORD

Title: PARTNER

EXECUTION COPY

Dated the 21st day of September, 2012.

Residential Capital, LLC
for itself and its direct and indirect subsidiaries

Signature: Tammy Hamzehpour

Name: Tammy Hamzehpour

Title: General Counsel

EXECUTION COPY

EXHIBIT A

TRUSTS

Exhibit A- Trusts

Deal Name	Original Issue Balance (in Thousands)	Deal Name	Original Issue Balance (in Thousands)
2004-AR1	635.0	2004-QS12	424.3
2004-AR2	510.1	2004-QS13	129.2
2004-GH1	224.1	2004-QS14	212.9
2004-HE1	1,292.3	2004-QS15	213.7
2004-HE2	711.5	2004-QS16	534.7
2004-HE3	977.3	2004-QS2	292.3
2004-HE4	1,018.0	2004-QS3	207.8
2004-HE5	700.0	2004-QS4	320.6
2004-HI1	235.0	2004-QS5	293.7
2004-HI2	275.0	2004-QS6	156.5
2004-HI3	220.0	2004-QS7	449.2
2004-HLTV1	175.0	2004-QS8	271.0
2004-HS1	477.1	2004-QS9	105.1
2004-HS2	604.1	2004-RP1	199.5
2004-HS3	284.0	2004-RS1	1,400.0
2004-J1	401.0	2004-RS10	1,250.0
2004-J2	400.6	2004-RS11	925.0
2004-J3	350.0	2004-RS12	975.0
2004-J4	600.1	2004-RS2	875.0
2004-J5	551.9	2004-RS3	600.0
2004-J6	408.0	2004-RS4	1,100.0
2004-KR1	2,000.0	2004-RS5	1,050.0
2004-KR2	1,250.0	2004-RS6	1,000.0
2004-KS1	950.0	2004-RS7	1,183.7
2004-KS10	986.0	2004-RS8	900.0
2004-KS11	692.7	2004-RS9	950.0
2004-KS12	541.8	2004-RZ1	485.0
2004-KS2	990.0	2004-RZ2	475.0
2004-KS3	675.0	2004-RZ3	360.0
2004-KS4	1,000.0	2004-RZ4	276.6
2004-KS5	1,175.0	2004-S1	307.7
2004-KS6	1,000.0	2004-S2	362.0
2004-KS7	850.0	2004-S3	228.3
2004-KS8	600.0	2004-S4	460.3
2004-KS9	600.0	2004-S5	423.5
2004-PS1	100.1	2004-S6	527.2
2004-QA1	201.3	2004-S7	105.3
2004-QA2	365.1	2004-S8	311.0
2004-QA3	320.1	2004-S9	645.9
2004-QA4	290.2	2004-SA1	250.1
2004-QA5	325.1	2004-SL1	632.9
2004-QA6	720.3	2004-SL2	499.0
2004-QS1	319.9	2004-SL3	222.5
2004-QS10	216.6	2004-SL4	206.5
2004-QS11	217.5	2004-SP1	233.7

Deal Name	Original Issue Balance (in Thousands)	Deal Name	Original Issue Balance (in Thousands)
2004-SP2	145.1	2005-KS8	1,165.8
2004-SP3	306.9	2005-KS9	487.0
2004-VFT	820.7	2005-NC1	870.8
2005-AA1	265.6	2005-QA1	296.7
2005-AF1	235.5	2005-QA10	621.8
2005-AF2	296.9	2005-QA11	525.1
2005-AHL1	463.7	2005-QA12	285.2
2005-AHL2	434.2	2005-QA13	560.2
2005-AHL3	488.8	2005-QA2	501.0
2005-AR1	399.8	2005-QA3	500.0
2005-AR2	458.4	2005-QA4	525.2
2005-AR3	523.7	2005-QA5	241.8
2005-AR4	386.1	2005-QA6	575.5
2005-AR5	597.2	2005-QA7	575.0
2005-AR6	592.0	2005-QA8	519.5
2005-EFC1	1,101.5	2005-QA9	650.5
2005-EFC2	679.3	2005-QO1	711.1
2005-EFC3	731.9	2005-QO2	425.1
2005-EFC4	707.8	2005-QO3	500.6
2005-EFC5	693.3	2005-QO4	797.0
2005-EFC6	672.7	2005-QO5	1,275.1
2005-EFC7	698.2	2005-QS1	214.6
2005-EMX1	792.8	2005-QS10	265.7
2005-EMX2	620.4	2005-QS11	213.6
2005-EMX3	674.5	2005-QS12	528.9
2005-EMX4	492.6	2005-QS13	639.2
2005-EMX5	380.0	2005-QS14	615.8
2005-HE1	991.1	2005-QS15	431.5
2005-HE2	1,113.5	2005-QS16	428.0
2005-HE3	988.0	2005-QS17	540.1
2005-HI1	240.0	2005-QS2	213.0
2005-HI2	240.0	2005-QS3	475.6
2005-HI3	224.9	2005-QS4	211.7
2005-HS1	853.8	2005-QS5	214.0
2005-HS2	577.5	2005-QS6	265.1
2005-HSA1	278.8	2005-QS7	370.0
2005-J1	525.5	2005-QS8	104.1
2005-KS1	708.8	2005-QS9	371.0
2005-KS10	1,299.2	2005-RP1	343.1
2005-KS11	1,339.3	2005-RP2	301.1
2005-KS12	1,117.2	2005-RP3	282.5
2005-KS2	543.4	2005-RS1	975.0
2005-KS3	413.5	2005-RS2	725.0
2005-KS4	411.1	2005-RS3	741.3
2005-KS5	401.8	2005-RS4	522.4
2005-KS6	596.2	2005-RS5	497.5
2005-KS7	387.6	2005-RS6	1,183.2

Deal Name	Original Issue Balance (in Thousands)	Deal Name	Original Issue Balance (in Thousands)
2005-RS7	493.0	2006-HI4	272.7
2005-RS8	660.0	2006-HI5	247.5
2005-RS9	1,179.0	2006-HLTV1	229.9
2005-RZ1	203.8	2006-HSA1	461.4
2005-RZ2	333.7	2006-HSA2	447.9
2005-RZ3	340.0	2006-HSA3	201.0
2005-RZ4	411.2	2006-HSA4	402.1
2005-S1	463.1	2006-HSA5	295.6
2005-S2	260.9	2006-J1	550.0
2005-S3	183.1	2006-KS1	840.1
2005-S4	259.4	2006-KS2	977.5
2005-S5	258.2	2006-KS3	1,125.9
2005-S6	412.9	2006-KS4	687.8
2005-S7	311.7	2006-KS5	687.1
2005-S8	312.3	2006-KS6	529.1
2005-S9	366.6	2006-KS7	532.7
2005-SA1	295.2	2006-KS8	535.9
2005-SA2	500.8	2006-KS9	1,197.1
2005-SA3	675.2	2006-NC1	536.8
2005-SA4	850.5	2006-NC2	745.2
2005-SA5	355.3	2006-NC3	504.9
2005-SL1	370.5	2006-QA1	603.9
2005-SL2	168.9	2006-QA10	375.5
2005-SP1	831.0	2006-QA11	372.4
2005-SP2	490.2	2006-QA2	394.0
2005-SP3	285.7	2006-QA3	398.5
2006-AR1	508.7	2006-QA4	304.4
2006-AR2	373.0	2006-QA5	695.6
2006-EFC1	593.2	2006-QA6	625.8
2006-EFC2	387.6	2006-QA7	588.2
2006-EMX1	424.6	2006-QA8	795.1
2006-EMX2	550.1	2006-QA9	369.2
2006-EMX3	773.6	2006-QH1	337.9
2006-EMX4	661.7	2006-QO1	901.2
2006-EMX5	580.2	2006-QO10	895.7
2006-EMX6	620.5	2006-QO2	665.5
2006-EMX7	495.3	2006-QO3	644.8
2006-EMX8	698.6	2006-QO4	843.2
2006-EMX9	728.8	2006-QO5	1,071.6
2006-HE1	1,274.2	2006-QO6	1,290.3
2006-HE2	626.2	2006-QO7	1,542.4
2006-HE3	1,142.3	2006-QO8	1,288.1
2006-HE4	1,159.1	2006-QO9	895.6
2006-HE5	1,244.5	2006-QS1	323.8
2006-HI1	214.2	2006-QS10	533.6
2006-HI2	237.4	2006-QS11	751.5
2006-HI3	223.2	2006-QS12	541.3

Deal Name	Original Issue Balance (in Thousands)	Deal Name	Original Issue Balance (in Thousands)
2006-QS13	641.0	2006-SP3	291.9
2006-QS14	753.7	2006-SP4	303.9
2006-QS15	538.6	2007-EMX1	692.9
2006-QS16	752.1	2007-HE1	1,185.9
2006-QS17	537.0	2007-HE2	1,240.9
2006-QS18	1,181.9	2007-HE3	350.6
2006-QS2	881.7	2007-HI1	255.0
2006-QS3	969.8	2007-HSA1	546.8
2006-QS4	752.3	2007-HSA2	1,231.4
2006-QS5	698.0	2007-HSA3	796.4
2006-QS6	858.8	2007-KS1	415.6
2006-QS7	537.5	2007-KS2	961.5
2006-QS8	966.3	2007-KS3	1,270.3
2006-QS9	540.1	2007-KS4	235.9
2006-RP1	293.0	2007-QA1	410.1
2006-RP2	317.0	2007-QA2	367.0
2006-RP3	290.4	2007-QA3	882.4
2006-RP4	357.4	2007-QA4	243.5
2006-RS1	1,173.6	2007-QA5	504.1
2006-RS2	785.6	2007-QH1	522.3
2006-RS3	741.6	2007-QH2	348.4
2006-RS4	887.5	2007-QH3	349.5
2006-RS5	382.6	2007-QH4	401.0
2006-RS6	372.2	2007-QH5	497.5
2006-RZ1	483.8	2007-QH6	597.0
2006-RZ2	368.6	2007-QH7	347.0
2006-RZ3	688.3	2007-QH8	560.1
2006-RZ4	851.8	2007-QH9	594.4
2006-RZ5	505.1	2007-QO1	625.1
2006-S1	367.1	2007-QO2	529.3
2006-S10	1,087.7	2007-QO3	296.3
2006-S11	623.2	2007-QO4	502.8
2006-S12	1,204.3	2007-QO5	231.2
2006-S2	260.6	2007-QS1	1,297.4
2006-S3	337.8	2007-QS10	435.8
2006-S4	313.9	2007-QS11	305.8
2006-S5	678.1	2007-QS2	536.7
2006-S6	599.6	2007-QS3	971.6
2006-S7	469.7	2007-QS4	746.9
2006-S8	416.3	2007-QS5	432.7
2006-S9	442.3	2007-QS6	808.3
2006-SA1	275.1	2007-QS7	803.3
2006-SA2	791.3	2007-QS8	651.8
2006-SA3	350.9	2007-QS9	707.0
2006-SA4	282.3	2007-RP1	334.4
2006-SP1	275.9	2007-RP2	263.3
2006-SP2	348.1	2007-RP3	346.6

Deal Name	Original Issue Balance (in Thousands)
2007-RP4	239.2
2007-RS1	478.3
2007-RS2	376.8
2007-RZ1	329.3
2007-S1	522.5
2007-S2	472.2
2007-S3	575.3
2007-S4	314.5
2007-S5	524.8
2007-S6	707.7
2007-S7	419.1
2007-S8	488.8
2007-S9	172.4
2007-SA1	310.8
2007-SA2	385.1
2007-SA3	363.8
2007-SA4	414.9
2007-SP1	346.6
2007-SP2	279.3
2007-SP3	298.1
Grand Total	220,987.7

EXHIBIT B

ALLOCATION OF ALLOWED CLAIM

1. The Allowed Claim shall be allocated amongst the Accepting Trusts by the Trustees pursuant to the determination of a qualified financial advisor (the “Expert”) who will make any determinations and perform any calculations required in connection with the allocation of the Allowed Claim among the Accepting Trusts. To the extent that the collateral in any Accepting Trust is divided by the Governing Agreements into groups of loans (“Loan Groups”) so that ordinarily only certain classes of investors benefit from the proceeds of particular Loan Groups, those Loan Groups shall be deemed to be separate Accepting Trusts for purposes of the allocation and distribution methodologies set forth below. The Expert is to apply the following allocation formulas:

(i) *First*, the Expert shall calculate the amount of Net Losses for each Accepting Trust as a percentage of the sum of the Net Losses for all Accepting Trusts (such amount, the “Net Loss Percentage”);

(ii) *Second*, the Expert shall calculate the “Allocated Claim” for each Accepting Trust by multiplying (A) the amount of the Allowed Claim by (B) the Net Loss Percentage for such Accepting Trust, expressed as a decimal; provided that the Expert shall be entitled to make adjustments to the Allocated Claim of each Accepting Trust to ensure that the effects of rounding do not cause the sum of the Allocated Claims for all Accepting Trusts to exceed the amount of the Allowed Claim.

(iii) For the avoidance of doubt, the Seller Entity and Depositor Entity for each Accepting Trust are jointly liable for that Trust’s Allocated Claim.

(iv) If applicable, the Expert shall calculate the portion of the Allocated Claim that relates to principal-only certificates or notes and the portion of the Allocated Claim that relates to all other certificates or notes.

2. All distributions from the Estate to an Accepting Trust on account of any Allocated Claim shall be treated as Subsequent Recoveries, as that term is defined in the Governing Agreement for that trust; provided that if the Governing Agreement for a particular Accepting Trust does not include the term “Subsequent Recovery,” the distribution resulting from the Allocated Claim shall be distributed as though it was unscheduled principal available for distribution on that distribution date; *provided, however*, that should the Bankruptcy Court determine that a different treatment is required to conform the distributions to the requirements of the Governing Agreements, that determination shall govern and shall not constitute a material change to this Settlement Agreement.

3. Notwithstanding any other provision of any Governing Agreement, the Debtors and all Servicers agree that neither the Master Servicer nor any Subservicer shall be entitled to receive any portion of any distribution resulting from any Allocated Claim for any purpose, including without limitation the satisfaction of any Servicing Advances, it being understood that the Master Servicer’s other entitlements to payments, and to reimbursement or recovery, including of

Advances and Servicing Advances, under the terms of the Governing Agreements shall not be affected by this Settlement Agreement except as expressly provided here. To the extent that as a result of the distribution resulting from an Allocated Claim in a particular Accepting Trust a principal payment would become payable to a class of REMIC residual interests, whether on the distribution of the amount resulting from the Allocated Claim or on any subsequent distribution date that is not the final distribution date under the Governing Agreement for such Accepting Trust, such payment shall be maintained in the distribution account and the relevant Trustee shall distribute it on the next distribution date according to the provisions of this section.

4. In addition, after any distribution resulting from an Allocated Claim pursuant to section 3 above, the relevant Trustee will allocate the amount of the distribution for that Accepting Trust in the reverse order of previously allocated Realized Losses, to increase the Class Certificate Balance, Component Balance, Component Principal Balance, or Note Principal Balance, as applicable, of each class of Certificates or Notes (or Components thereof) (other than any class of REMIC residual interests) to which Realized Losses have been previously allocated, but in each case by not more than the amount of Realized Losses previously allocated to that class of Certificates or Notes (or Components thereof) pursuant to the Governing Agreements. For the avoidance of doubt, for Accepting Trusts for which the Credit Support Depletion Date shall have occurred prior to the allocation of the amount of the Allocable Share in accordance with the immediately preceding sentence, in no event shall the foregoing allocation be deemed to reverse the occurrence of the Credit Support Depletion Date in such Accepting Trusts. Holders of such Certificates or Notes (or Components thereof) will not be entitled to any payment in respect of interest on the amount of such increases for any interest accrual period relating to the distribution date on which such increase occurs or any prior distribution date. Any such increase shall be applied pro rata to the Certificate Balance, Component Balance, Component Principal Balance, or Note Principal Balance of each Certificate or Note of each class. For the avoidance of doubt, this section 4 is intended only to increase Class Certificate Balances, Component Balances, Component Principal Balances, and Note Principal Balances, as provided for herein, and shall not affect any distributions resulting from Allocated Claims provided for in section 3 above.

5. Nothing in this Settlement Agreement amends or modifies in any way any provisions of any Governing Agreement. To the extent any credit enhancer or financial guarantee insurer receives a distribution on account of the Allowed Claim, such distribution shall be credited at least dollar for dollar against the amount of any claim it files against the Debtor that does not arise under the Governing Agreements.

6. In no event shall the distribution to an Accepting Trust as a result of any Allocated Claim be deemed to reduce the collateral losses experienced by such Accepting Trust.

EXHIBIT C
FEE SCHEDULE

Exhibit C -- Fee Schedule

Percentage of the Allowed Claim (being the sum of the Allocated Allow Claims) allocable to trusts which accept the settlement, subject to adjustment pursuant to section 6.02(b) for trusts other than original "Covered Trusts."

Gibbs & Bruns, L.L.P.: 4.75%

Ropes & Gray LLP:

If Effective Date of Plan occurs on or before Sept. 2, 2012, 0.475%

If Effective Date of Plan occurs after Sept. 2, 2012 and on or before Dec. 2, 2012, 0.7125%

If Effective Date of Plan occurs after Dec. 3, 2012 and on or before May 2, 2013, 0.855%

If Effective Date of Plan occurs after May 2, 2013, 0.95%

EXHIBIT D
SCHEDULE OF INSTITUTIONAL INVESTOR HOLDINGS

Deal Name	Cusip	Original Face	Current Face
GMACM 2004-AR1	36185NX54	\$112,473,000.00	\$16,847,947.57
GMACM 2004-AR1	36185NX70	\$66,361,100.00	\$11,441,610.81
GMACM 2004-AR1	36185NX39	\$37,725,000.00	\$4,576,874.83
GMACM 2004-AR1	36185NX62	\$14,902,800.00	\$769,857.84
GMACM 2004-AR1	36185NX88	\$11,279,800.00	\$1,475,371.18
GMACM 2004-AR2	36185N3U2	\$32,000,000.00	\$5,386,526.90
GMACM 2004-AR2	36185N3V0	\$25,000,000.00	\$4,981,543.75
GMACM 2004-AR2	36185N4A5	\$2,000,000.00	\$398,523.50
GMACM 2004-AR2	36185N3T5	\$600,000.00	\$112,213.82
GMACM 2004-HE2	361856DD6	\$7,075,000.00	\$1,676,186.29
GMACM 2004-HE3	361856DG9	\$121,607,000.00	\$35,528,965.33
GMACM 2004-HE4	361856DR5	\$152,334,917.00	\$52,999,477.73
GMACM 2004-HE5	361856DX2	\$20,000,000.00	\$9,387,414.13
GMACM 2004-HE5	361856DY0	\$10,570,000.00	\$3,734,479.38
GMACM 2004-J1	36185NW48	\$6,014,000.00	\$2,960,436.85
GMACM 2004-J1	36185NW55	\$2,406,000.00	\$1,184,371.62
GMACM 2004-J1	36185NV64	\$2,005,000.00	\$1,119,403.35
GMACM 2004-J2	36185N2J8	\$1,135,000.00	\$653,053.80
GMACM 2004-J3	36185N2Z2	\$17,680,250.00	\$9,641,790.32
GMACM 2004-J3	36185N3F5	\$14,008,000.00	\$21,580,904.84
GMACM 2004-J3	36185N3B4	\$10,420,086.00	\$10,420,086.00
GMACM 2004-J3	36185N3G3	\$2,000,000.00	\$639,705.06
GMACM 2004-J4	36185N4K3	\$33,900,000.00	\$52,824,896.98
GMACM 2004-J4	36185N4J6	\$26,000,000.00	\$18,813,906.90
GMACM 2004-J5	36185N5B2	\$16,000,000.00	\$7,992,325.88
GMACM 2004-J5	36185N5C0	\$14,500,000.00	\$14,500,000.00
GMACM 2004-J6	36185N5T3	\$28,000,000.00	\$0.00
GMACM 2004-VF1	36186FAA4	\$416,206,680.00	\$57,512,916.88

Deal Name	Cusip	Original Face	Current Face
GMACM 2005-AA1	76112BNN6	\$50,000,000.00	\$9,120,902.08
GMACM 2005-AF1	36185MAK8	\$58,719,000.00	\$5,506,202.18
GMACM 2005-AF1	36185MAJ1	\$31,460,154.00	\$18,076,812.51
GMACM 2005-AF1	36185MAN2	\$1,000,000.00	\$1,515,703.09
GMACM 2005-AF2	36185MDE9	\$202,283,350.00	\$66,663,480.51
GMACM 2005-AR1	76112BKN9	\$53,559,000.00	\$13,585,683.34
GMACM 2005-AR1	76112BKP4	\$16,390,000.00	\$4,267,585.68
GMACM 2005-AR1	76112BKK5	\$10,000,000.00	\$652,161.41
GMACM 2005-AR1	76112BKS8	\$7,796,000.00	\$5,233,926.07
GMACM 2005-AR1	76112BKQ2	\$277,340.00	\$85,019.91
GMACM 2005-AR2	36185N6Q8	\$37,293,000.00	\$13,824,752.42
GMACM 2005-AR2	36185N6M7	\$2,100,000.00	\$348,882.60
GMACM 2005-AR2	36185N6N5	\$1,500,000.00	\$450,323.21
GMACM 2005-AR3	36185N7L8	\$77,773,387.26	\$23,155,494.79
GMACM 2005-AR3	36185N7H7	\$50,000,000.00	\$714,273.84
GMACM 2005-AR3	36185N6Y1	\$29,656,000.00	\$3,801,430.30
GMACM 2005-AR3	36185N7D6	\$9,516,000.00	\$690,005.81
GMACM 2005-AR3	36185N7M6	\$5,000,000.00	\$1,488,651.56
GMACM 2005-AR3	36185N7E4	\$1,600,000.00	\$1,600,000.00
GMACM 2005-AR4	76112BUG3	\$32,500,000.00	\$11,449,717.11
GMACM 2005-AR4	76112BUD0	\$14,512,000.00	\$1,505,874.14
GMACM 2005-AR4	76112BUM0	\$3,933,000.00	\$1,173,821.62
GMACM 2005-AR4	76112BUK4	\$2,592,000.00	\$695,453.80
GMACM 2005-AR5	76112BYD6	\$35,000,000.00	\$11,816,742.05
GMACM 2005-AR5	76112BYF1	\$2,060,000.00	\$803,660.02
GMACM 2005-AR6	36185MBG6	\$48,131,000.00	\$14,520,598.29
GMACM 2005-AR6	36185MBN1	\$44,030,945.00	\$19,754,825.62
GMACM 2005-AR6	36185MBJ0	\$36,875,000.00	\$13,569,454.75

Deal Name	Cusip	Original Face	Current Face
GMACM 2005-AR6	36185MBL5	\$34,601,000.00	\$15,206,317.25
GMACM 2005-HE1	361856EC7	\$45,000,000.00	\$19,794,958.79
GMACM 2005-HE1	361856EB9	\$35,100,000.00	\$15,228,116.12
GMACM 2005-HE2	36185MAC6	\$135,760,000.00	\$0.00
GMACM 2005-HE2	36185MAF9	\$44,000,000.00	\$24,584,534.20
GMACM 2005-HE2	36185MAD4	\$5,000,000.00	\$2,446,587.50
GMACM 2005-HE3	361856EH6	\$2,500,000.00	\$1,267,439.51
GMACM 2005-J1	36185MCT7	\$471,782,774.00	\$182,659,887.70
GMACM 2005-J1	36185MCP5	\$24,000,000.00	\$24,000,000.00
GMACM 2005-J1	36185MCJ9	\$20,000,000.00	\$16,034,682.77
GMACM 2005-J1	36185MCL4	\$20,000,000.00	\$17,614,989.29
GMACM 2005-J1	36185MBY7	\$13,650,000.00	\$1,958,471.22
GMACM 2006-AR1	36185MDQ2	\$111,081,545.00	\$44,825,586.15
GMACM 2006-AR1	36185MDN9	\$8,840,000.00	\$3,672,531.90
GMACM 2006-AR2	36185MFB3	\$30,697,840.00	\$8,079,500.72
GMACM 2006-HE1	361856ER4	\$48,485,000.00	\$20,080,691.66
GMACM 2006-HE2	38011AAC8	\$25,150,000.00	\$14,372,599.60
GMACM 2006-HE3	38012TAA0	\$60,000,000.00	\$0.00
GMACM 2006-HE3	38012TAD4	\$16,316,000.00	\$8,656,785.61
GMACM 2006-HE3	38012TAB8	\$8,620,000.00	\$2,976,589.46
GMACM 2006-HE3	38012TAC6	\$1,360,000.00	\$721,575.66
GMACM 2006-HE4	38012UAA7	\$104,119,000.00	\$45,712,255.98
GMACM 2006-HE4	38012UAB5	\$91,100,000.00	\$39,996,412.19
GMACM 2006-HE4	38012UAC3	\$45,000,000.00	\$19,756,734.90
GMACM 2006-HLTV	36185HEJ8	\$20,250,000.00	\$18,142,325.91
GMACM 2006-HLTV	36185HEH2	\$10,200,000.00	\$0.00
GMACM 2006-J1	36185MEB4	\$58,877,000.00	\$7,621,667.70
GMACM 2006-J1	36185MEG3	\$15,000,000.00	\$13,562,469.79

Deal Name	Cusip	Original Face	Current Face
GMACM 2007-HE1	36186KAA3	\$132,500,000.00	\$0.00
GMACM 2007-HE1	36186KAB1	\$50,000,000.00	\$0.00
GMACM 2007-HE2	36186LAG8	\$51,541,000.00	\$28,216,785.77
GMACM 2007-HE2	36186LAD5	\$5,000,000.00	\$2,737,314.54
GMACM 2007-HE2	36186LAC7	\$2,550,000.00	\$1,396,030.42
GMACM 2007-HE2	36186LAB9	\$90,000.00	\$49,271.77
GMACM 2007-HE3	36186MAC5	\$33,510,000.00	\$16,240,844.03
GMACM 2007-HE3	36186MAA9	\$32,335,000.00	\$11,317,991.12
RAAC 2004-SP1	7609855V9	\$49,812,000.00	\$5,341,999.30
RAAC 2004-SP1	7609855U1	\$2,500,000.00	\$565,156.60
RAAC 2004-SP2	7609857N5	\$1,000,000.00	\$25,497.23
RAAC 2004-SP3	76112BES5	\$30,000,000.00	\$4,631,673.25
RAAC 2005-RP3	76112BP95	\$4,000,000.00	\$4,000,000.00
RAAC 2005-SP1	76112BQN3	\$57,000,000.00	\$0.00
RAAC 2005-SP1	76112BQL7	\$31,117,000.00	\$24,958,888.05
RAAC 2005-SP1	76112BQS2	\$2,180,500.00	\$3,112,080.72
RAAC 2005-SP1	76112BSA9	\$1,500,000.00	\$290,353.24
RAAC 2005-SP1	76112BRE2	\$323,000.00	\$220,372.18
RAAC 2005-SP2	76112BF54	\$153,800,000.00	\$30,195,557.75
RAAC 2005-SP2	76112BF70	\$4,291,000.00	\$1,240,600.18
RAAC 2005-SP2	76112BE71	\$1,551,000.00	\$1,551,000.00
RAAC 2005-SP3	76112BS43	\$2,600,000.00	\$2,165,713.56
RAAC 2006-RP1	76112B3R9	\$37,983,000.00	\$4,416,513.43
RAAC 2006-RP1	76112B2V1	\$1,700,000.00	\$1,700,000.00
RAAC 2006-RP2	74919MAA4	\$127,229,000.00	\$22,012,181.16
RAAC 2006-RP2	74919MAB2	\$5,000,000.00	\$5,000,000.00
RAAC 2006-RP3	74919RAA3	\$146,320,000.00	\$33,626,929.08
RAAC 2006-RP3	74919RAE5	\$15,000,000.00	\$15,000,000.00

Deal Name	Cusip	Original Face	Current Face
RAAC 2006-RP4	74919TAA9	\$68,976,520.00	\$17,327,677.33
RAAC 2006-RP4	74919TAB7	\$20,700,000.00	\$20,700,000.00
RAAC 2006-SP1	76112B3F5	\$4,000,000.00	\$4,000,000.00
RAAC 2006-SP1	76112B3D0	\$3,200,000.00	\$665,349.23
RAAC 2006-SP2	74919PAB5	\$35,199,000.00	\$6,692,388.62
RAAC 2006-SP3	74919QAD9	\$4,447,992.00	\$4,447,992.00
RAAC 2006-SP4	74919VAC0	\$15,000,000.00	\$15,000,000.00
RAAC 2006-SP4	74919VAH9	\$5,000,000.00	\$5,000,000.00
RAAC 2006-SP4	74919VAG1	\$2,250,000.00	\$2,250,000.00
RAAC 2007-RP1	74977YAA7	\$107,420,000.00	\$36,656,254.05
RAAC 2007-RP1	74977YAB5	\$12,010,000.00	\$12,010,000.00
RAAC 2007-RP2	74919WAA2	\$59,620,000.00	\$19,261,017.24
RAAC 2007-RP2	74919WAB0	\$5,100,000.00	\$5,100,000.00
RAAC 2007-RP3	74978BAA6	\$53,200,000.00	\$18,784,053.74
RAAC 2007-RP3	74978BAB4	\$6,900,000.00	\$6,900,000.00
RAAC 2007-RP4	74919LAD0	\$57,980,000.00	\$26,801,872.78
RAAC 2007-RP4	74919LAE8	\$16,513,000.00	\$16,513,000.00
RAAC 2007-SP1	74978AAC4	\$18,000,000.00	\$18,000,000.00
RAAC 2007-SP1	74978AAB6	\$17,328,000.00	\$9,367,465.32
RAAC 2007-SP2	74919XAE2	\$13,000,000.00	\$13,000,000.00
RAAC 2007-SP2	74919XAF9	\$3,653,660.00	\$3,653,660.00
RAAC 2007-SP3	74978FAA7	\$142,479,281.00	\$52,679,373.77
RALI 2004-QA1	76110HRM3	\$19,000,000.00	\$769,264.54
RALI 2004-QA2	76110HVVU0	\$25,000,000.00	\$3,109,214.27
RALI 2004-QA4	76110HZH5	\$10,564,000.00	\$1,308,947.16
RALI 2004-QA4	76110HZP7	\$6,095,900.00	\$3,233,999.89
RALI 2004-QA4	76110HZQ5	\$3,143,400.00	\$1,142,101.69
RALI 2004-QA5	76110HC72	\$37,338,000.00	\$2,234,571.97

Deal Name	Cusip	Original Face	Current Face
RALI 2004-QA5	76110HC98	\$100,000.00	\$5,136.87
RALI 2004-QA6	76110HH28	\$69,548,000.00	\$4,375,797.98
RALI 2004-QA6	76110HH85	\$19,350,000.00	\$4,773,119.65
RALI 2004-QS1	76110HQB9	\$36,482,573.00	\$2,788,769.76
RALI 2004-QS1	76110HQA0	\$1,700,000.00	\$1,275,410.90
RALI 2004-QS10	76110HWC1	\$216,614,427.00	\$51,688,025.33
RALI 2004-QS10	76110HWC9	\$50,000,000.00	\$2,754,580.84
RALI 2004-QS10	76110HWG0	\$21,200,000.00	\$34,562,843.57
RALI 2004-QS11	76110HXC8	\$217,512,005.00	\$53,446,880.06
RALI 2004-QS11	76110HWU9	\$40,633,600.00	\$2,894,550.67
RALI 2004-QS11	76110HWX3	\$19,000,000.00	\$16,112,653.71
RALI 2004-QS11	76110HWV7	\$13,000,000.00	\$13,000,000.00
RALI 2004-QS11	76110HWW5	\$3,380,000.00	\$240,775.64
RALI 2004-QS13	76110HYH6	\$129,166,655.00	\$25,416,484.89
RALI 2004-QS13	76110HYF0	\$3,600,000.00	\$744,183.74
RALI 2004-QS16	76110HJ59	\$122,380,000.00	\$16,512,580.50
RALI 2004-QS16	76110HJ91	\$17,500,000.00	\$14,995,629.67
RALI 2004-QS16	76110HK24	\$3,200,000.00	\$654,089.74
RALI 2004-QS2	76110HQM4	\$95,777,000.00	\$20,210,301.77
RALI 2004-QS2	76110HQB7	\$38,831,040.00	\$4,298,452.30
RALI 2004-QS2	76110HQS1	\$6,870,000.00	\$5,082,347.42
RALI 2004-QS2	76110HQT9	\$3,215,800.00	\$2,410,460.30
RALI 2004-QS2	76110HQB4	\$1,023,200.00	\$0.00
RALI 2004-QS3	76110HRA9	\$11,800,000.00	\$2,096,202.67
RALI 2004-QS4	76110HSG5	\$7,694,900.00	\$5,325,193.30
RALI 2004-QS4	76110HSH3	\$3,686,800.00	\$2,594,066.79
RALI 2004-QS4	76110HRV3	\$2,565,000.00	\$266,891.54
RALI 2004-QS5	76110HSR1	\$12,500,000.00	\$1,562,389.91

Deal Name	Cusip	Original Face	Current Face
RALI 2004-QS5	76110HSU4	\$12,438,900.00	\$12,438,900.00
RALI 2004-QS5	76110HSW0	\$2,805,000.00	\$343,495.32
RALI 2004-QS6	76110HTG4	\$2,000,000.00	\$381,067.52
RALI 2004-QS7	76110HTV1	\$40,457,000.00	\$1,864,231.52
RALI 2004-QS7	76110HTW9	\$15,000,000.00	\$15,000,000.00
RALI 2004-QS7	76110HTX7	\$2,000,000.00	\$817,879.50
RALI 2004-QS8	76110HUT4	\$25,174,900.00	\$6,587,077.89
RALI 2004-QS8	76110HUN7	\$9,630,166.00	\$595,792.62
RALI 2004-QS8	76110HUR8	\$3,500,000.00	\$5,504,006.55
RALI 2004-QS8	76110HUL1	\$150,000.00	\$6,682.01
RALI 2004-QS9	76110HVVH9	\$51,542,000.00	\$9,656,193.51
RALI 2005-QA1	76110HM63	\$66,000,000.00	\$10,222,714.49
RALI 2005-QA10	761118GD4	\$63,450,000.00	\$27,834,138.84
RALI 2005-QA10	761118GE2	\$62,897,000.00	\$28,838,108.55
RALI 2005-QA12	761118MY1	\$32,839,000.00	\$9,841,820.72
RALI 2005-QA12	761118MZ8	\$24,000,000.00	\$5,876,740.56
RALI 2005-QA12	761118NB0	\$6,249,000.00	\$2,391,362.14
RALI 2005-QA12	761118NC8	\$4,050,000.00	\$1,417,629.80
RALI 2005-QA13	761118PE2	\$214,784,000.00	\$82,675,516.96
RALI 2005-QA13	761118PF9	\$4,470,000.00	\$1,435,529.89
RALI 2005-QA2	76110HT90	\$35,506,000.00	\$10,835,170.46
RALI 2005-QA3	76110H2H1	\$84,080,900.00	\$18,490,442.17
RALI 2005-QA3	76110H2K4	\$24,162,800.00	\$6,065,264.68
RALI 2005-QA3	76110H2P3	\$17,924,800.00	\$1,940,574.77
RALI 2005-QA3	76110H2L2	\$8,765,600.00	\$2,676,826.36
RALI 2005-QA4	76110H4L0	\$87,725,000.00	\$31,227,291.89
RALI 2005-QA4	76110H4F3	\$13,225,000.00	\$3,451,912.00
RALI 2005-QA4	76110H4K2	\$9,868,000.00	\$3,245,127.72

Deal Name	Cusip	Original Face	Current Face
RALI 2005-QA4	76110H4G1	\$96,000.00	\$23,317.74
RALI 2005-QA5	76110H5A3	\$44,000,000.00	\$2,389,740.60
RALI 2005-QA5	76110H5C9	\$3,859,900.00	\$1,325,550.11
RALI 2005-QA6	76110H6E4	\$20,612,560.00	\$4,579,284.91
RALI 2005-QA6	76110H5Z8	\$940,000.00	\$187,736.76
RALI 2005-QA6	76110H6F1	\$230,000.00	\$229,969.90
RALI 2005-QA7	76110H7B9	\$84,350,000.00	\$29,751,554.40
RALI 2005-QA7	76110H7A1	\$38,002,800.00	\$9,713,243.64
RALI 2005-QA7	76110H7J2	\$5,164,000.00	\$10,818.01
RALI 2005-QA7	76110H7D5	\$5,000,000.00	\$1,765,522.87
RALI 2005-QA8	761118BP2	\$101,397,000.00	\$25,593,321.42
RALI 2005-QA8	761118BS6	\$53,625,000.00	\$18,743,857.21
RALI 2005-QA8	761118BW7	\$14,395,000.00	\$4,729,792.37
RALI 2005-QA9	761118FM5	\$42,390,000.00	\$18,162,523.70
RALI 2005-QA9	761118FJ2	\$41,501,000.00	\$10,887,711.51
RALI 2005-QA9	761118FG8	\$27,700,000.00	\$7,501,698.27
RALI 2005-QO1	761118EN4	\$108,930,000.00	\$31,873,782.79
RALI 2005-QO1	761118EP9	\$24,987,500.00	\$7,311,541.52
RALI 2005-QO2	761118HU5	\$112,657,994.00	\$34,976,333.76
RALI 2005-QO3	761118KU1	\$111,735,000.00	\$37,180,873.48
RALI 2005-QO3	761118KV9	\$36,156,400.00	\$10,619,559.95
RALI 2005-QO4	761118NN4	\$129,600,000.00	\$45,612,079.16
RALI 2005-QO4	761118NP9	\$35,953,000.00	\$9,923,930.20
RALI 2005-QO5	761118QM3	\$410,734,000.00	\$150,583,752.63
RALI 2005-QS1	76110HP78	\$214,597,361.00	\$72,653,992.73
RALI 2005-QS1	76110HN88	\$80,000,000.00	\$20,684,284.56
RALI 2005-QS1	76110HP45	\$40,410,000.00	\$10,448,149.24
RALI 2005-QS10	761118CX4	\$72,649,000.00	\$19,869,196.38

Deal Name	Cusip	Original Face	Current Face
RALI 2005-QS10	761118CW6	\$25,000,000.00	\$9,424,732.44
RALI 2005-QS10	761118CZ9	\$13,283,000.00	\$9,725,344.72
RALI 2005-QS11	761118CL0	\$213,644,237.00	\$82,446,947.81
RALI 2005-QS11	761118CE6	\$36,149,700.00	\$30,460,096.91
RALI 2005-QS11	761118CJ5	\$8,364,400.00	\$6,558,687.42
RALI 2005-QS11	761118CK2	\$369,202.00	\$190,376.26
RALI 2005-QS12	761118ED6	\$528,901,122.00	\$201,702,182.80
RALI 2005-QS12	761118DN5	\$37,460,154.00	\$20,565,080.93
RALI 2005-QS12	761118DU9	\$12,400,000.00	\$534,582.47
RALI 2005-QS12	761118DR6	\$10,410,000.00	\$9,450,933.30
RALI 2005-QS12	761118EC8	\$1,137,106.00	\$569,611.56
RALI 2005-QS13	761118HJ0	\$639,169,632.00	\$259,991,490.50
RALI 2005-QS13	761118HA9	\$42,460,154.00	\$22,654,128.93
RALI 2005-QS13	761118GW2	\$41,885,000.00	\$8,276,876.03
RALI 2005-QS13	761118HC5	\$29,400,000.00	\$7,263,415.63
RALI 2005-QS13	761118HH4	\$3,199,626.00	\$1,533,043.03
RALI 2005-QS13	761118GX0	\$1,300,000.00	\$499,586.18
RALI 2005-QS14	761118JQ2	\$484,882,069.00	\$166,765,568.45
RALI 2005-QS14	761118JN9	\$130,938,205.00	\$33,312,682.81
RALI 2005-QS14	761118JG4	\$125,510,000.00	\$31,676,001.10
RALI 2005-QS14	761118JJ8	\$99,999,999.68	\$34,058,264.89
RALI 2005-QS14	761118JH2	\$47,530,000.00	\$21,002,024.07
RALI 2005-QS15	761118KL1	\$431,500,310.00	\$162,560,936.80
RALI 2005-QS15	761118KG2	\$66,099,000.00	\$30,694,857.05
RALI 2005-QS15	761118KJ6	\$18,861,000.00	\$7,288,401.30
RALI 2005-QS15	761118KK3	\$8,301,530.00	\$3,722,610.84
RALI 2005-QS16	761118MP0	\$427,980,012.00	\$166,591,924.80
RALI 2005-QS16	761118MC9	\$25,450,000.00	\$22,351,857.23

Deal Name	Cusip	Original Face	Current Face
RALI 2005-QS16	761118MN5	\$2,596,273.00	\$1,251,664.94
RALI 2005-QS17	761118QC5	\$540,112,378.00	\$202,259,498.70
RALI 2005-QS17	761118PY8	\$103,032,000.00	\$33,504,379.32
RALI 2005-QS17	761118PZ5	\$53,366,200.00	\$14,239,651.11
RALI 2005-QS17	761118PQ5	\$13,165,000.00	\$11,098,613.33
RALI 2005-QS17	761118QB7	\$5,958,254.00	\$2,695,031.23
RALI 2005-QS17	761118PU6	\$1,500,000.00	\$274,455.33
RALI 2005-QS2	76110HQ69	\$53,001,600.00	\$12,876,899.42
RALI 2005-QS3	76110HX79	\$173,143,700.00	\$22,743,125.66
RALI 2005-QS3	76110HY86	\$103,981,675.00	\$23,901,134.23
RALI 2005-QS3	76110HX87	\$24,048,000.00	\$21,661,655.89
RALI 2005-QS3	76110HX61	\$15,000,000.00	\$1,970,310.70
RALI 2005-QS3	76110HX53	\$10,990,200.00	\$9,202,311.44
RALI 2005-QS5	76110H2X6	\$85,000,000.00	\$19,592,718.11
RALI 2005-QS5	76110H2Z1	\$58,392,577.00	\$13,459,640.89
RALI 2005-QS6	76110H5F2	\$118,400,000.00	\$21,687,561.60
RALI 2005-QS6	76110H5J4	\$13,883,333.00	\$6,292,122.05
RALI 2005-QS6	76110H5K1	\$12,787,000.00	\$12,787,000.00
RALI 2005-QS6	76110H5L9	\$8,844,000.00	\$8,063,901.60
RALI 2005-QS6	76110H5M7	\$250,000.00	\$227,948.37
RALI 2005-QS7	761118AK4	\$369,979,162.00	\$131,214,154.70
RALI 2005-QS7	761118AH1	\$99,840,000.00	\$37,775,092.49
RALI 2005-QS7	761118AE8	\$22,827,000.00	\$20,715,771.98
RALI 2005-QS7	761118AA6	\$20,100,000.00	\$4,401,669.21
RALI 2005-QS9	761118BE7	\$370,978,359.00	\$134,913,325.00
RALI 2005-QS9	761118AV0	\$50,000,000.00	\$10,256,441.16
RALI 2005-QS9	761118AZ1	\$12,098,000.00	\$10,896,280.98
RALI 2005-QS9	761118AW8	\$419,959.00	\$84,353.13

Deal Name	Cusip	Original Face	Current Face
RALI 2006-QA1	761118TB4	\$130,617,000.00	\$55,413,498.20
RALI 2006-QA1	761118SZ2	\$50,000,000.00	\$11,884,081.35
RALI 2006-QA1	761118TD0	\$16,505,000.00	\$5,250,116.48
RALI 2006-QA10	74922NAB5	\$62,495,092.00	\$24,565,187.80
RALI 2006-QA10	74922NAA7	\$35,956,403.00	\$12,720,170.27
RALI 2006-QA10	74922NAG4	\$10,000,000.00	\$0.00
RALI 2006-QA2	761118TN8	\$49,001,476.00	\$18,610,129.67
RALI 2006-QA2	761118TU2	\$24,906,000.00	\$12,289,878.38
RALI 2006-QA2	761118TR9	\$13,300,000.00	\$5,396,391.37
RALI 2006-QA3	75114RAD7	\$65,500,000.00	\$18,930,361.34
RALI 2006-QA4	748939AA3	\$137,490,303.00	\$44,713,057.37
RALI 2006-QA4	748939AH8	\$10,000,000.00	\$0.00
RALI 2006-QA5	75115BAB5	\$100,000,000.00	\$33,647,079.11
RALI 2006-QA5	75115BAA7	\$48,463,281.00	\$16,502,900.63
RALI 2006-QA6	74922MAA9	\$103,500,441.00	\$31,629,706.48
RALI 2006-QA6	74922MAB7	\$15,000,000.00	\$5,097,617.58
RALI 2006-QA6	74922MAC5	\$6,370,000.00	\$2,164,788.27
RALI 2006-QA7	751152AA7	\$132,316,641.00	\$41,045,495.69
RALI 2006-QA8	74922QAA0	\$87,038,737.00	\$28,366,566.55
RALI 2006-QA8	74922QAB8	\$75,800,000.00	\$27,448,666.23
RALI 2006-QA9	75115VAA3	\$17,625,000.00	\$6,207,165.88
RALI 2006-QA9	75115VAF2	\$10,000,000.00	\$0.00
RALI 2006-QH1	75115GAA6	\$18,715,500.00	\$10,130,112.12
RALI 2006-QO1	761118RJ9	\$110,420,000.00	\$32,016,368.72
RALI 2006-QO1	761118RM2	\$107,602,000.00	\$50,948,144.97
RALI 2006-QO1	761118RN0	\$89,680,800.00	\$25,960,135.90
RALI 2006-QO1	761118RG5	\$55,194,000.00	\$7,143,378.65
RALI 2006-QO1	761118RK6	\$10,496,000.00	\$0.00

Deal Name	Cusip	Original Face	Current Face
RALI 2006-QO10	751153AA5	\$118,805,000.00	\$65,186,558.57
RALI 2006-QO10	751153AB3	\$6,000,000.00	\$2,677,170.97
RALI 2006-QO2	761118VY1	\$242,042,000.00	\$82,681,806.24
RALI 2006-QO2	761118VZ8	\$87,113,600.00	\$32,508,770.82
RALI 2006-QO3	761118WP9	\$215,041,000.00	\$88,532,587.40
RALI 2006-QO3	761118WQ7	\$34,747,000.00	\$16,105,821.07
RALI 2006-QO4	75114GAC3	\$37,720,000.00	\$17,473,832.82
RALI 2006-QO4	75114GAF6	\$3,825,000.00	\$0.00
RALI 2006-QO5	75114HAD9	\$118,000,000.00	\$59,876,334.97
RALI 2006-QO5	75114HAH0	\$29,397,000.00	\$6,506,135.62
RALI 2006-QO5	75114HAE7	\$16,800,000.00	\$5,233,877.08
RALI 2006-QO5	75114HAS6	\$12,962,000.00	\$0.00
RALI 2006-QO5	75114HAK3	\$11,000,000.00	\$9,649,473.16
RALI 2006-QO6	75114NAA2	\$510,853,000.00	\$249,815,342.36
RALI 2006-QO6	75114NAB0	\$226,645,000.00	\$112,710,889.42
RALI 2006-QO7	751150AD5	\$79,746,000.00	\$46,373,963.28
RALI 2006-QO7	751150AH6	\$62,938,000.00	\$43,155,457.12
RALI 2006-QO7	751150AJ2	\$37,954,000.00	\$31,823,148.85
RALI 2006-QO7	751150AA1	\$31,093,476.00	\$17,397,420.69
RALI 2006-QO7	751150AB9	\$30,170,400.00	\$0.00
RALI 2006-QO8	75115FAS9	\$15,000,000.00	\$13,410,428.89
RALI 2006-QO9	75115HAN6	\$548,514,000.00	\$244,866,136.70
RALI 2006-QO9	75114PAC3	\$85,000,000.00	\$78,242,121.30
RALI 2006-QO9	75114PAE9	\$32,526,000.00	\$29,725,432.79
RALI 2006-QO9	75114PAD1	\$20,000,000.00	\$0.00
RALI 2006-QO9	75114PAA7	\$1,700,000.00	\$0.00
RALI 2006-QS1	761118SB5	\$20,000,000.00	\$4,511,999.30
RALI 2006-QS10	751155AS1	\$513,600,596.00	\$202,191,757.41

Deal Name	Cusip	Original Face	Current Face
RALI 2006-QS10	751155AP7	\$66,810,666.00	\$27,984,568.32
RALI 2006-QS10	751155AN2	\$16,810,666.00	\$7,041,379.28
RALI 2006-QS10	751155BE1	\$5,293,385.00	\$2,394,049.63
RALI 2006-QS11	75115EAK9	\$742,705,705.00	\$292,981,670.71
RALI 2006-QS11	75115EAA1	\$75,000,000.00	\$25,964,078.40
RALI 2006-QS11	75115EAU7	\$17,284,000.00	\$12,541,986.37
RALI 2006-QS11	75115EAJ2	\$5,521,342.00	\$2,324,932.29
RALI 2006-QS12	751151AA9	\$85,000,000.00	\$23,653,476.82
RALI 2006-QS12	751151AV3	\$40,744,973.00	\$16,204,202.42
RALI 2006-QS12	751151AD3	\$25,177,000.00	\$16,823,384.49
RALI 2006-QS12	751151AH4	\$20,000,000.00	\$12,894,300.88
RALI 2006-QS12	751151AG6	\$7,000,000.00	\$2,490,396.55
RALI 2006-QS12	751151AN1	\$4,902,666.00	\$3,160,822.53
RALI 2006-QS12	751151AZ4	\$2,005,760.00	\$869,484.71
RALI 2006-QS13	75115DAB1	\$166,039,000.00	\$67,600,793.51
RALI 2006-QS13	75115DAK1	\$3,338,000.00	\$2,380,881.47
RALI 2006-QS13	75115DAW5	\$416,200.00	\$0.00
RALI 2006-QS14	74922GAP9	\$75,000,000.00	\$36,177,132.08
RALI 2006-QS14	74922GAE4	\$15,384,616.00	\$5,888,961.17
RALI 2006-QS14	74922GAK0	\$5,547,285.00	\$3,700,068.19
RALI 2006-QS15	74922YAH8	\$538,578,792.00	\$198,276,918.80
RALI 2006-QS15	74922YAA3	\$32,000,000.00	\$13,526,228.62
RALI 2006-QS15	74922YAE5	\$14,697,000.00	\$10,271,178.35
RALI 2006-QS15	74922YAG0	\$1,839,075.00	\$832,070.31
RALI 2006-QS16	74922LAN3	\$752,079,933.00	\$305,603,568.00
RALI 2006-QS16	74922LAB9	\$175,025,250.00	\$76,262,869.36
RALI 2006-QS16	74922LAM5	\$1,212,939.00	\$552,090.55
RALI 2006-QS17	74922SAN8	\$537,005,668.00	\$226,619,000.60

Deal Name	Cusip	Original Face	Current Face
RALI 2006-QS17	74922SAB4	\$106,635,250.00	\$48,060,333.03
RALI 2006-QS17	74922SAM0	\$1,096,065.00	\$575,380.35
RALI 2006-QS18	74922RAT7	\$323,635,781.00	\$139,882,051.83
RALI 2006-QS18	74922RAC4	\$116,032,000.00	\$40,782,334.44
RALI 2006-QS18	74922RAH3	\$95,475,000.00	\$42,676,095.43
RALI 2006-QS18	74922RAF7	\$50,000,000.00	\$27,934,478.00
RALI 2006-QS18	74922RAU4	\$4,914,900.00	\$2,070,377.21
RALI 2006-QS18	74922RAR1	\$4,660,000.00	\$1,566,628.68
RALI 2006-QS18	74922RAP5	\$2,690,000.00	\$904,341.45
RALI 2006-QS18	74922RAW0	\$355,377.00	\$126,490.53
RALI 2006-QS18	74922RAS9	\$190,116.00	\$67,893.62
RALI 2006-QS2	761118VE5	\$750,230,678.00	\$284,377,685.09
RALI 2006-QS2	761118VA3	\$106,430,000.00	\$24,450,553.43
RALI 2006-QS2	761118UQ9	\$29,500,000.00	\$7,869,950.30
RALI 2006-QS2	761118UL0	\$6,962,750.00	\$3,966,907.64
RALI 2006-QS3	761118XL7	\$44,229,000.00	\$10,354,862.86
RALI 2006-QS4	749228AA0	\$25,553,000.00	\$18,810,760.70
RALI 2006-QS4	749228AJ1	\$22,950,000.00	\$7,606,457.33
RALI 2006-QS4	749228AF9	\$10,000,000.00	\$2,887,863.25
RALI 2006-QS5	75114TAC5	\$40,000,000.00	\$22,359,144.40
RALI 2006-QS5	75114TAG6	\$40,000,000.00	\$11,252,254.86
RALI 2006-QS5	75114TAE1	\$33,909,000.00	\$24,211,856.97
RALI 2006-QS5	75114TAD3	\$20,000,000.00	\$14,280,490.12
RALI 2006-QS6	74922EAV1	\$687,937,102.00	\$251,254,688.86
RALI 2006-QS6	74922EAA7	\$80,000,000.00	\$27,441,141.52
RALI 2006-QS6	74922EAN9	\$16,669,000.00	\$5,377,690.43
RALI 2006-QS6	74922EAQ2	\$3,550,000.00	\$1,706,248.26
RALI 2006-QS6	74922EAB5	\$450,000.00	\$141,254.22

Deal Name	Cusip	Original Face	Current Face
RALI 2006-QS7	748940AG8	\$537,508,457.00	\$183,210,935.57
RALI 2006-QS7	748940AA1	\$139,600,000.00	\$61,272,396.90
RALI 2006-QS7	748940AD5	\$21,600,000.00	\$2,342,135.29
RALI 2006-QS8	75115AAG6	\$966,346,145.00	\$358,507,110.84
RALI 2006-QS8	75115AAA9	\$116,485,000.00	\$53,072,729.63
RALI 2006-QS8	75115AAD3	\$46,230,000.00	\$6,454,293.07
RALI 2006-QS8	75115AAC5	\$20,244,000.00	\$14,211,605.10
RALI 2006-QS8	75115AAB7	\$11,095,000.00	\$7,788,863.79
RALI 2006-QS9	75115CAV9	\$430,619,725.00	\$159,083,945.73
RALI 2006-QS9	75115CAX5	\$109,497,733.00	\$29,470,634.42
RALI 2006-QS9	75115CAL1	\$12,000,000.00	\$4,012,813.55
RALI 2006-QS9	75115CAG2	\$10,755,650.00	\$7,918,511.54
RALI 2007-QA1	74923GAA1	\$72,495,000.00	\$23,605,918.30
RALI 2007-QA1	74923GAB9	\$13,670,000.00	\$11,076,037.14
RALI 2007-QA2	74922PAA2	\$40,000,000.00	\$11,737,116.63
RALI 2007-QA2	74922PAC8	\$990,054.00	\$372,967.93
RALI 2007-QA3	74923XAA4	\$69,000,000.00	\$32,903,829.06
RALI 2007-QA3	74923XAE6	\$24,709,272.00	\$0.00
RALI 2007-QA3	74923XAD8	\$21,064,872.00	\$0.00
RALI 2007-QA4	74923YAA2	\$92,000,000.00	\$30,567,648.30
RALI 2007-QA5	749236AE5	\$36,360,960.00	\$21,863,737.98
RALI 2007-QH1	74922HAA0	\$136,734,000.00	\$81,136,342.92
RALI 2007-QH1	74922HAB8	\$17,551,200.00	\$10,414,675.08
RALI 2007-QH2	74922JAA6	\$65,079,200.00	\$37,688,507.76
RALI 2007-QH2	74922JAB4	\$27,937,600.00	\$16,179,154.86
RALI 2007-QH3	74922WAA7	\$112,327,000.00	\$66,914,307.75
RALI 2007-QH4	74922TAA4	\$105,200,000.00	\$65,686,066.71
RALI 2007-QH4	74922TAB2	\$44,982,400.00	\$28,086,662.80

Deal Name	Cusip	Original Face	Current Face
RALI 2007-QH5	75116EAB8	\$49,048,800.00	\$29,934,676.82
RALI 2007-QH5	75116EAA0	\$30,000,000.00	\$18,662,898.88
RALI 2007-QH6	74922AAA5	\$146,600,000.00	\$93,053,705.84
RALI 2007-QH6	74922AAB3	\$56,000,000.00	\$35,545,753.94
RALI 2007-QH7	75115LAA5	\$45,957,480.00	\$30,250,782.69
RALI 2007-QH9	749241AA3	\$85,785,000.00	\$61,010,370.87
RALI 2007-QO1	75115YAA7	\$109,273,000.00	\$61,665,205.06
RALI 2007-QO2	75116AAA8	\$177,011,685.00	\$99,865,247.34
RALI 2007-QO2	75116AAB6	\$15,110,400.00	\$134,649.89
RALI 2007-QO2	75116AAC4	\$9,763,000.00	\$0.00
RALI 2007-QO3	74923TAA3	\$83,540,000.00	\$48,570,397.65
RALI 2007-QO4	74923LAB8	\$53,700,000.00	\$31,685,344.20
RALI 2007-QO4	74923LAC6	\$11,325,000.00	\$6,682,244.38
RALI 2007-QO4	74923LAD4	\$4,950,000.00	\$559,886.85
RALI 2007-QO4	74923LAA0	\$2,550,000.00	\$1,504,611.32
RALI 2007-QS1	74922KAW5	\$430,044,970.00	\$218,241,569.70
RALI 2007-QS1	74922KAY1	\$399,322,306.00	\$176,584,747.73
RALI 2007-QS1	74922KAH8	\$176,973,000.00	\$91,127,727.12
RALI 2007-QS1	74922KAB1	\$34,499,000.00	\$24,735,401.37
RALI 2007-QS1	74922KAQ8	\$28,309,600.00	\$12,559,903.46
RALI 2007-QS1	74922KAA3	\$15,000,000.00	\$4,615,688.06
RALI 2007-QS1	74922KAX3	\$12,521,309.00	\$5,501,832.67
RALI 2007-QS1	74922KAD7	\$5,000,000.00	\$3,742,650.74
RALI 2007-QS1	74922KAV7	\$1,462,542.00	\$678,091.50
RALI 2007-QS10	74924DAJ8	\$435,758,536.00	\$208,657,003.37
RALI 2007-QS10	74924DAA7	\$1,385,000.00	\$781,082.81
RALI 2007-QS11	74925GAA9	\$48,925,000.00	\$25,435,553.60
RALI 2007-QS2	74923CAJ1	\$527,443,546.00	\$245,235,300.67

Deal Name	Cusip	Original Face	Current Face
RALI 2007-QS2	74923CAC6	\$3,200,000.00	\$2,336,597.97
RALI 2007-QS3	75116BAH1	\$880,350,722.00	\$417,086,874.75
RALI 2007-QS3	75116BAB4	\$240,000,000.00	\$113,715,576.24
RALI 2007-QS3	75116BAE8	\$39,000,000.00	\$29,214,681.16
RALI 2007-QS4	74923HBG5	\$324,427,824.00	\$168,343,325.65
RALI 2007-QS4	74923HBC4	\$54,261,538.00	\$27,960,214.73
RALI 2007-QS4	74923HAX9	\$49,758,800.00	\$21,785,863.16
RALI 2007-QS4	74923HAE1	\$39,661,000.00	\$19,615,217.63
RALI 2007-QS4	74923HAM3	\$39,390,000.00	\$18,407,689.97
RALI 2007-QS4	74923HAT8	\$23,203,000.00	\$17,733,050.51
RALI 2007-QS4	74923HBA8	\$6,476,000.00	\$1,806,585.90
RALI 2007-QS4	74923HAL5	\$6,262,000.00	\$4,668,439.82
RALI 2007-QS5	74923JAR8	\$432,705,069.00	\$216,716,952.74
RALI 2007-QS5	74923JAH0	\$60,132,000.00	\$32,325,554.98
RALI 2007-QS5	74923JAB3	\$50,000,000.00	\$31,174,619.11
RALI 2007-QS6	75116CEX0	\$808,301,218.00	\$380,748,625.74
RALI 2007-QS6	75116CAA4	\$136,574,000.00	\$68,852,866.68
RALI 2007-QS6	75116CAM8	\$26,229,464.00	\$16,053,630.02
RALI 2007-QS6	75116CAF3	\$20,000,000.00	\$14,118,071.48
RALI 2007-QS6	75116CBW5	\$20,000,000.00	\$8,689,388.40
RALI 2007-QS6	75116CCP9	\$12,000,000.00	\$2,201,511.74
RALI 2007-QS7	74923WAQ1	\$272,791,973.00	\$110,798,856.26
RALI 2007-QS7	74923WAD0	\$43,289,000.00	\$34,178,110.29
RALI 2007-QS7	74923WAK4	\$13,127,000.00	\$6,630,867.56
RALI 2007-QS8	74922UAU7	\$651,756,520.00	\$339,202,596.54
RALI 2007-QS8	74922UAG8	\$149,706,000.00	\$79,462,008.05
RALI 2007-QS8	74922UAB9	\$80,869,000.00	\$45,123,122.09
RALI 2007-QS8	74922UAD5	\$67,500,000.00	\$50,600,873.81

Deal Name	Cusip	Original Face	Current Face
RALI 2007-QS8	74922UAC7	\$48,500,000.00	\$36,357,664.89
RALI 2007-QS8	74922UAK9	\$13,398,000.00	\$6,198,497.30
RALI 2007-QS8	74922UAH6	\$9,000,000.00	\$4,580,867.16
RALI 2007-QS8	74922UAF0	\$2,000,000.00	\$1,139,863.16
RALI 2007-QS9	75116FBH1	\$124,938,462.00	\$69,396,893.15
RAMP 2004-RS1	760985N98	\$25,000,000.00	\$4,250,937.45
RAMP 2004-RS1	760985M81	\$18,787,000.00	\$10,234,615.98
RAMP 2004-RS1	760985M73	\$15,620,000.00	\$8,509,326.81
RAMP 2004-RS1	760985N49	\$8,125,000.00	\$4,049,657.12
RAMP 2004-RS10	76112BDS6	\$10,285,000.00	\$52,457.16
RAMP 2004-RS10	76112BDT4	\$7,100,000.00	\$7,100,000.00
RAMP 2004-RS11	76112BFJ4	\$1,000,000.00	\$534,232.03
RAMP 2004-RS12	76112BFS4	\$24,000,000.00	\$0.00
RAMP 2004-RS12	76112BFV7	\$6,000,000.00	\$6,000,000.00
RAMP 2004-RS12	76112BGD6	\$5,000,000.00	\$1,753,214.39
RAMP 2004-RS12	76112BGG9	\$4,500,000.00	\$4,500,000.00
RAMP 2004-RS12	76112BGF1	\$2,500,000.00	\$2,500,000.00
RAMP 2004-RS12	76112BGH7	\$1,000,000.00	\$691,053.22
RAMP 2004-RS2	760985Q38	\$37,636,000.00	\$27,464,180.05
RAMP 2004-RS2	760985Q46	\$8,000,000.00	\$2,794,027.52
RAMP 2004-RS2	760985R78	\$5,000,000.00	\$0.00
RAMP 2004-RS2	760985Q79	\$1,813,000.00	\$669,480.57
RAMP 2004-RS3	760985V32	\$31,030,000.00	\$22,819,704.28
RAMP 2004-RS4	7609853H2	\$45,200,000.00	\$11,871,960.89
RAMP 2004-RS4	7609852X8	\$39,042,000.00	\$27,219,888.92
RAMP 2004-RS4	7609852Y6	\$17,450,000.00	\$5,791,429.35
RAMP 2004-RS4	7609853J8	\$16,100,000.00	\$7,964,181.29
RAMP 2004-RS5	7609854A6	\$35,000,000.00	\$31,584,433.18

Deal Name	Cusip	Original Face	Current Face
RAMP 2004-RS5	7609854G3	\$15,000,000.00	\$7,253,472.10
RAMP 2004-RS5	7609854H1	\$12,000,000.00	\$3,336,677.48
RAMP 2004-RS5	7609854K4	\$5,000,000.00	\$1,257,281.63
RAMP 2004-RS6	7609855L1	\$15,000,000.00	\$6,986,297.86
RAMP 2004-RS6	7609855M9	\$10,000,000.00	\$2,573,677.31
RAMP 2004-RS6	7609855B3	\$9,600,000.00	\$9,600,000.00
RAMP 2004-RS6	7609855A5	\$498,000.00	\$60,983.42
RAMP 2004-RS7	7609857K1	\$23,500,000.00	\$5,080,559.56
RAMP 2004-RS7	7609857E5	\$7,000,000.00	\$6,905,504.30
RAMP 2004-RS7	7609857D7	\$6,300,000.00	\$1,762,537.14
RAMP 2004-RS7	7609857F2	\$2,000,000.00	\$733,946.90
RAMP 2004-RS8	76112BAM2	\$15,000,000.00	\$10,667,161.62
RAMP 2004-RS8	76112BAE0	\$12,558,000.00	\$12,558,000.00
RAMP 2004-RS9	76112BCN8	\$24,000,000.00	\$6,748,169.67
RAMP 2004-RS9	76112BCM0	\$12,250,000.00	\$8,692,842.05
RAMP 2004-RS9	76112BCG3	\$5,000,000.00	\$4,983,526.55
RAMP 2004-RS9	76112BCQ1	\$4,200,000.00	\$869,627.56
RAMP 2004-RZ1	760985U25	\$69,100,000.00	\$6,711,476.93
RAMP 2004-RZ1	760985T92	\$18,208,000.00	\$4,464,317.45
RAMP 2004-RZ1	760985T84	\$8,304,000.00	\$5,611,962.62
RAMP 2004-RZ1	760985U58	\$6,487,000.00	\$2,272,796.22
RAMP 2004-RZ1	760985U33	\$2,000,000.00	\$671,187.13
RAMP 2004-RZ1	760985U66	\$2,000,000.00	\$584,166.15
RAMP 2004-RZ2	7609854S7	\$7,500,000.00	\$2,607,031.88
RAMP 2004-RZ3	76112BBK5	\$7,125,000.00	\$7,125,000.00
RAMP 2004-RZ3	76112BAZ3	\$6,500,000.00	\$6,500,000.00
RAMP 2004-RZ3	76112BAY6	\$6,000,000.00	\$1,360,675.10
RAMP 2004-RZ4	76112BHF0	\$209,980.00	\$1,232.59

Deal Name	Cusip	Original Face	Current Face
RAMP 2004-SL1	760985W98	\$59,393,000.00	\$3,798,887.10
RAMP 2004-SL1	760985W80	\$26,100,000.00	\$2,276,795.10
RAMP 2004-SL1	760985W72	\$19,207,000.00	\$4,038,457.76
RAMP 2004-SL1	760985W49	\$12,240,000.00	\$40,715.35
RAMP 2004-SL1	760985X30	\$7,537,000.00	\$3,884,725.97
RAMP 2004-SL1	760985W31	\$4,456,000.00	\$317,310.04
RAMP 2004-SL1	760985Z53	\$3,913,200.00	\$1,434,146.17
RAMP 2004-SL1	760985W56	\$3,800,000.00	\$86,596.30
RAMP 2004-SL1	760985Z61	\$1,750,000.00	\$641,356.48
RAMP 2004-SL1	760985Z79	\$1,206,600.00	\$442,206.18
RAMP 2004-SL2	7609856D8	\$70,387,665.00	\$10,997,043.59
RAMP 2004-SL2	7609856A4	\$37,152,866.00	\$345,479.93
RAMP 2004-SL2	7609856L0	\$10,585,236.00	\$5,525,040.91
RAMP 2004-SL3	76112BBQ2	\$67,265,000.00	\$8,217,605.29
RAMP 2004-SL3	76112BBS8	\$31,580,000.00	\$5,936,182.68
RAMP 2004-SL3	76112BBR0	\$26,396,000.00	\$3,000,422.20
RAMP 2004-SL3	76112BBP4	\$12,967,000.00	\$373,729.03
RAMP 2004-SL3	76112BBZ2	\$2,449,000.00	\$1,632,565.29
RAMP 2004-SL4	76112BGP9	\$22,140,000.00	\$5,298,944.25
RAMP 2004-SL4	76112BGM6	\$16,560,000.00	\$2,052,293.95
RAMP 2004-SL4	76112BGK0	\$9,000,000.00	\$205,866.16
RAMP 2004-SL4	76112BGU8	\$2,065,900.00	\$1,289,642.08
RAMP 2005-EFC1	76112BRU6	\$10,000,000.00	\$0.00
RAMP 2005-EFC1	76112BRN2	\$7,000,000.00	\$7,000,000.00
RAMP 2005-EFC1	76112BRL6	\$7,000,000.00	\$964,545.46
RAMP 2005-EFC1	76112BRM4	\$6,000,000.00	\$6,000,000.00
RAMP 2005-EFC2	76112BVP2	\$8,423,000.00	\$399,997.32
RAMP 2005-EFC2	76112BVW7	\$2,686,000.00	\$1,083,394.76

Deal Name	Cusip	Original Face	Current Face
RAMP 2005-EFC2	76112BVQ0	\$1,331,000.00	\$1,331,000.00
RAMP 2005-EFC3	76112BZB9	\$22,125,000.00	\$690,888.33
RAMP 2005-EFC3	76112BYU8	\$10,347,000.00	\$10,347,000.00
RAMP 2005-EFC3	76112BYT1	\$9,626,000.00	\$2,267,116.70
RAMP 2005-EFC3	76112BYY0	\$6,000,000.00	\$6,000,000.00
RAMP 2005-EFC3	76112BYV6	\$4,069,272.00	\$4,069,272.00
RAMP 2005-EFC3	76112BZA1	\$2,708,000.00	\$2,708,000.00
RAMP 2005-EFC4	76112BD49	\$10,000,000.00	\$0.00
RAMP 2005-EFC4	76112BC40	\$7,000,000.00	\$7,000,000.00
RAMP 2005-EFC4	76112BC99	\$4,000,000.00	\$4,000,000.00
RAMP 2005-EFC5	76112BH29	\$43,812,500.00	\$1,694,703.72
RAMP 2005-EFC5	76112BJ43	\$15,000,000.00	\$0.00
RAMP 2005-EFC5	76112BH94	\$10,000,000.00	\$10,000,000.00
RAMP 2005-EFC5	76112BH86	\$5,000,000.00	\$5,000,000.00
RAMP 2005-EFC5	76112BH45	\$1,150,000.00	\$1,150,000.00
RAMP 2005-EFC5	76112BH52	\$215,000.00	\$215,000.00
RAMP 2005-EFC6	76112BK25	\$8,000,000.00	\$8,000,000.00
RAMP 2005-EFC6	76112BJ84	\$2,000,000.00	\$74,415.91
RAMP 2005-EFC7	76112BR69	\$35,000,000.00	\$10,865,648.22
RAMP 2005-RS1	76112BHX1	\$10,000,000.00	\$10,000,000.00
RAMP 2005-RS1	76112BJG6	\$9,690,000.00	\$5,592,509.34
RAMP 2005-RS1	76112BHW3	\$8,139,000.00	\$2,191,038.86
RAMP 2005-RS1	76112BHY9	\$4,165,000.00	\$2,171,564.87
RAMP 2005-RS1	76112BHZ6	\$2,300,000.00	\$2,167,784.09
RAMP 2005-RS1	76112BJB7	\$1,500,000.00	\$303,925.00
RAMP 2005-RS2	76112BKC3	\$390,000.00	\$390,000.00
RAMP 2005-RS2	76112BKE9	\$250,000.00	\$250,000.00
RAMP 2005-RS3	76112BLH1	\$10,487,000.00	\$10,487,000.00

Deal Name	Cusip	Original Face	Current Face
RAMP 2005-RS3	76112BLP3	\$5,587,000.00	\$5,587,000.00
RAMP 2005-RS3	76112BLK4	\$4,906,000.00	\$4,906,000.00
RAMP 2005-RS3	76112BLN8	\$2,000,000.00	\$2,000,000.00
RAMP 2005-RS4	76112BPC8	\$10,163,000.00	\$10,163,000.00
RAMP 2005-RS4	76112BPE4	\$4,875,000.00	\$4,875,000.00
RAMP 2005-RS5	76112BPT1	\$68,487,000.00	\$0.00
RAMP 2005-RS5	76112BPU8	\$20,289,000.00	\$9,743,425.98
RAMP 2005-RS5	76112BPX2	\$11,500,000.00	\$11,500,000.00
RAMP 2005-RS5	76112BPY0	\$8,750,000.00	\$8,750,000.00
RAMP 2005-RS5	76112BPW4	\$3,000,000.00	\$3,000,000.00
RAMP 2005-RS6	76112BTT7	\$16,331,672.00	\$16,331,672.00
RAMP 2005-RS6	76112BTS9	\$4,300,000.00	\$4,300,000.00
RAMP 2005-RS6	76112BTU4	\$1,154,024.00	\$1,154,024.00
RAMP 2005-RS7	76112BWV8	\$40,000,000.00	\$38,259,748.80
RAMP 2005-RS8	76112BZF0	\$178,300,000.00	\$14,305,744.67
RAMP 2005-RS8	76112BZK9	\$10,000,000.00	\$10,000,000.00
RAMP 2005-RS8	76112BZL7	\$3,983,000.00	\$3,983,000.00
RAMP 2005-RS8	76112BZM5	\$3,650,000.00	\$3,291,310.31
RAMP 2005-RS8	76112BZJ2	\$283,000.00	\$283,000.00
RAMP 2005-RS9	76112BL81	\$10,000,000.00	\$8,059,257.28
RAMP 2005-RZ1	76112BMC1	\$3,075,000.00	\$2,098,810.64
RAMP 2005-RZ3	76112BA42	\$7,350,000.00	\$7,350,000.00
RAMP 2005-RZ3	76112BZY9	\$7,026,430.00	\$703,995.75
RAMP 2005-RZ3	76112BZZ6	\$5,613,000.00	\$5,613,000.00
RAMP 2005-RZ3	76112BA26	\$5,000,000.00	\$5,000,000.00
RAMP 2005-RZ4	76112BM72	\$26,754,000.00	\$4,692,449.07
RAMP 2005-RZ4	76112BM98	\$14,875,000.00	\$14,875,000.00
RAMP 2005-RZ4	76112BN48	\$10,000,000.00	\$8,983,103.67

Deal Name	Cusip	Original Face	Current Face
RAMP 2005-SL1	76112BMS6	\$75,776,000.00	\$19,885,673.00
RAMP 2005-SL1	76112BMQ0	\$31,744,200.00	\$4,887,379.83
RAMP 2005-SL1	76112BMR8	\$19,354,700.00	\$3,443,455.02
RAMP 2005-SL1	76112BMX5	\$4,076,800.00	\$2,772,231.49
RAMP 2005-SL1	76112BMY3	\$3,520,100.00	\$1,387,971.71
RAMP 2005-SL1	76112BMM9	\$2,475,000.00	\$124,972.77
RAMP 2005-SL2	76112BUW8	\$24,780,000.00	\$3,625,312.73
RAMP 2005-SL2	76112BUZ1	\$22,145,000.00	\$6,150,778.47
RAMP 2005-SL2	76112BUX6	\$7,350,000.00	\$1,820,921.93
RAMP 2005-SL2	76112BUV0	\$7,000,000.00	\$225,530.58
RAMP 2005-SL2	76112BVE7	\$3,802,100.00	\$2,339,862.75
RAMP 2005-SL2	76112BVF4	\$3,039,400.00	\$1,879,059.71
RAMP 2005-SL2	76112BUY4	\$2,519,000.00	\$630,889.68
RAMP 2005-SL2	76112BVB3	\$1,390,306.00	\$165,401.78
RAMP 2006-EFC1	76112BW63	\$37,500,000.00	\$0.00
RAMP 2006-EFC1	76112BW71	\$12,000,000.00	\$0.00
RAMP 2006-EFC1	76112BW22	\$5,490,000.00	\$5,490,000.00
RAMP 2006-EFC1	76112BW30	\$4,941,000.00	\$905,766.99
RAMP 2006-EFC2	749238AC5	\$18,602,000.00	\$17,988,378.45
RAMP 2006-EFC2	749238AN1	\$15,000,000.00	\$0.00
RAMP 2006-EFC2	749238AM3	\$5,000,000.00	\$0.00
RAMP 2006-NC1	76112BW97	\$50,250,000.00	\$8,776,894.05
RAMP 2006-NC1	76112BX39	\$5,640,000.00	\$5,640,000.00
RAMP 2006-NC1	76112BX88	\$3,000,000.00	\$0.00
RAMP 2006-NC2	75156TAB6	\$171,575,000.00	\$48,833,327.80
RAMP 2006-NC2	75156TAC4	\$4,650,000.00	\$4,650,000.00
RAMP 2006-NC2	75156TAF7	\$3,000,000.00	\$1,111,675.97
RAMP 2006-NC2	75156TAE0	\$2,930,000.00	\$2,930,000.00

Deal Name	Cusip	Original Face	Current Face
RAMP 2006-NC3	76112B4M9	\$67,650,000.00	\$22,832,994.66
RAMP 2006-RS1	76112BT83	\$142,400,000.00	\$36,539,890.17
RAMP 2006-RS1	76112BU32	\$15,600,000.00	\$11,737,559.27
RAMP 2006-RS1	76112BU65	\$5,500,000.00	\$0.00
RAMP 2006-RS1	76112BU73	\$2,700,000.00	\$0.00
RAMP 2006-RS2	76112B2C3	\$134,820,000.00	\$31,687,030.73
RAMP 2006-RS2	76112B2D1	\$60,007,000.00	\$60,007,000.00
RAMP 2006-RS2	76112B2E9	\$4,588,982.00	\$4,588,982.00
RAMP 2006-RS2	76112B2F6	\$3,800,000.00	\$2,042,152.39
RAMP 2006-RS3	75156VAC9	\$96,683,000.00	\$51,649,918.42
RAMP 2006-RS4	75156WAC7	\$49,300,000.00	\$31,390,699.96
RAMP 2006-RS4	75156WAH6	\$3,000,000.00	\$0.00
RAMP 2006-RS5	75156YAC3	\$60,000,000.00	\$28,985,681.95
RAMP 2006-RS6	75156QAD8	\$30,000,000.00	\$24,641,532.69
RAMP 2006-RS6	75156QAC0	\$29,896,749.00	\$21,652,198.23
RAMP 2006-RZ1	76112BY87	\$131,402,000.00	\$12,358,474.17
RAMP 2006-RZ1	76112BZ29	\$8,000,000.00	\$8,000,000.00
RAMP 2006-RZ1	76112BZ78	\$4,000,000.00	\$790,133.61
RAMP 2006-RZ2	75156UAC1	\$17,155,000.00	\$17,155,000.00
RAMP 2006-RZ2	75156UAB3	\$8,044,000.00	\$2,651,464.94
RAMP 2006-RZ2	75156UAD9	\$2,688,000.00	\$2,688,000.00
RAMP 2006-RZ3	75156MAD7	\$28,200,000.00	\$28,200,000.00
RAMP 2006-RZ3	75156MAB1	\$15,000,000.00	\$6,964,323.19
RAMP 2006-RZ3	75156MAE5	\$8,300,000.00	\$2,000,000.00
RAMP 2006-RZ3	75156MAF2	\$7,000,000.00	\$648,304.96
RAMP 2006-RZ3	75156MAJ4	\$6,425,000.00	\$0.00
RAMP 2006-RZ3	75156MAH8	\$6,300,000.00	\$0.00
RAMP 2006-RZ3	75156MAG0	\$4,845,000.00	\$0.00

Deal Name	Cusip	Original Face	Current Face
RAMP 2006-RZ4	75156XAD3	\$46,910,000.00	\$46,910,000.00
RAMP 2006-RZ4	75156XAE1	\$30,080,000.00	\$30,080,000.00
RAMP 2006-RZ4	75156XAF8	\$18,480,000.00	\$3,358,082.81
RAMP 2006-RZ4	75156XAG6	\$16,720,000.00	\$0.00
RAMP 2006-RZ4	75156XAH4	\$15,840,000.00	\$0.00
RAMP 2006-RZ4	75156XAJ0	\$14,520,000.00	\$0.00
RAMP 2006-RZ4	75156XAK7	\$12,276,000.00	\$0.00
RAMP 2006-RZ4	75156XAB7	\$11,789,318.55	\$6,131,176.89
RAMP 2006-RZ4	75156XAC5	\$4,340,620.00	\$4,340,620.00
RAMP 2007-RS1	74923RAC3	\$124,951,000.00	\$115,619,555.84
RAMP 2007-RS1	74923RAD1	\$35,287,000.00	\$35,287,000.00
RAMP 2007-RS2	75157DAB0	\$41,000,000.00	\$39,311,086.50
RAMP 2007-RZ1	74923PAB9	\$21,095,000.00	\$17,633,169.86
RASC 2004-KS1	74924PAM4	\$35,000,000.00	\$12,974,124.62
RASC 2004-KS1	74924PAJ1	\$5,600,000.00	\$2,170,170.60
RASC 2004-KS1	74924PAE2	\$5,600,000.00	\$5,600,000.00
RASC 2004-KS1	74924PAP7	\$2,000,000.00	\$175,688.65
RASC 2004-KS1	74924PAH5	\$1,200,000.00	\$408,896.22
RASC 2004-KS1	74924PAN2	\$250,000.00	\$25,974.26
RASC 2004-KS10	76110WG42	\$9,900,000.00	\$1,885,334.31
RASC 2004-KS10	76110WG26	\$9,000,000.00	\$248,459.25
RASC 2004-KS10	76110WG34	\$7,000,000.00	\$4,017,062.86
RASC 2004-KS12	76110WK88	\$6,080,000.00	\$4,100,825.15
RASC 2004-KS12	76110WK96	\$4,000,000.00	\$1,245,830.81
RASC 2004-KS2	76110WWN2	\$14,000,000.00	\$5,165,401.79
RASC 2004-KS2	76110WWF9	\$7,500,000.00	\$7,500,000.00
RASC 2004-KS2	76110WWJ1	\$5,375,000.00	\$2,156,614.40
RASC 2004-KS2	76110WWP7	\$5,000,000.00	\$621,133.75

Deal Name	Cusip	Original Face	Current Face
RASC 2004-KS2	76110WWK8	\$4,925,000.00	\$1,976,060.57
RASC 2004-KS2	76110WWG7	\$4,650,000.00	\$2,211,633.14
RASC 2004-KS2	76110WWH5	\$4,000,000.00	\$1,585,883.38
RASC 2004-KS2	76110WWE2	\$2,500,000.00	\$488,314.34
RASC 2004-KS3	76110WXG6	\$10,000,000.00	\$1,246,623.21
RASC 2004-KS3	76110WWY8	\$8,750,000.00	\$8,750,000.00
RASC 2004-KS3	76110WXF8	\$8,375,000.00	\$4,333,577.19
RASC 2004-KS4	76110WXR2	\$9,700,000.00	\$9,700,000.00
RASC 2004-KS5	76110WYM2	\$22,000,000.00	\$12,612,981.40
RASC 2004-KS5	76110WYP5	\$10,500,000.00	\$2,011.47
RASC 2004-KS5	76110WYN0	\$10,000,000.00	\$1,744,124.42
RASC 2004-KS5	76110WYD2	\$6,500,000.00	\$6,500,000.00
RASC 2004-KS5	76110WYC4	\$3,000,000.00	\$1,193,005.49
RASC 2004-KS6	76110WZX7	\$30,000,000.00	\$16,829,922.95
RASC 2004-KS6	76110WZY5	\$10,000,000.00	\$1,831,497.43
RASC 2004-KS6	76110WZN9	\$6,617,000.00	\$6,617,000.00
RASC 2004-KS6	76110WZP4	\$3,000,000.00	\$1,450,954.21
RASC 2004-KS7	76110WA89	\$21,400,000.00	\$12,385,721.03
RASC 2004-KS8	76110WD52	\$3,700,000.00	\$2,018,663.02
RASC 2004-KS8	76110WC79	\$3,000,000.00	\$1,460,155.29
RASC 2004-KS8	76110WC95	\$2,300,000.00	\$1,461,157.45
RASC 2004-KS9	76110WF35	\$55,700,000.00	\$3,457,637.87
RASC 2004-KS9	76110WE69	\$11,000,000.00	\$11,000,000.00
RASC 2004-KS9	76110WE51	\$9,000,000.00	\$2,649,471.57
RASC 2005-AHL1	76110W4E3	\$3,000,000.00	\$2,718,787.55
RASC 2005-AHL1	76110W4J2	\$500,000.00	\$500,000.00
RASC 2005-AHL1	76110W4G8	\$62,994.00	\$62,994.00
RASC 2005-AHL2	76110W5G7	\$12,150,000.00	\$12,150,000.00

Deal Name	Cusip	Original Face	Current Face
RASC 2005-AHL2	76110W5J1	\$2,200,000.00	\$2,200,000.00
RASC 2005-AHL2	76110W5K8	\$1,500,000.00	\$1,500,000.00
RASC 2005-AHL3	76110W6P6	\$128,579.00	\$128,579.00
RASC 2005-EMX1	76110WQ82	\$3,000,000.00	\$658,760.28
RASC 2005-EMX1	76110WQ90	\$3,000,000.00	\$658,760.28
RASC 2005-EMX1	76110WR24	\$3,000,000.00	\$0.00
RASC 2005-EMX2	76110W2G0	\$8,472,869.00	\$8,472,869.00
RASC 2005-EMX2	76110W2P0	\$7,500,000.00	\$0.00
RASC 2005-EMX2	76110W2J4	\$6,450,000.00	\$6,450,000.00
RASC 2005-EMX3	75405MAG9	\$12,285,000.00	\$12,285,000.00
RASC 2005-EMX3	75405MAK0	\$5,000,000.00	\$5,000,000.00
RASC 2005-EMX3	75405MAF1	\$1,000,000.00	\$787,080.49
RASC 2005-EMX4	76110W5X0	\$89,140,000.00	\$47,097.08
RASC 2005-EMX4	76110W6A9	\$13,540,000.00	\$13,540,000.00
RASC 2005-EMX4	76110W5Z5	\$13,300,000.00	\$13,300,000.00
RASC 2005-EMX4	76110W6E1	\$10,000,000.00	\$6,085,765.73
RASC 2005-KS1	76110WM37	\$8,000,000.00	\$6,643,118.40
RASC 2005-KS10	75405WAC6	\$12,372,000.00	\$12,372,000.00
RASC 2005-KS10	75405WAB8	\$5,000,000.00	\$215,212.70
RASC 2005-KS10	75405WAF9	\$5,000,000.00	\$5,000,000.00
RASC 2005-KS10	75405WAG7	\$4,000,000.00	\$4,000,000.00
RASC 2005-KS10	75405WAJ1	\$3,500,000.00	\$2,149,073.44
RASC 2005-KS10	75405WAE2	\$1,340,000.00	\$1,340,000.00
RASC 2005-KS11	76110W7A8	\$16,019,000.00	\$0.00
RASC 2005-KS11	76110W7D2	\$16,000,000.00	\$16,000,000.00
RASC 2005-KS11	76110W7E0	\$5,750,000.00	\$5,750,000.00
RASC 2005-KS11	76110W7F7	\$3,000,000.00	\$3,000,000.00
RASC 2005-KS12	753910AB4	\$167,090,000.00	\$17,556,283.74

Deal Name	Cusip	Original Face	Current Face
RASC 2005-KS12	753910AL2	\$20,000,000.00	\$0.00
RASC 2005-KS12	753910AD0	\$5,535,000.00	\$5,535,000.00
RASC 2005-KS12	753910AC2	\$5,087,000.00	\$5,087,000.00
RASC 2005-KS12	753910AK4	\$1,500,000.00	\$0.00
RASC 2005-KS2	76110WN69	\$10,000,000.00	\$8,517,521.30
RASC 2005-KS3	76110WS31	\$3,000,000.00	\$2,526,840.01
RASC 2005-KS3	76110WS72	\$1,600,000.00	\$1,107,505.79
RASC 2005-KS3	76110WS98	\$1,000,000.00	\$215,051.64
RASC 2005-KS4	76110WU61	\$11,427,000.00	\$7,496,139.14
RASC 2005-KS4	76110WV37	\$7,500,000.00	\$0.00
RASC 2005-KS4	76110WU87	\$500,000.00	\$500,000.00
RASC 2005-KS5	76110WW69	\$5,406,000.00	\$1,974,207.99
RASC 2005-KS5	76110WW77	\$2,762,000.00	\$2,762,000.00
RASC 2005-KS5	76110WX50	\$1,702,000.00	\$571,060.72
RASC 2005-KS6	76110WZ58	\$32,000,000.00	\$0.00
RASC 2005-KS6	76110WZ66	\$7,500,000.00	\$2,657,940.71
RASC 2005-KS6	76110WY75	\$4,000,000.00	\$4,000,000.00
RASC 2005-KS6	76110WY67	\$3,292,000.00	\$650,130.62
RASC 2005-KS6	76110WY91	\$2,500,000.00	\$2,500,000.00
RASC 2005-KS6	76110WY83	\$1,750,000.00	\$1,750,000.00
RASC 2005-KS7	76110W2V7	\$10,000,000.00	\$0.00
RASC 2005-KS7	76110W3F1	\$7,500,000.00	\$2,120,843.66
RASC 2005-KS7	76110W2Z8	\$4,001,000.00	\$4,001,000.00
RASC 2005-KS7	76110W2X3	\$3,402,000.00	\$2,692,926.21
RASC 2005-KS7	76110W3C8	\$2,000,000.00	\$2,000,000.00
RASC 2005-KS7	76110W3B0	\$2,000,000.00	\$2,000,000.00
RASC 2005-KS7	76110W2Y1	\$1,202,000.00	\$1,202,000.00
RASC 2005-KS8	76110W3X2	\$11,800,000.00	\$11,800,000.00

Deal Name	Cusip	Original Face	Current Face
RASC 2005-KS8	76110W3T1	\$7,000,000.00	\$7,000,000.00
RASC 2005-KS8	76110W3S3	\$3,000,000.00	\$3,000,000.00
RASC 2005-KS8	76110W3Y0	\$2,000,000.00	\$593,521.53
RASC 2005-KS9	754058AB1	\$28,000,000.00	\$0.00
RASC 2005-KS9	754058AL9	\$3,250,000.00	\$3,250,000.00
RASC 2005-KS9	754058AG0	\$3,000,000.00	\$3,000,000.00
RASC 2005-KS9	754058AF2	\$1,779,941.00	\$1,779,941.00
RASC 2006-EMX1	75405KAB4	\$14,030,000.00	\$1,616,111.92
RASC 2006-EMX1	75405KAL2	\$12,500,000.00	\$0.00
RASC 2006-EMX1	75405KAG3	\$3,140,000.00	\$2,093,861.13
RASC 2006-EMX1	75405KAF5	\$3,020,000.00	\$3,020,000.00
RASC 2006-EMX2	75406AAD1	\$6,000,000.00	\$6,000,000.00
RASC 2006-EMX3	76113ABZ3	\$240,966,000.00	\$75,932,650.56
RASC 2006-EMX3	76113ACA7	\$5,502,500.00	\$5,502,500.00
RASC 2006-EMX3	76113ACK5	\$2,500,000.00	\$0.00
RASC 2006-EMX4	75406DAB9	\$58,534,000.00	\$0.00
RASC 2006-EMX4	75406DAC7	\$24,350,000.00	\$16,180,658.09
RASC 2006-EMX4	75406DAN3	\$12,500,000.00	\$0.00
RASC 2006-EMX4	75406DAD5	\$6,000,000.00	\$6,000,000.00
RASC 2006-EMX4	75406DAK9	\$6,000,000.00	\$0.00
RASC 2006-EMX4	75406DAL7	\$3,145,000.00	\$0.00
RASC 2006-EMX5	74924QAB6	\$59,202,000.00	\$0.00
RASC 2006-EMX5	74924QAD2	\$10,000,000.00	\$10,000,000.00
RASC 2006-EMX6	754065AB6	\$67,037,000.00	\$0.00
RASC 2006-EMX6	754065AC4	\$49,343,000.00	\$45,555,445.04
RASC 2006-EMX6	754065AD2	\$15,000,000.00	\$15,000,000.00
RASC 2006-EMX6	754065AM2	\$15,000,000.00	\$0.00
RASC 2006-EMX6	754065AE0	\$11,800,000.00	\$11,800,000.00

Deal Name	Cusip	Original Face	Current Face
RASC 2006-EMX6	754065AF7	\$5,250,000.00	\$1,131,017.83
RASC 2006-EMX6	754065AG5	\$5,190,000.00	\$0.00
RASC 2006-EMX7	74924TAC8	\$20,637,000.00	\$19,937,332.19
RASC 2006-EMX8	74924UAC5	\$62,625,000.00	\$62,625,000.00
RASC 2006-EMX8	74924UAB7	\$62,403,000.00	\$12,827,894.05
RASC 2006-EMX9	74924VAP4	\$25,000,000.00	\$0.00
RASC 2006-EMX9	74924VAC3	\$17,650,000.00	\$17,650,000.00
RASC 2006-EMX9	74924VAD1	\$10,000,000.00	\$10,000,000.00
RASC 2006-KS1	76113AAE1	\$66,000,000.00	\$13,637,028.25
RASC 2006-KS1	76113AAF8	\$25,903,000.00	\$25,903,000.00
RASC 2006-KS1	76113AAG6	\$12,581,240.00	\$12,581,240.00
RASC 2006-KS1	76113AAH4	\$5,000,000.00	\$5,000,000.00
RASC 2006-KS1	76113AAK7	\$4,500,000.00	\$4,500,000.00
RASC 2006-KS1	76113AAL5	\$1,800,000.00	\$0.00
RASC 2006-KS2	75406BAC1	\$145,996,000.00	\$17,774,224.09
RASC 2006-KS2	75406BAF4	\$23,500,000.00	\$23,500,000.00
RASC 2006-KS2	75406BAM9	\$20,000,000.00	\$0.00
RASC 2006-KS2	75406BAE7	\$14,230,000.00	\$14,230,000.00
RASC 2006-KS2	75406BAG2	\$7,000,000.00	\$7,000,000.00
RASC 2006-KS2	75406BAJ6	\$2,500,000.00	\$369,659.25
RASC 2006-KS3	76113ABH3	\$25,860,000.00	\$5,817,588.96
RASC 2006-KS3	76113ABJ9	\$13,000,000.00	\$13,000,000.00
RASC 2006-KS3	76113ABL4	\$12,700,000.00	\$12,700,000.00
RASC 2006-KS3	76113ABM2	\$7,500,000.00	\$7,500,000.00
RASC 2006-KS4	75406EAC5	\$32,000,000.00	\$14,997,549.10
RASC 2006-KS4	75406EAM3	\$32,000,000.00	\$0.00
RASC 2006-KS4	75406EAD3	\$17,038,000.00	\$17,038,000.00
RASC 2006-KS4	75406EAN1	\$10,000,000.00	\$0.00

Deal Name	Cusip	Original Face	Current Face
RASC 2006-KS4	75406EAL5	\$4,506,000.00	\$0.00
RASC 2006-KS4	75406EAK7	\$4,500,000.00	\$0.00
RASC 2006-KS5	75406VAC7	\$112,480,000.00	\$85,334,703.13
RASC 2006-KS5	75406VAD5	\$20,328,000.00	\$20,328,000.00
RASC 2006-KS5	75406VAE3	\$12,300,000.00	\$12,300,000.00
RASC 2006-KS5	75406VAM5	\$10,000,000.00	\$0.00
RASC 2006-KS6	75406WAD3	\$44,198,000.00	\$44,198,000.00
RASC 2006-KS6	75406WAC5	\$36,634,000.00	\$28,645,927.34
RASC 2006-KS6	75406WAE1	\$9,000,000.00	\$9,000,000.00
RASC 2006-KS6	75406WAN1	\$7,500,000.00	\$0.00
RASC 2006-KS6	75406WAF8	\$5,857,200.00	\$0.00
RASC 2006-KS6	75406WAG6	\$5,000,000.00	\$2,554,982.64
RASC 2006-KS7	75406XAC3	\$59,482,000.00	\$45,981,407.94
RASC 2006-KS8	74924RAC2	\$83,565,000.00	\$83,565,000.00
RASC 2006-KS8	74924RAD0	\$66,063,000.00	\$66,063,000.00
RASC 2006-KS8	74924RAE8	\$20,112,000.00	\$20,112,000.00
RASC 2006-KS8	74924RAF5	\$18,183,000.00	\$5,786,351.72
RASC 2006-KS8	74924RAH1	\$9,918,000.00	\$0.00
RASC 2006-KS8	74924RAJ7	\$9,643,000.00	\$0.00
RASC 2006-KS8	74924RAL2	\$6,888,000.00	\$0.00
RASC 2006-KS9	75406YAC1	\$55,000,000.00	\$55,000,000.00
RASC 2006-KS9	75406YAN7	\$16,000,000.00	\$0.00
RASC 2006-KS9	75406YAB3	\$15,000,000.00	\$4,416,184.11
RASC 2007-KS1	74924SAC0	\$49,055,000.00	\$49,055,000.00
RASC 2007-KS1	74924SAM8	\$7,500,000.00	\$0.00
RASC 2007-KS1	74924SAF3	\$2,200,000.00	\$892,457.77
RASC 2007-KS2	74924WAC1	\$20,515,000.00	\$20,515,000.00
RASC 2007-KS2	74924WAN7	\$10,000,000.00	\$0.00

Deal Name	Cusip	Original Face	Current Face
RASC 2007-KS2	74924WAB3	\$2,500,000.00	\$1,767,024.92
RASC 2007-KS3	74924YAC7	\$59,000,000.00	\$59,000,000.00
RASC 2007-KS3	74924YAB9	\$50,082,000.00	\$40,089,756.05
RASC 2007-KS3	74924YAN3	\$7,500,000.00	\$0.00
RASC 2007-KS3	74924YAD5	\$1,300,000.00	\$1,300,000.00
RASC 2007-KS4	74924NAB3	\$17,500,000.00	\$17,069,776.48
RASC 2007-KS4	74924NAF4	\$800,000.00	\$520,957.22
RFMS2 2004-HI1	76110VPR3	\$12,774,000.00	\$4,751,831.60
RFMS2 2004-HI1	76110VPT9	\$5,450,000.00	\$1,064,924.17
RFMS2 2004-HI1	76110VPU6	\$3,400,000.00	\$664,356.35
RFMS2 2004-HI1	76110VPV4	\$2,350,000.00	\$459,187.47
RFMS2 2004-HI1	76110VPW2	\$1,125,000.00	\$219,823.78
RFMS2 2004-HI2	76110VQS0	\$20,161,000.00	\$9,075,943.11
RFMS2 2004-HS1	76110VQC5	\$15,000,000.00	\$2,755,832.82
RFMS2 2004-HS1	76110VQA9	\$13,000,000.00	\$1,993,461.67
RFMS2 2004-HS2	76110VQM3	\$76,000,000.00	\$3,907,872.57
RFMS2 2004-HS2	76110VQJ0	\$20,000,000.00	\$1,701,635.17
RFMS2 2005-HI1	76110VRC4	\$10,000,000.00	\$0.00
RFMS2 2005-HI1	76110VRD2	\$8,000,000.00	\$4,684,516.07
RFMS2 2005-HI2	76110VRJ9	\$10,154,000.00	\$8,942,174.33
RFMS2 2005-HI2	76110VRH3	\$7,000,000.00	\$0.00
RFMS2 2005-HI3	76110VSG4	\$12,425,000.00	\$12,425,000.00
RFMS2 2005-HI3	76110VSF6	\$2,325,000.00	\$2,271,137.38
RFMS2 2005-HI3	76110VSK5	\$1,649,900.00	\$1,649,900.00
RFMS2 2005-HS1	76110VRV2	\$25,000,000.00	\$0.00
RFMS2 2005-HS1	76110VRX8	\$75,000.00	\$75,000.00
RFMS2 2006-HI1	76110VTY4	\$8,150,000.00	\$8,150,000.00
RFMS2 2006-HI1	76110VTV0	\$6,614,000.00	\$0.07

Deal Name	Cusip	Original Face	Current Face
RFMS2 2006-HI1	76110VUE6	\$2,850,000.00	\$1,088,434.73
RFMS2 2006-HI2	437185AC5	\$13,200,000.00	\$676,849.37
RFMS2 2006-HI2	437185AB7	\$1,000,000.00	\$0.00
RFMS2 2006-HI3	43718NAC6	\$28,586,000.00	\$7,896,366.81
RFMS2 2006-HI4	43718MAD6	\$15,000,000.00	\$15,000,000.00
RFMS2 2006-HSA1	76110VTC2	\$141,919,000.00	\$0.00
RFMS2 2006-HSA1	76110VTD0	\$21,000,000.00	\$0.00
RFMS2 2006-HSA1	76110VTF5	\$167,000.00	\$133,537.22
RFMS2 2006-HSA1	76110VTE8	\$155,000.00	\$100,955.24
RFMS2 2006-HSA2	76110VTM0	\$51,175,000.00	\$0.00
RFMS2 2006-HSA2	76110VTR9	\$14,715,000.00	\$11,050,206.92
RFMS2 2006-HSA2	76110VTN8	\$9,000,000.00	\$0.00
RFMS2 2006-HSA2	76110VTQ1	\$7,095,000.00	\$7,095,000.00
RFMS2 2006-HSA2	76110VTS7	\$982,000.00	\$183,046.86
RFMS2 2006-HSA2	76110VTP3	\$125,000.00	\$98,607.09
RFMS2 2006-HSA3	76113JAA0	\$28,340,000.00	\$3,794,398.22
RFMS2 2007-HI1	43718WAA0	\$44,889,001.00	\$0.00
RFMS2 2007-HI1	43718WAC6	\$5,980,000.00	\$5,980,000.00
RFMS2 2007-HSA2	43710RAG6	\$44,000,000.00	\$40,496,137.59
RFMS2 2007-HSA2	43710RAF8	\$35,478,000.00	\$35,478,000.00
RFMS2 2007-HSA3	43710WAF7	\$31,124,000.00	\$29,001,862.14
RFMS2 2007-HSA3	43710WAE0	\$15,000,000.00	\$15,000,000.00
RFMSI 2004-S1	76111XFD0	\$18,000,000.00	\$22,473,117.36
RFMSI 2004-S1	76111XFP3	\$923,100.00	\$454,463.80
RFMSI 2004-S2	76111XFT5	\$38,116,146.00	\$0.00
RFMSI 2004-S4	76111XHA4	\$21,141,000.00	\$19,759,000.00
RFMSI 2004-S4	76111XHD8	\$19,898,000.00	\$5,859,179.43
RFMSI 2004-S4	76111XHZ9	\$4,314,300.00	\$2,174,004.42

Deal Name	Cusip	Original Face	Current Face
RFMSI 2004-S4	76111XJB0	\$616,400.00	\$313,426.53
RFMSI 2004-S5	76111XJR5	\$20,700,000.00	\$0.00
RFMSI 2004-S5	76111XJW4	\$16,913,000.00	\$26,170,381.86
RFMSI 2004-S5	76111XJZ7	\$784,000.00	\$436,611.67
RFMSI 2004-S5	76111XJX2	\$184,000.00	\$284,712.96
RFMSI 2004-S5	76111XKT9	\$101,200.00	\$32,761.02
RFMSI 2004-S6	76111XNB5	\$155,008,185.00	\$20,344,185.28
RFMSI 2004-S6	76111XLX9	\$17,415,332.00	\$11,356,460.48
RFMSI 2004-S6	76111XLZ4	\$10,553,000.00	\$10,553,000.00
RFMSI 2004-S6	76111XLR2	\$2,025,000.00	\$1,584,967.05
RFMSI 2004-S7	76111XNQ2	\$105,288.00	\$37,571.49
RFMSI 2004-S8	76111XNZ2	\$15,300,000.00	\$20,107,246.52
RFMSI 2004-S9	76111XRL9	\$127,000,000.00	\$15,980,771.71

Exhibit 3

THIRD AMENDED AND RESTATED RMBS TRUST SETTLEMENT AGREEMENT

This THIRD Amended and Restated RMBS Trust Settlement Agreement is entered into as of September 20, 2012, by and between Residential Capital, LLC (“ResCap LLC”) and its direct and indirect subsidiaries (collectively, “ResCap” or the “Debtors”), on the one hand, and the Institutional Investors (as defined below), on the other hand (the “Settlement Agreement”), and amends and restates in its entirety the Second Amended RMBS Trust Settlement Agreement entered into as of September 17, 2012, by and between ResCap, on the one hand, and the Institutional Investors, on the other hand. Each of ResCap and the Institutional Investors may be referred to herein as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, certain ResCap entities were the Seller, Depositor, Servicer and/or Master Servicer for the securitizations identified on the attached Exhibit A (the “Settlement Trusts”);

WHEREAS, certain ResCap entities are parties to certain applicable Pooling and Servicing Agreements, Assignment and Assumption Agreements, Indentures, Mortgage Loan Purchase Agreements and/or other agreements governing the Settlement Trusts (the “Governing Agreements”), and certain ResCap entities have, at times, acted as Master Servicer and/or Servicer for the Settlement Trusts pursuant to certain of the Governing Agreements;

WHEREAS, pursuant to the Governing Agreements, certain ResCap entities have contributed or sold loans into the Settlement Trusts (the “Mortgage Loans”);

WHEREAS, the Institutional Investors have alleged that certain loans held by the Settlement Trusts were originally contributed in breach of representations and warranties contained in the Governing Agreements, allowing the Investors in such Settlement Trusts to seek to compel the trustee or indenture trustee (each, a “Trustee”) to take certain actions with respect to those loans, and further have asserted past and continuing covenant breaches and defaults by various ResCap entities under the Governing Agreements;

WHEREAS, the Institutional Investors have indicated their intent under the Governing Agreements for each Settlement Trust in which the Institutional Investors collectively hold or are authorized investment managers for holders of at least 25% of a particular tranche of the Securities (as defined below) held by such Settlement Trust either to seek action by the Trustee for such Settlement Trust or to pursue claims, including but not limited to claims to compel ResCap to cure the alleged breaches of representations and warranties, and ResCap disputes such claims and allegations of breach and waives no rights, and preserves all of its defenses, with respect to such allegations and putative cure requirements;

WHEREAS, the Institutional Investors are jointly represented by Talcott Franklin P.C. (“Talcott Franklin”); Miller, Johnson, Snell & Cummiskey, P.L.C. (“Miller Johnson”); and Carter Ledyard & Milburn LLP (“Carter Ledyard”) and have, through counsel, engaged in arm’s length settlement negotiations with ResCap that included the exchange of confidential materials;

WHEREAS, ResCap filed petitions for relief under chapter 11 of the Bankruptcy Code (the “Chapter 11 Cases”) in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”);

WHEREAS, ResCap and the Institutional Investors have reached agreement concerning all claims of the Settlement Trusts under the Governing Agreements; and

WHEREAS, the Parties therefore enter into this Settlement Agreement to set forth their mutual understandings and agreements for terms for resolving the disputes regarding the Governing Agreements:

AGREEMENT

NOW, THEREFORE, after good faith, arm’s length negotiations without collusion, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following terms:

ARTICLE I. DEFINITIONS.

As used in this Settlement Agreement, in addition to the terms otherwise defined herein, the following terms shall have the meanings set forth below (the definitions to be applicable to both the singular and the plural forms of each term defined if both forms of such term are used in this Settlement Agreement). Any capitalized terms not defined in this Settlement Agreement shall have the definition given to them in the Governing Agreements.

Section 1.01 “Bankruptcy Code” shall mean title 11 of the United States Code.

Section 1.02 “Covered Trusts” means the Settlement Trusts listed in Exhibit D hereto and any other Settlement Trusts for which the Institutional Investors in the aggregate hold, and/or are authorized investment managers for holders of, 25% or more of the voting rights in one or more classes of notes, bonds and/or certificates backed by mortgage loans held by the Trusts.

Section 1.03 “Depositor Entity” means, for each individual Settlement Trust, the entity from the following list that the Governing Agreements define as the “Company” for that Settlement Trust, including but not limited to: Residential Funding Mortgage Securities I, Inc., Residential Funding Mortgage Securities II, Inc., Residential Asset Securities Corp., Residential Accredited Loans, Inc., and Residential Asset Mortgage Products, Inc.

Section 1.04 “Direction” shall mean the direction by the Institutional Investors, to the extent permitted by the Governing Agreements, directing any Trustee to take or refrain from taking any action; *provided, however*, that in no event shall the Institutional Investors be required to provide a Trustee with any security or indemnity for action or inaction taken at the direction of the Institutional Investors and the Institutional Investors shall not be required to directly or indirectly incur any costs, fees, or expenses to compel any action or inaction by a Trustee, except that the Institutional Investors shall continue to retain contingency counsel.

Section 1.05 “Effective Date” shall have the meaning ascribed in Section 2.01.

Section 1.06 “Governmental Authority” shall mean any United States or foreign government, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory, or administrative functions of or pertaining to the foregoing, or any other authority, agency, department, board, commission, or instrumentality of the United States, any State of the United States or any political subdivision thereof or any foreign jurisdiction, and any court, tribunal, or arbitrator(s) of competent jurisdiction, and any United States or foreign governmental or non-governmental self-regulatory organization, agency, or authority (including the New York Stock Exchange, Nasdaq, and the Financial Industry Regulatory Authority).

Section 1.07 “Institutional Investors” shall mean the authorized investment managers and Investors identified in the attached signature pages.

Section 1.08 “Investors” shall mean all certificateholders, bondholders and noteholders in the Settlement Trusts, and their successors in interest, assigns, pledgees, and/or transferees.

Section 1.09 “Net Losses” means, with respect to any Settlement Trust, the amount of net losses for such Settlement Trust that have been or are estimated to be borne by that trust from its inception date to its expected date of termination, as determined by the Expert (as defined in Exhibit B) in accordance with the methodology described in Exhibit B. For the avoidance of doubt, a loss on a mortgage loan that has been reimbursed or indemnified by reason of applicable policies of mortgage or bond insurance shall be considered a loss on a mortgage loan and included within the calculation of “Net Losses.”

Section 1.10 “Person” shall mean any individual, corporation, company, partnership, limited liability company, joint venture, association, trust, or other entity, including a Governmental Authority.

Section 1.11 “Petition Date” means the date on which ResCap files petitions under chapter 11 of the Bankruptcy Code.

Section 1.12 “Plan” shall mean a chapter 11 plan of reorganization for the Debtors.

Section 1.13 “Purchaser” means Nationstar Mortgage LLC or any other successful bidder for any or all of the Debtors’ mortgage loan origination and servicing platform.

Section 1.14 “Scheduling Order” shall mean the Revised Joint Omnibus Scheduling Order and Provisions for Other Relief Regarding (I) Debtors’ Motion Pursuant to Fed. R. Bankr. P. 9019 for Approval of RMBS Trust Settlement Agreements, and (II) the Trustees’ Limited Objection to the Sale Motion, entered by the Bankruptcy Court on July 31, 2012.

Section 1.15 “Securities” shall mean securities, notes, bonds, certificates, and/or other instruments backed by mortgage loans held by Settlement Trusts.

Section 1.16 “Seller Entity” means, for each Settlement Trust, the entity from the following list that the Governing Agreements define as the “Seller” for that Trust, including but

not limited to: Residential Funding Company LLC (f/k/a Residential Funding Corporation) and GMAC Mortgage LLC (f/k/a GMAC Mortgage Corporation).

ARTICLE II. SETTLEMENT PROCESS.

Section 2.01 Effective Date. This Settlement Agreement shall be effective immediately except as to the granting of allowed claims to the Accepting Trusts (as defined below in Section 5.01) and the releases set forth herein. The claims allowance and releases shall only be effective, with respect to a specific Accepting Trust on the date on which a Trustee accepts the settlement with respect to such Settlement Trust (the “Effective Date”). However, for the sake of clarity, the Debtors’ obligations hereunder are subject to the approval of this Settlement Agreement by the Court.

Section 2.02 Bankruptcy Court Approval. The Debtors (a) orally presented this Settlement Agreement in court on the Petition Date, including the agreed amount of the Total Allowed Claim (as defined below in Section 5.01), and (b) shall comply with the schedule for the approval of this Settlement Agreement set forth in the Scheduling Order. The Trustee for each Settlement Trust may accept the offer of a compromise contemplated by this Settlement Agreement on behalf of such Settlement Trust, within the time set forth in the Scheduling Order, by a writing substantially in the form of acceptance included in the proposed order for approval of this Settlement Agreement to be submitted to the Bankruptcy Court.

Section 2.03 Standing. The Debtors agree that the Institutional Investors are parties in interest in the chapter 11 cases of ResCap for the purposes of enforcing rights and complying with obligations under this Settlement Agreement. The Parties further agree that they will not oppose any effort of the Institutional Investors or any other Investor(s) in seeking status as a party in interest in the Chapter 11 Cases.

ARTICLE III. REPRESENTATIONS AND WARRANTIES.

Section 3.01 Holdings and Authority. As of August 15, 2012, lead counsel to the Institutional Investors has represented to ResCap that the Institutional Investors hold Securities representing in aggregate 25% of the voting rights in one or more classes of the Securities issued by each of the Settlement Trusts identified on the attached Exhibit D. Each Institutional Investor represents that (i) it has the authority to take the actions contemplated by this Settlement Agreement, to the extent that it has the authority with respect to any other entities, account holders, or accounts for which or on behalf of which it is signing this Settlement Agreement, and (ii) it holds, or is the authorized investment manager for the holders of, the Securities listed in Exhibit D hereto, in the respective amounts set forth therein by CUSIP number, that such schedule was accurate as of the date set forth for the respective institution, and that since the date set forth for the Institutional Investor, the Institutional Investor has not, in the aggregate, materially decreased the Institutional Investor’s holdings in the Securities. The Parties agree that the aggregate amounts of Securities collectively held by the Institutional Investors for each Settlement Trust may be disclosed publicly, but that the individual holdings of the Institutional Investors shall remain confidential, subject to review only by ResCap, the Bankruptcy Court, the Office of the United States Trustee, the Trustees, and the official committee of unsecured creditors appointed in the Chapter 11 Cases.

Section 3.02 Holdings Retention. As of August 15, 2012, the Institutional Investors hold Securities representing in aggregate 25% of the voting rights in one or more classes of the Securities issued by each of the Settlement Trusts identified on the attached Exhibit D. The Institutional Investors, collectively, shall maintain holdings aggregating 25% of the voting rights in one or more classes of Securities of not less than 80% of the Covered Trusts (“Requisite Holdings”) until the earliest of: (i) confirmation of a plan of reorganization, (ii) December 31, 2012, (iii) a Consenting Claimant Termination Event, or (iv) a Debtor Termination Event (as the terms in subsections (iii) and (iv) were defined in the plan support agreement agreed to by the Parties); *provided, however*, that any reduction in Requisite Holdings caused by exclusion of one or more trusts due to the exercise of voting rights by a third party guarantor or financial guaranty provider, shall not be considered in determining whether the Requisite Holdings threshold has been met. If the Requisite Holdings are not maintained, ResCap shall have the right to terminate the Settlement Agreement, but ResCap shall not terminate the Settlement Agreement before it has conferred in good faith with the Institutional Investors concerning whether termination is warranted. For the avoidance of doubt, other than as set forth above, this Settlement Agreement shall not restrict the right of any Institutional Investor to sell or exchange any Securities issued by a Settlement Trust free and clear of any encumbrance. The Institutional Investors will not sell any of the Securities for the purpose of avoiding their obligations under this Settlement Agreement, and each Institutional Investor commits to maintain at least one position in one of the Securities in one of the Settlement Trusts until the earliest of the dates set forth above. If the Debtor reaches a similar agreement to this with another bondholder group, the Debtor will include a substantially similar proportionate holdings requirement in that agreement as contained herein.

ARTICLE IV. DIRECTION TO TRUSTEES AND INDENTURE TRUSTEES.

Section 4.01 Direction to Trustees and Indenture Trustees. The relevant Institutional Investors for each Settlement Trust shall, by the time of the filing of a motion to approve this Settlement Agreement, provide the relevant Trustee with Direction to accept the settlement and compromises set forth herein. The Institutional Investors hereby agree to confer in good faith with ResCap as to any further or other Direction that may be reasonably necessary to effectuate the settlement contemplated herein, including filing motions and pleadings with the Bankruptcy Court and making statements in open court in support of the Debtors’ restructuring.

Section 4.02 No Inconsistent Directions. Except for providing Directions in accordance with Section 4.01, the Institutional Investors agree that (i) between the date hereof and the Effective Date, with respect to the Securities issued by the Settlement Trusts, they will not, individually or collectively, direct, vote for, or take any other action that they may have the right or the option to take under the Governing Agreements or to join with any other Investors or the Trustee of any note, bond or other security issued by the Settlement Trusts, to cause the Trustees to enforce (or seek derivatively to enforce) any representations and warranties regarding the Mortgage Loans or the servicing of the Mortgage Loans, and (ii) to the extent that any of the Institutional Investors have already taken any such action, the applicable Institutional Investor will promptly rescind or terminate such action. Nothing in the foregoing shall restrict the ability of the Institutional Investors to demand that any Investor who seeks to direct the Trustee for a Settlement Trust post any indemnity or bond required by the Governing Agreements for the applicable Settlement Trust.

Section 4.03 Amendments to Governing Agreements Regarding Financing of Advances. The Institutional Investors agree to use commercially reasonable efforts (which shall not require the giving of any indemnity or other payment obligation or expenditure of out-of-pocket funds) to negotiate any request by the Debtors or the Trustees for any Settlement Trusts with respect to which the servicing rights are being assumed and assigned to the Purchaser, and if any Trustee shall require a vote of the certificate or note holders with respect thereto, shall vote in favor of (to the extent agreement is reached) any amendment to the relevant Governing Agreements and related documents requested by the Debtors in order to permit "Advances" (as it or any similar term may be defined in the Governing Agreements) to be financeable and to make such other amendments thereto as may be reasonably requested by the Debtors in accordance with any agreement to acquire all or substantially all of the Debtors' servicing assets, so long as such changes would not cause material financial detriment to the Settlement Trusts, their respective trustees, certificate or note holders, or the Institutional Investors.

ARTICLE V. ALLOWANCE OF CLAIM.

Section 5.01 The Allowed Claim. ResCap hereby makes an irrevocable offer to settle, expiring at 5:00 p.m. prevailing New York time on the date that is set forth in the Scheduling Order, with each of the Settlement Trusts (the Settlement Trusts that timely agree to the terms of this Settlement Agreement being the "Accepting Trusts"). In consideration for such agreement, ResCap will provide a general unsecured claim of \$8,700,000,000 in the aggregate against the Seller Entities and the Depositor Entities (as the Depositor Entities are jointly liable for such claim) (the "Total Allowed Claim"), all of which shall be allocated and implemented as provided in Section 6.01. For the avoidance of doubt, the Total Allowed Claim shall be allocated among the Accepting Trusts, subject to the provisions of this Settlement Agreement. Subject to the provisions of this Settlement Agreement, the Accepting Trusts shall be allowed an aggregate claim in an amount calculated as set forth below (the "Allowed Claim"), which aggregate claim shall be allocated to each Accepting Trust pursuant to Article VI herein. The amount of the Allowed Claim shall equal (i) \$8,700,000,000, less (ii) \$8,700,000,000 multiplied by the percentage represented by (a) the total dollar amount of original principal balance for the Settlement Trusts not accepting the offer outlined above, divided by (b) the total dollar amount of original principal balance for all Settlement Trusts.

Section 5.02 Waiver of Setoff and Recoupment. By accepting the offer to settle contained in Section 5.01, each Accepting Trust irrevocably waives any right to setoff and/or recoupment such Accepting Trust may have against ResCap, except that such right, if any, shall be preserved with respect to claims, described in Section 8.02 hereof, that are not released or waived under Article VII hereof.

ARTICLE VI. ALLOCATION OF ALLOWED CLAIM.

Section 6.01 The Allocation of the Allowed Claim. Each Accepting Trust shall be allocated a share of the Allowed Claim against its Seller Entity and its Depositor Entity (the "Allocated Claim"), calculated as set forth on Exhibit B hereto, for which such Seller Entity and Depositor Entity are jointly liable.

Section 6.02 In the event the Bankruptcy Court does not approve the Allowed Claim as to a particular Seller Entity or Depositor Entity, the settlement shall remain in full force with respect to any other Seller Entity or Depositor Entity, as applicable; *provided, however*, that if the Allowed Claim in the amounts proposed herein is not approved as to any of the Seller Entities or Depositor Entities, the Institutional Investors shall have the right to terminate this Settlement Agreement upon written notice to the Debtors; *provided, further*, that in the event that the Bankruptcy Court does not approve the Allowed Claim as to a particular Seller Entity or Depositor Entity, that particular Seller Entity or Depositor Entity shall not receive any release, waiver, or discharge of any Released Claims pursuant to Article VII.

Section 6.03 Legal Fees.

- (a) ResCap and the Institutional Investors agree that Talcott Franklin, Miller Johnson, and Carter Leydard shall, on the Effective Date, be allocated legal fees as follows, as an integrated and nonseverable part of this Settlement Agreement. First, Talcott Franklin, Miller Johnson, and Carter Leydard, as counsel to the Institutional Investors, shall be allocated by ResCap without conveyance to the Trustees the percentages of the Allowed Claim set forth on the fee schedule attached hereto as Exhibit C, without requirement of submitting any form of estate retention or fee application, for their work relating to these cases and the settlement. Second, the Debtors and Institutional Investors may further agree at any time, that the Debtors may pay Talcott Franklin, Miller Johnson, and Carter Leydard in cash, in an amount that Talcott Franklin, Miller Johnson, and Carter Leydard respectively agree is equal to the cash value of their respective portions of the Allowed Claim, and in any such event, no estate retention application, fee application or further order of the Bankruptcy Court shall be required as a condition of the Debtors making such agreed allocation. Third, the Debtors agree and the settlement approval order shall provide that the amount of the Allowed Claim payable to Talcott Franklin, Miller Johnson, and Carter Leydard may be reduced to a separate claim stipulation for convenience of the parties.
- (b) In the event that, prior to acceptance of this compromise by a Trustee for a Settlement Trust other than a Covered Trust, counsel to Investors in such Settlement Trust cause a direction to be given by more than 25% of the holders of a tranche of such Settlement Trust to accept this compromise, then the same provisions as contained in Section 6.02(a) shall apply to such counsel, solely as to the amounts allocated to such Settlement Trust. Such counsel shall be entitled to a share of the fee for such trust equal to the ratio of (a) 25% minus the percentage of such tranche held by Institutional Investors divided by (b) 25%. Counsel would be required to identify itself and satisfy the Debtors and Institutional Investors as to the holdings of client-investors and that counsel caused such directions.

ARTICLE VII. RELEASES.

Section 7.01 Releases. Except as set forth in Article VIII, as of the Effective Date, with respect to each and every Accepting Trust, and in exchange for the Allowed Claim, the Institutional Investors, Accepting Trusts, Trustees in respect of such trusts, and any Persons claiming by, through or on behalf of such Accepting Trust or the Trustees of such trusts

(including Investors claiming derivatively) (collectively, the “Releasors”), irrevocably and unconditionally grant a full, final, and complete release, waiver, and discharge of all alleged or actual claims, demands to repurchase, demands to cure, demands to substitute, counterclaims, defenses, rights of setoff, rights of rescission, liens, disputes, liabilities, losses, debts, costs, expenses, obligations, demands, claims for accountings or audits, alleged events of default, damages, rights, and causes of action of any kind or nature whatsoever, whether asserted or unasserted, known or unknown, suspected or unsuspected, fixed or contingent, in contract, tort, or otherwise, secured or unsecured, accrued or unaccrued, whether direct or derivative, arising under law or equity (collectively, “Claims”), against the Debtors (with the exception of ResCap LLC as set forth in the last sentence of this Section 7.01) and their current and former officers, directors, and employees (but in no case does this section apply to Ally Financial Inc. (“AFI”) or any person who is an officer or director of AFI) that arise under the Governing Agreements. Such released claims include, but are not limited to, claims arising out of and/or relating to (i) the origination and sale of mortgage loans to the Accepting Trusts (including, without limitation, the liability of any Debtors that are party to a Pooling and Servicing Agreement with respect to representations and warranties made in connection with such sale or with respect to the noticing and enforcement of any remedies in respect of alleged breaches of such representations and warranties) (collectively, the “Origination-Related Provisions”), (ii) the documentation of the Mortgage Loans held by the Accepting Trusts including with respect to allegedly defective, incomplete, or non-existent documentation, as well as issues arising out of or relating to recordation, title, assignment, or any other matter relating to legal enforceability of a Mortgage or Mortgage Note, or any alleged failure to provide notice of such defective, incomplete or non-existent documentation, (iii) the servicing of the Mortgage Loans held by the Accepting Trusts (including any claim relating to the timing of collection efforts or foreclosure efforts, loss mitigation, transfers to subservicers, advances or servicing advances) (the “Servicing Claims”), but only to the extent assumed pursuant to Section 365 of the Bankruptcy Code by an assignee to the applicable Debtor in its capacity as Master Servicer or Servicer under any Governing Agreement (the “Assumed Servicing Claims”), (iv) any duty of a debtor as master servicer, servicer or sub-servicer to notice and enforce remedies in respect of alleged breaches of representations and warranties (together with the Assumed Servicing Claims, the “Released Servicing Claims”), (v) setoff or recoupment under the Governing Agreements against ResCap with respect to the Origination-Related Provisions or the Released Servicing Claims, and (vi) any loan seller that either sold loans to ResCap or AFI that were sold and transferred to such Accepting Trust or sold loans directly to such Accepting Trust, in all cases prior to the Petition Date (collectively, all such claims being defined as the “Released Claims”). For the avoidance of doubt, this release does not include individual direct claims for securities fraud or other disclosure-related claims arising from the purchase or sale of Securities. Notwithstanding any provision of this Section 7.01, the Releasors do not release, waive, or discharge any Claims against ResCap LLC.

Section 7.02 Release of Claims Against Investors, Accepting Trusts, and Trustees. Except as set forth in Article VIII, as of the Effective Date, ResCap irrevocably and unconditionally grants to the Accepting Trusts, Trustees in respect of such trusts, and Investors in such trusts, as well as such Accepting Trusts’, Trustees’ and Investors’ respective officers, directors, and employees, a full final, and complete release, waiver, and discharge of all alleged or actual claims from any claim it may have under or arising out of the Governing Agreements.

Section 7.03 Agreement Not to Pursue Relief from the Stay. The Institutional Investors agree that neither they nor their successors in interest, assigns, pledges, delegates, affiliates, subsidiaries, and/or transferees, will seek relief from the automatic stay imposed by section 362 of the Bankruptcy Code in order to institute, continue or otherwise prosecute any action relating to the Released Claims; provided, however, nothing contained herein shall preclude the Institutional Investors or their advised clients from seeking any such relief with respect to direct claims for securities fraud or other disclosure-related claims arising from the purchase or sale of Securities. ResCap reserves its rights and defenses therewith.

Section 7.04 Inclusion of Accepting Trusts and Trustees in Plan Release and Exculpation Provisions. The Accepting Trusts and the Trustees in respect of any such Accepting Trust and their respective counsel shall be entitled to the benefit of any releases and plan exculpation provisions, if any, included in the Plan, which provisions shall be no less favorable than the releases and plan exculpation provisions extended to similarly situated creditors or parties in interest who are parties to any plan support agreement with ResCap.

ARTICLE VIII. CLAIMS NOT RELEASED

Section 8.01 ResCap LLC Claim. ResCap LLC does not concede or admit fault for any liability under the Governing Agreements. Without any limitation on the foregoing, each Accepting Trust shall be entitled to file a proof of claim against ResCap LLC for claims, if any, arising under the Governing Agreements (any such claim is hereinafter referred to as a “ResCap LLC Claim”). Nothing contained herein shall be deemed to establish the validity or amount of any ResCap LLC Claim, which shall remain subject to objections in all respects in accordance with the Federal Rules of Bankruptcy Procedure. Notwithstanding the foregoing, the allowed amount of any ResCap LLC Claim shall not exceed such Accepting Trust’s Allocated Claim; provided that any recovery on any such allowed ResCap LLC Claim shall be reduced by any amount paid by any Seller Entity or Depositor Entity on account of the Accepting Trust’s Allocated Claim. Subject to the provisions of this Agreement, the Accepting Trusts expressly reserve all rights regarding the validity and amount of any ResCap LLC Claim.

Section 8.02 Administration of the Mortgage Loans. The releases and waivers in Article VII herein do not include: (i) claims that first arise after the Effective Date and are based in whole or in part on any actions, inactions, or practices of the Master Servicer, Servicer, or Subservicer as to the servicing of the Mortgage Loans held by the Accepting Trusts, and (ii) any Servicing Claim that is not an Assumed Servicing Claim and for which the Court finds a cure or rejection claim exists pursuant to Section 365 of the Bankruptcy Code (it being understood that such cure or rejection claims, if any, are not intended to be affected by such releases and waivers).

Section 8.03 Financial-Guaranty Provider Rights and Obligations. To the extent that any third party guarantor or financial-guaranty provider with respect to any Settlement Trust has rights or obligations independent of the rights or obligations of the Investors, the Trustees, or the Settlement Trusts, the releases and waivers in Article VII are not intended to and shall not release such rights.

Section 8.04 Settlement Agreement Rights. The Parties do not release or waive any rights or claims against each other to enforce the terms of this Settlement Agreement or the Allowed Claim.

Section 8.05 Disclosure Claims. The releases and waivers in Article VII do not include any claims based on improper disclosures under federal or state securities law.

Section 8.06 Reservation of Rights. Notwithstanding anything in this Settlement Agreement to the contrary, the Institutional Investors have not waived their right to file an objection to a motion of the holders of the ResCap 9 5/8% bonds requesting payment of any interest on account of their ResCap 9 5/8% bond claims that may be due and owing after the Petition Date.

ARTICLE IX. RELEASE OF UNKNOWN CLAIMS.

Each of the Parties acknowledges that it has been advised by its attorneys concerning, and is familiar with, California Civil Code Section 1542 and expressly waives any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to the provisions of the California Civil Code Section 1542, including that provision itself, which reads as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH, IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.”

The Parties acknowledge that inclusion of the provisions of this Article IX to this Settlement Agreement was a material and separately bargained for element of this Settlement Agreement.

ARTICLE X. OTHER PROVISIONS

Section 10.01 Voluntary Agreement. Each Party acknowledges that it has read all of the terms of this Settlement Agreement, has had an opportunity to consult with counsel of its own choosing or voluntarily waived such right and enters into this Settlement Agreement voluntarily and without duress.

Section 10.02 No Admission of Breach or Wrongdoing. ResCap has denied and continues to deny any breach, fault, liability, or wrongdoing. This denial includes, but is not limited to, breaches of representations and warranties, violations of state or federal securities laws, and other claims sounding in contract or tort in connection with any securitizations, including those for which ResCap was the Seller, Servicer and/or Master Servicer. Neither this Settlement Agreement, whether or not consummated, any proceedings relating to this Settlement Agreement, nor any of the terms of the Settlement Agreement, whether or not consummated, shall be construed as, or deemed to be evidence of, an admission or concession on the part of ResCap with respect to any claim or of any breach, liability, fault, wrongdoing, or damage

whatsoever, or with respect to any infirmity in any defense that ResCap has or could have asserted.

Section 10.03 No Admission Regarding Claim Status. ResCap expressly states that in the event this Settlement Agreement is not consummated or is terminated prior to the Effective Date, then neither this Settlement Agreement, nor any proceedings relating to this Settlement Agreement, nor any of the terms of the Settlement Agreement, shall be construed as, or deemed to be evidence of, an admission or concession on the part of ResCap that any claims asserted by the Institutional Investors are not contingent, unliquidated or disputed. The Institutional Investors expressly state that in the event this Settlement Agreement is not consummated or is terminated prior to the Effective Date, neither this Settlement Agreement, nor any proceedings relating to this Settlement Agreement, nor any of the terms of the Settlement Agreement, shall be construed as, or deemed to be evidence of, an admission or concession on the part of the Institutional Investors that any claims asserted by the Institutional Investors and Trustees are not limited to the amounts set forth in this Settlement Agreement or are of any particular priority.

Section 10.04 Counterparts. This Settlement Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same Settlement Agreement. Delivery of a signature page to this Settlement Agreement by facsimile or other electronic means shall be effective as delivery of the original signature page to this Settlement Agreement.

Section 10.05 Joint Drafting. This Settlement Agreement shall be deemed to have been jointly drafted by the Parties, and in construing and interpreting this Settlement Agreement, no provision shall be construed and interpreted for or against any of the Parties because such provision or any other provision of the Settlement Agreement as a whole is purportedly prepared or requested by such Party.

Section 10.06 Entire Agreement. This document contains the entire agreement between the Parties, and may only be modified, altered, amended, or supplemented in writing signed by the Parties or their duly appointed agents. All prior agreements and understandings between the Parties concerning the subject matter hereof are superseded by the terms of this Settlement Agreement.

Section 10.07 Specific Performance. It is understood that money damages are not a sufficient remedy for any breach of this Settlement Agreement, and the Parties shall have the right, in addition to any other rights and remedies contained herein, to seek specific performance, injunctive, or other equitable relief from the Bankruptcy Court as a remedy for any such breach. The Parties hereby agree that specific performance shall be their only remedy for any violation of this Agreement.

Section 10.08 Authority. Each Party represents and warrants that each Person who executes this Settlement Agreement on its behalf is duly authorized to execute this Settlement Agreement on behalf of the respective Party, and that such Party has full knowledge of and has consented to this Settlement Agreement.

Section 10.09 No Third Party Beneficiaries. There are no third party beneficiaries of this Settlement Agreement.

Section 10.10 Headings. The headings of all sections of this Settlement Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit, or aid in the construction or interpretation of any term or provision hereof.

Section 10.11 Notices. All notices or demands given or made by one Party to the other relating to this Settlement Agreement shall be in writing and either personally served or sent by registered or certified mail, postage paid, return receipt requested, overnight delivery service, or by electronic mail transmission, and shall be deemed to be given for purposes of this Settlement Agreement on the earlier of the date of actual receipt or three days after the deposit thereof in the mail or the electronic transmission of the message. Unless a different or additional address for subsequent notices is specified in a notice sent or delivered in accordance with this Section, such notices or demands shall be sent as follows:

To: Institutional Investors
c/o Talcott Franklin P.C.
208 N. Market Street
Suite 200
Dallas, TX 75202
Tel: 214-736-8730
Email: tal@talcottfranklin.com
-and-
Miller, Johnson, Snell & Cumiskey, P.L.C.
250 Monroe Avenue NW
Suite 800
P.O. Box 306
Grand Rapids, MI 49501-0306
Tel: 618-831-1748
Email: sarbt@millerjohnson.com
-and-
Carter Ledyard & Milburn LLP
2 Wall Street
New York, New York 10005
Tel: 212-238-8607
Email: gadsden@clm.com

To: ResCap
c/o Gary S. Lee
Jamie A. Levitt
Morrison & Foerster LLP
1290 Avenue of the Americas
New York, NY 10104
Tel: 212-468-8000

Email: glee@mofo.com
jlevitt@mofo.com

Section 10.12 Disputes. This Settlement Agreement, and any disputes arising under or in connection with this Settlement Agreement, are to be governed by and construed in accordance with the laws of the State of New York, without giving effect to the choice of laws principles thereof. Further, by its execution and delivery of this Settlement Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees that the United States District Court for the Southern District of New York shall have jurisdiction to enforce this Settlement Agreement, *provided, however*, that, upon commencement of the Chapter 11 Cases, the Bankruptcy Court shall have exclusive jurisdiction of all matters arising out of or in connection with this Settlement Agreement.

Section 10.13 The Parties have agreed to include the following statement in the proposed order attached to the Debtors' motion to approve this Settlement Agreement: "Nothing contained in the RMBS Trust Settlement Agreement, the order approving the RMBS Trust Settlement Agreement, and any associated expert reports, including exhibits, schedules, declarations, and other documents attached thereto or referenced therein, or in any declarations, pleadings, or other documents or evidence submitted to, or filed in, the Bankruptcy Court in connection therewith, shall be construed as an admission of, or to prejudice in any way, Ally Financial Inc. and its non-Debtor direct and indirect subsidiaries and affiliates (collectively, "Ally") and may not be used as evidence against Ally in any court proceeding."

Section 10.14 Notwithstanding anything to the contrary in this Settlement Agreement, nothing herein is intended to or shall be deemed to amend any of the Governing Agreements for any Settlement Trust.

[REST OF PAGE INTENTIONALLY LEFT BLANK]

EXECUTION COPY

Dated the 21st day of September, 2012.

Talcott Franklin P.C. on behalf of the
Institutional Investors

Signature: Tal FE

Name: Talcott F. Franklin

Title: Partner

EXECUTION COPY

Dated the 21st day of September, 2012.

Residential Capital, LLC
for itself and its direct and indirect subsidiaries

Signature: Tammy Hanzel-pair

Name: Tammy Hanzel-pair

Title: General Counsel

EXECUTION COPY

EXHIBIT A

TRUSTS

Exhibit A- Trusts

Deal Name	Original Issue Balance (in Thousands)	Deal Name	Original Issue Balance (in Thousands)
2004-AR1	635.0	2004-QS12	424.3
2004-AR2	510.1	2004-QS13	129.2
2004-GH1	224.1	2004-QS14	212.9
2004-HE1	1,292.3	2004-QS15	213.7
2004-HE2	711.5	2004-QS16	534.7
2004-HE3	977.3	2004-QS2	292.3
2004-HE4	1,018.0	2004-QS3	207.8
2004-HE5	700.0	2004-QS4	320.6
2004-HI1	235.0	2004-QS5	293.7
2004-HI2	275.0	2004-QS6	156.5
2004-HI3	220.0	2004-QS7	449.2
2004-HLTV1	175.0	2004-QS8	271.0
2004-HS1	477.1	2004-QS9	105.1
2004-HS2	604.1	2004-RP1	199.5
2004-HS3	284.0	2004-RS1	1,400.0
2004-J1	401.0	2004-RS10	1,250.0
2004-J2	400.6	2004-RS11	925.0
2004-J3	350.0	2004-RS12	975.0
2004-J4	600.1	2004-RS2	875.0
2004-J5	551.9	2004-RS3	600.0
2004-J6	408.0	2004-RS4	1,100.0
2004-KR1	2,000.0	2004-RS5	1,050.0
2004-KR2	1,250.0	2004-RS6	1,000.0
2004-KS1	950.0	2004-RS7	1,183.7
2004-KS10	986.0	2004-RS8	900.0
2004-KS11	692.7	2004-RS9	950.0
2004-KS12	541.8	2004-RZ1	485.0
2004-KS2	990.0	2004-RZ2	475.0
2004-KS3	675.0	2004-RZ3	360.0
2004-KS4	1,000.0	2004-RZ4	276.6
2004-KS5	1,175.0	2004-S1	307.7
2004-KS6	1,000.0	2004-S2	362.0
2004-KS7	850.0	2004-S3	228.3
2004-KS8	600.0	2004-S4	460.3
2004-KS9	600.0	2004-S5	423.5
2004-PS1	100.1	2004-S6	527.2
2004-QA1	201.3	2004-S7	105.3
2004-QA2	365.1	2004-S8	311.0
2004-QA3	320.1	2004-S9	645.9
2004-QA4	290.2	2004-SA1	250.1
2004-QA5	325.1	2004-SL1	632.9
2004-QA6	720.3	2004-SL2	499.0
2004-QS1	319.9	2004-SL3	222.5
2004-QS10	216.6	2004-SL4	206.5
2004-QS11	217.5	2004-SP1	233.7

Deal Name	Original Issue Balance (in Thousands)	Deal Name	Original Issue Balance (in Thousands)
2004-SP2	145.1	2005-KS8	1,165.8
2004-SP3	306.9	2005-KS9	487.0
2004-VFT	820.7	2005-NC1	870.8
2005-AA1	265.6	2005-QA1	296.7
2005-AF1	235.5	2005-QA10	621.8
2005-AF2	296.9	2005-QA11	525.1
2005-AHL1	463.7	2005-QA12	285.2
2005-AHL2	434.2	2005-QA13	560.2
2005-AHL3	488.8	2005-QA2	501.0
2005-AR1	399.8	2005-QA3	500.0
2005-AR2	458.4	2005-QA4	525.2
2005-AR3	523.7	2005-QA5	241.8
2005-AR4	386.1	2005-QA6	575.5
2005-AR5	597.2	2005-QA7	575.0
2005-AR6	592.0	2005-QA8	519.5
2005-EFC1	1,101.5	2005-QA9	650.5
2005-EFC2	679.3	2005-QO1	711.1
2005-EFC3	731.9	2005-QO2	425.1
2005-EFC4	707.8	2005-QO3	500.6
2005-EFC5	693.3	2005-QO4	797.0
2005-EFC6	672.7	2005-QO5	1,275.1
2005-EFC7	698.2	2005-QS1	214.6
2005-EMX1	792.8	2005-QS10	265.7
2005-EMX2	620.4	2005-QS11	213.6
2005-EMX3	674.5	2005-QS12	528.9
2005-EMX4	492.6	2005-QS13	639.2
2005-EMX5	380.0	2005-QS14	615.8
2005-HE1	991.1	2005-QS15	431.5
2005-HE2	1,113.5	2005-QS16	428.0
2005-HE3	988.0	2005-QS17	540.1
2005-HI1	240.0	2005-QS2	213.0
2005-HI2	240.0	2005-QS3	475.6
2005-HI3	224.9	2005-QS4	211.7
2005-HS1	853.8	2005-QS5	214.0
2005-HS2	577.5	2005-QS6	265.1
2005-HSA1	278.8	2005-QS7	370.0
2005-J1	525.5	2005-QS8	104.1
2005-KS1	708.8	2005-QS9	371.0
2005-KS10	1,299.2	2005-RP1	343.1
2005-KS11	1,339.3	2005-RP2	301.1
2005-KS12	1,117.2	2005-RP3	282.5
2005-KS2	543.4	2005-RS1	975.0
2005-KS3	413.5	2005-RS2	725.0
2005-KS4	411.1	2005-RS3	741.3
2005-KS5	401.8	2005-RS4	522.4
2005-KS6	596.2	2005-RS5	497.5
2005-KS7	387.6	2005-RS6	1,183.2

Deal Name	Original Issue Balance (in Thousands)	Deal Name	Original Issue Balance (in Thousands)
2005-RS7	493.0	2006-HI4	272.7
2005-RS8	660.0	2006-HI5	247.5
2005-RS9	1,179.0	2006-HLTV1	229.9
2005-RZ1	203.8	2006-HSA1	461.4
2005-RZ2	333.7	2006-HSA2	447.9
2005-RZ3	340.0	2006-HSA3	201.0
2005-RZ4	411.2	2006-HSA4	402.1
2005-S1	463.1	2006-HSA5	295.6
2005-S2	260.9	2006-J1	550.0
2005-S3	183.1	2006-KS1	840.1
2005-S4	259.4	2006-KS2	977.5
2005-S5	258.2	2006-KS3	1,125.9
2005-S6	412.9	2006-KS4	687.8
2005-S7	311.7	2006-KS5	687.1
2005-S8	312.3	2006-KS6	529.1
2005-S9	366.6	2006-KS7	532.7
2005-SA1	295.2	2006-KS8	535.9
2005-SA2	500.8	2006-KS9	1,197.1
2005-SA3	675.2	2006-NC1	536.8
2005-SA4	850.5	2006-NC2	745.2
2005-SA5	355.3	2006-NC3	504.9
2005-SL1	370.5	2006-QA1	603.9
2005-SL2	168.9	2006-QA10	375.5
2005-SP1	831.0	2006-QA11	372.4
2005-SP2	490.2	2006-QA2	394.0
2005-SP3	285.7	2006-QA3	398.5
2006-AR1	508.7	2006-QA4	304.4
2006-AR2	373.0	2006-QA5	695.6
2006-EFC1	593.2	2006-QA6	625.8
2006-EFC2	387.6	2006-QA7	588.2
2006-EMX1	424.6	2006-QA8	795.1
2006-EMX2	550.1	2006-QA9	369.2
2006-EMX3	773.6	2006-QH1	337.9
2006-EMX4	661.7	2006-QO1	901.2
2006-EMX5	580.2	2006-QO10	895.7
2006-EMX6	620.5	2006-QO2	665.5
2006-EMX7	495.3	2006-QO3	644.8
2006-EMX8	698.6	2006-QO4	843.2
2006-EMX9	728.8	2006-QO5	1,071.6
2006-HE1	1,274.2	2006-QO6	1,290.3
2006-HE2	626.2	2006-QO7	1,542.4
2006-HE3	1,142.3	2006-QO8	1,288.1
2006-HE4	1,159.1	2006-QO9	895.6
2006-HE5	1,244.5	2006-QS1	323.8
2006-HI1	214.2	2006-QS10	533.6
2006-HI2	237.4	2006-QS11	751.5
2006-HI3	223.2	2006-QS12	541.3

Deal Name	Original Issue Balance (in Thousands)	Deal Name	Original Issue Balance (in Thousands)
2006-QS13	641.0	2006-SP3	291.9
2006-QS14	753.7	2006-SP4	303.9
2006-QS15	538.6	2007-EMX1	692.9
2006-QS16	752.1	2007-HE1	1,185.9
2006-QS17	537.0	2007-HE2	1,240.9
2006-QS18	1,181.9	2007-HE3	350.6
2006-QS2	881.7	2007-HI1	255.0
2006-QS3	969.8	2007-HSA1	546.8
2006-QS4	752.3	2007-HSA2	1,231.4
2006-QS5	698.0	2007-HSA3	796.4
2006-QS6	858.8	2007-KS1	415.6
2006-QS7	537.5	2007-KS2	961.5
2006-QS8	966.3	2007-KS3	1,270.3
2006-QS9	540.1	2007-KS4	235.9
2006-RP1	293.0	2007-QA1	410.1
2006-RP2	317.0	2007-QA2	367.0
2006-RP3	290.4	2007-QA3	882.4
2006-RP4	357.4	2007-QA4	243.5
2006-RS1	1,173.6	2007-QA5	504.1
2006-RS2	785.6	2007-QH1	522.3
2006-RS3	741.6	2007-QH2	348.4
2006-RS4	887.5	2007-QH3	349.5
2006-RS5	382.6	2007-QH4	401.0
2006-RS6	372.2	2007-QH5	497.5
2006-RZ1	483.8	2007-QH6	597.0
2006-RZ2	368.6	2007-QH7	347.0
2006-RZ3	688.3	2007-QH8	560.1
2006-RZ4	851.8	2007-QH9	594.4
2006-RZ5	505.1	2007-QO1	625.1
2006-S1	367.1	2007-QO2	529.3
2006-S10	1,087.7	2007-QO3	296.3
2006-S11	623.2	2007-QO4	502.8
2006-S12	1,204.3	2007-QO5	231.2
2006-S2	260.6	2007-QS1	1,297.4
2006-S3	337.8	2007-QS10	435.8
2006-S4	313.9	2007-QS11	305.8
2006-S5	678.1	2007-QS2	536.7
2006-S6	599.6	2007-QS3	971.6
2006-S7	469.7	2007-QS4	746.9
2006-S8	416.3	2007-QS5	432.7
2006-S9	442.3	2007-QS6	808.3
2006-SA1	275.1	2007-QS7	803.3
2006-SA2	791.3	2007-QS8	651.8
2006-SA3	350.9	2007-QS9	707.0
2006-SA4	282.3	2007-RP1	334.4
2006-SP1	275.9	2007-RP2	263.3
2006-SP2	348.1	2007-RP3	346.6

Deal Name	Original Issue Balance (in Thousands)
2007-RP4	239.2
2007-RS1	478.3
2007-RS2	376.8
2007-RZ1	329.3
2007-S1	522.5
2007-S2	472.2
2007-S3	575.3
2007-S4	314.5
2007-S5	524.8
2007-S6	707.7
2007-S7	419.1
2007-S8	488.8
2007-S9	172.4
2007-SA1	310.8
2007-SA2	385.1
2007-SA3	363.8
2007-SA4	414.9
2007-SP1	346.6
2007-SP2	279.3
2007-SP3	298.1
Grand Total	220,987.7

EXHIBIT B

ALLOCATION OF ALLOWED CLAIM

1. The Allowed Claim shall be allocated amongst the Accepting Trusts by the Trustees pursuant to the determination of a qualified financial advisor (the “Expert”) who will make any determinations and perform any calculations required in connection with the allocation of the Allowed Claim among the Accepting Trusts. To the extent that the collateral in any Accepting Trust is divided by the Governing Agreements into groups of loans (“Loan Groups”) so that ordinarily only certain classes of investors benefit from the proceeds of particular Loan Groups, those Loan Groups shall be deemed to be separate Accepting Trusts for purposes of the allocation and distribution methodologies set forth below. The Expert is to apply the following allocation formulas:

(i) *First*, the Expert shall calculate the amount of Net Losses for each Accepting Trust as a percentage of the sum of the Net Losses for all Accepting Trusts (such amount, the “Net Loss Percentage”);

(ii) *Second*, the Expert shall calculate the “Allocated Claim” for each Accepting Trust by multiplying (A) the amount of the Allowed Claim by (B) the Net Loss Percentage for such Accepting Trust, expressed as a decimal; provided that the Expert shall be entitled to make adjustments to the Allocated Claim of each Accepting Trust to ensure that the effects of rounding do not cause the sum of the Allocated Claims for all Accepting Trusts to exceed the amount of the Allowed Claim.

(iii) For the avoidance of doubt, the Seller Entity and Depositor Entity for each Accepting Trust are jointly liable for that Trust’s Allocated Claim.

(iv) If applicable, the Expert shall calculate the portion of the Allocated Claim that relates to principal-only certificates or notes and the portion of the Allocated Claim that relates to all other certificates or notes.

2. All distributions from the Estate to an Accepting Trust on account of any Allocated Claim shall be treated as Subsequent Recoveries, as that term is defined in the Governing Agreement for that trust; provided that if the Governing Agreement for a particular Accepting Trust does not include the term “Subsequent Recovery,” the distribution resulting from the Allocated Claim shall be distributed as though it was unscheduled principal available for distribution on that distribution date; *provided, however*, that should the Bankruptcy Court determine that a different treatment is required to conform the distributions to the requirements of the Governing Agreements, that determination shall govern and shall not constitute a material change to this Settlement Agreement.

3. Notwithstanding any other provision of any Governing Agreement, the Debtors and all Servicers agree that neither the Master Servicer nor any Subservicer shall be entitled to receive any portion of any distribution resulting from any Allocated Claim for any purpose, including without limitation the satisfaction of any Servicing Advances, it being understood that the Master Servicer’s other entitlements to payments, and to reimbursement or recovery, including of

Advances and Servicing Advances, under the terms of the Governing Agreements shall not be affected by this Settlement Agreement except as expressly provided here. To the extent that as a result of the distribution resulting from an Allocated Claim in a particular Accepting Trust a principal payment would become payable to a class of REMIC residual interests, whether on the distribution of the amount resulting from the Allocated Claim or on any subsequent distribution date that is not the final distribution date under the Governing Agreement for such Accepting Trust, such payment shall be maintained in the distribution account and the relevant Trustee shall distribute it on the next distribution date according to the provisions of this section.

4. In addition, after any distribution resulting from an Allocated Claim pursuant to section 3 above, the relevant Trustee will allocate the amount of the distribution for that Accepting Trust in the reverse order of previously allocated Realized Losses, to increase the Class Certificate Balance, Component Balance, Component Principal Balance, or Note Principal Balance, as applicable, of each class of Certificates or Notes (or Components thereof) (other than any class of REMIC residual interests) to which Realized Losses have been previously allocated, but in each case by not more than the amount of Realized Losses previously allocated to that class of Certificates or Notes (or Components thereof) pursuant to the Governing Agreements. For the avoidance of doubt, for Accepting Trusts for which the Credit Support Depletion Date shall have occurred prior to the allocation of the amount of the Allocable Share in accordance with the immediately preceding sentence, in no event shall the foregoing allocation be deemed to reverse the occurrence of the Credit Support Depletion Date in such Accepting Trusts. Holders of such Certificates or Notes (or Components thereof) will not be entitled to any payment in respect of interest on the amount of such increases for any interest accrual period relating to the distribution date on which such increase occurs or any prior distribution date. Any such increase shall be applied pro rata to the Certificate Balance, Component Balance, Component Principal Balance, or Note Principal Balance of each Certificate or Note of each class. For the avoidance of doubt, this section 4 is intended only to increase Class Certificate Balances, Component Balances, Component Principal Balances, and Note Principal Balances, as provided for herein, and shall not affect any distributions resulting from Allocated Claims provided for in section 3 above.

5. Nothing in this Settlement Agreement amends or modifies in any way any provisions of any Governing Agreement. To the extent any credit enhancer or financial guarantee insurer receives a distribution on account of the Allowed Claim, such distribution shall be credited at least dollar for dollar against the amount of any claim it files against the Debtor that does not arise under the Governing Agreements.

6. In no event shall the distribution to an Accepting Trust as a result of any Allocated Claim be deemed to reduce the collateral losses experienced by such Accepting Trust.

EXHIBIT C
FEE SCHEDULE

Exhibit C -- Fee Schedule

Percentage of the Allowed Claim (being the sum of the Allocated Allowed Claims) allocable to trusts that accept the settlement, subject to adjustment pursuant to section 6.02(b) for trusts other than original "Covered Trusts."

If Effective Date of Plan occurs on or before Sept. 2, 2012, 5.225%

If Effective Date of Plan occurs after Sept. 2, 2012 and on or before Dec. 2, 2012, 5.4625%

If Effective Date of Plan occurs after Dec. 3, 2012 and on or before May 2, 2013, 5.605%

If Effective Date of Plan occurs after May 2, 2013, 5.7%

All fees shall be allocated between: (i) Talcott Franklin P.C.; (ii) Miller, Johnson, Snell & Cumiskey, P.L.C.; and (iii) Carter Ledyard & Milburn LLP, based on lodestar as calculated per agreement between co-counsel.

EXHIBIT D
SCHEDULE OF INSTITUTIONAL INVESTOR HOLDINGS

Holdings as of October 18, 2012

	Deal Name	CUSIP	Class	Bond Original Face	Group Class Sum	Original Class Face	Percentage Interest
1	RASC 2005-KS10	75405WAB8	1A2	140,000	140,000	242,971,000	0.1%
2	RFMS2 2006-HSA4	43709WAA1	A	250,000	250,000	402,118,000	0.1%
3	RALI 2007-QS1	74922KAH8	2A2	390,000	390,000	400,296,500	0.1%
4	GMACM 2006-HE3	38012TAB8	A2	165,000	165,000	160,700,000	0.1%
5	RASC 2005-EMX4	76110W5X0	A2	210,000	210,000	196,158,000	0.1%
6	RFMS2 2006-HSA1	76110VTF5	A4	100,000	100,000	42,917,000	0.2%
7	RFMSI 2007-S6	762009AR9	1A16	400,000	400,000	96,413,000	0.4%
8	RFMSI 2006-S12	74958EAC0	2A2	1,325,000	1,325,000	267,085,000	0.5%
9	GMACM 2004-HE2	361856DD6	M1	220,000	220,000	37,356,000	0.6%
10	RAAC 2007-RP1	74977YAA7	A	1,700,000	1,700,000	281,521,000	0.6%
11	RALI 2007-QH1	74922HAB8	A2	800,000	800,000	123,939,000	0.6%
12	RALI 2006-QO1	761118RJ9	2A1	1,100,000	1,100,000	164,198,000	0.7%
13	RASC 2005-EMX3	75405MAF1	M1	215,000	215,000	26,950,000	0.8%
14	RALI 2006-QS13	75115DAH8	1A8	520,000	520,000	58,285,000	0.9%
15	RAAC 2005-SP2	76112BF54	2A	2,600,000	2,600,000	288,130,000	0.9%
16	RALI 2006-QA8	74922QAA0	A1	570,912	1,970,912	215,014,000	0.9%
17	RASC 2005-EMX3	75405MAG9	M2	240,000	240,000	24,150,000	1.0%
18	RAAC 2007-RP2	74919WAA2	A	2,480,000	2,480,000	215,883,000	1.1%
19	RALI 2006-QA1	761118TB4	A21	355,000	3,692,000	318,919,000	1.2%
20	RFMSI 2005-SA2	76111XVJ9	3A2	275,000	275,000	22,500,000	1.2%
21	RALI 2006-QO2	761118VZ8	A2	2,125,000	2,125,000	154,392,000	1.4%
22	RALI 2006-QO5	75114HAE7	2A2	1,975,000	1,975,000	118,628,000	1.7%
23	RAAC 2007-RP4	74919LAD0	A	3,000,000	3,000,000	177,410,000	1.7%
24	RALI 2007-QH5	75116EAA0	AI1	3,478,590	3,478,590	195,147,000	1.8%
25	RFMSI 2007-S9	74958VAA6	1A1	2,500,000	2,500,000	128,850,000	1.9%
26	RALI 2007-QH1	74922HAC6	A3	1,500,000	1,500,000	74,364,000	2.0%
27	RALI 2005-QA7	76110H7D5	A22	4,000,000	4,000,000	195,652,000	2.0%
28	RFMSI 2006-S2	76111XL76	A1	2,500,000	2,500,000	113,005,000	2.2%
29	RALI 2006-QA10	74922NAB5	A2	5,161,941	5,161,941	230,607,000	2.2%
30	RASC 2005-KS3	76110WS56	M5	250,000	250,000	9,974,000	2.5%
31	RALI 2007-QS6	75116CBE5	A29	2,300,000	4,800,000	187,421,000	2.6%
32	RALI 2007-QS2	74923CAF9	A6	2,600,000	2,600,000	100,000,000	2.6%
33	GMACM 2004-AR2	36185N3T5	3A	5,794,000	5,794,000	200,236,000	2.9%
34	RFMSI 2007-S4	74958YAB8	A2	2,159,643	2,159,643	74,404,000	2.9%
35	GMACM 2006-AR1	36185MDQ2	2A1	3,500,000	3,500,000	118,307,000	3.0%
36	RALI 2006-QA9	75115VAA3	A1	9,425,000	9,425,000	314,545,000	3.0%
37	RALI 2006-QS6	74922EAT6	2A1	3,230,000	3,230,000	99,917,000	3.2%
38	RAMP 2004-SL4	76112BGN4	A4	1,280,000	1,280,000	39,137,000	3.3%
39	GMACM 2005-HE3	361856EH6	A2	9,815,647	9,815,647	296,703,000	3.3%
40	RALI 2006-QO3	761118WQ7	A2	5,000,000	5,000,000	149,747,000	3.3%

	Deal Name	CUSIP	Class	Bond Original Face	Group Class Sum	Original Class Face	Percentage Interest
41	RALI 2007-QS6	75116CBD7	A28	3,300,000	6,300,000	187,421,000	3.4%
42	RAMP 2005-SL1	76112BMP2	A4	2,250,000	2,250,000	65,353,000	3.4%
43	RALI 2005-QS15	761118KG2	1A	3,000,000	3,000,000	86,099,000	3.5%
44	RALI 2006-QS9	75115CAC1	1A3	3,000,000	3,000,000	86,000,000	3.5%
45	RALI 2005-QA8	761118BW7	NB3	1,250,000	1,250,000	35,255,000	3.5%
46	GMACM 2005-HE1	361856EC7	A3	8,869,000	8,869,000	248,425,000	3.6%
47	RAMP 2004-RS7	7609857E5	AI5	2,000,000	2,000,000	55,330,000	3.6%
48	GMACM 2005-HE1	361856EB9	A2	10,500,000	10,500,000	290,100,000	3.6%
49	RFMSI 2005-S9	76111XE58	A5	2,975,000	2,975,000	81,289,900	3.7%
50	RALI 2007-QS9	75116FBH1	A33	23,000,000	23,000,000	627,984,000	3.7%
51	RALI 2004-QS1	76110HPQ6	A1	4,000,000	8,000,000	215,000,000	3.7%
52	RALI 2004-QS5	76110HSV2	A5	5,000,000	5,000,000	127,754,111	3.9%
53	RASC 2006-EMX4	75406DAJ2	M5	500,000	500,000	12,672,000	3.9%
54	RAMP 2006-NC2	75156TAG5	M4	500,000	500,000	12,540,000	4.0%
55	GMACM 2006-HE5	38012EAC9	2A2	10,000,000	10,000,000	239,558,000	4.2%
56	RAMP 2006-RS2	76112B2C3	A2	12,000,000	12,000,000	282,070,000	4.3%
57	RASC 2006-KS8	74924RAD0	A4	3,000,000	3,000,000	69,063,000	4.3%
58	RALI 2007-QO1	75115YAA7	A1	15,000,000	15,000,000	343,670,000	4.4%
59	RASC 2004-KS6	76110WZX7	MII1	2,300,000	2,300,000	50,000,000	4.6%
60	RALI 2005-QS7	761118AA6	A1	7,000,000	7,000,000	148,100,000	4.7%
61	RAAC 2005-RP2	76112BXP0	M1	1,100,000	1,100,000	23,103,000	4.8%
62	RFMSI 2006-S5	74957EAQ0	A15	4,362,000	4,362,000	89,735,000	4.9%
63	RASC 2006-KS4	75406EAC5	A3	5,100,000	5,100,000	104,883,000	4.9%
64	RALI 2006-QA3	75114RAD7	A1	15,000,000	15,000,000	304,755,000	4.9%
65	RASC 2005-KS1	76110WM37	M1	2,500,000	2,500,000	48,600,000	5.1%
66	RALI 2006-QA8	74922QAB8	A2	25,800,000	25,800,000	484,943,000	5.3%
67	RAMP 2006-RS1	76112BT83	AI2	13,000,000	15,000,000	272,199,000	5.5%
68	RALI 2006-QO3	761118WP9	A1	20,000,000	20,000,000	359,391,000	5.6%
69	RAMP 2004-RS8	76112BAF7	AI6	1,750,000	1,750,000	31,325,000	5.6%
70	RALI 2006-QS6	74922EAN9	1A13	1,895,000	1,895,000	33,564,000	5.6%
71	RASC 2004-KS8	76110WC61	AI6	195,000	985,000	17,300,000	5.7%
72	RALI 2006-QS15	74922YAA3	A1	20,000,000	20,000,000	350,192,000	5.7%
73	RASC 2005-KS10	75405WAF9	M2	2,500,000	2,500,000	43,659,000	5.7%
74	RFMSI 2006-S9	749577AA0	A1	2,500,000	2,500,000	42,573,000	5.9%
75	RALI 2006-QS4	749228AJ1	A9	12,000,000	12,000,000	199,950,000	6.0%
76	RALI 2006-QS1	761118SB5	A3	2,500,000	6,500,000	108,134,000	6.0%
77	GMACM 2005-HE3	361856EK9	A1VN	1,486,000	1,486,000	24,335,000	6.1%
78	RALI 2006-QO1	761118RN0	3A2	8,000,000	8,000,000	128,851,000	6.2%
79	RALI 2004-QS1	76110HPT0	A4	1,000,000	1,000,000	15,724,000	6.4%
80	RASC 2005-EMX3	75405MAQ7	M10	500,000	500,000	7,700,000	6.5%

	Deal Name	CUSIP	Class	Bond Original Face	Group Class Sum	Original Class Face	Percentage Interest
81	RAMP 2004-RS9	76112BCM0	MII1	3,100,000	3,100,000	47,300,000	6.6%
82	RAMP 2005-SL2	76112BUX6	A3	2,000,000	2,000,000	29,811,000	6.7%
83	RALI 2006-QO2	761118VY1	A1	25,000,000	25,000,000	370,542,000	6.7%
84	RALI 2004-QS4	76110HSB6	A7	3,500,000	3,500,000	50,000,000	7.0%
85	RALI 2005-QS10	761118CX4	3A1	7,500,000	7,500,000	105,149,000	7.1%
86	RALI 2005-QS10	761118CY2	3A2	7,500,000	7,500,000	105,149,000	7.1%
87	RAMP 2005-SL1	76112BMN7	A3	2,500,000	2,500,000	34,870,100	7.2%
88	RAMP 2005-EFC5	76112BH60	M3	1,200,404	1,200,404	16,714,000	7.2%
89	RALI 2007-QO1	75115YAC3	A3	6,200,000	6,200,000	85,910,000	7.2%
90	RALI 2007-QH6	74922AAA5	A1	25,000,000	25,000,000	336,244,000	7.4%
91	RALI 2006-QS12	751151AG6	2A3	3,000,000	3,000,000	40,000,000	7.5%
92	RAMP 2004-RS4	7609852Y6	AI6	2,800,000	2,800,000	37,300,000	7.5%
93	RALI 2006-QS8	75115AAD3	A4	15,175,000	26,405,000	348,750,000	7.6%
94	RFMSI 2007-S4	74958YAN2	A14	2,000,000	2,000,000	26,184,000	7.6%
95	RFMSI 2006-S6	74957VAM1	A12	7,866,700	7,866,700	102,866,700	7.6%
96	RFMSI 2005-S8	76111XC68	A2	4,200,000	4,200,000	53,873,000	7.8%
97	RASC 2006-EMX3	76113ACE9	M4	1,200,000	1,200,000	15,200,000	7.9%
98	RAMP 2004-RS3	760985V57	AI1	7,000,000	7,000,000	88,500,000	7.9%
99	RALI 2005-QS14	761118JL3	3A3	8,500,000	8,500,000	104,601,000	8.1%
100	RALI 2005-QS9	761118AW8	A3	6,124,750	6,124,750	75,233,360	8.1%
101	RASC 2006-EMX2	75406AAF6	M3	1,000,000	1,000,000	12,255,000	8.2%
102	RASC 2005-KS8	76110W3P9	A3	16,000,000	16,000,000	195,700,000	8.2%
103	RASC 2005-KS8	76110W3T1	M3	1,923,272	1,923,272	23,400,000	8.2%
104	RALI 2006-QS11	75115EAD5	1A4	2,100,000	5,600,000	67,838,000	8.3%
105	RAAC 2005-RP3	76112BP95	M2	1,500,000	1,500,000	18,099,000	8.3%
106	RALI 2006-QO5	75114HAD9	2A1	20,000,000	20,000,000	237,255,000	8.4%
107	RAMP 2004-RZ1	760985U25	AI1	13,500,000	13,500,000	160,000,000	8.4%
108	RFMSI 2007-SA1	74958WAB2	2A1	8,575,000	8,575,000	100,000,000	8.6%
109	RALI 2006-QA2	761118TU2	3A1	2,600,000	2,600,000	30,306,000	8.6%
110	RALI 2005-QO4	761118NN4	2A1	25,000,000	25,000,000	290,287,000	8.6%
111	RAMP 2006-NC2	75156TAE0	M2	2,000,000	2,000,000	23,180,000	8.6%
112	RALI 2006-QS9	75115CAL1	1A11	1,750,000	2,900,000	33,477,650	8.7%
113	RAMP 2005-EFC6	76112BK82	M7	1,000,000	1,000,000	11,449,000	8.7%
114	RASC 2006-KS2	75406BAD9	A4	5,000,000	5,000,000	56,557,000	8.8%
115	RASC 2006-KS1	76113AAE1	A3	85,000	15,085,000	170,300,000	8.9%
116	RALI 2005-QS2	76110HQ69	A1	2,000,000	15,300,000	171,752,000	8.9%
117	RFMSI 2007-S6	762009AL2	1A11	5,285,000	5,285,000	59,285,000	8.9%
118	RALI 2004-QS2	76110HQM4	CB	7,425,000	19,440,000	216,837,000	9.0%
119	RAMP 2005-RS1	76112BHY9	AI6	2,000,000	2,000,000	22,000,000	9.1%
120	RASC 2004-KS2	76110WWN2	M21	23,000,000	23,000,000	49,000,000	9.2%

	Deal Name	CUSIP	Class	Bond Original Face	Group Class Sum	Original Class Face	Percentage Interest
121	RALI 2005-QS15	761118KJ6	3A	25,000,000	25,000,000	269,638,000	9.3%
122	RALI 2005-QO1	761118EN4	A1	31,250,000	31,800,000	338,917,000	9.4%
123	RALI 2005-QA2	76110HT90	NB2	7,150,000	7,150,000	74,851,000	9.6%
124	RASC 2005-AHL2	76110W5F9	A2	15,000,000	15,000,000	156,469,000	9.6%
125	RASC 2004-KS8	76110WD60	MII2	2,000,000	2,000,000	20,400,000	9.8%
126	RALI 2006-QS4	749228AE2	A5	3,940,000	3,940,000	40,000,000	9.9%
127	RALI 2007-QS11	74925GAA9	A1	34,224,000	34,224,000	347,046,000	9.9%
128	RASC 2006-KS3	76113ABJ9	AI4	7,903,000	7,903,000	79,903,000	9.9%
129	RASC 2006-KS3	76113ABQ3	M5	2,000,000	2,000,000	20,125,000	9.9%
130	RAMP 2006-EFC1	76112BV98	M3	1,435,905	1,435,905	14,335,000	10.0%
131	RASC 2006-EMX2	75406AAJ8	M6	1,000,000	1,000,000	9,975,000	10.0%
132	RFMSI 2006-S7	74958AAC8	A3	28,000,000	28,000,000	277,250,000	10.1%
133	RALI 2006-QO6	75114NAA2	A1	74,053,000	74,053,000	725,353,000	10.2%
134	RASC 2004-KS5	76110WYD2	AI5	2,642,000	2,642,000	25,450,000	10.4%
135	RASC 2004-KS9	76110WE69	AI5	1,900,000	1,900,000	18,300,000	10.4%
136	RASC 2004-KS7	76110WA89	AI4	2,500,000	2,500,000	23,900,000	10.5%
137	RFMSI 2007-S2	749583AJ9	A9	4,688,000	4,688,000	44,688,000	10.5%
138	RALI 2005-QS9	761118AZ1	A6	3,038,000	3,938,000	37,098,000	10.6%
139	RFMSI 2007-S9	74958VAB4	1A2	575,000	575,000	5,400,000	10.6%
140	RALI 2005-QS13	761118GS1	1A1	2,000,000	6,400,000	60,000,000	10.7%
141	RALI 2006-QS4	749228AD4	A4	7,500,000	7,500,000	70,011,000	10.7%
142	GMACM 2004-AR2	36185N3U2	4A	6,825,000	6,825,000	63,485,000	10.8%
143	RALI 2005-QA12	761118MY1	CB1	7,865,000	7,865,000	72,839,000	10.8%
144	RASC 2004-KS11	76110WJ49	M2	4,000,000	4,000,000	36,750,000	10.9%
145	RASC 2007-EMX1	74924XAD7	A14	5,120,000	5,120,000	46,505,000	11.0%
146	GMACM 2006-HE2	38011AAC8	A3	16,485,000	16,485,000	149,300,000	11.0%
147	RAMP 2006-RZ3	75156MAE5	M2	3,000,000	3,000,000	26,980,000	11.1%
148	RASC 2005-KS12	753910AF5	M3	2,500,000	2,500,000	22,425,000	11.1%
149	RAMP 2007-RS2	75157DAC8	A3	5,602,000	5,602,000	49,602,000	11.3%
150	RASC 2005-EMX1	76110WQ58	M1	7,000,000	7,000,000	61,600,000	11.4%
151	RALI 2005-QS11	761118CF3	A2	16,500,000	16,500,000	145,078,000	11.4%
152	RAAC 2007-SP3	74978FAH2	A2	4,000,000	4,000,000	35,087,000	11.4%
153	RFMSI 2006-S10	74958DAB4	1A2	11,582,000	11,582,000	101,582,000	11.4%
154	RALI 2006-QS3	761118XN3	1A10	2,000,000	10,680,000	92,341,000	11.6%
155	RAMP 2005-EFC3	76112BYY0	M6	1,362,728	1,362,728	11,774,000	11.6%
156	RAMP 2006-RS2	76112B2F6	M2	2,000,000	2,000,000	16,800,000	11.9%
157	RFMSI 2006-SA3	749575AG1	3A1	11,075,000	11,075,000	92,538,000	12.0%
158	RALI 2007-QS5	74923JAE7	A5	6,609,000	12,049,000	100,132,000	12.0%
159	RAMP 2004-RS7	7609857D7	AI4	10,500,000	10,500,000	87,155,000	12.0%
160	RASC 2006-KS2	75406BAE7	M1	4,621,786	4,621,786	38,000,000	12.2%

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161	RFMSI 2006-SA3	749575AA4	1A	2,900,000	2,900,000	23,588,000	12.3%
162	RAMP 2004-RS8	76112BAN0	MII2	3,750,000	3,750,000	30,250,000	12.4%
163	RAMP 2006-RS2	76112B2G4	M3	1,500,000	1,500,000	12,000,000	12.5%
164	RAMP 2005-RS1	76112BJH4	MII2	5,000,000	5,000,000	39,875,000	12.5%
165	RASC 2004-KS12	76110WK96	M2	3,500,000	3,500,000	27,500,000	12.7%
166	RAAC 2006-RP1	76112B2V1	M1	2,588,000	2,588,000	20,088,000	12.9%
167	RAMP 2006-RZ2	75156UAF4	M3	2,200,000	2,200,000	16,800,000	13.1%
168	RASC 2007-KS3	74924YAD5	AI4	13,000,000	13,000,000	99,000,000	13.1%
169	RFMSI 2006-S11	74958FAA1	A1	75,000,000	75,000,000	563,000,000	13.3%
170	RASC 2006-EMX7	74924TAD6	A4	4,000,000	4,000,000	30,000,000	13.3%
171	RALI 2006-QS10	751155AA0	A1	20,030,000	20,100,000	150,000,000	13.4%
172	RASC 2005-AHL1	76110W4G8	M2	2,632,225	2,632,225	19,564,000	13.5%
173	RASC 2006-EMX4	75406DAE3	M1	3,743,000	3,743,000	27,743,000	13.5%
174	RALI 2007-QA3	74923XAA4	A1	50,000,000	50,000,000	368,210,000	13.6%
175	RALI 2007-QS6	75116CAA4	A1	20,500,000	23,800,000	175,000,000	13.6%
176	RALI 2006-QS16	74922LAG8	A7	2,500,000	18,563,000	130,735,000	14.2%
177	RFMSI 2005-SA3	76111XVZ3	1A	24,010,000	24,010,000	167,651,000	14.3%
178	RAMP 2005-EFC1	76112BRM4	M2	6,000,000	6,000,000	41,765,000	14.4%
179	RAMP 2004-SL4	76112BGM6	A3	9,040,000	9,040,000	62,893,000	14.4%
180	RALI 2005-QS13	761118HA9	2A1	20,000,000	20,000,000	139,000,000	14.4%
181	RALI 2007-QS1	74922KAM7	2A6	12,746,000	16,496,000	113,238,400	14.6%
182	RAAC 2007-SP2	74919XAF9	A3	2,828,640	2,828,640	19,286,000	14.7%
183	RASC 2006-EMX3	76113ACD1	M3	2,500,000	2,500,000	16,800,000	14.9%
184	RFMSI 2006-S3	76111XP56	A7	17,500,000	17,500,000	117,000,000	15.0%
185	RASC 2004-KS7	76110WB54	A2B3	5,000,000	5,000,000	33,400,000	15.0%
186	RALI 2006-QS12	751151AA9	1A1	15,000,000	15,000,000	100,000,000	15.0%
187	RFMSI 2007-S4	74958YAA0	A1	4,500,000	4,500,000	30,000,000	15.0%
188	RAMP 2005-EFC3	76112BYX2	M5	2,000,000	2,000,000	13,293,000	15.0%
189	RASC 2005-KS8	76110W3V6	M5	2,993,634	2,993,634	19,800,000	15.1%
190	RALI 2006-QO5	75114HAK3	3A4	5,649,000	5,649,000	36,385,000	15.5%
191	RFMSI 2007-S8	76200QAA8	1A1	61,148,400	61,148,400	393,148,400	15.6%
192	RALI 2006-QH1	75115GAB4	A2	12,500,000	12,500,000	80,014,000	15.6%
193	RFMSI 2006-S5	74957EAP2	A14	9,500,000	9,500,000	60,000,000	15.8%
194	RAAC 2006-RP3	74919RAF2	M2	3,000,000	3,000,000	18,760,000	16.0%
195	RALI 2007-QS1	74922KAA3	1A1	5,000,000	23,992,135	147,627,000	16.3%
196	RALI 2006-QS16	74922LAK9	A10	8,223,000	29,373,000	180,140,000	16.3%
197	RALI 2004-QA1	76110HRL5	A1	22,000,000	22,000,000	134,525,000	16.4%
198	RALI 2006-QO3	761118WR5	A3	14,848,000	14,848,000	89,848,000	16.5%
199	RALI 2006-QO8	75115FAF7	M1	4,000,000	4,000,000	24,058,000	16.6%
200	RAMP 2005-SL1	76112BMQ0	A5	10,000,000	10,000,000	60,089,200	16.6%

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201	RAMP 2005-EFC1	76112BRL6	M1	9,000,000	9,000,000	54,016,000	16.7%
202	RAAC 2007-SP2	74919XAE2	A2	8,000,000	8,000,000	47,983,000	16.7%
203	RALI 2006-QS14	74922GAA2	A1	2,350,000	8,350,000	50,000,000	16.7%
204	RASC 2005-AHL1	76110W4D5	A2	100,000	30,100,000	179,926,000	16.7%
205	RFMSI 2006-S1	76111XJ38	1A2	2,000,000	2,000,000	11,928,000	16.8%
206	RAMP 2006-NC2	75156TAF7	M3	2,500,000	2,500,000	14,820,000	16.9%
207	RALI 2006-QS4	749228AB8	A2	1,200,000	33,505,000	198,487,000	16.9%
208	RASC 2006-KS4	75406EAD3	A4	10,000,000	10,000,000	59,038,000	16.9%
209	RALI 2006-QS4	749228AM4	A12	12,380,000	12,380,000	72,867,000	17.0%
210	RAMP 2006-RS2	76112B2H2	M4	1,500,000	1,500,000	8,800,000	17.0%
211	RAMP 2006-RS3	75156VAD7	A4	10,000,000	25,000,000	146,622,000	17.1%
212	RAMP 2004-RS9	76112BCN8	MII2	6,329,377	6,329,377	37,100,000	17.1%
213	RALI 2005-QO1	761118EP9	A2	8,542,500	8,542,500	50,000,000	17.1%
214	RALI 2006-QO8	75115FAG5	M2	4,000,000	4,000,000	23,408,000	17.1%
215	RAMP 2004-SL1	760985W80	A7	30,552,000	30,552,000	178,552,000	17.1%
216	RFMS2 2005-HI1	76110VRD2	A5	4,500,000	10,080,000	58,080,000	17.4%
217	RAMP 2004-RZ1	760985U33	M1	4,037,000	4,037,000	23,037,000	17.5%
218	RASC 2007-KS3	74924YAG8	M2S	7,000,000	10,000,000	56,739,000	17.6%
219	RASC 2006-EMX3	76113ACB5	M1	5,500,000	5,500,000	31,200,000	17.6%
220	RASC 2005-EMX1	76110WQ66	M2	8,000,000	8,000,000	45,200,000	17.7%
221	RASC 2006-EMX9	74924VAK5	M5	2,700,000	2,700,000	14,440,000	18.7%
222	RAMP 2006-RS4	75156WAD5	A4	8,800,000	13,867,120	73,839,000	18.8%
223	RALI 2006-QS16	74922LAJ2	A9	2,015,000	2,015,000	10,550,000	19.1%
224	RALI 2006-QS12	751151AH4	2A4	12,000,000	12,000,000	62,800,000	19.1%
225	RASC 2006-KS3	76113ABM2	M2	4,825,000	7,825,000	40,825,000	19.2%
226	RFMSI 2007-S6	762009BK3	2A12	11,115,000	11,115,000	57,750,000	19.2%
227	RALI 2007-QS6	75116CEF9	A102	20,000,000	20,000,000	103,569,000	19.3%
228	RAMP 2004-RS12	76112BGE4	MII3	2,200,000	2,200,000	11,200,000	19.6%
229	GMACM 2006-HE1	361856ER4	A	4,275,000	252,101,385	1,274,156,000	19.8%
230	RALI 2004-QS7	76110HTY5	A4	2,500,000	5,000,000	25,000,000	20.0%
231	RAMP 2004-RZ4	76112BHN3	M7	420,000	420,000	2,100,000	20.0%
232	RASC 2004-KS9	76110WF35	AII4	50,000,000	50,000,000	250,000,000	20.0%
233	RALI 2005-QS17	761118PQ5	A1	10,000,000	10,000,000	49,665,000	20.1%
234	RASC 2005-EMX3	75405MAK0	M5	2,400,000	2,400,000	11,900,000	20.2%
235	RALI 2006-QS7	748940AD5	A4	25,350,000	39,115,000	193,750,000	20.2%
236	RAMP 2006-RZ3	75156MAD7	M1	10,900,000	10,900,000	53,960,000	20.2%
237	RASC 2005-KS10	75405WAH5	M4	4,976,000	4,976,000	24,476,000	20.3%
238	RAAC 2006-RP1	76112B2U3	A2	10,000,000	15,000,000	73,280,000	20.5%
239	RAAC 2006-RP4	74919TAC5	M2	3,627,000	3,627,000	17,627,000	20.6%
240	RAAC 2007-SP1	74978AAF7	M3	1,400,000	1,400,000	6,788,000	20.6%

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241	RASC 2005-AHL1	76110W4H6	M3	2,184,024	2,184,024	10,498,000	20.8%
242	RALI 2006-QH1	75115GAC2	A3	10,000,000	10,000,000	48,009,000	20.8%
243	RASC 2006-KS4	75406EAG6	M3	3,000,000	3,000,000	14,358,000	20.9%
244	RASC 2005-EMX3	75405MAL8	M6	2,360,110	2,360,110	11,200,000	21.1%
245	RALI 2007-QH2	74922JAB4	A2	17,500,000	17,500,000	82,422,000	21.2%
246	RASC 2006-EMX8	74924UAD3	1A4	5,406,000	5,406,000	25,406,000	21.3%
247	RALI 2006-QS10	751155AJ1	A9	13,520,615	13,520,615	63,520,615	21.3%
248	RASC 2004-KS10	76110WG34	M1	12,500,000	12,500,000	58,500,000	21.4%
249	RAAC 2005-SP3	76112BS35	A2	15,000,000	15,000,000	69,984,000	21.4%
250	RASC 2005-KS7	76110W3D6	M7	1,250,000	1,250,000	5,801,000	21.5%
251	RALI 2007-QS6	75116CCP9	A62	8,377,000	8,377,000	38,377,000	21.8%
252	RAMP 2006-NC2	75156TAC4	A3	9,600,000	9,600,000	43,831,000	21.9%
253	RALI 2005-QS16	761118MB1	A2	50,000,000	50,000,000	228,000,000	21.9%
254	RAMP 2005-EFC5	76112BH45	M1	6,050,000	6,050,000	27,383,000	22.1%
255	RAMP 2004-RS1	760985N98	MII2	12,000,000	12,000,000	54,000,000	22.2%
256	RALI 2007-QS6	75116CAB2	A2	4,672,000	4,672,000	21,000,000	22.2%
257	RASC 2005-KS3	76110WS80	M8	1,500,000	1,500,000	6,649,000	22.6%
258	RALI 2005-QS14	761118JJ8	3A1	50,000,000	50,000,000	220,000,000	22.7%
259	RASC 2007-KS4	74924NAD9	A4	3,500,000	3,500,000	15,275,000	22.9%
260	RALI 2006-QO10	751153AA5	A1	4,258,900	113,214,920	492,055,000	23.0%
261	RFMSI 2007-S4	74958YAE2	A5	11,460,000	14,056,991	60,860,000	23.1%
262	RAMP 2006-NC1	76112BX39	M1	4,360,000	4,360,000	18,700,000	23.3%
263	RALI 2006-QS10	751155AD4	A4	14,350,000	14,350,000	61,400,000	23.4%
264	RASC 2004-KS3	76110WXG6	MII2	3,125,000	6,125,000	26,125,000	23.4%
265	RASC 2005-EMX2	76110W2H8	M2	5,000,000	5,000,000	21,184,000	23.6%
266	RFMSI 2004-S4	76111XHD8	1A3	2,500,000	5,000,000	21,144,000	23.6%
267	RALI 2007-QA2	74922PAC8	A3	4,900,000	38,900,000	162,808,000	23.9%
268	RAMP 2005-EFC1	76112BRQ5	M5	2,000,000	4,000,000	16,706,000	23.9%
269	RAMP 2006-NC2	75156TAD2	M1	6,314,799	6,314,799	26,220,000	24.1%
270	RALI 2007-QH3	74922WAB5	A2	20,000,000	20,000,000	82,803,000	24.2%
271	RASC 2006-KS6	75406WAE1	M1	5,000,000	5,000,000	20,685,000	24.2%
272	RASC 2005-KS1	76110WM45	M2	9,000,000	9,000,000	37,080,000	24.3%
273	RASC 2007-KS4	74924NAE7	M1S	2,750,000	2,750,000	11,250,000	24.4%
274	RASC 2004-KS12	76110WK88	M1	11,860,000	11,860,000	48,400,000	24.5%
275	RASC 2004-KS5	76110WYN0	MII2	10,750,000	10,750,000	43,750,000	24.6%
276	RASC 2006-EMX5	74924QAD2	A4	9,802,000	9,802,000	39,802,000	24.6%
277	RASC 2006-KS1	76113AAJ0	M3	1,932,327	4,131,457	16,768,000	24.6%
278	RALI 2006-QS8	75115AAA9	A1	2,100,000	78,130,000	315,600,000	24.8%
279	RALI 2007-QH7	75115LAA5	1A1	30,000,000	30,000,000	120,952,000	24.8%
280	RALI 2004-QS7	76110HTX7	A3	6,100,000	6,100,000	24,521,000	24.9%

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281	RAAC 2005-RP1	76112BJQ4	M1	7,000,000	7,000,000	28,000,000	25.0%
282	RASC 2004-KS6	76110WZW9	MI3	1,000,000	1,000,000	4,000,000	25.0%
283	RASC 2006-KS2	75406BAG2	M3	5,000,000	5,000,000	20,000,000	25.0%
284	RASC 2006-EMX2	75406AAB5	A2	28,000,000	51,000,000	203,139,000	25.1%
285	RALI 2007-QH3	74922WAA7	A1	30,000,000	50,000,000	198,727,000	25.2%
286	RASC 2005-AHL2	76110W5J1	M2	3,526,000	3,526,000	13,626,000	25.9%
287	RAMP 2004-RS1	760985P54	MII6	3,500,000	3,500,000	13,500,000	25.9%
288	RASC 2006-KS7	75406XAM1	M8	2,000,000	2,000,000	7,700,000	26.0%
289	RALI 2006-QS13	75115DAJ4	1A9	10,000,000	10,000,000	38,339,000	26.1%
290	RALI 2004-QS12	76110HYY9	M1	750,000	2,500,000	9,546,300	26.2%
291	RALI 2005-QS9	761118AU2	A1	35,000,000	35,000,000	133,249,500	26.3%
292	RAMP 2004-RS9	76112BCQ1	MII4	4,000,000	4,000,000	15,200,000	26.3%
293	RALI 2007-QO2	75116AAA8	A1	102,221,000	102,221,000	388,219,000	26.3%
294	RAMP 2004-RZ2	7609854S7	AI4	11,530,000	11,530,000	43,700,000	26.4%
295	RALI 2007-QH9	749241AA3	A1	120,220,000	120,220,000	452,924,200	26.5%
296	RALI 2006-QS6	74922EAR0	1A16	1,500,000	12,623,750	47,495,000	26.6%
297	RASC 2004-KS9	76110WE77	AI6	2,000,000	4,000,000	15,000,000	26.7%
298	RALI 2006-QO1	761118RM2	3A1	12,256,620	82,758,000	309,242,000	26.8%
299	RFMSI 2007-S1	749581AL8	A7	22,000,000	22,000,000	82,000,000	26.8%
300	RASC 2005-EMX4	76110W6A9	M2	5,000,000	5,000,000	18,540,000	27.0%
301	RASC 2005-AHL2	76110W5K8	M3	100,000	2,605,000	9,605,000	27.1%
302	RAMP 2006-RS2	76112B2E9	M1	5,000,000	5,000,000	18,400,000	27.2%
303	RAAC 2005-SP2	76112BF62	2M1	2,000,000	2,000,000	7,356,000	27.2%
304	RASC 2006-EMX9	74924VAL3	M6	3,000,000	3,000,000	11,020,000	27.2%
305	RAMP 2004-RS5	7609854B4	AI6	11,000,000	11,000,000	40,000,000	27.5%
306	RASC 2005-EMX1	76110WQ90	M5	3,000,000	3,000,000	10,800,000	27.8%
307	RAAC 2007-SP2	74919XAH5	M2	5,000,000	5,000,000	17,961,000	27.8%
308	RASC 2006-KS5	75406VAG8	M3	4,000,000	4,000,000	14,350,000	27.9%
309	RASC 2005-KS11	76110W7G5	M4	6,161,000	6,161,000	22,080,000	27.9%
310	RFMSI 2005-S9	76111XE82	A8	4,486,000	4,486,000	15,986,000	28.1%
311	RASC 2005-AHL3	76110W6L5	A2	52,995,000	52,995,000	187,495,000	28.3%
312	RAMP 2004-RS9	76112BCF5	AI4	16,300,000	16,300,000	56,800,000	28.7%
313	RASC 2006-EMX8	74924UAL5	M6	3,500,000	3,500,000	12,045,000	29.1%
314	RAMP 2005-RS1	76112BHX1	AI5	8,100,000	8,100,000	27,843,000	29.1%
315	RASC 2004-KS6	76110WZN9	AI5	6,000,000	6,000,000	20,617,000	29.1%
316	RAMP 2005-EFC2	76112BVW7	M8	3,000,000	3,000,000	10,186,000	29.5%
317	RASC 2005-KS10	75405WAG7	M3	3,614,931	7,614,931	25,799,000	29.5%
318	RFMSI 2006-S4	762010AE6	A5	12,000,000	12,000,000	40,487,000	29.6%
319	RAMP 2004-RS11	76112BFL9	M4	1,000,000	5,500,000	18,500,000	29.7%
320	RASC 2006-EMX2	75406AAE9	M2	6,375,000	6,375,000	21,375,000	29.8%

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321	RASC 2006-EMX4	75406DAF0	M2	7,500,000	7,500,000	25,002,000	30.0%
322	RAMP 2004-RS2	760985R37	MII1	14,000,000	14,000,000	46,500,000	30.1%
323	RALI 2007-QS7	74923WAK4	2A1	72,000,000	72,000,000	238,127,000	30.2%
324	RALI 2007-QO4	74923LAB8	A1A	14,098,000	44,479,000	146,700,000	30.3%
325	RASC 2004-KS8	76110WD52	MII1	7,800,000	7,800,000	25,600,000	30.5%
326	RAMP 2005-EFC1	76112BRR3	M6	5,262,000	5,262,000	17,262,000	30.5%
327	RAMP 2005-RS7	76112BWX4	M2	3,750,000	3,750,000	12,250,000	30.6%
328	RALI 2005-QS13	761118HC5	2A3	40,050,000	40,050,000	130,000,000	30.8%
329	RASC 2006-KS5	75406VAH6	M4	4,000,000	4,000,000	12,950,000	30.9%
330	RAMP 2005-RZ3	76112BZY9	A2	100,000	36,100,000	116,001,000	31.1%
331	RAMP 2004-RS2	760985Q79	MI3	1,500,000	1,500,000	4,813,000	31.2%
332	RFMSI 2007-S6	762009AK4	1A10	13,500,000	13,500,000	43,184,000	31.3%
333	RAMP 2004-RS8	76112BAD2	AI4	15,000,000	15,000,000	47,894,000	31.3%
334	RAAC 2006-SP4	74919VAC0	A3	15,000,000	15,000,000	47,545,000	31.5%
335	RALI 2007-QS1	74922KAD7	1A4	19,978,000	19,978,000	63,255,000	31.6%
336	RASC 2004-KS6	76110WZY5	MII2	13,500,000	13,500,000	42,000,000	32.1%
337	RASC 2006-KS2	75406BAK3	M6	5,000,000	5,000,000	15,500,000	32.3%
338	RALI 2005-QS17	761118PZ5	A10	12,901,450	52,520,024	162,694,000	32.3%
339	RASC 2005-EMX3	75405MAJ3	M4	4,000,000	4,000,000	12,250,000	32.7%
340	RAAC 2007-SP3	74978FAB5	M1	8,000,000	8,000,000	24,496,000	32.7%
341	RAMP 2004-RS10	76112BEF3	MII4	7,000,000	7,000,000	21,400,000	32.7%
342	RALI 2005-QS1	76110HP45	A5	25,378,000	25,378,000	76,378,000	33.2%
343	RASC 2007-KS1	74924SAK2	M6	2,250,000	2,250,000	6,768,000	33.2%
344	RAAC 2006-RP2	74919MAB2	M1	2,660,000	2,660,000	8,000,000	33.3%
345	RAMP 2004-RZ4	76112BHM5	M6	700,000	700,000	2,100,000	33.3%
346	RASC 2005-KS11	76110W7D2	M1	940,000	16,680,000	49,680,000	33.6%
347	RAMP 2004-RS6	7609855M9	MII2	11,250,000	11,250,000	33,250,000	33.8%
348	RAMP 2006-RZ2	75156UAE7	M2	4,000,000	4,000,000	11,812,000	33.9%
349	RAMP 2004-RS5	7609854H1	MII2	10,500,000	10,500,000	30,875,000	34.0%
350	RASC 2007-KS2	74924WAF4	M1	7,006,672	14,374,990	42,000,000	34.2%
351	RASC 2006-KS3	76113ABL4	M1	3,000,000	15,000,000	43,700,000	34.3%
352	RAMP 2006-NC3	76112B4R8	M3	3,500,000	3,500,000	10,140,000	34.5%
353	RASC 2005-KS2	76110WN77	M2	10,000,000	10,000,000	28,875,000	34.6%
354	RASC 2006-KS6	75406WAF8	M2	6,508,000	6,508,000	18,508,000	35.2%
355	RAAC 2007-RP4	74919LAE8	M1	9,000,000	9,000,000	25,513,000	35.3%
356	RASC 2006-EMX6	754065AC4	A3	37,752,000	37,752,000	106,095,000	35.6%
357	RASC 2005-KS8	76110W3U8	M4	7,500,000	7,500,000	21,000,000	35.7%
358	RALI 2005-QA7	76110H7J2	M1	5,300,000	5,300,000	14,664,000	36.1%
359	RFMS2 2004-HS1	76110VQE1	All	63,000,000	63,000,000	172,125,000	36.6%
360	RASC 2007-KS4	74924NAB3	A2	10,775,000	10,775,000	29,400,000	36.6%

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361	RASC 2006-EMX3	76113ACG4	M6	5,000,000	5,000,000	13,600,000	36.8%
362	RASC 2005-KS4	76110WU61	M1	7,740,000	7,740,000	20,927,000	37.0%
363	RALI 2007-QS6	75116CAF3	A6	38,569,000	38,569,000	103,569,000	37.2%
364	RALI 2005-QS16	761118MA3	A1	50,000,000	50,000,000	132,500,000	37.7%
365	RALI 2005-QS14	761118JH2	2A1	43,918,000	43,918,000	115,613,000	38.0%
366	RALI 2005-QA12	761118NC8	NB5	9,469,000	15,959,000	41,969,000	38.0%
367	RFMSI 2006-S7	74958AAM6	AV	180,000,000	180,000,000	469,651,185	38.3%
368	RASC 2007-KS2	74924WAD9	AI4	25,000,000	25,000,000	65,200,000	38.3%
369	RASC 2006-KS3	76113ABP5	M4	5,000,000	8,000,000	20,700,000	38.6%
370	RALI 2006-QH1	75115GAA6	A1	54,315,000	74,315,000	192,035,000	38.7%
371	RAMP 2006-RZ5	749239AE9	A3	12,760,000	12,760,000	32,720,000	39.0%
372	RALI 2006-QS7	748940AE3	A5	76,050,000	76,050,000	193,750,000	39.3%
373	RASC 2006-EMX2	75406AAD1	M1	9,085,000	9,085,000	23,085,000	39.4%
374	RASC 2005-EMX2	76110W2L9	M5	2,500,000	4,175,000	10,592,000	39.4%
375	RAMP 2004-RS9	76112BCG3	AI5	15,000,000	15,000,000	37,700,000	39.8%
376	RALI 2007-QS5	74923JAH0	A8	21,950,000	40,000,000	100,132,000	39.9%
377	RALI 2005-QS17	761118PS1	A3	10,000,000	10,000,000	25,000,000	40.0%
378	RALI 2007-QS8	74922UAH6	A8	19,375,000	19,375,000	48,375,000	40.1%
379	RALI 2007-QH3	74922WAC3	A3	20,000,000	20,000,000	49,682,000	40.3%
380	RALI 2005-QS13	761118GX0	1A6	3,500,000	29,500,000	73,261,000	40.3%
381	RALI 2006-QS5	75114TAC5	A3	39,129,000	39,129,000	96,590,000	40.5%
382	RASC 2005-EMX2	76110W2N5	M7	3,800,000	3,800,000	9,308,000	40.8%
383	RAMP 2006-NC1	76112BX47	M2	6,800,000	6,800,000	16,500,000	41.2%
384	RAMP 2006-RS4	75156WAE3	M1	14,875,000	14,875,000	35,613,000	41.8%
385	RASC 2005-EMX2	76110W2P0	M8	3,500,000	3,500,000	8,345,000	41.9%
386	RAMP 2006-RZ3	75156MAF2	M3	2,000,000	6,620,000	15,620,000	42.4%
387	RASC 2004-KS12	76110WL20	M3	3,500,000	3,500,000	8,200,000	42.7%
388	RAMP 2006-RS5	75156YAC3	A3	44,776,000	44,776,000	104,776,000	42.7%
389	RASC 2004-KS2	76110WWP7	M22	4,500,000	4,500,000	38,500,000	42.9%
390	RAAC 2006-SP1	76112B3F5	M1	5,069,000	9,069,000	21,069,000	43.0%
391	RAMP 2004-RS11	76112BFJ4	M2	21,000,000	21,000,000	48,563,000	43.2%
392	RASC 2005-KS11	76110W7F7	M3	13,186,098	13,186,098	30,360,000	43.4%
393	RAMP 2004-RS10	76112BEC0	MI11	30,000,000	30,000,000	68,900,000	43.5%
394	RAMP 2006-RZ2	75156UAD9	M1	6,000,000	6,000,000	13,688,000	43.8%
395	RALI 2007-QS5	74923JAA5	A1	5,750,000	32,782,000	73,592,000	44.5%
396	RALI 2004-QS1	76110HQA0	M2	1,568,600	1,568,600	3,518,600	44.6%
397	RASC 2007-KS1	74924SAC0	A3	35,455,000	35,455,000	79,455,000	44.6%
398	RFMSI 2005-S6	76111XXJ7	A1	48,700,000	48,700,000	108,900,000	44.7%
399	RASC 2004-KS10	76110WG67	M4	4,500,000	4,500,000	10,000,000	45.0%
400	RASC 2005-KS12	753910AG3	M4	671,000	9,208,000	20,125,000	45.8%

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401	RAAC 2006-RP1	76112B2W9	M2	6,914,000	6,914,000	14,914,000	46.4%
402	RASC 2005-KS3	76110WS64	M6	3,481,000	3,481,000	7,481,000	46.5%
403	RFSC 2001-RM2	760985FR7	A1	35,249,800	35,249,800	75,249,800	46.8%
404	RAMP 2005-EFC4	76112BC73	M4	6,196,000	6,196,000	13,196,000	47.0%
405	RAMP 2004-RS3	760985V81	M3	5,000,000	5,000,000	10,500,000	47.6%
406	RALI 2007-QO3	74923TAA3	A1	1,368,000	77,329,000	162,302,000	47.6%
407	RALI 2006-QS17	74922SAD0	A4	20,000,000	21,500,000	45,000,000	47.8%
408	RASC 2004-KS1	74924PAN2	MII2	17,250,000	17,250,000	35,750,000	48.3%
409	RASC 2005-KS9	754058AJ4	M6	3,750,000	3,750,000	7,750,000	48.4%
410	RALI 2006-QS5	75114TAF8	A6	15,793,500	21,193,500	43,630,000	48.6%
411	RFMSI 2006-S4	762010AM8	AV	153,917,718	153,917,718	313,917,718	49.0%
412	RAMP 2004-RS5	7609854J7	MII3	4,000,000	4,000,000	8,125,000	49.2%
413	RALI 2006-QO5	75114HAJ6	3A3	16,094,000	16,094,000	32,687,000	49.2%
414	RFMSI 2005-S2	76111XTV5	A6	11,600,000	11,600,000	23,484,000	49.4%
415	RFMSI 2007-S6	762009BB3	2A4	25,000,000	25,000,000	50,233,000	49.8%
416	RASC 2006-EMX8	74924UAH4	M3	8,000,000	8,000,000	16,060,000	49.8%
417	RASC 2007-KS1	74924SAH9	M4	3,900,000	3,900,000	7,826,000	49.8%
418	RALI 2004-QS16	76110HJ67	1A2	7,500,000	7,500,000	15,000,000	50.0%
419	RAMP 2004-RS6	7609855N7	MII3	4,375,000	4,375,000	8,750,000	50.0%
420	RAMP 2005-RS7	76112BXA3	M5	2,500,000	2,500,000	5,000,000	50.0%
421	RAMP 2006-EFC1	76112BV80	M2	10,980,000	10,980,000	21,960,000	50.0%
422	RAMP 2006-EFC2	749238AF8	M2	6,600,000	6,600,000	13,200,000	50.0%
423	RASC 2004-KS6	76110WZV1	MI2	2,750,000	2,750,000	5,500,000	50.0%
424	RFMS2 2006-HI1	76110VUE6	M8	2,877,000	2,877,000	5,727,000	50.2%
425	RAMP 2005-RZ2	76112BWJ5	M3	3,800,000	3,800,000	7,547,000	50.4%
426	RFMSI 2006-S11	74958FAC7	A3	2,360,000	2,360,000	4,643,000	50.8%
427	RALI 2005-QS9	761118AX6	A4	93,624,750	93,624,750	183,249,500	51.1%
428	RAMP 2006-NC3	76112B4P2	M1	10,000,000	10,000,000	19,500,000	51.3%
429	RAMP 2006-RZ1	76112BZ45	M3	5,000,000	5,000,000	9,750,000	51.3%
430	RALI 2005-QS17	761118PU6	A5	3,000,000	20,057,500	38,457,500	52.2%
431	RASC 2004-KS10	76110WG59	M3	8,000,000	8,000,000	15,000,000	53.3%
432	RAMP 2006-RS5	75156YAE9	M1	5,725,000	5,725,000	10,725,000	53.4%
433	RASC 2004-KS3	76110WXF8	MII1	16,500,000	16,500,000	30,875,000	53.4%
434	RASC 2005-EMX1	76110WQ82	M4	5,800,000	5,800,000	10,800,000	53.7%
435	RAMP 2005-RZ2	76112BWG1	M1	10,000,000	10,000,000	18,615,000	53.7%
436	RFMSI 2007-S2	749583AD2	A4	35,000,000	35,000,000	65,000,000	53.8%
437	RASC 2006-EMX3	76113ACA7	A3	4,260,000	16,260,000	29,750,000	54.7%
438	RAMP 2004-RS2	760985R45	MII2	10,000,000	20,000,000	36,000,000	55.6%
439	RASC 2004-KS9	76110WE51	AI4	11,750,000	11,750,000	21,100,000	55.7%
440	RALI 2005-QA9	761118FG8	CBI1	46,241,000	46,241,000	82,941,000	55.8%

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441	RAMP 2004-RS9	76112BCH1	AI6	12,831,000	15,357,000	27,500,000	55.8%
442	RAMP 2004-RS7	7609857F2	AI6	22,500,000	22,500,000	40,000,000	56.3%
443	RASC 2006-KS4	75406EAE1	M1	15,000,000	15,000,000	26,614,000	56.4%
444	RAMP 2005-RS6	76112BTX8	M6	9,500,000	9,500,000	16,800,000	56.5%
445	RAMP 2006-NC3	76112B4Q0	M2	10,000,000	10,000,000	17,680,000	56.6%
446	RAMP 2004-RS4	7609853J8	MII2	21,000,000	21,000,000	37,100,000	56.6%
447	RALI 2006-QS2	761118UR7	1A10	60,000,000	60,000,000	105,672,000	56.8%
448	RALI 2007-QS6	75116CBW5	A45	32,105,874	32,105,874	56,475,000	56.8%
449	RALI 2005-QS15	761118KH0	2A	25,000,000	25,000,000	43,296,000	57.7%
450	RALI 2005-QS3	76110HX61	1A21	98,000,000	98,000,000	167,418,000	58.5%
451	RALI 2006-QS9	75115CAD9	1A4	9,000,000	9,000,000	15,354,000	58.6%
452	RALI 2005-QS13	761118HB7	2A2	82,000,000	82,000,000	139,000,000	59.0%
453	GMACM 2005-HE1	361856ED5	A1VN	16,970,000	16,970,000	28,762,000	59.0%
454	RALI 2007-QO4	74923LAA0	A1	3,065,000	74,176,000	125,568,000	59.1%
455	RALI 2007-QH2	74922JAC2	A3	30,000,000	30,000,000	49,454,000	60.7%
456	GMACM 2004-J1	36185MCL4	A14	31,325,066	31,325,066	51,325,066	61.0%
457	RASC 2006-KS2	75406BAH0	M4	6,000,000	11,000,000	18,000,000	61.1%
458	RASC 2006-EMX6	754065AD2	A4	24,011,000	24,011,000	39,011,000	61.5%
459	RAMP 2005-RS4	76112BPF1	M5	4,875,000	4,875,000	7,875,000	61.9%
460	RALI 2006-QO8	75115FAC4	1A2A	82,653,000	82,653,000	132,653,000	62.3%
461	RALI 2008-QR1	74925FAD5	1A4	9,300,000	9,300,000	14,920,000	62.3%
462	RALI 2007-QS1	74922KAB1	1A2	104,191,250	104,191,250	166,706,000	62.5%
463	RASC 2006-KS4	75406EAF8	M2	11,000,000	16,000,000	24,863,000	64.4%
464	RASC 2007-KS3	74924YAF0	M1S	36,181,000	37,181,000	56,069,000	66.3%
465	RFMSI 2006-S4	762010AG1	A7	20,200,000	20,200,000	30,300,000	66.7%
466	RAAC 2006-SP1	76112B3G3	M2	11,449,000	11,449,000	17,173,000	66.7%
467	RAAC 2005-RP3	76112BP87	M1	15,289,000	15,289,000	22,839,000	66.9%
468	RAMP 2004-RS8	76112BAP5	MII3	8,375,000	8,375,000	12,375,000	67.7%
469	RALI 2007-QS1	74922KAR6	2A10	60,194,000	60,194,000	88,250,000	68.2%
470	RAMP 2004-RS4	7609853H2	MII1	45,200,000	45,200,000	64,400,000	70.2%
471	RALI 2005-QS12	761118DY1	A11	3,034,741	3,034,741	4,294,741	70.7%
472	GMACM 2005-AF1	36185MAS1	M1	4,946,000	4,946,000	6,946,000	71.2%
473	RAMP 2005-EFC2	76112BVU1	M6	7,889,000	7,889,000	10,889,000	72.4%
474	RASC 2006-EMX2	75406AAG4	M4	2,500,000	8,115,000	11,115,000	73.0%
475	RALI 2007-QA2	74922PAA2	A1	110,000,000	110,000,000	150,000,000	73.3%
476	RAMP 2005-EFC6	76112BK41	M3	12,500,000	12,500,000	17,000,000	73.5%
477	RAAC 2007-SP2	74919XAG7	M1	17,049,000	17,049,000	23,049,000	74.0%
478	RAMP 2005-RS6	76112BTV2	M4	16,000,000	16,000,000	21,000,000	76.2%
479	RFMSI 2006-SA3	749575AJ5	4A1	16,000,000	16,000,000	21,000,000	76.2%
480	RALI 2006-QS6	74922EAQ2	1A15	12,819,000	12,819,000	16,769,000	76.4%

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481	RALI 2006-QA5	75115BAY5	1A3	23,489,766	23,489,766	30,720,000	76.5%
482	RAMP 2005-RS7	76112BWY2	M3	5,000,000	5,000,000	6,500,000	76.9%
483	RALI 2006-QS4	749228AH5	A8	32,000,000	32,000,000	41,010,000	78.0%
484	RALI 2007-QS1	74922KAN5	2A7	2,000,000	2,000,000	2,558,600	78.2%
485	RFMSI 2007-S2	749583AE0	A5	30,000,000	30,000,000	38,348,000	78.2%
486	RAMP 2004-RS11	76112BFK1	M3	14,500,000	14,500,000	18,500,000	78.4%
487	RAMP 2004-RS11	76112BFM7	M5	10,875,000	10,875,000	13,875,000	78.4%
488	RFMSI 2006-SA3	749575AD8	2A3	26,150,000	26,150,000	33,150,000	78.9%
489	RALI 2006-QS12	751151AX9	2A18	40,072,903	40,072,903	49,972,903	80.2%
490	RASC 2005-KS4	76110WU87	M3	6,363,000	6,363,000	7,873,000	80.8%
491	RASC 2006-KS7	75406XAE9	M1	17,175,000	17,175,000	21,175,000	81.1%
492	RALI 2006-QS13	75115DAK1	1A10	16,000,000	16,000,000	19,338,000	82.7%
493	RASC 2005-AHL3	76110W6P6	M2	13,025,786	13,025,786	15,500,000	84.0%
494	RALI 2004-QS10	76110HWF2	A4	17,000,000	58,278,444	69,278,444	84.1%
495	RALI 2007-QS8	74922UAE3	A5	30,000,000	30,000,000	35,643,000	84.2%
496	RALI 2007-QS3	75116BAA6	A1	254,000,000	254,000,000	300,000,000	84.7%
497	RFMSI 2006-S3	76111XN74	A1	66,950,000	66,950,000	76,950,000	87.0%
498	RALI 2007-QS2	74923CAA0	A1	17,775,000	17,775,000	20,000,000	88.9%
499	RALI 2006-QS7	748940AC7	A3	67,018,000	67,018,000	75,009,000	89.3%
500	RASC 2005-EMX2	76110W2M7	M6	8,950,000	8,950,000	9,950,000	89.9%
501	RALI 2005-QS17	761118QA9	A11	18,000,000	18,000,000	20,000,000	90.0%
502	RALI 2006-QS17	74922SAE8	A5	127,061,000	177,061,000	187,061,000	94.7%
503	RALI 2006-QS16	74922LAL7	A11	15,040,000	15,040,000	15,540,000	96.8%
504	RAMP 2005-RS8	76112BZJ2	M1	20,000,000	20,000,000	20,283,000	98.6%
505	RALI 2007-QS2	74923CAB8	A2	8,770,000	8,770,000	8,800,000	99.7%
506	RALI 2006-QS2	761118VF2	2AP	1,618,278	1,618,278	1,623,637	99.7%
507	RALI 2006-QS2	761118VD7	1AP	3,239,836	3,239,836	3,240,432	100.0%
508	RFMSI 2005-S5	76111XWW9	AP	472,373	472,373	472,374	100.0%
509	RALI 2005-QS6	76110H5P0	AP	902,809	902,809	902,809	100.0%
510	RALI 2005-QS10	761118DB1	AP	1,864,997	1,864,997	1,864,997	100.0%
511	RASC 2005-EMX2	76110W2S4	SB	21,510,156	21,510,156	21,510,156	100.0%
512	RALI 2005-QS10	761118DC9	AV	265,747,521	265,747,521	265,747,522	100.0%
513	RFMSI 2005-S5	76111XWX7	AV	258,235,737	258,235,737	258,235,737	100.0%
514	GMACM 2004-J2	36185N2C3	A6	14,062,500	14,062,500	14,062,500	100.0%
515	GMACM 2005-AR3	36185N7J3	4A4	4,000,000	4,000,000	4,000,000	100.0%
516	RAAC 2004-SP3	76112BET3	MII1	3,485,000	3,485,000	3,485,000	100.0%
517	RAAC 2005-SP3	76112BS50	M1	12,590,000	12,590,000	12,590,000	100.0%
518	RALI 2004-QA1	76110HRN1	M1	4,226,000	4,226,000	4,226,000	100.0%
519	RALI 2004-QA3	76110HXU8	M1	6,401,000	6,401,000	6,401,000	100.0%
520	RALI 2004-QA6	76110HJ26	M1	14,408,900	14,408,900	14,408,900	100.0%

	Deal Name	CUSIP	Class	Bond Original Face	Group Class Sum	Original Class Face	Percentage Interest
521	RALI 2004-QR1	76110HB99	A5	20,054,123	20,054,123	20,054,123	100.0%
522	RALI 2004-QS14	76110HA41	AV	212,904,630	212,904,630	212,904,630	100.0%
523	RALI 2004-QS15	76110HE47	A1	122,235,023	122,235,023	122,235,023	100.0%
524	RALI 2004-QS15	76110HF46	AV	213,702,042	213,702,042	213,702,042	100.0%
525	RALI 2004-QS2	76110HQP7	AV	292,339,189	292,339,189	292,339,189	100.0%
526	RALI 2004-QS3	76110HRC5	AV	207,818,903	207,818,903	207,818,903	100.0%
527	RALI 2004-QS4	76110HSD2	AV	320,597,528	320,597,528	320,597,528	100.0%
528	RALI 2004-QS5	76110HSY6	A8	21,109,053	21,109,053	21,109,053	100.0%
529	RALI 2004-QS5	76110HTA7	AV	293,661,892	293,661,892	293,661,892	100.0%
530	RALI 2004-QS8	76110HUY3	AV	271,022,934	271,022,934	271,022,934	100.0%
531	RALI 2005-QS14	761118JM1	1AP	1,302,649	1,302,649	1,302,649	100.0%
532	RALI 2005-QS14	761118JP4	2AP	7,998,674	7,998,674	7,998,674	100.0%
533	RALI 2005-QS16	761118MF2	A6	14,504,565	14,504,565	14,504,565	100.0%
534	RALI 2005-QS16	761118MJ4	A9	94,233,000	94,233,000	94,233,000	100.0%
535	RALI 2005-QS17	761118PR3	A2	25,000,000	25,000,000	25,000,000	100.0%
536	RALI 2005-QS17	761118PT9	A4	25,000,000	25,000,000	25,000,000	100.0%
537	RALI 2005-QS17	761118PV4	A6	21,443,500	21,443,500	21,443,500	100.0%
538	RALI 2005-QS2	76110HR35	AV	212,988,702	212,988,702	212,988,702	100.0%
539	RALI 2005-QS3	76110HY60	1AV	371,599,754	371,599,754	371,599,754	100.0%
540	RALI 2005-QS4	76110H3V9	AV	211,687,240	211,687,240	211,687,240	100.0%
541	RALI 2005-QS5	76110H2Z1	A3	83,591,000	83,591,000	83,591,000	100.0%
542	RALI 2005-QS6	76110H5K1	A5	12,787,000	12,787,000	12,787,000	100.0%
543	RALI 2005-QS6	76110H5Q8	AV	265,144,243	265,144,243	265,144,243	100.0%
544	RALI 2005-QS8	76110H6S3	AV	104,071,255	104,071,255	104,071,255	100.0%
545	RALI 2006-QS1	761118SE9	A6	11,343,992	11,343,992	11,343,992	100.0%
546	RALI 2006-QS1	761118SJ8	AP	2,784,565	2,784,565	2,784,565	100.0%
547	RALI 2006-QS10	751155AG7	A7	24,638,000	24,638,000	24,638,000	100.0%
548	RALI 2006-QS14	74922GAT1	A18	30,113,677	30,113,677	30,113,677	100.0%
549	RALI 2006-QS16	74922LAD5	A4	43,131,000	43,131,000	43,131,000	100.0%
550	RALI 2006-QS16	74922LAH6	A8	6,092,000	6,092,000	6,092,000	100.0%
551	RALI 2006-QS17	74922SAH1	A8	28,792,000	28,792,000	28,792,000	100.0%
552	RALI 2006-QS18	74922RAX8	3AV	104,211,499	104,211,499	104,211,499	100.0%
553	RALI 2006-QS2	761118UK2	1A4	14,457,800	14,457,800	14,457,800	100.0%
554	RALI 2006-QS2	761118VG0	2AV	131,448,942	131,448,942	131,448,942	100.0%
555	RALI 2006-QS3	761118XP8	1A11	49,722,000	49,722,000	49,722,000	100.0%
556	RALI 2006-QS6	74922EAL3	1A11	53,101,000	53,101,000	53,101,000	100.0%
557	RALI 2006-QS6	74922EAX7	2AV	106,652,100	106,652,100	106,652,100	100.0%
558	RALI 2006-QS8	75115AAE1	A5	348,750,000	348,750,000	348,750,000	100.0%
559	RALI 2006-QS9	75115CAF4	1A6	25,000,000	25,000,000	25,000,000	100.0%
560	RALI 2007-QA1	74923GAB9	A2	13,670,000	13,670,000	13,670,000	100.0%

	Deal Name	CUSIP	Class	Bond Original Face	Group Class Sum	Original Class Face	Percentage Interest
561	RALI 2007-QH4	74922TAC0	A3	56,537,000	56,537,000	56,537,000	100.0%
562	RALI 2007-QO3	74923TAD7	M1	7,198,000	7,198,000	7,198,000	100.0%
563	RALI 2007-QS3	75116BAD0	A4	19,620,000	19,620,000	19,620,000	100.0%
564	RALI 2007-QS6	75116CAN6	A13	6,267,536	6,267,536	6,267,536	100.0%
565	RALI 2007-QS6	75116CDE3	A77	3,026,250	3,026,250	3,026,250	100.0%
566	RAMP 2004-RS9	76112BCP3	MII3	10,000,000	15,200,000	15,200,000	100.0%
567	RAMP 2004-RZ4	76112BHQ6	B	2,800,000	2,800,000	2,800,000	100.0%
568	RAMP 2005-RS7	76112BXB1	M6	4,750,000	4,750,000	4,750,000	100.0%
569	RAMP 2005-RZ1	76112BMA5	M3	4,100,000	4,100,000	4,100,000	100.0%
570	RAMP 2005-RZ1	76112BMB3	M4	4,100,000	4,100,000	4,100,000	100.0%
571	RAMP 2005-RZ2	76112BWL0	M5	8,050,000	8,050,000	8,050,000	100.0%
572	RAMP 2006-EFC2	749238AE1	M1	15,000,000	15,000,000	15,000,000	100.0%
573	RAMP 2006-RZ1	76112BZ52	M4	9,000,000	9,000,000	9,000,000	100.0%
574	RAMP 2006-RZ5	749239AH2	M3	10,960,000	10,960,000	10,960,000	100.0%
575	RASC 2004-KS12	76110WL79	SB	8,250,228	8,250,228	8,250,228	100.0%
576	RASC 2005-EMX1	76110WR24	M6	10,800,000	10,800,000	10,800,000	100.0%
577	RASC 2005-EMX1	76110WR40	SB	7,210,111	7,210,111	7,210,111	100.0%
578	RASC 2006-EMX1	75405KAC2	A3	17,073,000	17,073,000	17,073,000	100.0%
579	RFMSI 2004-S2	76111XFY4	IA6	17,500,000	17,500,000	17,500,000	100.0%
580	RFMSI 2004-S3	76111XGT4	M2	456,600	456,600	456,600	100.0%
581	RFMSI 2004-S5	76111XKC6	1AV	322,312,635	322,312,635	322,312,635	100.0%
582	RFMSI 2004-S6	76111XLY7	2A4	1,111,000	1,111,000	1,111,000	100.0%
583	RFMSI 2004-S6	76111XMX8	1AV	175,743,890	175,743,890	175,743,890	100.0%
584	RFMSI 2004-S6	76111XMZ3	2AV	196,429,039	196,429,039	196,429,039	100.0%
585	RFMSI 2004-S9	76111XQE6	1A2	35,700,000	35,700,000	35,700,000	100.0%
586	RFMSI 2004-S9	76111XRJ4	1AV	518,853,762	518,853,762	518,853,762	100.0%
587	RFMSI 2005-S1	76111XSH7	1AV	259,777,920	259,777,920	259,777,920	100.0%
588	RFMSI 2005-S6	76111XXT5	AV	412,859,719	412,859,719	412,859,719	100.0%
589	RFMSI 2005-S8	76111XC84	AP	1,370,905	1,370,905	1,370,905	100.0%
590	RFMSI 2005-S9	76111XE66	A6	32,000,000	32,000,000	32,000,000	100.0%
591	RFMSI 2006-S12	74958EAT3	3A10	11,625,000	11,625,000	11,625,000	100.0%
592	RFMSI 2006-S12	74958EAZ9	3AV	364,207,747	364,207,747	364,207,747	100.0%
593	RFMSI 2006-S8	74957XAC9	A3	25,000,000	25,000,000	25,000,000	100.0%
594	RFMSI 2006-S8	74957XAG0	A7	6,250,000	6,250,000	6,250,000	100.0%
595	RFMSI 2007-S2	749583AA8	A1	35,058,000	35,058,000	35,058,000	100.0%
596	RFMSI 2007-S3	74958BAK8	1A4	20,000,000	20,000,000	20,000,000	100.0%
597	RFMSI 2007-S5	749580AA4	A1	230,000,000	250,000,000	250,000,000	100.0%
598	RFMSI 2007-SA1	74958WAG1	4A	38,604,000	38,604,000	38,604,000	100.0%
599	RFMSI 2005-S4	76111XUW1	AV	259,355,464	259,355,464	259,355,464	100.0%
600	RFMSI 2004-S8	76111XPB3	AV	311,005,474	311,005,474	311,005,474	100.0%

	Deal Name	CUSIP	Class	Bond Original Face	Group Class Sum	Original Class Face	Percentage Interest
601	RFMSI 2006-S8	74957XAD7	A4	2,866,667	2,866,667	2,866,667	100.0%
602	RALI 2006-QS4	749228AN2	AP	1,376,144	1,376,144	1,376,144	100.0%
603	RALI 2005-QA4	76110H4N6	A5	23,362,000	23,362,000	23,262,000	100.0%

EXHIBIT QQ

REDACTED

EXHIBIT QQ.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re:	Case No:
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

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VIDEOTAPE DEPOSITION OF JEFFREY CANCELLIERI

New York, New York

November 14, 2012

2:03 p.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27647-B

<p style="text-align: right;">106</p> <p>1 JEFF CANCELLIERI</p> <p>2 some point during the discussions Kathy</p> <p>3 Patrick's group was around a \$10 billion</p> <p>4 number.</p> <p>5 Q. Now, were you aware that there</p> <p>6 were various proposals that were made by</p> <p>7 ResCap for potential exposure levels in</p> <p>8 those settlement discussions?</p> <p>9 A. I was not aware of what those</p> <p>10 levels were but during the settlement</p> <p>11 discussion you would have to have some</p> <p>12 discussion on what the levels would be.</p> <p>13 Q. Were you or anyone else in your</p> <p>14 group, to the best of your knowledge, ever</p> <p>15 asked to provide additional data to FTI or</p> <p>16 anyone else at ResCap to justify specific</p> <p>17 settlement numbers?</p> <p>18 A. No.</p> <p>19 Q. Were you aware that ResCap's</p> <p>20 exposure numbers that were presented to</p> <p>21 Ms. Patrick increased over time?</p> <p>22 MR. RAINS: Assumes facts not in</p> <p>23 evidence. Objection.</p> <p>24 A. Can you repeat the question.</p> <p>25 Q. Were you aware that the</p>	<p style="text-align: right;">108</p> <p>1 JEFF CANCELLIERI</p> <p>2 A. Yes.</p> <p>3 Q. Do you have an understanding as</p> <p>4 to how that number was calculated?</p> <p>5 A. I do not.</p> <p>6 Q. Are you aware that ResCap</p> <p>7 identified you as the person with the most</p> <p>8 knowledge about how that number was</p> <p>9 calculated?</p> <p>10 A. What I provided --</p> <p>11 MR. RAINS: Objection. Assumes</p> <p>12 facts not in evidence.</p> <p>13 A. What I provided to our legal</p> <p>14 experts who were negotiating the</p> <p>15 transaction was a total expected lifetime</p> <p>16 loss on the 392 trusts with a general</p> <p>17 range of exposure percentages to give them</p> <p>18 tools during their settlement</p> <p>19 negotiations. I was not part of the</p> <p>20 actual settlement negotiations. That was</p> <p>21 left up to the legal experts to go through</p> <p>22 that process.</p> <p>23 Q. So at any time during the</p> <p>24 settlement negotiations did you provide to</p> <p>25 anyone at FTI or ResCap your opinion as to</p>
<p style="text-align: right;">107</p> <p>1 JEFF CANCELLIERI</p> <p>2 potential risk exposure numbers that were</p> <p>3 presented to Kathy Patrick by ResCap</p> <p>4 increased over time?</p> <p>5 MR. RAINS: Objection. Assumes</p> <p>6 facts not in evidence.</p> <p>7 A. I am not aware of what the</p> <p>8 settlement negotiations were.</p> <p>9 Q. And were you ever asked by FTI</p> <p>10 or anyone at ResCap to provide any</p> <p>11 additional information beyond your initial</p> <p>12 submission of the 3 to \$14 billion</p> <p>13 exposure range and 5 to 30 percent defect</p> <p>14 rate?</p> <p>15 A. Not to my knowledge, no.</p> <p>16 Q. Do you have an understanding as</p> <p>17 to how the 8 point -- do you have an</p> <p>18 understanding today that the ultimate</p> <p>19 settlement number for allowed claim in the</p> <p>20 settlement number was \$8.7 billion?</p> <p>21 A. I'm sorry, repeat the question.</p> <p>22 Q. Do you have an understanding</p> <p>23 that the ultimate number that was set</p> <p>24 forth in the settlement agreement as a</p> <p>25 total allowed claim was \$8.7 billion?</p>	<p style="text-align: right;">109</p> <p>1 JEFF CANCELLIERI</p> <p>2 what would -- a reasonable estimation of</p> <p>3 ResCap's exposure for the 392 trusts would</p> <p>4 be?</p> <p>5 A. I did not. I just provided a</p> <p>6 general range based on the expected</p> <p>7 lifetime losses.</p> <p>8 Q. Did you have any conversations</p> <p>9 with anyone at FTI about a double down</p> <p>10 concept with respect to monolines?</p> <p>11 A. I do not recall having that</p> <p>12 conversation with anyone at FTI.</p> <p>13 Q. Do you have any idea what I'm</p> <p>14 referring to when I say a double down</p> <p>15 concept?</p> <p>16 A. I do not.</p> <p>17 Q. Sitting here today, other than</p> <p>18 the general range of 3 to \$14 billion</p> <p>19 that, and 5 to 30 percent defect rate that</p> <p>20 you provided, are you aware of any</p> <p>21 specific analysis that was done to justify</p> <p>22 the \$8.7 billion number?</p> <p>23 MR. RAINS: Object to the form</p> <p>24 of the question. Vague and ambiguous.</p> <p>25 A. The only analysis provided</p>

EXHIBIT RR

REDACTED

EXHIBIT RR.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re: Cae No:

RESIDENTIAL CAPITAL, LLC, et. al, 12-12020(MG)

Debtors.

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VIDEOTAPE DEPOSITION OF TIMOTHY DEVINE

New York, New York

November 19, 2012

10:17 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27973

<p style="text-align: right;">102</p> <p>1 TIMOTHY DEVINE</p> <p>2 period ended March 31, 2012. But I -- but</p> <p>3 I'm in no position to authenticate that</p> <p>4 this document is what the front page of it</p> <p>5 indicates it is. That's not in my job.</p> <p>6 Q. It's already been authenticated,</p> <p>7 Mr. Devine. You saw the 10-Q at the time</p> <p>8 it was filed?</p> <p>9 A. I can't say I saw the 10-Q. I</p> <p>10 probably saw parts of it.</p> <p>11 Q. Did you participate in its</p> <p>12 preparation?</p> <p>13 A. I gave advice to the client in</p> <p>14 connection with its preparation.</p> <p>15 Q. The 10-Q was filed on April 27,</p> <p>16 2012, right?</p> <p>17 A. I don't know.</p> <p>18 Q. Take a look at page 73.</p> <p>19 A. Okay.</p> <p>20 Q. And directing your attention to</p> <p>21 the heading Potential Losses, Litigation</p> <p>22 Repurchase Obligations and Related Claims.</p> <p>23 Do you see that?</p> <p>24 A. Yes.</p> <p>25 Q. Did you participate in the</p>	<p style="text-align: right;">104</p> <p>1 TIMOTHY DEVINE</p> <p>2 this exhibit -- it's all part of note 24,</p> <p>3 isn't it?</p> <p>4 MR. PRINCI: Objection as to</p> <p>5 form.</p> <p>6 A. Yeah, I don't know. I -- I --</p> <p>7 I -- I guess it is.</p> <p>8 Q. You guess it is.</p> <p>9 A. I'm reading this with you right</p> <p>10 now, okay?</p> <p>11 Q. Okay. And note 24 deals with</p> <p>12 contingencies and other risks; is that</p> <p>13 correct?</p> <p>14 A. At this page that looks like it</p> <p>15 might be page 66 there's a heading 24,</p> <p>16 Contingencies and Other Risks.</p> <p>17 Q. And among the contingencies</p> <p>18 addressed are loan repurchase obligations</p> <p>19 related to loan sales, correct?</p> <p>20 A. Where -- where are you looking?</p> <p>21 Q. On pages 68 and 69. One of the</p> <p>22 contingencies identified in note 24 is</p> <p>23 Loan Repurchases and Obligations Related</p> <p>24 to Loan Sales, right?</p> <p>25 A. That seems to be correct. I'm</p>
<p style="text-align: right;">103</p> <p>1 TIMOTHY DEVINE</p> <p>2 preparation of any of the material under</p> <p>3 this heading?</p> <p>4 A. Yes.</p> <p>5 Q. The paragraphs under that</p> <p>6 heading, until you get to the number 25</p> <p>7 that says Subsequent Events, up until</p> <p>8 that, those are part of note 24, which</p> <p>9 begins on page 66, correct?</p> <p>10 A. It may be a copying issue but I</p> <p>11 have a blank page at page 66.</p> <p>12 Q. Okay. On the other side of it.</p> <p>13 On the other side of what appears on this</p> <p>14 copy of the exhibit to be a blank, you see</p> <p>15 the notes? This is all part of note 24,</p> <p>16 right, that runs from that page, and it</p> <p>17 doesn't have -- it's a copying error, the</p> <p>18 66 which is on the back. It runs from</p> <p>19 there to page 73. Can we agree on that?</p> <p>20 A. I -- I -- what are we agreeing</p> <p>21 on, sorry?</p> <p>22 Q. That note 24 -- let's -- let's</p> <p>23 do it this way. That the material on page</p> <p>24 73 up until you get to the note 25 begins</p> <p>25 on the page following page number 65 in</p>	<p style="text-align: right;">105</p> <p>1 TIMOTHY DEVINE</p> <p>2 just reading this page 68 and that's --</p> <p>3 that's what that heading says, Loan</p> <p>4 Repurchases and Obligations Related to</p> <p>5 Loan Sales.</p> <p>6 Q. Okay. And those obligations are</p> <p>7 described with a number of types of</p> <p>8 transactions, including government</p> <p>9 sponsored enterprises or GSEs, right?</p> <p>10 A. Well, at this point you are</p> <p>11 asking me to characterize the structure</p> <p>12 and content of the document. And I'm just</p> <p>13 not in a position to do that.</p> <p>14 MR. BRYAN: Maybe if you could</p> <p>15 direct the witness to a particular</p> <p>16 part where there's a reference to</p> <p>17 GSEs, do it that way.</p> <p>18 Q. On the bottom of page 69</p> <p>19 government sponsored enterprises are</p> <p>20 listed as one category, are they not?</p> <p>21 A. What I can tell you is I see at</p> <p>22 the bottom of page 69 a paragraph</p> <p>23 beginning right at the bottom of the page,</p> <p>24 the heading of which is Government</p> <p>25 Sponsored Enterprises.</p>

<p style="text-align: right;">134</p> <p>1 TIMOTHY DEVINE</p> <p>2 person who wrote it, but it appears to</p> <p>3 represent the information submitted as</p> <p>4 part of a fourth quarter 2011 CCAR</p> <p>5 submission.</p> <p>6 Q. Okay.</p> <p>7 A. And to include data projections</p> <p>8 through 2013.</p> <p>9 Q. And then the additional items</p> <p>10 below adjusted that to make a presentation</p> <p>11 that ran through the first quarter of</p> <p>12 2012, correct?</p> <p>13 A. Yes. If what you are asking is</p> <p>14 does this slide as a whole describe the</p> <p>15 identified potential exposures as of first</p> <p>16 quarter 2012, the answer is yes.</p> <p>17 Q. The first line under additional</p> <p>18 items says "Estimated nonwrapped potential</p> <p>19 exposure beyond 2013." What did that</p> <p>20 refer to?</p> <p>21 A. Well, I can tell you sitting</p> <p>22 here today what, as I recall, what it</p> <p>23 referred to.</p> <p>24 Q. We can only ask for your</p> <p>25 recollection, Mr. Devine.</p>	<p style="text-align: right;">136</p> <p>1 TIMOTHY DEVINE</p> <p>2 of a defect rate of a nonloan level for</p> <p>3 those populations.</p> <p>4 Q. Okay. And the next line under</p> <p>5 Additional Items says "Potential</p> <p>6 investor/securities litigation." Do you</p> <p>7 see that?</p> <p>8 A. Yes, I see it.</p> <p>9 Q. Is the amount shown for that</p> <p>10 item \$400 million, the estimate of</p> <p>11 exposure for securities fraud claims at</p> <p>12 that point?</p> <p>13 A. No.</p> <p>14 Q. Okay. What does it represent?</p> <p>15 A. As I sit here today, my memory</p> <p>16 is that it represents the estimated top</p> <p>17 end of the range of reasonably possible</p> <p>18 losses for ResCap over time related to</p> <p>19 litigation and -- repurchase obligation of</p> <p>20 related claims. Meaning, as I understand,</p> <p>21 that would have been subject to certain</p> <p>22 stresses beyond what the estimated</p> <p>23 exposure would have been.</p> <p>24 Q. Mr. Devine, I was only focusing</p> <p>25 on the line that says "Potential</p>
<p style="text-align: right;">135</p> <p>1 TIMOTHY DEVINE</p> <p>2 A. Okay. So as I recall sitting</p> <p>3 here today, the estimated nonwrapped</p> <p>4 potential exposure beyond 2013 represented</p> <p>5 estimated lifetime losses, which I'm</p> <p>6 testing with the note here, multiplied by</p> <p>7 risks post fund audit defect rates</p> <p>8 adjusted for litigation defenses. Risk</p> <p>9 referred to Todd Kushman's group. And so</p> <p>10 that would have been -- what I don't</p> <p>11 remember is nonwrapped potential exposure</p> <p>12 beyond 2013, whether that would have</p> <p>13 included anything beyond private label</p> <p>14 securities nonwrapped potential exposure.</p> <p>15 I just don't remember.</p> <p>16 Q. The next line under Additional</p> <p>17 Items says "Adj. for application of defect</p> <p>18 rate at a nonloan level for nonwrapped PLS</p> <p>19 and additional provision for wrapped PLS."</p> <p>20 Do you see that?</p> <p>21 A. I see it, yeah.</p> <p>22 Q. And that shows an adjustment of</p> <p>23 \$500 million upwards for nonwrapped and</p> <p>24 wrapped PLS exposure, right?</p> <p>25 A. Well, it represents application</p>	<p style="text-align: right;">137</p> <p>1 TIMOTHY DEVINE</p> <p>2 investor/securities litigation." And</p> <p>3 there's a \$400 million number next to</p> <p>4 that. Wasn't that some estimate of the</p> <p>5 possible or reasonably possible range of</p> <p>6 loss for securities litigation?</p> <p>7 MR. BRYAN: Object to form.</p> <p>8 A. Yeah. Well, there's a lot of</p> <p>9 detail behind that line. And as I sit</p> <p>10 here today, I just can't remember the</p> <p>11 detail. But as I recall, that would have</p> <p>12 been a number subject to a variety of</p> <p>13 stresses that were imposed on the process</p> <p>14 from outside of this sort of legal</p> <p>15 advisory function.</p> <p>16 Q. Right. Okay.</p> <p>17 A. That's the more complete answer.</p> <p>18 Q. Let me show you what's been</p> <p>19 marked previously as Exhibit 83.</p> <p>20 A. Thank you.</p> <p>21 Q. Which is an e-mail chain on May</p> <p>22 4, 2012. There are two e-mails in this</p> <p>23 exhibit. Did you receive the one from</p> <p>24 Mr. Lee on May 4?</p> <p>25 A. Yeah, it looks like I did. Yes.</p>

<p style="text-align: right;">246</p> <p>1 TIMOTHY DEVINE</p> <p>2 today, I don't remember what that set off</p> <p>3 curve ball was but I was persuaded by my</p> <p>4 own counsel that it was something</p> <p>5 unfavorable to us and so I said it's out,</p> <p>6 no value.</p> <p>7 Q. At the time you sent your e-mail</p> <p>8 at 10:05 on May 9th, did you understand</p> <p>9 what setoff curve ball you were referring</p> <p>10 to?</p> <p>11 A. As I sit here today, I don't</p> <p>12 remember. I confess I may very well not</p> <p>13 have understood what I was talking about.</p> <p>14 Q. Is it your testimony,</p> <p>15 Mr. Devine, that you were sending e-mails</p> <p>16 around at this point in the negotiations,</p> <p>17 May 9th, 2012, without understanding what</p> <p>18 it was you were talking about?</p> <p>19 MR. BRYAN: Objection to form.</p> <p>20 Argumentative. Misstates his</p> <p>21 testimony.</p> <p>22 A. What I mean to say is that it</p> <p>23 occurs to me and appears to me based on</p> <p>24 the cadence of these e-mails and the</p> <p>25 timing, although frankly I don't -- I</p>	<p style="text-align: right;">248</p> <p>1 TIMOTHY DEVINE</p> <p>2 of the conversation, at least from my</p> <p>3 perspective in the deal.</p> <p>4 Q. Mr. Devine, given what you have</p> <p>5 claimed is your limited expertise, why</p> <p>6 were you injecting yourself into the</p> <p>7 discussion on these matters? Why didn't</p> <p>8 you just let Mr. Schrock and Mr. Lee hash</p> <p>9 it out?</p> <p>10 MR. BRYAN: Objection as to</p> <p>11 form.</p> <p>12 A. I was driving a deal to</p> <p>13 conclusion.</p> <p>14 Q. What deal?</p> <p>15 A. The deal that is represented in</p> <p>16 gross by the resolution between the ResCap</p> <p>17 estate and the RMBS claimants, both the</p> <p>18 Kathy Patrick and Talcott Franklin in the</p> <p>19 one sense and also the tripartite</p> <p>20 agreement between Ally, the ResCap</p> <p>21 entities and the claimants. And I thought</p> <p>22 it was a good deal and I still to this day</p> <p>23 think it's a good deal. And I saw that to</p> <p>24 my mind anyway the essential elements of a</p> <p>25 deal had been worked out that were</p>
<p style="text-align: right;">247</p> <p>1 TIMOTHY DEVINE</p> <p>2 don't remember sitting here today what the</p> <p>3 ultimate timing of a deal was, when hands</p> <p>4 were shaken on final language. I'm kind</p> <p>5 of eager to see where that -- where that</p> <p>6 goes and where it ends. I wonder how</p> <p>7 close we were at May 9th at 10:05. But I</p> <p>8 will tell you that I was, I had a sense</p> <p>9 that a deal was doable and I didn't want</p> <p>10 anything getting in the way of the</p> <p>11 essential deal as I had understood it to</p> <p>12 take shape.</p> <p>13 So if somebody told me at some</p> <p>14 time before 10:05 on Wednesday, May 9th</p> <p>15 somebody was throwing a curve ball setoff</p> <p>16 or otherwise into the negotiations I may</p> <p>17 well have taken the time to figure out</p> <p>18 what they were talking about in</p> <p>19 consultation with my counsel. If it was</p> <p>20 too complicated or irrelevant to what my</p> <p>21 self understood scope was, maybe I</p> <p>22 listened and maybe I got half or more of</p> <p>23 it. I did recognize it as a potential</p> <p>24 obstacle of getting a deal done and so I</p> <p>25 was not ready to allow it to become part</p>	<p style="text-align: right;">249</p> <p>1 TIMOTHY DEVINE</p> <p>2 favorable and fair to all concerned and I</p> <p>3 wanted to get the deal done as I</p> <p>4 understood we were on a certain timeline.</p> <p>5 Q. Looking at the top e-mail in the</p> <p>6 chain from Mr. Lee to yourself, among</p> <p>7 others, at 10:54 a.m. on May 9th, did you</p> <p>8 receive that e-mail?</p> <p>9 A. It looks like I did, yes.</p> <p>10 Q. And Mr. Lee wrote, "We will be</p> <p>11 seeking ResCap board approval today. Does</p> <p>12 Ally's board need to approve as it is</p> <p>13 signing the PSA and ResCap is agreeing to</p> <p>14 settle a claim in excess of 25 million,</p> <p>15 which requires Ally approval under Ally's</p> <p>16 governance framework. Please let us</p> <p>17 know."</p> <p>18 Did AFI's board need to approve?</p> <p>19 A. I don't know.</p> <p>20 Q. Did Mr. Lee, to your knowledge,</p> <p>21 receive a response to his inquiry?</p> <p>22 A. I don't know.</p> <p>23 Q. Does Mr. Lee's reference to the</p> <p>24 ResCap board -- his reference to seeking</p> <p>25 ResCap board approval today, meaning</p>

<p style="text-align: right;">270</p> <p>1 TIMOTHY DEVINE</p> <p>2 party to the agreement has or may have at</p> <p>3 any time up to and including the date of</p> <p>4 the release.</p> <p>5 Q. Did you intend to include within</p> <p>6 the word "everything" claims that might be</p> <p>7 asserted by any of the monolines?</p> <p>8 A. My understanding at the time was</p> <p>9 that the monolines would participate and</p> <p>10 were contemplated to participate in the</p> <p>11 settlement.</p> <p>12 Q. But by May 10th the settlement</p> <p>13 was already signed up, wasn't it?</p> <p>14 MR. PRINCI: Objection as to</p> <p>15 form.</p> <p>16 A. I don't know.</p> <p>17 Q. Okay. Let's put it this way.</p> <p>18 You knew it had been approved by the</p> <p>19 ResCap board, didn't you?</p> <p>20 A. No.</p> <p>21 Q. You didn't?</p> <p>22 A. No.</p> <p>23 Q. So when you said everything in</p> <p>24 this e-mail, did you intend or not intend</p> <p>25 to include a release by the monolines of</p>	<p style="text-align: right;">272</p> <p>1 TIMOTHY DEVINE</p> <p>2 release because that is the full extent of</p> <p>3 her representation. She has been clear</p> <p>4 about that. Same as in her" BofA -- "B of</p> <p>5 New York Mellon work, etc."</p> <p>6 Do you see that?</p> <p>7 A. Yes, I do see that.</p> <p>8 Q. And then you said "But notice,</p> <p>9 though her clients don't release</p> <p>10 securities claims, they sign plan support</p> <p>11 agreements and the plan includes very</p> <p>12 simple comprehensive releases, which of</p> <p>13 course include third-party release of all</p> <p>14 claims which of course includes securities</p> <p>15 claims. Presto. So while she can't</p> <p>16 represent parties in giving up their</p> <p>17 securities claims, clients face a choice,</p> <p>18 either sign up with the settlement to make</p> <p>19 sure your trust receives monies under the</p> <p>20 waterfall in which case you need to sign</p> <p>21 the plan support agreement and support the</p> <p>22 plan. And the plan wipes out all their</p> <p>23 claims of any sort. This is the beauty of</p> <p>24 it."</p> <p>25 Do you see that?</p>
<p style="text-align: right;">271</p> <p>1 TIMOTHY DEVINE</p> <p>2 their claims?</p> <p>3 MR. BRYAN: Object to form. I</p> <p>4 knew -- I certainly knew that the</p> <p>5 monolines were not a signatory party</p> <p>6 to the settlement. But it was my</p> <p>7 understanding that the claims that</p> <p>8 they would or could enunciate in</p> <p>9 connection with the securities subject</p> <p>10 of the settlement would be included</p> <p>11 within the scope of the allowed claim.</p> <p>12 Q. You said, "And we can define</p> <p>13 securities claims narrowly." What do you</p> <p>14 mean by that?</p> <p>15 A. What I meant by securities</p> <p>16 claims was claims brought by securities</p> <p>17 holders on traditional federal securities</p> <p>18 law or state blue sky or the closely</p> <p>19 Allied state common law fraud claims that</p> <p>20 would be characterized typically as a</p> <p>21 securities based claim.</p> <p>22 Q. A bit further down in your</p> <p>23 e-mail you said "The circle is squared at</p> <p>24 the plan. KP can only get us the</p> <p>25 everything but securities settlement</p>	<p style="text-align: right;">273</p> <p>1 TIMOTHY DEVINE</p> <p>2 A. I see that.</p> <p>3 Q. So you were explaining how</p> <p>4 execution of the plan support agreement</p> <p>5 achieved releases of securities claims</p> <p>6 even if the settlement agreement itself</p> <p>7 did not, correct?</p> <p>8 A. What I was explaining is that in</p> <p>9 signing up for the settlement agreement</p> <p>10 between ResCap and -- with ResCap those</p> <p>11 parties were committing to sign a plan</p> <p>12 support agreement simultaneously, which to</p> <p>13 my understanding represented their</p> <p>14 valuation of the securities claims they</p> <p>15 were giving up and therefore they were</p> <p>16 supporting a plan which would include</p> <p>17 release of securities claims against the</p> <p>18 debtor and release of securities claims,</p> <p>19 such as they might be, against Ally</p> <p>20 Financial.</p> <p>21 Q. And you thought that was pretty</p> <p>22 clever, didn't you?</p> <p>23 MR. BRYAN: Object to form.</p> <p>24 MR. PRINCI: Objection as to</p> <p>25 form.</p>

EXHIBIT SS

REDACTED

EXHIBIT SS.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re: Case No:

RESIDENTIAL CAPITAL, LLC, et. al, 12-12020(MG)

Debtors.

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VIDEOTAPE DEPOSITION OF TAMMY HAMZEPHOUR

New York, New York

November 13, 2012

9:43 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27903

<p style="text-align: right;">26</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 A. I believe it was the 21st. I</p> <p>3 don't know for sure.</p> <p>4 MR. KAUFMAN: Let's mark, as the</p> <p>5 next exhibit, an e-mail chain on</p> <p>6 November 19, 2011, Bates number ResCap</p> <p>7 0000097 and 98.</p> <p>8 (9019 Exhibit 69, 11/19/11</p> <p>9 e-mail chain, Bates number ResCap</p> <p>10 0000097 and 98, marked for</p> <p>11 identification, as of this date.)</p> <p>12 Q. Looking at the e-mail appearing</p> <p>13 at the top of the first page of the</p> <p>14 exhibit, you were the author of that</p> <p>15 e-mail, were you not?</p> <p>16 A. Yes.</p> <p>17 Q. And does that confirm to you</p> <p>18 that the meeting with Ms. Patrick was on</p> <p>19 November 21st?</p> <p>20 A. Yes, that's right.</p> <p>21 Q. Who attended that meeting?</p> <p>22 A. Ms. Patrick was there. One or</p> <p>23 two people were with her, I don't remember</p> <p>24 their names. I was there, my litigation</p> <p>25 colleague, David Hagens, was there from</p>	<p style="text-align: right;">28</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 disclosures as across those deals, and</p> <p>3 that she had created a matrix of rep and</p> <p>4 warranty language, basically, among the</p> <p>5 deals.</p> <p>6 She spoke a little bit about her</p> <p>7 pending settlement with Bank of America.</p> <p>8 She mentioned that she had not</p> <p>9 notified any of the trustees about the</p> <p>10 meeting we were having, because we asked</p> <p>11 if the trustees knew that she was there,</p> <p>12 and she said no.</p> <p>13 Talked about her theory of the</p> <p>14 case. She felt that she had claims, rep</p> <p>15 and warranty breaches, also servicing</p> <p>16 claims; and she felt that they had</p> <p>17 extended both to GMAC Mortgage and RFC,</p> <p>18 who were sponsors of different</p> <p>19 securitizations in which her investors had</p> <p>20 an interest.</p> <p>21 And also that they viewed Ally,</p> <p>22 likewise, as responsible.</p> <p>23 Q. Who said what on the ResCap and</p> <p>24 Ally side, as best you can remember?</p> <p>25 MR. RAINS: Objection. Vague</p>
<p style="text-align: right;">27</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 the Minneapolis office. Also my capital</p> <p>3 markets partner, John Ruckdaschel, was</p> <p>4 there, and Tim Devine from Ally.</p> <p>5 Q. How long did the meeting last?</p> <p>6 A. Three hours, maybe. I don't</p> <p>7 remember exactly.</p> <p>8 Q. Can you please describe for me,</p> <p>9 in as much detail as you can remember,</p> <p>10 what the discussion was?</p> <p>11 A. Ms. Patrick did most of the</p> <p>12 talking in the beginning of meeting. She</p> <p>13 talked to us a bit about who her investor</p> <p>14 clients were and their holdings that were</p> <p>15 represented across the spectrum of our</p> <p>16 securitization deals. She indicated that</p> <p>17 they believed they have claims against us</p> <p>18 and against Ally.</p> <p>19 We talked about some of the work</p> <p>20 she had done in preparation for the</p> <p>21 meeting, and she mentioned that she had</p> <p>22 reviewed our prospectuses for the deals,</p> <p>23 that she had reviewed loan and servicing</p> <p>24 agreements, that she was familiar with the</p> <p>25 structure and the language and the</p>	<p style="text-align: right;">29</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 and ambiguous.</p> <p>3 Q. Can you remember anything that</p> <p>4 you, Mr. Devine, Mr. Hagens, and</p> <p>5 Mr. Ruckdaschel said during the course of</p> <p>6 the meeting?</p> <p>7 A. I remember Mr. Ruckdaschel</p> <p>8 asking her some questions about deal</p> <p>9 structures, certain provisions in the</p> <p>10 agreements, and they compared views on</p> <p>11 what those might be, what the answers to</p> <p>12 those issues might be. Tim asked her what</p> <p>13 she would see as success from a</p> <p>14 discussion. She was clearly there asking</p> <p>15 for a settlement negotiation, and so he</p> <p>16 asked her what her view of success would</p> <p>17 look like.</p> <p>18 We just -- you know, there was</p> <p>19 the normal back and forth of any meeting.</p> <p>20 I don't remember anything more specific</p> <p>21 than that.</p> <p>22 Q. When Mr. Devine asked</p> <p>23 Ms. Patrick what her view of success was,</p> <p>24 what did she say?</p> <p>25 A. That she would like to arrive at</p>

<p style="text-align: right;">58</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Ms. Patrick take place on April 25, 2012?</p> <p>3 A. Yes.</p> <p>4 Q. And was a waterfall presentation</p> <p>5 given to her during that meeting?</p> <p>6 A. Yes.</p> <p>7 Q. Did the presentation incorporate</p> <p>8 the 3, 4, 6 numbers recommended by</p> <p>9 Mr. Devine for the low, medium and high</p> <p>10 valuations of ResCap's RMBS exposure?</p> <p>11 A. Yes, I believe it did.</p> <p>12 Q. Did it also incorporate</p> <p>13 Mr. Devine's recommendation to use</p> <p>14 \$750 million rather than \$1 billion as</p> <p>15 AFI's potential contribution towards a</p> <p>16 settlement?</p> <p>17 A. I believe there were a range of</p> <p>18 potential AFI contributions reflected.</p> <p>19 750 would have been the highest one in the</p> <p>20 range.</p> <p>21 Q. Okay. Who attended the meeting</p> <p>22 on April 25th with Ms. Patrick?</p> <p>23 A. There were a lot of people.</p> <p>24 Maybe as many as are in this room. I'll</p> <p>25 tell you the ones I can remember. Gary</p>	<p style="text-align: right;">60</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 discussion on servicing standards. And we</p> <p>3 talked about part of Ms. Patrick's</p> <p>4 interest and that of her clients was in</p> <p>5 not only achieving a monetary settlement</p> <p>6 but also a settlement that would provide</p> <p>7 enhanced servicing standards for their</p> <p>8 investors' continuing interest in these</p> <p>9 loans.</p> <p>10 Q. Who made the waterfall</p> <p>11 presentation?</p> <p>12 A. I believe Mark Renzi from FTI</p> <p>13 did that.</p> <p>14 Q. What was Mr. Devine's role</p> <p>15 during the meeting as you understood it?</p> <p>16 A. What was his role?</p> <p>17 Q. What did he do?</p> <p>18 A. He was in the meeting. I don't</p> <p>19 remember specific parts of the</p> <p>20 conversation that he led. There were --</p> <p>21 there was discussion around the waterfall</p> <p>22 and the ranges of recoveries, losses, et</p> <p>23 cetera, that were the topic of discussion</p> <p>24 around the settlement. He participated in</p> <p>25 that.</p>
<p style="text-align: right;">59</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Lee was there, Tim Devine, Mark Renzi from</p> <p>3 FTI, I believe John Ruckdaschel was</p> <p>4 present, Ms. Patrick. At least one, maybe</p> <p>5 two of her colleagues. I believe Marc</p> <p>6 Puntus or Sam Greene, one or the other,</p> <p>7 from Centerview Partners was there for at</p> <p>8 least part of the meeting. I don't</p> <p>9 remember if they stayed for the whole</p> <p>10 meeting. And there may have been one or</p> <p>11 more MoFo lawyers there, I don't recall.</p> <p>12 Q. You were there?</p> <p>13 A. Sure. I was there. I couldn't</p> <p>14 tell you who was in the room if I weren't</p> <p>15 there.</p> <p>16 Q. Who led the meeting?</p> <p>17 A. Gary Lee.</p> <p>18 Q. Did you --</p> <p>19 A. From a legal perspective Gary</p> <p>20 Lee. There were parts of the meeting that</p> <p>21 different people were handling so.</p> <p>22 Q. What part, if any, did you</p> <p>23 handle?</p> <p>24 A. I didn't take the lead on any of</p> <p>25 the issues other than we had a short</p>	<p style="text-align: right;">61</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Q. Let's mark as the next exhibit</p> <p>3 an e-mail chain on April 27, 2012. Bates</p> <p>4 numbers RC 9019_00048974 to 75.</p> <p>5 (9019 Exhibit 80, e-mail chain</p> <p>6 on April 27, 2012, Bates RC</p> <p>7 9019_00048974 to 75, marked for</p> <p>8 identification, as of this date.)</p> <p>9 Q. The first e-mail on the second</p> <p>10 part of the exhibit at the bottom part of</p> <p>11 that page is from Mr. Devine to Kathy</p> <p>12 Patrick at 5:44 p.m. Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. And Mr. Devine asked her to call</p> <p>15 him to touch base on next steps, right?</p> <p>16 A. Yes.</p> <p>17 Q. Did he copy you on his e-mail to</p> <p>18 Ms. Patrick in the first instance?</p> <p>19 A. I don't see that I am copied on</p> <p>20 that.</p> <p>21 Q. The next e-mail is from</p> <p>22 Ms. Patrick to Mr. Devine responding to</p> <p>23 Mr. Devine's e-mail, correct?</p> <p>24 A. Yes.</p> <p>25 Q. And you are not copied on that</p>

<p style="text-align: right;">110</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 to make sure I grab the right one.</p> <p>3 I'm going to turn your attention</p> <p>4 to what's been previously marked as</p> <p>5 9019-89. That is the RMBS settlement</p> <p>6 agreement. Do you recall reading that</p> <p>7 document earlier today?</p> <p>8 A. Yes.</p> <p>9 Q. And this is the one with Talcott</p> <p>10 Franklin or is this the Steering Committee</p> <p>11 one? I apologize.</p> <p>12 A. This is the Steering Committee.</p> <p>13 Q. And you signed this document,</p> <p>14 right?</p> <p>15 A. Yes.</p> <p>16 Q. Did you read it?</p> <p>17 A. Yes.</p> <p>18 Q. I'm going to have you focus on</p> <p>19 just a couple of provisions in the</p> <p>20 document. When did you first read this</p> <p>21 document?</p> <p>22 A. In any version?</p> <p>23 Q. Yes.</p> <p>24 A. When it was originally put out</p> <p>25 as a draft.</p>	<p style="text-align: right;">112</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 of how that -- how those legal fee</p> <p>3 payments work?</p> <p>4 A. That they come out of the</p> <p>5 allowed claim.</p> <p>6 Q. And do you have an understanding</p> <p>7 of the amount of those legal fees?</p> <p>8 A. It's some percentage. I don't</p> <p>9 recall.</p> <p>10 Q. Did you provide any comments or</p> <p>11 edits or other instructions with respect</p> <p>12 to the legal fees section of the RMBS</p> <p>13 settlement?</p> <p>14 A. I don't -- I don't believe I</p> <p>15 did.</p> <p>16 Q. Who negotiated the legal fees</p> <p>17 section of the RMBS settlement agreement?</p> <p>18 A. That would be Morrison &</p> <p>19 Foerster.</p> <p>20 Q. Do you know if they commented or</p> <p>21 provided any edits or other communications</p> <p>22 with respect to the legal fees section?</p> <p>23 A. I don't remember. There were a</p> <p>24 number of drafts. I don't remember what</p> <p>25 the markups were of each one.</p>
<p style="text-align: right;">111</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Q. And when was that?</p> <p>3 A. It was in early May.</p> <p>4 Q. And how many drafts of this</p> <p>5 agreement did you read?</p> <p>6 A. I don't remember.</p> <p>7 Q. Was it more than five? Less</p> <p>8 than five?</p> <p>9 A. I don't remember how many</p> <p>10 drafts.</p> <p>11 Q. Okay. I'm going to turn your</p> <p>12 attention to section 6.04, which is on</p> <p>13 page 7. And the section is entitled Legal</p> <p>14 Fees.</p> <p>15 A. Yes.</p> <p>16 Q. Do you recall reviewing this</p> <p>17 section of the agreement?</p> <p>18 A. I remember this section of the</p> <p>19 agreement, yes.</p> <p>20 Q. And what does this section</p> <p>21 generally provide?</p> <p>22 A. It provides for counsel to the</p> <p>23 Steering Committee of investors to receive</p> <p>24 legal fee payments.</p> <p>25 Q. And what is your understanding</p>	<p style="text-align: right;">113</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Q. Do you recall -- withdrawn.</p> <p>3 In reviewing the settlement</p> <p>4 agreement and section 6.04, did you make</p> <p>5 any assessment of whether or not the legal</p> <p>6 fees provided for for the Steering</p> <p>7 Committee counsel were reasonable?</p> <p>8 A. No. I didn't -- I didn't</p> <p>9 determine it one way or the other.</p> <p>10 Q. You didn't do it at all?</p> <p>11 A. No. I mean I didn't -- I didn't</p> <p>12 consider an analysis of whether I thought</p> <p>13 they were reasonable fees.</p> <p>14 Q. Do you think that was an</p> <p>15 important thing to do?</p> <p>16 A. No.</p> <p>17 Q. Why not?</p> <p>18 A. They weren't -- they weren't</p> <p>19 fees that the debtors were paying. So I'm</p> <p>20 not sure why I would set the fees for</p> <p>21 these investors between themselves and</p> <p>22 their lawyer.</p> <p>23 Q. Right. But you testified</p> <p>24 earlier that the fees that they received</p> <p>25 were going to come out of the allowed</p>

<p style="text-align: right;">114</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 claim.</p> <p>3 A. That's right.</p> <p>4 Q. Okay. Do you know if anybody at</p> <p>5 ResCap made any determination as to</p> <p>6 whether the legal fees in provision RMBS</p> <p>7 settlement agreement was -- provided</p> <p>8 reasonable fees for the Steering</p> <p>9 Committee's counsel?</p> <p>10 A. I don't believe so.</p> <p>11 Q. Let's turn to section 8.02. Are</p> <p>12 you familiar with -- section 8.02 is</p> <p>13 entitled Financial Guarantee Provider</p> <p>14 Rights and Obligations. Do you see that?</p> <p>15 A. Yes.</p> <p>16 Q. Are you familiar with this</p> <p>17 section of the agreement?</p> <p>18 A. Yes.</p> <p>19 Q. What is your understanding of</p> <p>20 this section of the agreement.</p> <p>21 A. That the releases provided don't</p> <p>22 act to release claims of financial</p> <p>23 guarantee providers.</p> <p>24 Q. Is that any claims of financial</p> <p>25 guarantee providers or certain claims?</p>	<p style="text-align: right;">116</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 insurance contracts as well as</p> <p>3 representation and warranty claims under</p> <p>4 those pooling and servicing agreements.</p> <p>5 Q. So you talk about two sets of</p> <p>6 claims. You are talking about claims</p> <p>7 under the insurance contracts and then</p> <p>8 claims with respect -- representation and</p> <p>9 warranty claims --</p> <p>10 A. Yes.</p> <p>11 Q. -- under the PSA?</p> <p>12 A. Right.</p> <p>13 Q. Let's break that down. What is</p> <p>14 your understanding with respect to the</p> <p>15 financial guarantee with respect to their</p> <p>16 insurance agreements?</p> <p>17 A. The insurance carriers have</p> <p>18 alleged that they were fraudulently</p> <p>19 induced to issue those insurance policies.</p> <p>20 Q. Any other claims based on the</p> <p>21 insurance agreement that you are aware of?</p> <p>22 A. I don't recall all the claims</p> <p>23 that were spelled out in the complaints.</p> <p>24 Q. Sure. Who has filed complaints</p> <p>25 if you recall?</p>
<p style="text-align: right;">115</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 A. That relate to the settlement</p> <p>3 trust.</p> <p>4 Q. So any claims of the financial</p> <p>5 guarantee providers that relate to the</p> <p>6 settlement trust, it is your understanding</p> <p>7 that section 8.02 carves those out of the</p> <p>8 agreement?</p> <p>9 MR. RAINS: Objection. Calls</p> <p>10 for a legal conclusion.</p> <p>11 MR. SIDMAN: I'm just asking her</p> <p>12 to clarify her statement.</p> <p>13 MR. RAINS: My objection stands.</p> <p>14 You can go ahead and answer.</p> <p>15 A. I think the language speaks for</p> <p>16 itself.</p> <p>17 Q. What is your understanding of</p> <p>18 the claims of financial guarantee</p> <p>19 providers?</p> <p>20 A. My understanding is that there</p> <p>21 were certain securitizations that had bond</p> <p>22 insurance coverage. And that as those</p> <p>23 trusts took losses, some of the insurers</p> <p>24 paid out claims. And so they have made</p> <p>25 claims against us with respect to their</p>	<p style="text-align: right;">117</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 A. MBIA has filed complaints. FGIC</p> <p>3 has filed complaints. I think Allstate.</p> <p>4 I can't remember if there's another one.</p> <p>5 Q. And when these complaints came</p> <p>6 in, did you review those?</p> <p>7 A. Yes.</p> <p>8 Q. So is your understanding of the</p> <p>9 monoline claims based on a review of those</p> <p>10 complaints?</p> <p>11 A. Review of the complaints,</p> <p>12 discussions with my counsel, internal</p> <p>13 business discussions, meetings we have had</p> <p>14 with those parties.</p> <p>15 Q. Let me ask you a question just</p> <p>16 so I understand your understanding of the</p> <p>17 mono -- the financial guarantee carveout</p> <p>18 in section 8.02 of the contract, okay?</p> <p>19 A. Uh-hum.</p> <p>20 Q. Please say yes or no. Just so</p> <p>21 the court reporter can hear -- take down</p> <p>22 your response.</p> <p>23 A. Yes.</p> <p>24 Q. Okay. What if a particular</p> <p>25 financial guarantee insurer trusts decides</p>

EXHIBIT TT

REDACTED

EXHIBIT TT.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

In Re:	Case No.
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

-----x

DEPOSITION OF JEFFREY A. LIPPS

New York, New York

November 19, 2012

10:13 a.m.

Reported by:
JENNIFER OCAMPO-GUZMAN, CRR, CLR
JOB NO: 27971

<p style="text-align: right;">158</p> <p>1 Lipps</p> <p>2 three times. I've read the opinion.</p> <p>3 MR. BENTLEY: Thank you, Mr. Lipps.</p> <p>4 Why don't we take a short break. I may</p> <p>5 be done, and then I know that others may</p> <p>6 have questions as well.</p> <p>7 THE WITNESS: All right.</p> <p>8 (A brief recess was taken.)</p> <p>9 MR. RAINS: Thank you.</p> <p>10 MR. BENTLEY: Thank you, Mr. Lipps,</p> <p>11 I have nothing further. But I believe</p> <p>12 one or two of my colleagues may have</p> <p>13 some questions. One or two friends in</p> <p>14 the room.</p> <p>15 EXAMINATION BY</p> <p>16 MR. NATBONY:</p> <p>17 Q. Good afternoon, Mr. Lipps.</p> <p>18 A. Good afternoon, Mr. Natbony.</p> <p>19 Q. I'm here today representing MBIA a</p> <p>20 potential objector to the settlement, and I</p> <p>21 just have a few questions for you today, if</p> <p>22 you don't mind.</p> <p>23 A. Certainly.</p> <p>24 Q. Now, in connection with reaching</p> <p>25 your opinion concerning the reasonableness of</p>	<p style="text-align: right;">160</p> <p>1 Lipps</p> <p>2 then applied the analysis that I've</p> <p>3 discussed.</p> <p>4 Q. So other than your own review of</p> <p>5 the settlement agreement, the scope of claims</p> <p>6 that were to be either included in the</p> <p>7 settlement or released was based on your own</p> <p>8 analysis?</p> <p>9 A. For purposes of my opinion, yes.</p> <p>10 Q. Now, for purposes of your opinion,</p> <p>11 did you assume that the release would not</p> <p>12 include the monoline's fraudulent inducement</p> <p>13 claims arising from insurance agreements?</p> <p>14 A. As you know from our time in court</p> <p>15 together, some of the fraud claims can fairly</p> <p>16 be described as, at least in my judgment as a</p> <p>17 defense lawyer, as claims that are basically</p> <p>18 a breach of contract that's being dressed up</p> <p>19 in fraud clothes. Having said that, I do</p> <p>20 believe that an independent fraudulent</p> <p>21 inducement claim that would survive an</p> <p>22 argument that it is nothing more than just a</p> <p>23 breach of contract dressed in fraud claims or</p> <p>24 fraud clothes would be outside of the</p> <p>25 settlement.</p>
<p style="text-align: right;">159</p> <p>1 Lipps</p> <p>2 the settlement, did you have an understanding</p> <p>3 of what claims would be released against the</p> <p>4 debtors?</p> <p>5 A. I believe I testified earlier that</p> <p>6 I saw the settlement agreement itself, the</p> <p>7 release language which discussed claims that</p> <p>8 were subject to the release as a result of</p> <p>9 the settlement, and I believe there was a</p> <p>10 provision or two that made it clear certain</p> <p>11 claims were not being settled.</p> <p>12 Q. And in addition to your review of</p> <p>13 the settlement agreement, did any</p> <p>14 representative of the debtors tell you to</p> <p>15 assume that certain claims would be released?</p> <p>16 A. In connection with this assignment?</p> <p>17 Q. Yes.</p> <p>18 A. I looked at the executed and</p> <p>19 submitted settlement agreement.</p> <p>20 Q. And did you seek any advice from</p> <p>21 anyone representing the debtors or anyone</p> <p>22 else as to what would be included in the</p> <p>23 claims that were being released under the</p> <p>24 settlement agreement?</p> <p>25 A. I read the settlement agreement and</p>	<p style="text-align: right;">161</p> <p>1 Lipps</p> <p>2 Q. Now, in conducting your analysis,</p> <p>3 did you assume that the release would not</p> <p>4 include monoline's material breach of</p> <p>5 contract claims arising under the insurance</p> <p>6 agreement?</p> <p>7 THE WITNESS: Can I have that read</p> <p>8 back?</p> <p>9 (A portion of the record was read.)</p> <p>10 MS. PATRICK: Objection, form.</p> <p>11 A. The -- I know the insurance</p> <p>12 agreements or at least some that I've looked</p> <p>13 at do have language which tracks what is in</p> <p>14 the purchase agreements with respect to</p> <p>15 repurchase demand and the repurchase process</p> <p>16 being the sole remedy, so to the extent that</p> <p>17 provision would in fact be preclusive of any</p> <p>18 independent claim other than a rep and</p> <p>19 warranty claim that a monoline would have</p> <p>20 through the repurchase process, then I think</p> <p>21 those claims would be within the settlement.</p> <p>22 The one uncertainty I have, as we</p> <p>23 sit here and have this conversation, is I</p> <p>24 know that at least in the MBIA instance the</p> <p>25 insurance agreement did provide for certain</p>

<p style="text-align: right;">162</p> <p>1 Lipps</p> <p>2 direct claims that the insurer, specifically</p> <p>3 MBIA would have and I just haven't sat and</p> <p>4 thought about whether there is a path that</p> <p>5 would allow the monoline to have something</p> <p>6 that could sound or be based on allegations</p> <p>7 or theories other than pure rep and warranty,</p> <p>8 or something that's forced into the</p> <p>9 repurchase price.</p> <p>10 Q. I guess my question though still</p> <p>11 remains is: When you do your analysis of</p> <p>12 what claims were being released, did you</p> <p>13 include in your analysis any monoline claims</p> <p>14 in the scope of claims that were being</p> <p>15 released?</p> <p>16 MR. RAINS: Objection, asked and</p> <p>17 answered.</p> <p>18 A. I don't know that I could answer it</p> <p>19 any differently than what I did. I believe</p> <p>20 that certain of the monoline claims, by</p> <p>21 virtue of the insurance agreement, are</p> <p>22 confined to the repurchase process,</p> <p>23 specifically you make a demand and then</p> <p>24 there's a determination as to whether or not</p> <p>25 that loan breaches the warranties and reps</p>	<p style="text-align: right;">164</p> <p>1 Lipps</p> <p>2 warranty claim, so to speak. Because if it</p> <p>3 could be embedded as a warranty and rep claim</p> <p>4 then, yes, I did take it into account and</p> <p>5 considered it as part of the liability that I</p> <p>6 was assessing.</p> <p>7 Q. I'm just trying to understand the</p> <p>8 scope of what you were determining was</p> <p>9 released as part of the settlement, and I</p> <p>10 understand you've said that there may be</p> <p>11 paths for it, for certain liability. But I</p> <p>12 want to know specifically, with respect to</p> <p>13 your analysis of this settlement, what, if</p> <p>14 any, claims did you actually consider in your</p> <p>15 analysis as being released?</p> <p>16 MR. RAINS: It's been asked and</p> <p>17 answered.</p> <p>18 MR. NATBONY: No, it hasn't.</p> <p>19 MR. RAINS: It's been asked and</p> <p>20 answered.</p> <p>21 MR. NATBONY: You can make your</p> <p>22 objection. I apologize.</p> <p>23 MR. RAINS: Thank you. Asked and</p> <p>24 answered about five times and you</p> <p>25 misstated his prior testimony.</p>
<p style="text-align: right;">163</p> <p>1 Lipps</p> <p>2 such that repurchase would be required. To</p> <p>3 the extent that is the monoline's claim, then</p> <p>4 absolutely I took it into account.</p> <p>5 Q. And other than that, is there any</p> <p>6 other claim that you took into account that</p> <p>7 would be released?</p> <p>8 A. Released by, by whom?</p> <p>9 Q. Released as part of the settlement</p> <p>10 agreement.</p> <p>11 A. Any other monoline claim?</p> <p>12 Q. Yes.</p> <p>13 MR. RAINS: Objection, asked and</p> <p>14 answered.</p> <p>15 A. I think I described the fact that</p> <p>16 there may be, that there is carve-outs there,</p> <p>17 in shorthand, that I would describe and I</p> <p>18 don't think the carve-out -- I think the</p> <p>19 carve-out would apply to a fraud claim if it</p> <p>20 was not subject to being characterized as a</p> <p>21 contract claim dressed in fraud clothes. And</p> <p>22 I also think there is a path that I haven't</p> <p>23 really looked at and thought about where</p> <p>24 maybe a monoline could make a direct claim</p> <p>25 and argue that's not embedded as a rep and</p>	<p style="text-align: right;">165</p> <p>1 Lipps</p> <p>2 A. I don't think I could change what</p> <p>3 I've said before, at least I don't intend to,</p> <p>4 if somehow you can parse through the words.</p> <p>5 To the extent the trusts or trust where there</p> <p>6 was Financial Guaranty Insurance that was</p> <p>7 issued, I evaluated the rep and warranty</p> <p>8 claims in those trusts as being released in</p> <p>9 the settlement. I recognize in this report</p> <p>10 that there may be independent tort claims or</p> <p>11 some independent claim, independent of rep</p> <p>12 and warranty that would arguably not be</p> <p>13 released, and I didn't evaluate those, and we</p> <p>14 had a discussion about the insurance</p> <p>15 agreement, as you raised, where I seem to</p> <p>16 recall there may be a path. But I haven't</p> <p>17 looked at that in a while and I haven't</p> <p>18 reached a conclusion, as I sit here today,</p> <p>19 whether that path would in fact be released</p> <p>20 because it's dependent on rep and warranty or</p> <p>21 individual loan reps being breached.</p> <p>22 Q. Do you recall having any discussion</p> <p>23 at the time the settlement was being</p> <p>24 considered as to whether the allocation</p> <p>25 methodology was reasonable with respect to</p>

<p style="text-align: right;">174</p> <p>1 Lipps</p> <p>2 defending and the nature of those claims, and</p> <p>3 to the extent it's rep and warranty based, it</p> <p>4 was part of what I was evaluating in terms of</p> <p>5 whether the settlement was reasonable and</p> <p>6 fair.</p> <p>7 Q. And when you say rep and warranty</p> <p>8 based, do you mean rep and warranty based</p> <p>9 irrespective of whether it's a rep and</p> <p>10 warranty contained in the purchase and sale</p> <p>11 agreement or the insurance agreement?</p> <p>12 A. It would be any loan level rep in</p> <p>13 these securitization documents to the 392</p> <p>14 trusts. Typically they are in the sale</p> <p>15 agreement. I can't remember, as I sit here,</p> <p>16 whether the insurance agreement replicated</p> <p>17 it, in terms of listing them or simply</p> <p>18 incorporated in the monoline instance, but</p> <p>19 it's basically the rep and warranties that</p> <p>20 are given in connection with the sale and</p> <p>21 deposit of the loan, individual loans into</p> <p>22 the trust.</p> <p>23 Q. What was your understanding when</p> <p>24 you did your analysis as to what monoline</p> <p>25 claims were being carved out of the</p>	<p style="text-align: right;">176</p> <p>1 Lipps</p> <p>2 all. I observed when I read the settlement</p> <p>3 that there were claims that were not included</p> <p>4 within the release for monolines. I had</p> <p>5 specific familiarity with, in at least the</p> <p>6 case you and I have been litigating, fraud</p> <p>7 claims. I'm sure if I looked at -- well, I'm</p> <p>8 not sure. If I looked at the amended</p> <p>9 complaint, there may be other claims out</p> <p>10 there, but the core of what was being alleged</p> <p>11 in the MBIA case was rep and warranty based.</p> <p>12 Q. Now, Mr. Lipps, I think you talked</p> <p>13 earlier about common pathways to the rep and</p> <p>14 warranty liability; do you remember using</p> <p>15 that term?</p> <p>16 MR. RAINS: Objection, vague and</p> <p>17 ambiguous.</p> <p>18 A. I don't know whether I actually</p> <p>19 used "pathways." I've used pathways before,</p> <p>20 but I think I identified in paragraph 16, at</p> <p>21 least that was one spot where there are --</p> <p>22 there are certain concepts that I've observed</p> <p>23 in the defense of these cases that plaintiffs</p> <p>24 are asserting in terms of breaches of</p> <p>25 warranties and reps at a one level.</p>
<p style="text-align: right;">175</p> <p>1 Lipps</p> <p>2 settlement?</p> <p>3 A. The best example I can give you is</p> <p>4 arguably the fraudulent inducement claim, to</p> <p>5 the extent it's not found to be essentially a</p> <p>6 breach of contract claim dressed up in fraud</p> <p>7 clothes.</p> <p>8 Q. And other than that, is there any</p> <p>9 other claim that you considered in your</p> <p>10 analysis for monolines that was in the</p> <p>11 released?</p> <p>12 A. I didn't really do that in my</p> <p>13 analysis, as you know. I started my analysis</p> <p>14 based on the aspect of the release that</p> <p>15 related to rep and warranty claims, and based</p> <p>16 on my analysis, I concluded that that in and</p> <p>17 of itself is a basis for the release was fair</p> <p>18 and adequate and within an appropriate range.</p> <p>19 Q. So is it fair to say that in doing</p> <p>20 your analysis of what was reasonable, you did</p> <p>21 not consider what was or was not released</p> <p>22 with respect to monolines?</p> <p>23 MR. RAINS: Objection, misstates</p> <p>24 his testimony.</p> <p>25 A. No, I don't think that's fair at</p>	<p style="text-align: right;">177</p> <p>1 Lipps</p> <p>2 Q. You would agree though that each</p> <p>3 securitization involves a unique set of</p> <p>4 mortgage loans, correct?</p> <p>5 A. I would agree if the securitization</p> <p>6 process is done properly there are different</p> <p>7 loans in each securitization pool.</p> <p>8 Q. And each securitization has a set</p> <p>9 of transaction documents that are separately</p> <p>10 negotiated and structured, correct?</p> <p>11 A. There will be separate documents</p> <p>12 associated with each securitization, yes.</p> <p>13 Q. And each trust that has</p> <p>14 securitization will have a securitization in</p> <p>15 a particular shelf, correct?</p> <p>16 A. Ask me that again.</p> <p>17 Q. You are familiar with that the</p> <p>18 ResCap had different shelves of products,</p> <p>19 correct?</p> <p>20 A. I am aware that they had shelves.</p> <p>21 Q. And each securitization, that would</p> <p>22 be part of a trust would involve a set of</p> <p>23 loans that is in a particular shelf, correct?</p> <p>24 A. RFC made an effort to brand its</p> <p>25 products by shelf that, for example, the</p>

EXHIBIT UU

REDACTED

EXHIBIT UU.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re:	Case No.
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

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VIDEOTAPE DEPOSITION OF JOHN MACK

New York, New York

November 14, 2012

9:53 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27647-A

<p style="text-align: right;">106</p> <p>1 JOHN MACK</p> <p>2 that wasn't approved, that was just an</p> <p>3 assumption?</p> <p>4 A. That's correct.</p> <p>5 Q. Okay. What about the</p> <p>6 allocation, 10 percent allocated to</p> <p>7 Holdco. How was that figured out, that it</p> <p>8 should be allocated 10 percent to Holdco?</p> <p>9 MR. PRINCI: Objection as to</p> <p>10 form.</p> <p>11 A. I actually don't know.</p> <p>12 Q. Were you involved in negotiating</p> <p>13 the allocation?</p> <p>14 A. No.</p> <p>15 Q. Who negotiated the allocation?</p> <p>16 MR. PRINCI: Objection as to</p> <p>17 form.</p> <p>18 A. I don't know.</p> <p>19 Q. Has that been approved by the</p> <p>20 board, the allocation?</p> <p>21 A. Well, are you talking about</p> <p>22 subsequent to the filing of the petition?</p> <p>23 Q. Well, at this point in time</p> <p>24 let's say was it approved?</p> <p>25 A. No.</p>	<p style="text-align: right;">108</p> <p>1 JOHN MACK</p> <p>2 apples and oranges. Let's see if we can</p> <p>3</p> <p>7 A. Okay.</p> <p>8 Q. So just kind of retrace it.</p> <p>9 A. To my knowledge, no part of the</p> <p>10 Ally settlement has been allocated to</p> <p>11 anybody.</p> <p>12 Q. You certainly as a board didn't</p> <p>13 make a judgment that -- that weighing the</p> <p>14 relative merits of the claims of -- that</p> <p>15 belonged to ResCap LLC versus other claims</p> <p>16 that might belong to other entities that</p> <p>17</p> <p>20 MR. PRINCI: Objection as to</p> <p>21 form.</p> <p>22 Q. You didn't make that judgment,</p> <p>23 right?</p> <p>24 A. We did not make that judgment.</p> <p>25 Q. Now, did you understand that as</p>
<p style="text-align: right;">107</p> <p>1 JOHN MACK</p> <p>2 Q. At any point in time did they,</p> <p>3</p> <p>6 to the Holdco, the company you were a</p> <p>7 director of?</p> <p>8 A. No.</p> <p>9 Q. So you don't think that</p> <p>10 allocation has ever been approved by the</p> <p>11 board as we are sitting here today?</p> <p>12 MR. PRINCI: Objection. Asked</p> <p>13 and answered.</p> <p>14 You can answer again.</p> <p>15 A. There have been two amendments</p> <p>16 to the agreement with the RMBS trustees.</p> <p>17 The first agreement, which was deemed to</p> <p>18 be administerial and therefore not</p> <p>19 approved by the board, did have an</p> <p>20 allocation to Holdco.</p> <p>21 The second agreement, which is</p> <p>22 the one that is currently in place,</p> <p>23 specifically excludes an allocation to</p> <p>24 Holdco.</p> <p>25 Q. I think we are talking about</p>	<p style="text-align: right;">109</p> <p>1 JOHN MACK</p> <p>2 part of the settlement that was approved,</p> <p>3 the \$8.7 million settlement, that you were</p> <p>4 also settling securities claims?</p> <p>5 A. Yes, it was reps and warranties</p> <p>6 and securities claims.</p> <p>7 Q. At any point in time did you</p> <p>8 ever learn that securities claims were not</p> <p>9 being picked up by this \$8.7 billion</p> <p>10 settlement?</p> <p>11 A. No.</p> <p>12 Q. So as far as you are concerned,</p> <p>13 the board has not approved the deal that</p> <p>14 does not resolve securities claims as part</p> <p>15 of the \$8.7 billion payment?</p> <p>16 MR. PRINCI: Objection as to</p> <p>17 form.</p> <p>18 A. This is a slightly technical</p> <p>19 matter. I don't know.</p> <p>20 Q. Okay.</p> <p>21 (9019 Exhibit 100, e-mail with</p> <p>22 attachment, Bates RC 40088324-337,</p> <p>23 marked for identification, as of this</p> <p>24 date.)</p> <p>25 Q. Please look at Exhibit 100 in</p>

EXHIBIT VV

REDACTED

EXHIBIT VV.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

In Re:	Case No.
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

-----x

VIDEOTAPE DEPOSITION OF THOMAS MARANO

New York, New York

November 12, 2012

9:56 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27645

<p style="text-align: right;">146</p> <p>1 THOMAS MARANO</p> <p>2 dated May 9, 2012, notifying the board</p> <p>3 of a meeting on May 9, 2012, at</p> <p>4 3:00 p.m., attached to which is a</p> <p>5 several page analysis that was</p> <p>6 presented at that meeting. Bates</p> <p>7 numbers RC 9019_0093180 through 3183.</p> <p>8 (9019 Exhibit 60, e-mail from</p> <p>9 Gary Lee dated May 9, 2012, Bates RC</p> <p>10 9019_0093180 through 3183, marked for</p> <p>11 identification, as of this date.)</p> <p>12 Q. Let me show you what we have</p> <p>13 marked. Did you receive this e-mail and</p> <p>14 the attachment from Mr. Lee on May 9,</p> <p>15 2012?</p> <p>16 MR. PRINCI: Just give me one</p> <p>17 minute to read the document.</p> <p>18 A. Yes.</p> <p>19 Q. And Mr. Lee attached or sent his</p> <p>20 e-mail at 2:38 p.m. on May 9th. Do you</p> <p>21 see that?</p> <p>22 A. Yes.</p> <p>23 Q. And that was 22 minutes before</p> <p>24 the scheduled meeting at 3:00 p.m., right?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">148</p> <p>1 THOMAS MARANO</p> <p>2 A. Yes.</p> <p>3 Q. So my question is -- well, let</p> <p>4 me see if I understood your answer. Are</p> <p>5 you telling me that until the meeting was</p> <p>6 actually held neither you nor the other</p> <p>7 board members knew the terms that had been</p> <p>8 negotiated and agreed upon in principal?</p> <p>9 A. No, that's not what I'm saying.</p> <p>10 Q. Okay. So my question is did you</p> <p>11 know the terms of the negotiated deal</p> <p>12 prior to the May 9th board meeting?</p> <p>13 A. I was aware of the general</p> <p>14 concepts. Negotiations were going down to</p> <p>15 the wire. I don't know if it moved a</p> <p>16 little bit between my prior knowledge and</p> <p>17 the time of the board meeting. It was</p> <p>18 extremely fluid.</p> <p>19 Q. How much prior to the May 9th</p> <p>20 meeting could you have been aware of the</p> <p>21 final negotiated terms as fluid as you've</p> <p>22 described the negotiations?</p> <p>23 MR. PRINCI: Objection to form.</p> <p>24 Q. What's the earliest you could</p> <p>25 have been aware?</p>
<p style="text-align: right;">147</p> <p>1 THOMAS MARANO</p> <p>2 Q. Is that when you first received</p> <p>3 the supporting materials he attached to</p> <p>4 his e-mail?</p> <p>5 A. I honestly couldn't tell you but</p> <p>6 I'm sure I got them at that time.</p> <p>7 Q. Okay. Were any other written</p> <p>8 materials besides the ones attached as</p> <p>9 part of this exhibit provided to the board</p> <p>10 in advance of the meeting?</p> <p>11 A. Not that I can recall.</p> <p>12 Q. Were you and other members of</p> <p>13 the board told before the May 9th meeting</p> <p>14 the terms of the proposed settlement with</p> <p>15 Ms. Patrick?</p> <p>16 A. My recollection was that the</p> <p>17 discussion with Ms. Patrick was fluid up</p> <p>18 until the board meeting. And so I</p> <p>19 can't -- I can't recall, you know, if --</p> <p>20 you know, it was just fluid. It was</p> <p>21 ongoing. We were apprised periodically.</p> <p>22 But it was a fluid negotiation.</p> <p>23 Q. Wasn't the board being asked to</p> <p>24 approve the settlement at the May 9th</p> <p>25 meeting?</p>	<p style="text-align: right;">149</p> <p>1 THOMAS MARANO</p> <p>2 MR. PRINCI: Objection as to</p> <p>3 form.</p> <p>4 A. Well, I -- I knew there was some</p> <p>5 level of negotiation going on back in</p> <p>6 October.</p> <p>7 Q. That wasn't my question. Since</p> <p>8 you've testified that the negotiations</p> <p>9 with Ms. Patrick were so fluid right up to</p> <p>10 the May 9th meeting that you are not sure</p> <p>11 when you found out about the terms that</p> <p>12 were agreed upon, I'm trying to find out</p> <p>13 what's the earliest possible time before</p> <p>14 May 9th, given how fluid everything was</p> <p>15 when you could have learned --</p> <p>16 MR. PRINCI: Objection as to</p> <p>17 form.</p> <p>18 Q. -- what the terms were?</p> <p>19 MR. PRINCI: Misstates his</p> <p>20 testimony.</p> <p>21 A. The earliest possible time would</p> <p>22 have been within a few days or hours.</p> <p>23 Q. Okay. Could have been as late</p> <p>24 as a few hours before the meeting is what</p> <p>25 you are saying?</p>

<p style="text-align: right;">150</p> <p>1 THOMAS MARANO</p> <p>2 A. Could very easily have been.</p> <p>3 Q. Okay. Prior to the proposed</p> <p>4 agreement with Ms. Patrick being presented</p> <p>5 to the board for formal approval did you</p> <p>6 authorize an agreement in principal on the</p> <p>7 terms that were ultimately presented?</p> <p>8 MR. PRINCI: Objection to form.</p> <p>9 A. I was kept apprised of the</p> <p>10 negotiations that were going on with</p> <p>11 Ms. Patrick by Gary Lee and Tammy</p> <p>12 Hamzephour. And I told them to keep</p> <p>13 working on trying to get the best deal</p> <p>14 possible.</p> <p>15 Q. My question was prior to the</p> <p>16 time the agreement was formally presented</p> <p>17 to the board for approval, had you</p> <p>18 authorized -- had you authorized an</p> <p>19 agreement in principal on the terms that</p> <p>20 were ultimately presented to the board?</p> <p>21 MR. PRINCI: Objection as to</p> <p>22 form.</p> <p>23 A. I -- I don't think so. I</p> <p>24 authorized negotiations.</p> <p>25 Q. Okay. We have seen that as of</p>	<p style="text-align: right;">152</p> <p>1 THOMAS MARANO</p> <p>2 was only in the range of a billion one?</p> <p>3 MS. PATRICK: Objection to form.</p> <p>4 A. Which document was that in?</p> <p>5 Q. It's Exhibit 55, the chart on</p> <p>6 page 2 of the presentation materials?</p> <p>7 A. Okay. So you are referring to</p> <p>8 the rep and warranty disclosure items?</p> <p>9 Q. Yes. That showed that the top</p> <p>10 end range of loss for those claims was</p> <p>11 \$1.16 billion?</p> <p>12 MS. PATRICK: Same objection.</p> <p>13 A. I don't -- okay. So you used</p> <p>14 the phrase "put back." You mean rep and</p> <p>15 warranty claim?</p> <p>16 Q. Yes.</p> <p>17 A. That is correct for that limited</p> <p>18 subset of PLS.</p> <p>19 Q. And if you include all the</p> <p>20 subsets of PLS the May 1st presentation</p> <p>21 materials reflect a total reasonable -- a</p> <p>22 top end -- top of the range of reasonably</p> <p>23 possible loss of \$2.69 billion, right?</p> <p>24 MS. PATRICK: Objection to form.</p> <p>25 A. I think you are mixing apples</p>
<p style="text-align: right;">151</p> <p>1 THOMAS MARANO</p> <p>2 April 27, 2012, when AFI's 10-Q was filed</p> <p>3 just 12 days before this May 9th board</p> <p>4 meeting, the range of reasonable possible</p> <p>5 values for RMBS liability was some where</p> <p>6 within 0 to \$4 billion, right?</p> <p>7 MR. PRINCI: Objection.</p> <p>8 A. That was what was disclosed on</p> <p>9 the Q.</p> <p>10 Q. Okay. And we looked before at</p> <p>11 the presentation to the ResCap audit</p> <p>12 committee, which you've testified you</p> <p>13 reviewed, that showed that as late as</p> <p>14 May 1, just a week or so before this</p> <p>15 May 9th board meeting, the reasonably</p> <p>16 possible top range of loss on all RMBS</p> <p>17 claims, including securities fraud claims,</p> <p>18 was only about \$4 billion, correct?</p> <p>19 A. Correct.</p> <p>20 Q. And do you recall, you are</p> <p>21 welcome to look at it if you wish, but you</p> <p>22 recall that if you focused solely on the</p> <p>23 claims being settled with Ms. Patrick,</p> <p>24 that is the put-back claims, the top range</p> <p>25 of loss shown in that May 1st presentation</p>	<p style="text-align: right;">153</p> <p>1 THOMAS MARANO</p> <p>2 and oranges there. Ms. Patrick's universe</p> <p>3 of deals was broader than the universe of</p> <p>4 deals that's in this document here.</p> <p>5 Q. Oh, really?</p> <p>6 A. Yeah.</p> <p>7 Q. What other -- what other claims</p> <p>8 do you believe Ms. Patrick was -- was</p> <p>9 threatening to assert beyond those that</p> <p>10 are set forth in that exhibit?</p> <p>11 A. She had a broader universe. It</p> <p>12 went from '04 to '07. It was all claims.</p> <p>13 It was all types of claims. It was a</p> <p>14 broader scope than what's in that document</p> <p>15 there. Covered a broader time period.</p> <p>16 Covered more transactions. Covered more</p> <p>17 claims.</p> <p>18 Q. Does -- does Exhibit 55 purport</p> <p>19 to limit the time frame over which the</p> <p>20 claims would be asserted?</p> <p>21 A. It's not the --</p> <p>22 MR. PRINCI: Objection to form.</p> <p>23 A. It's not the time frame that the</p> <p>24 claims would be asserted.</p> <p>25 Q. Withdrawn.</p>

<p style="text-align: right;">198</p> <p>1 THOMAS MARANO</p> <p>2 form.</p> <p>3 A. You know, I believe what this is</p> <p>4 saying and -- 8.02 basically releases --</p> <p>5 it says that the financial guarantors are</p> <p>6 not released by the waivers in Article 7.</p> <p>7 Q. I see you are reading the</p> <p>8 agreement. I don't want to interrupt. Is</p> <p>9 that your answer?</p> <p>10 A. Yes.</p> <p>11 Q. So do you have an understanding</p> <p>12 as to whether if the settlement agreement</p> <p>13 that's Exhibit 58 becomes, is approved by</p> <p>14 the court and becomes effective that</p> <p>15 financial guarantee providers like MBIA</p> <p>16 still will have claims to pursue against</p> <p>17 the debtors?</p> <p>18 MR. PRINCI: Objection, the</p> <p>19 document speaks for itself but you can</p> <p>20 answer to the extent you --</p> <p>21 A. I believe you can file your own</p> <p>22 claim.</p> <p>23 Q. Do you have an understanding as</p> <p>24 to what types of claims financial</p> <p>25 guarantee providers like MBIA could file?</p>	<p style="text-align: right;">200</p> <p>1 THOMAS MARANO</p> <p>2 that counsel for the institutional</p> <p>3 investors will have their fees paid by the</p> <p>4 debtors?</p> <p>5 MS. PATRICK: Objection to form.</p> <p>6 MR. PRINCI: Objection to form.</p> <p>7 A. Yeah. I believe that the fees</p> <p>8 will be paid, yes.</p> <p>9 Q. Do you have an understanding as</p> <p>10 to the amount of those fees that would be</p> <p>11 paid by the debtors?</p> <p>12 A. I don't recall. And it may be</p> <p>13 in the document. I just don't recall.</p> <p>14 Q. Okay. When the -- I think you</p> <p>15 previously discussed the May 9th board</p> <p>16 meeting at which the settlement agreement</p> <p>17 was considered. Was there any discussion</p> <p>18 at that meeting regarding the payment of</p> <p>19 the institutional investors' counsel fees?</p> <p>20 A. I don't recall if that was a</p> <p>21 matter of discussion at the board meeting.</p> <p>22 Q. Okay. Have you or anyone else</p> <p>23 on behalf of the debtors evaluated the</p> <p>24 reasonableness of the fees that would be</p> <p>25 paid to counsel to the institutional</p>
<p style="text-align: right;">199</p> <p>1 THOMAS MARANO</p> <p>2 A. I can't tell you the nuances of</p> <p>3 the claims because I'm not a lawyer.</p> <p>4 Q. What is your understanding as to</p> <p>5 why section 8.02 of the settlement</p> <p>6 agreement was included in the RMBS</p> <p>7 settlement?</p> <p>8 A. I believe that Kathy Patrick had</p> <p>9 not actually signed up the monolines as I</p> <p>10 refer to them so the MBIA's and the FGICs</p> <p>11 and this way you had the -- or the</p> <p>12 monolines had flexibility.</p> <p>13 Q. Let's talk about another</p> <p>14 provision in Exhibit 58, the settlement</p> <p>15 agreement. Are you aware that pursuant to</p> <p>16 the settlement agreement if it gets</p> <p>17 approved and it is effective that counsel</p> <p>18 for the institutional -- the RMBS</p> <p>19 institutional investors will have their</p> <p>20 fees paid by the debtors?</p> <p>21 A. Say that last part again.</p> <p>22 MS. PATRICK: Objection, form.</p> <p>23 Q. Let me restate the question.</p> <p>24 Are you aware that if the RMBS settlement</p> <p>25 agreement is approved and becomes a factor</p>	<p style="text-align: right;">201</p> <p>1 THOMAS MARANO</p> <p>2 investors pursuant to the settlement</p> <p>3 agreement?</p> <p>4 MS. PATRICK: Objection to form.</p> <p>5 A. I have not looked at the</p> <p>6 reasonableness. I'm not -- again, I don't</p> <p>7 recall that I even knew what that number</p> <p>8 was.</p> <p>9 Q. Are you aware whether anyone on</p> <p>10 behalf of the debtors has requested either</p> <p>11 bills or time sheets from counsel to the</p> <p>12 RMBS investors to substantiate fees that</p> <p>13 will be paid to them under the settlement</p> <p>14 agreement?</p> <p>15 MR. PRINCI: Objection to form.</p> <p>16 MS. PATRICK: Same objection.</p> <p>17 A. I'm not the best person to</p> <p>18 answer that. My chief financial officer</p> <p>19 keeps track of all that information. If</p> <p>20 we received it, he'll have it.</p> <p>21 Q. Okay. Is that -- that's</p> <p>22 Mr. Whitlinger?</p> <p>23 A. Whitlinger.</p> <p>24 Q. Okay. Whitlinger. I'm sorry.</p> <p>25 Give me one moment.</p>

EXHIBIT WW

REDACTED

EXHIBIT WW.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

In Re:	Case No:
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

-----x

DEPOSITION OF FRANK SILLMAN

New York, New York

November 20, 2012

9:35 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27687

<p>118</p> <p>1 FRANK SILLMAN</p> <p>2 said it in the paragraph.</p> <p>3 Q. So is it fair to say you are not</p> <p>4 opining as to whether any of the claims</p> <p>5 have legal merit?</p> <p>6 A. Whether they would be able to</p> <p>7 prove breaches of reps and warrants, yeah,</p> <p>8 under the governing agreements.</p> <p>9 Q. Or prove the requirements of put</p> <p>10 back?</p> <p>11 A. Correct.</p> <p>12 Q. And by the way, you don't claim</p> <p>13 to have any expertise in that issue, do</p> <p>14 you?</p> <p>15 MR. RAINS: Objection, vague and</p> <p>16 ambiguous.</p> <p>17 A. Which area is that?</p> <p>18 Q. Whether put back is legally</p> <p>19 required?</p> <p>20 A. I didn't render any legal -- I</p> <p>21 don't have any legal training and didn't</p> <p>22 provide any legal recommendations under</p> <p>23 this work.</p> <p>24 Q. And you don't claim to have the</p> <p>25 expertise needed to provide legal</p>	<p>120</p> <p>1 FRANK SILLMAN</p> <p>2 or any other legal arguments as part of</p> <p>3 that process. So it's that work and the</p> <p>4 results of that work that's incorporated</p> <p>5 in my work, in my declaration.</p> <p>6 Q. I understand you are drawing</p> <p>7 inferences from the debtors' put back</p> <p>8 history with the GSEs, among other things?</p> <p>9 A. Correct.</p> <p>10 Q. So I just want to be clear, am I</p> <p>11 correct you haven't looked at any one loan</p> <p>12 within the pool that's being settled to</p> <p>13 try to reach a view or express an opinion</p> <p>14 as to whether that loan actually breaches</p> <p>15 any reps and warranties?</p> <p>16 A. We have not completed our loan</p> <p>17 level review work. And I'm relying on the</p> <p>18 thousands of loans that went through the</p> <p>19 debtors' repurchase process as the basis</p> <p>20 for my original declaration.</p> <p>21 Q. So I think I'm hearing the</p> <p>22 answer to my question but I just want to</p> <p>23 be clear. In your June 11 declaration you</p> <p>24 are not expressing any opinion as to</p> <p>25 whether any particular loan breaches any</p>
<p>119</p> <p>1 FRANK SILLMAN</p> <p>2 opinions, right?</p> <p>3 A. Correct.</p> <p>4 Q. And you are not expressing a</p> <p>5 view, I take it, as to whether any of the</p> <p>6 debtors' legal defenses have merit?</p> <p>7 A. Correct.</p> <p>8 Q. And you are also not expressing</p> <p>9 a view as to whether the facts relating to</p> <p>10 any of the loans in the pool being settled</p> <p>11 would legally warrant put back?</p> <p>12 A. Yeah. I'm not making a legal</p> <p>13 assessment.</p> <p>14 Q. Am I correct you've made no</p> <p>15 attempt to determine the, what portion of</p> <p>16 the loans in the pool actually breach reps</p> <p>17 and warranties?</p> <p>18 A. The work that I'm depending on</p> <p>19 or relying on is the repurchased, GSE</p> <p>20 repurchase rate work that was done between</p> <p>21 Fannie, Freddie and the debtor where they</p> <p>22 reviewed thousands of loans over a number</p> <p>23 of years and looked at the actual loan by</p> <p>24 loan file review and availed themselves to</p> <p>25 the defenses of the governing agreements</p>	<p>121</p> <p>1 FRANK SILLMAN</p> <p>2 reps and warranties?</p> <p>3 MR. RAINS: Objection. Vague</p> <p>4 and ambiguous. Asked and answered.</p> <p>5 A. I utilized the repurchase work</p> <p>6 the debtor did with the GSEs to form the</p> <p>7 basis for my original declaration.</p> <p>8 Q. And in reaching the conclusions</p> <p>9 in your initial declaration you didn't</p> <p>10 look at any individual loan file in the</p> <p>11 pool that's being settled?</p> <p>12 A. I relied on the thousands of</p> <p>13 loans that were reviewed by the debtor as</p> <p>14 part of their process prelitigation.</p> <p>15 Q. With respect, Mr. Sillman, I</p> <p>16 don't think you answered my question.</p> <p>17 MR. BENTLEY: Let me ask the</p> <p>18 reporter to read it back.</p> <p>19 MR. RAINS: I think you answered</p> <p>20 the question. It's been asked and</p> <p>21 answered.</p> <p>22 MR. BENTLEY: You know, Darryl,</p> <p>23 it's a yes or no question and I got a</p> <p>24 nonanswer.</p> <p>25 Read it back, please.</p>

<p style="text-align: right;">122</p> <p>1 FRANK SILLMAN</p> <p>2 (Record read.)</p> <p>3 MR. RAINS: Same objections.</p> <p>4 A. I relied on the GSE repurchase</p> <p>5 work that the debtor did with Fannie and</p> <p>6 Freddie.</p> <p>7 Q. To date have you looked at any</p> <p>8 loan file for any of the loans within the</p> <p>9 pool that's being settled?</p> <p>10 A. We are in the process of</p> <p>11 reviewing the loan files.</p> <p>12 Q. Have you yet looked at any loan</p> <p>13 files?</p> <p>14 MR. RAINS: You mean him</p> <p>15 personally or Fortace?</p> <p>16 Q. Let's break it into pieces.</p> <p>17 Have you personally looked at any loan</p> <p>18 file?</p> <p>19 A. I have not looked at the loan</p> <p>20 files.</p> <p>21 Q. Prior to your signing your</p> <p>22 June 11 declaration, did anybody at</p> <p>23 Fortace look at any of the loan files for</p> <p>24 the loans being settled?</p> <p>25 A. I relied on, we relied on, the</p>	<p style="text-align: right;">124</p> <p>1 FRANK SILLMAN</p> <p>2 work.</p> <p>3 Q. Did that involve looking at any</p> <p>4 loan files?</p> <p>5 A. It revolved relying on the loan</p> <p>6 file reviews that the debtor performed.</p> <p>7 Q. Is there a reason you are</p> <p>8 resisting answering a simple question?</p> <p>9 MR. RAINS: Objection.</p> <p>10 Argumentative. Asked and answered.</p> <p>11 MR. BENTLEY: It's not asked and</p> <p>12 answered for Christ's sake, Darryl.</p> <p>13 Read it back.</p> <p>14 MR. RAINS: Of course it has.</p> <p>15 It's been asked 15 times and --</p> <p>16 MR. BENTLEY: Is the answer no?</p> <p>17 Because I sure can't tell what the</p> <p>18 answer is.</p> <p>19 MR. RAINS: I think his answer</p> <p>20 is very clear.</p> <p>21 MR. BENTLEY: The answer is he</p> <p>22 did something else, it's not whether</p> <p>23 he did this or not.</p> <p>24 MR. RAINS: That's his answer.</p> <p>25 You don't like his answer but it's his</p>
<p style="text-align: right;">123</p> <p>1 FRANK SILLMAN</p> <p>2 work that the debtor did with the GSE</p> <p>3 repurchases in forming the assumptions and</p> <p>4 conclusions in my original declaration.</p> <p>5 Q. So that's a no?</p> <p>6 A. I relied on --</p> <p>7 MR. BENTLEY: Read back my</p> <p>8 question.</p> <p>9 Q. It's a very simple factual</p> <p>10 question. I'm not asking you what you</p> <p>11 relied on. I'm asking you whether you</p> <p>12 looked at any loan files?</p> <p>13 MR. BENTLEY: Read it back,</p> <p>14 please.</p> <p>15 (Record read.)</p> <p>16 MR. RAINS: Objection, vague and</p> <p>17 ambiguous. Asked and answered.</p> <p>18 A. I relied on the work that was</p> <p>19 done by the debtor as part of their GSE</p> <p>20 repurchase for the conclusions and</p> <p>21 assumptions made in my original</p> <p>22 declaration.</p> <p>23 Q. And you didn't look at any loan</p> <p>24 files?</p> <p>25 A. I relied on the GSE repurchase</p>	<p style="text-align: right;">125</p> <p>1 FRANK SILLMAN</p> <p>2 answer.</p> <p>3 MR. BENTLEY: I'm fine with his</p> <p>4 answer, he just hasn't answered my</p> <p>5 question.</p> <p>6 Can you read it back, please.</p> <p>7 MR. RAINS: Let's do this, let's</p> <p>8 take a quick break.</p> <p>9 MR. BENTLEY: You know what, I</p> <p>10 want an answer to my question before</p> <p>11 you speak --</p> <p>12 MR. RAINS: I'm going to talk to</p> <p>13 him about his answer to your question.</p> <p>14 MR. BENTLEY: I object. You are</p> <p>15 not supposed to talk to the witness</p> <p>16 while a question is pending.</p> <p>17 (Whereupon, there is a recess in</p> <p>18 the proceedings.)</p> <p>19 MR. RAINS: I think we have</p> <p>20 succeeded in clearing up some of the</p> <p>21 ambiguities and confusion caused by</p> <p>22 your question. Why don't you put the</p> <p>23 question to him again.</p> <p>24 Q. I know it's very confusing but</p> <p>25 I'll state it again. In connection with</p>

<p style="text-align: right;">126</p> <p>1 FRANK SILLMAN</p> <p>2 forming the opinions expressed in your</p> <p>3 June 11 declaration, did you or any of</p> <p>4 your colleagues look at any of the files</p> <p>5 for the loans in the pool being settled.</p> <p>6 A. For the, my original declaration</p> <p>7 I relied on the work that was done by</p> <p>8 ResCap and the repurchase activity. We</p> <p>9 are now looking at loan files. We are</p> <p>10 currently looking at loan files.</p> <p>11 Q. So let's just unpack what you</p> <p>12 just said. You relied on the work that</p> <p>13 was done by ResCap. What work are you</p> <p>14 referring to?</p> <p>15 A. To GSE and private label</p> <p>16 repurchase activity work ResCap did.</p> <p>17 Q. Understood. But was that as to</p> <p>18 any of the loans that are in this pool</p> <p>19 that's being settled?</p> <p>20 A. There may be in the private</p> <p>21 label securities work loans that are</p> <p>22 included in this settlement. The vast</p> <p>23 majority of the loans were related to</p> <p>24 their GSE originations.</p> <p>25 Q. And none of the GSE deals</p>	<p style="text-align: right;">128</p> <p>1 FRANK SILLMAN</p> <p>2 files that are contained within the 392</p> <p>3 trusts.</p> <p>4 Q. And when you say the company's</p> <p>5 work, are you referring to anything other</p> <p>6 than the work the company did prepetition</p> <p>7 in connection with its prepetition put</p> <p>8 back negotiations?</p> <p>9 A. Yeah. It was prepetition work.</p> <p>10 Q. In connection with -- done by</p> <p>11 the debtor in connection with its</p> <p>12 prepetition put back experience?</p> <p>13 A. Yes.</p> <p>14 Q. And no other review of loan</p> <p>15 files went into your, the conclusions</p> <p>16 expressed in your June 11 declaration?</p> <p>17 A. That's right.</p> <p>18 Q. Okay. We are there. We got an</p> <p>19 answer. Thank you. Let's move on.</p> <p>20 A. I would say no additional loan</p> <p>21 work.</p> <p>22 MR. BENTLEY: I'm about to</p> <p>23 change topics. If people want to take</p> <p>24 a break, this is fine or we can keep</p> <p>25 going.</p>
<p style="text-align: right;">127</p> <p>1 FRANK SILLMAN</p> <p>2 overlap in any way with this settlement,</p> <p>3 right?</p> <p>4 A. Correct.</p> <p>5 Q. Were you relying, when you</p> <p>6 prepared this report, on any work that RFC</p> <p>7 had done in looking at the loans that are</p> <p>8 part of this settlement?</p> <p>9 A. Yes. We did review some</p> <p>10 information regarding their private label</p> <p>11 securitization repurchase work. What we</p> <p>12 found, I think there's an exhibit, that</p> <p>13 the vast majority of those repurchase</p> <p>14 demands were unresolved.</p> <p>15 Q. So I'm going to return to that.</p> <p>16 I know what you are referring to. Putting</p> <p>17 aside any loan reviews that RFC may have</p> <p>18 done in connection with its prepetition</p> <p>19 put back experience, did you or any of</p> <p>20 your colleagues look at any loan files in</p> <p>21 connection with the work that went into</p> <p>22 your June 11 report?</p> <p>23 A. We relied on the company's work</p> <p>24 for the information in the original</p> <p>25 declaration and we are now looking at loan</p>	<p style="text-align: right;">129</p> <p>1 FRANK SILLMAN</p> <p>2 MR. RAINS: Let's take a break.</p> <p>3 Sounds good.</p> <p>4 (Luncheon recess taken at 12:09 p.m.)</p> <p>5</p> <p>6 * * *</p> <p>7</p> <p>8 AFTERNOON SESSION</p> <p>9 (Time noted: 1:22 p.m.)</p> <p>10 FRANK SILLMAN, resumed and</p> <p>11 testified as follows:</p> <p>12 EXAMINATION BY (Cont'd.)</p> <p>13 MR. BENTLEY:</p> <p>14 Q. Mr. Sillman, Good afternoon.</p> <p>15 A. Good afternoon.</p> <p>16 Q. Let's go back to paragraph 5 of</p> <p>17 your initial declaration. And I'm going</p> <p>18 to ask you about the carryover sentence</p> <p>19 that starts at the bottom of page 3 and</p> <p>20 carries over to page 4. So if you can</p> <p>21 take a moment and read that, and tell me</p> <p>22 when you are ready.</p> <p>23 A. Okay.</p> <p>24 Q. Does this sentence list all of</p> <p>25 the data and agreements that you reviewed</p>

<p style="text-align: right;">182</p> <p>1 FRANK SILLMAN</p> <p>2 Q. Well, look at paragraph 59 of</p> <p>3 your declaration. The first sentence</p> <p>4 states, "The agree rate is the percentage</p> <p>5 of demands issued by the trustee that the</p> <p>6 seller agrees to repurchase or make</p> <p>7 whole." Correct?</p> <p>8 A. Yes.</p> <p>9 Q. So the agree rate for the</p> <p>10 debtors shown on Exhibit 7 is just</p> <p>11 10.36 percent, correct?</p> <p>12 A. Yes.</p> <p>13 Q. And the 64 percent would not be</p> <p>14 unresolved in the sense you use -- sorry,</p> <p>15 using the approach you take in your</p> <p>16 declaration the 64.76 percent would be the</p> <p>17 reject rate, the opposite of the agree</p> <p>18 rate, correct?</p> <p>19 A. This --</p> <p>20 MS. PATRICK: Objection to form.</p> <p>21 A. The information that we utilized</p> <p>22 is the loans all had a determination as</p> <p>23 we -- as they made their way through the</p> <p>24 process. And so the disagree rate would</p> <p>25 not be it. It would be the canceled and</p>	<p style="text-align: right;">184</p> <p>1 FRANK SILLMAN</p> <p>2 claim for 8.7 billion. So I took into</p> <p>3 consideration the 1.3 billion and the fact</p> <p>4 that the trustees had also negotiated an</p> <p>5 allowed claim of 8.7. So I had to take</p> <p>6 into consideration the fact that there was</p> <p>7 a claim.</p> <p>8 Q. So one of the things you took</p> <p>9 into consideration in forming your</p> <p>10 conclusion was that the debtors had agreed</p> <p>11 to an aggregate settlement of</p> <p>12 \$8.7 billion?</p> <p>13 A. We are talking about the PLS</p> <p>14 demand data. I could not ignore the fact</p> <p>15 that in addition to the 1.3 billion in</p> <p>16 demands there was also a proposed</p> <p>17 settlement of 8.7 billion. So it was a</p> <p>18 factor in the development of my</p> <p>19 declaration.</p> <p>20 Q. Let's go back to paragraph 5 of</p> <p>21 your declaration.</p> <p>22 MS. PATRICK: 5?</p> <p>23 MR. BENTLEY: Correct.</p> <p>24 MR. RAINS: I'm sorry, where?</p> <p>25 MS. PATRICK: 5.</p>
<p style="text-align: right;">183</p> <p>1 FRANK SILLMAN</p> <p>2 rescinded rate would be the opposite to</p> <p>3 the agree rate. So they all have to be</p> <p>4 resolved. So it's not the disagree. It's</p> <p>5 the cancel and rescinded or agree.</p> <p>6 Q. Okay. Let's move on. And I</p> <p>7 don't think I got an answer to my</p> <p>8 question. In forming your conclusions did</p> <p>9 you attribute any significance to the fact</p> <p>10 that the debtors had suffered -- sorry,</p> <p>11 the trusts whose loans are being settled</p> <p>12 have suffered \$30 billion in losses but</p> <p>13 during the period shown on Exhibit 7 the</p> <p>14 debtors received put back demands only</p> <p>15 with respect to loans with an original</p> <p>16 principal balance of roughly 1.37 billion,</p> <p>17 did you give any significance to those</p> <p>18 facts?</p> <p>19 MR. RAINS: Objection, compound.</p> <p>20 Vague and ambiguous.</p> <p>21 A. It was a factor. This takes it</p> <p>22 through demands that were received by the</p> <p>23 debtor through May 2012, at the same time</p> <p>24 they entered into a settlement agreement</p> <p>25 agreeing to -- agreeing to an allowed</p>	<p style="text-align: right;">185</p> <p>1 FRANK SILLMAN</p> <p>2 MR. BENTLEY: 5.</p> <p>3 MR. RAINS: That's so</p> <p>4 demoralizing. We made it up to 50 --</p> <p>5 MR. BENTLEY: Darryl, I'm going</p> <p>6 doing it just to demoralize you.</p> <p>7 MR. RAINS: We started at 5 over</p> <p>8 an hour ago and we are still stuck in</p> <p>9 5.</p> <p>10 MR. BENTLEY: I think that means</p> <p>11 we are going to go for days.</p> <p>12 MR. BENNETT: He likes 5.</p> <p>13 MR. BENTLEY: Don't lose hope,</p> <p>14 Darryl.</p> <p>15 Q. I want to focus you on the last</p> <p>16 sentence and specifically the portion that</p> <p>17 says "I utilized assumptions and developed</p> <p>18 my own models based on my own experience</p> <p>19 and industry data where available."</p> <p>20 So your reference to your own</p> <p>21 experience, the way you used your own</p> <p>22 experience in developing your models is</p> <p>23 described later in this declaration; is</p> <p>24 that right?</p> <p>25 A. Yes.</p>

EXHIBIT XX

REDACTED

EXHIBIT XX.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re: Case No:

RESIDENTIAL CAPITAL, LLC, et. al, 12-12020 (MG)

Debtors.

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VIDEOTAPE DEPOSITION OF JAMES WHITLINGER

New York, New York

November 15, 2012

9:39 a.m.

Reported by:

ERICA L. RUGGIERI, RPR

JOB NO: 27649

<p style="text-align: right;">122</p> <p>1 JAMES WHITLINGER</p> <p>2 Q. -- as a result of a settlement?</p> <p>3 MR. RAINS: Objection. Asked</p> <p>4 and answered.</p> <p>5 A. I don't recall. As I stated, I</p> <p>6 don't have an analysis that I -- that I</p> <p>7 know was presented on May 9th.</p> <p>8 Q. On May 9th did you know whether</p> <p>9 or not any of Ms. Patrick's clients had</p> <p>10 filed any rep and warranty claims against</p> <p>11 ResCap or any of its affiliates?</p> <p>12 A. Can you repeat the question</p> <p>13 again?</p> <p>14 Q. On May 9th did you know whether</p> <p>15 or not any of Ms. Patrick's clients, the</p> <p>16 institutional investors or the trusts had</p> <p>17 actually filed any rep and warranty claims</p> <p>18 or other claims against ResCap or its</p> <p>19 affiliates?</p> <p>20 A. I don't know for sure. We</p> <p>21 obviously had multiple rep and warrant</p> <p>22 claim -- claims outstanding. So I presume</p> <p>23 that some of them would have been part of</p> <p>24 that Kathy Patrick group.</p> <p>25 Q. When -- when you say that there</p>	<p style="text-align: right;">124</p> <p>1 JAMES WHITLINGER</p> <p>2 I'd have to talk to counsel.</p> <p>3 Q. During the May 9th board meeting</p> <p>4 did the board discuss that the settlement</p> <p>5 agreement would provide for ResCap to pay</p> <p>6 Ms. Patrick's legal fees?</p> <p>7 A. I don't recall discussing that</p> <p>8 component specifically but ResCap, my</p> <p>9 understanding on the contract is that</p> <p>10 those legal fees would be deducted from</p> <p>11 the overall \$8.7 billion amount.</p> <p>12 Q. You say the contract, you mean</p> <p>13 the settlement agreement?</p> <p>14 A. Yeah. The RMBS Trust Settlement</p> <p>15 Agreement.</p> <p>16 Q. But the board didn't discuss</p> <p>17 this on May 9th and --</p> <p>18 A. I don't know if we did or</p> <p>19 didn't. It didn't really matter to me</p> <p>20 because it's -- yeah, that was between her</p> <p>21 and the institutional investors. The</p> <p>22 8.7 billion is their allowed claim. And</p> <p>23 so if it's deducted from that I'm</p> <p>24 indifferent on how the agreement that she</p> <p>25 may have reached or not reached with the</p>
<p style="text-align: right;">123</p> <p>1 JAMES WHITLINGER</p> <p>2 are obviously multiple rep and warranty</p> <p>3 claims outstanding, you mean claims that</p> <p>4 have actually been filed or filed against</p> <p>5 ResCap, litigations that have been filed</p> <p>6 against ResCap or its affiliates?</p> <p>7 A. I'm sorry. I was referring to a</p> <p>8 request for a repurchase. So a repurchase</p> <p>9 request claim was made to the company in</p> <p>10 following our business process to evaluate</p> <p>11 the claim.</p> <p>12 Q. So you believe that some of the</p> <p>13 claims you just described would have been</p> <p>14 part of the Kathy Patrick group, correct?</p> <p>15 A. Yeah. I believe it's -- it's</p> <p>16 certainly possible that some of those</p> <p>17 investors would have to be the same</p> <p>18 investors that are bringing forth claims</p> <p>19 of specific loan rep and warrant requests.</p> <p>20 Q. Do you know if any of those</p> <p>21 claims to which you just referred also</p> <p>22 resulted in any litigation being filed</p> <p>23 against ResCap or any of its affiliates?</p> <p>24 A. I don't know for sure. I know</p> <p>25 we've had -- we have multiple cases filed.</p>	<p style="text-align: right;">125</p> <p>1 JAMES WHITLINGER</p> <p>2 institutional investors.</p> <p>3 Q. Would it have been more</p> <p>4 reasonable and fair to the creditors of</p> <p>5 ResCap and its affiliates for the</p> <p>6 \$8.7 billion amount to be reduced by the</p> <p>7 amount of Ms. Patrick's fees --</p> <p>8 Ms. Patrick's fees?</p> <p>9 MR. RAINS: Objection. Vague</p> <p>10 and ambiguous. Calls for speculation.</p> <p>11 A. I have already told you that as</p> <p>12 a board member in and the process that was</p> <p>13 followed I'm comfortable with the</p> <p>14 \$8.7 billion. I don't have an opinion on</p> <p>15 how the institutional investors and Kathy</p> <p>16 Patrick negotiated, what portion she</p> <p>17 should get. My view as a board member was</p> <p>18 that is the 8.7 billion reasonable for the</p> <p>19 claims that could be brought, the</p> <p>20 litigation issues and -- and that's what I</p> <p>21 relied on.</p> <p>22 Q. Were you aware during the</p> <p>23 May 9th board meeting that the RMBS Trust</p> <p>24 Settlement Agreement provided releases to</p> <p>25 inside directors like yourself and not to</p>

EXHIBIT QQ.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re:	Case No:
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

-----x

VIDEOTAPE DEPOSITION OF JEFFREY CANCELLIERI

New York, New York

November 14, 2012

2:03 p.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27647-B

<p style="text-align: right;">106</p> <p>1 JEFF CANCELLIERI</p> <p>2 some point during the discussions Kathy</p> <p>3 Patrick's group was around a \$10 billion</p> <p>4 number.</p> <p>5 Q. Now, were you aware that there</p> <p>6 were various proposals that were made by</p> <p>7 ResCap for potential exposure levels in</p> <p>8 those settlement discussions?</p> <p>9 A. I was not aware of what those</p> <p>10 levels were but during the settlement</p> <p>11 discussion you would have to have some</p> <p>12 discussion on what the levels would be.</p> <p>13 Q. Were you or anyone else in your</p> <p>14 group, to the best of your knowledge, ever</p> <p>15 asked to provide additional data to FTI or</p> <p>16 anyone else at ResCap to justify specific</p> <p>17 settlement numbers?</p> <p>18 A. No.</p> <p>19 Q. Were you aware that ResCap's</p> <p>20 exposure numbers that were presented to</p> <p>21 Ms. Patrick increased over time?</p> <p>22 MR. RAINS: Assumes facts not in</p> <p>23 evidence. Objection.</p> <p>24 A. Can you repeat the question.</p> <p>25 Q. Were you aware that the</p>	<p style="text-align: right;">108</p> <p>1 JEFF CANCELLIERI</p> <p>2 A. Yes.</p> <p>3 Q. Do you have an understanding as</p> <p>4 to how that number was calculated?</p> <p>5 A. I do not.</p> <p>6 Q. Are you aware that ResCap</p> <p>7 identified you as the person with the most</p> <p>8 knowledge about how that number was</p> <p>9 calculated?</p> <p>10 A. What I provided --</p> <p>11 MR. RAINS: Objection. Assumes</p> <p>12 facts not in evidence.</p> <p>13 A. What I provided to our legal</p> <p>14 experts who were negotiating the</p> <p>15 transaction was a total expected lifetime</p> <p>16 loss on the 392 trusts with a general</p> <p>17 range of exposure percentages to give them</p> <p>18 tools during their settlement</p> <p>19 negotiations. I was not part of the</p> <p>20 actual settlement negotiations. That was</p> <p>21 left up to the legal experts to go through</p> <p>22 that process.</p> <p>23 Q. So at any time during the</p> <p>24 settlement negotiations did you provide to</p> <p>25 anyone at FTI or ResCap your opinion as to</p>
<p style="text-align: right;">107</p> <p>1 JEFF CANCELLIERI</p> <p>2 potential risk exposure numbers that were</p> <p>3 presented to Kathy Patrick by ResCap</p> <p>4 increased over time?</p> <p>5 MR. RAINS: Objection. Assumes</p> <p>6 facts not in evidence.</p> <p>7 A. I am not aware of what the</p> <p>8 settlement negotiations were.</p> <p>9 Q. And were you ever asked by FTI</p> <p>10 or anyone at ResCap to provide any</p> <p>11 additional information beyond your initial</p> <p>12 submission of the 3 to \$14 billion</p> <p>13 exposure range and 5 to 30 percent defect</p> <p>14 rate?</p> <p>15 A. Not to my knowledge, no.</p> <p>16 Q. Do you have an understanding as</p> <p>17 to how the 8 point -- do you have an</p> <p>18 understanding today that the ultimate</p> <p>19 settlement number for allowed claim in the</p> <p>20 settlement number was \$8.7 billion?</p> <p>21 A. I'm sorry, repeat the question.</p> <p>22 Q. Do you have an understanding</p> <p>23 that the ultimate number that was set</p> <p>24 forth in the settlement agreement as a</p> <p>25 total allowed claim was \$8.7 billion?</p>	<p style="text-align: right;">109</p> <p>1 JEFF CANCELLIERI</p> <p>2 what would -- a reasonable estimation of</p> <p>3 ResCap's exposure for the 392 trusts would</p> <p>4 be?</p> <p>5 A. I did not. I just provided a</p> <p>6 general range based on the expected</p> <p>7 lifetime losses.</p> <p>8 Q. Did you have any conversations</p> <p>9 with anyone at FTI about a double down</p> <p>10 concept with respect to monolines?</p> <p>11 A. I do not recall having that</p> <p>12 conversation with anyone at FTI.</p> <p>13 Q. Do you have any idea what I'm</p> <p>14 referring to when I say a double down</p> <p>15 concept?</p> <p>16 A. I do not.</p> <p>17 Q. Sitting here today, other than</p> <p>18 the general range of 3 to \$14 billion</p> <p>19 that, and 5 to 30 percent defect rate that</p> <p>20 you provided, are you aware of any</p> <p>21 specific analysis that was done to justify</p> <p>22 the \$8.7 billion number?</p> <p>23 MR. RAINS: Object to the form</p> <p>24 of the question. Vague and ambiguous.</p> <p>25 A. The only analysis provided</p>

EXHIBIT RR

REDACTED

EXHIBIT RR.1

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF NEW YORK

-----x

In Re: Cae No:

RESIDENTIAL CAPITAL, LLC, et. al, 12-12020(MG)

Debtors.

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VIDEOTAPE DEPOSITION OF TIMOTHY DEVINE

New York, New York

November 19, 2012

10:17 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27973

<p style="text-align: right;">102</p> <p>1 TIMOTHY DEVINE</p> <p>2 period ended March 31, 2012. But I -- but</p> <p>3 I'm in no position to authenticate that</p> <p>4 this document is what the front page of it</p> <p>5 indicates it is. That's not in my job.</p> <p>6 Q. It's already been authenticated,</p> <p>7 Mr. Devine. You saw the 10-Q at the time</p> <p>8 it was filed?</p> <p>9 A. I can't say I saw the 10-Q. I</p> <p>10 probably saw parts of it.</p> <p>11 Q. Did you participate in its</p> <p>12 preparation?</p> <p>13 A. I gave advice to the client in</p> <p>14 connection with its preparation.</p> <p>15 Q. The 10-Q was filed on April 27,</p> <p>16 2012, right?</p> <p>17 A. I don't know.</p> <p>18 Q. Take a look at page 73.</p> <p>19 A. Okay.</p> <p>20 Q. And directing your attention to</p> <p>21 the heading Potential Losses, Litigation</p> <p>22 Repurchase Obligations and Related Claims.</p> <p>23 Do you see that?</p> <p>24 A. Yes.</p> <p>25 Q. Did you participate in the</p>	<p style="text-align: right;">104</p> <p>1 TIMOTHY DEVINE</p> <p>2 this exhibit -- it's all part of note 24,</p> <p>3 isn't it?</p> <p>4 MR. PRINCI: Objection as to</p> <p>5 form.</p> <p>6 A. Yeah, I don't know. I -- I --</p> <p>7 I -- I guess it is.</p> <p>8 Q. You guess it is.</p> <p>9 A. I'm reading this with you right</p> <p>10 now, okay?</p> <p>11 Q. Okay. And note 24 deals with</p> <p>12 contingencies and other risks; is that</p> <p>13 correct?</p> <p>14 A. At this page that looks like it</p> <p>15 might be page 66 there's a heading 24,</p> <p>16 Contingencies and Other Risks.</p> <p>17 Q. And among the contingencies</p> <p>18 addressed are loan repurchase obligations</p> <p>19 related to loan sales, correct?</p> <p>20 A. Where -- where are you looking?</p> <p>21 Q. On pages 68 and 69. One of the</p> <p>22 contingencies identified in note 24 is</p> <p>23 Loan Repurchases and Obligations Related</p> <p>24 to Loan Sales, right?</p> <p>25 A. That seems to be correct. I'm</p>
<p style="text-align: right;">103</p> <p>1 TIMOTHY DEVINE</p> <p>2 preparation of any of the material under</p> <p>3 this heading?</p> <p>4 A. Yes.</p> <p>5 Q. The paragraphs under that</p> <p>6 heading, until you get to the number 25</p> <p>7 that says Subsequent Events, up until</p> <p>8 that, those are part of note 24, which</p> <p>9 begins on page 66, correct?</p> <p>10 A. It may be a copying issue but I</p> <p>11 have a blank page at page 66.</p> <p>12 Q. Okay. On the other side of it.</p> <p>13 On the other side of what appears on this</p> <p>14 copy of the exhibit to be a blank, you see</p> <p>15 the notes? This is all part of note 24,</p> <p>16 right, that runs from that page, and it</p> <p>17 doesn't have -- it's a copying error, the</p> <p>18 66 which is on the back. It runs from</p> <p>19 there to page 73. Can we agree on that?</p> <p>20 A. I -- I -- what are we agreeing</p> <p>21 on, sorry?</p> <p>22 Q. That note 24 -- let's -- let's</p> <p>23 do it this way. That the material on page</p> <p>24 73 up until you get to the note 25 begins</p> <p>25 on the page following page number 65 in</p>	<p style="text-align: right;">105</p> <p>1 TIMOTHY DEVINE</p> <p>2 just reading this page 68 and that's --</p> <p>3 that's what that heading says, Loan</p> <p>4 Repurchases and Obligations Related to</p> <p>5 Loan Sales.</p> <p>6 Q. Okay. And those obligations are</p> <p>7 described with a number of types of</p> <p>8 transactions, including government</p> <p>9 sponsored enterprises or GSEs, right?</p> <p>10 A. Well, at this point you are</p> <p>11 asking me to characterize the structure</p> <p>12 and content of the document. And I'm just</p> <p>13 not in a position to do that.</p> <p>14 MR. BRYAN: Maybe if you could</p> <p>15 direct the witness to a particular</p> <p>16 part where there's a reference to</p> <p>17 GSEs, do it that way.</p> <p>18 Q. On the bottom of page 69</p> <p>19 government sponsored enterprises are</p> <p>20 listed as one category, are they not?</p> <p>21 A. What I can tell you is I see at</p> <p>22 the bottom of page 69 a paragraph</p> <p>23 beginning right at the bottom of the page,</p> <p>24 the heading of which is Government</p> <p>25 Sponsored Enterprises.</p>

<p style="text-align: right;">134</p> <p>1 TIMOTHY DEVINE</p> <p>2 person who wrote it, but it appears to</p> <p>3 represent the information submitted as</p> <p>4 part of a fourth quarter 2011 CCAR</p> <p>5 submission.</p> <p>6 Q. Okay.</p> <p>7 A. And to include data projections</p> <p>8 through 2013.</p> <p>9 Q. And then the additional items</p> <p>10 below adjusted that to make a presentation</p> <p>11 that ran through the first quarter of</p> <p>12 2012, correct?</p> <p>13 A. Yes. If what you are asking is</p> <p>14 does this slide as a whole describe the</p> <p>15 identified potential exposures as of first</p> <p>16 quarter 2012, the answer is yes.</p> <p>17 Q. The first line under additional</p> <p>18 items says "Estimated nonwrapped potential</p> <p>19 exposure beyond 2013." What did that</p> <p>20 refer to?</p> <p>21 A. Well, I can tell you sitting</p> <p>22 here today what, as I recall, what it</p> <p>23 referred to.</p> <p>24 Q. We can only ask for your</p> <p>25 recollection, Mr. Devine.</p>	<p style="text-align: right;">136</p> <p>1 TIMOTHY DEVINE</p> <p>2 of a defect rate of a nonloan level for</p> <p>3 those populations.</p> <p>4 Q. Okay. And the next line under</p> <p>5 Additional Items says "Potential</p> <p>6 investor/securities litigation." Do you</p> <p>7 see that?</p> <p>8 A. Yes, I see it.</p> <p>9 Q. Is the amount shown for that</p> <p>10 item \$400 million, the estimate of</p> <p>11 exposure for securities fraud claims at</p> <p>12 that point?</p> <p>13 A. No.</p> <p>14 Q. Okay. What does it represent?</p> <p>15 A. As I sit here today, my memory</p> <p>16 is that it represents the estimated top</p> <p>17 end of the range of reasonably possible</p> <p>18 losses for ResCap over time related to</p> <p>19 litigation and -- repurchase obligation of</p> <p>20 related claims. Meaning, as I understand,</p> <p>21 that would have been subject to certain</p> <p>22 stresses beyond what the estimated</p> <p>23 exposure would have been.</p> <p>24 Q. Mr. Devine, I was only focusing</p> <p>25 on the line that says "Potential</p>
<p style="text-align: right;">135</p> <p>1 TIMOTHY DEVINE</p> <p>2 A. Okay. So as I recall sitting</p> <p>3 here today, the estimated nonwrapped</p> <p>4 potential exposure beyond 2013 represented</p> <p>5 estimated lifetime losses, which I'm</p> <p>6 testing with the note here, multiplied by</p> <p>7 risks post fund audit defect rates</p> <p>8 adjusted for litigation defenses. Risk</p> <p>9 referred to Todd Kushman's group. And so</p> <p>10 that would have been -- what I don't</p> <p>11 remember is nonwrapped potential exposure</p> <p>12 beyond 2013, whether that would have</p> <p>13 included anything beyond private label</p> <p>14 securities nonwrapped potential exposure.</p> <p>15 I just don't remember.</p> <p>16 Q. The next line under Additional</p> <p>17 Items says "Adj. for application of defect</p> <p>18 rate at a nonloan level for nonwrapped PLS</p> <p>19 and additional provision for wrapped PLS."</p> <p>20 Do you see that?</p> <p>21 A. I see it, yeah.</p> <p>22 Q. And that shows an adjustment of</p> <p>23 \$500 million upwards for nonwrapped and</p> <p>24 wrapped PLS exposure, right?</p> <p>25 A. Well, it represents application</p>	<p style="text-align: right;">137</p> <p>1 TIMOTHY DEVINE</p> <p>2 investor/securities litigation." And</p> <p>3 there's a \$400 million number next to</p> <p>4 that. Wasn't that some estimate of the</p> <p>5 possible or reasonably possible range of</p> <p>6 loss for securities litigation?</p> <p>7 MR. BRYAN: Object to form.</p> <p>8 A. Yeah. Well, there's a lot of</p> <p>9 detail behind that line. And as I sit</p> <p>10 here today, I just can't remember the</p> <p>11 detail. But as I recall, that would have</p> <p>12 been a number subject to a variety of</p> <p>13 stresses that were imposed on the process</p> <p>14 from outside of this sort of legal</p> <p>15 advisory function.</p> <p>16 Q. Right. Okay.</p> <p>17 A. That's the more complete answer.</p> <p>18 Q. Let me show you what's been</p> <p>19 marked previously as Exhibit 83.</p> <p>20 A. Thank you.</p> <p>21 Q. Which is an e-mail chain on May</p> <p>22 4, 2012. There are two e-mails in this</p> <p>23 exhibit. Did you receive the one from</p> <p>24 Mr. Lee on May 4?</p> <p>25 A. Yeah, it looks like I did. Yes.</p>

<p style="text-align: right;">246</p> <p>1 TIMOTHY DEVINE</p> <p>2 today, I don't remember what that set off</p> <p>3 curve ball was but I was persuaded by my</p> <p>4 own counsel that it was something</p> <p>5 unfavorable to us and so I said it's out,</p> <p>6 no value.</p> <p>7 Q. At the time you sent your e-mail</p> <p>8 at 10:05 on May 9th, did you understand</p> <p>9 what setoff curve ball you were referring</p> <p>10 to?</p> <p>11 A. As I sit here today, I don't</p> <p>12 remember. I confess I may very well not</p> <p>13 have understood what I was talking about.</p> <p>14 Q. Is it your testimony,</p> <p>15 Mr. Devine, that you were sending e-mails</p> <p>16 around at this point in the negotiations,</p> <p>17 May 9th, 2012, without understanding what</p> <p>18 it was you were talking about?</p> <p>19 MR. BRYAN: Objection to form.</p> <p>20 Argumentative. Misstates his</p> <p>21 testimony.</p> <p>22 A. What I mean to say is that it</p> <p>23 occurs to me and appears to me based on</p> <p>24 the cadence of these e-mails and the</p> <p>25 timing, although frankly I don't -- I</p>	<p style="text-align: right;">248</p> <p>1 TIMOTHY DEVINE</p> <p>2 of the conversation, at least from my</p> <p>3 perspective in the deal.</p> <p>4 Q. Mr. Devine, given what you have</p> <p>5 claimed is your limited expertise, why</p> <p>6 were you injecting yourself into the</p> <p>7 discussion on these matters? Why didn't</p> <p>8 you just let Mr. Schrock and Mr. Lee hash</p> <p>9 it out?</p> <p>10 MR. BRYAN: Objection as to</p> <p>11 form.</p> <p>12 A. I was driving a deal to</p> <p>13 conclusion.</p> <p>14 Q. What deal?</p> <p>15 A. The deal that is represented in</p> <p>16 gross by the resolution between the ResCap</p> <p>17 estate and the RMBS claimants, both the</p> <p>18 Kathy Patrick and Talcott Franklin in the</p> <p>19 one sense and also the tripartite</p> <p>20 agreement between Ally, the ResCap</p> <p>21 entities and the claimants. And I thought</p> <p>22 it was a good deal and I still to this day</p> <p>23 think it's a good deal. And I saw that to</p> <p>24 my mind anyway the essential elements of a</p> <p>25 deal had been worked out that were</p>
<p style="text-align: right;">247</p> <p>1 TIMOTHY DEVINE</p> <p>2 don't remember sitting here today what the</p> <p>3 ultimate timing of a deal was, when hands</p> <p>4 were shaken on final language. I'm kind</p> <p>5 of eager to see where that -- where that</p> <p>6 goes and where it ends. I wonder how</p> <p>7 close we were at May 9th at 10:05. But I</p> <p>8 will tell you that I was, I had a sense</p> <p>9 that a deal was doable and I didn't want</p> <p>10 anything getting in the way of the</p> <p>11 essential deal as I had understood it to</p> <p>12 take shape.</p> <p>13 So if somebody told me at some</p> <p>14 time before 10:05 on Wednesday, May 9th</p> <p>15 somebody was throwing a curve ball setoff</p> <p>16 or otherwise into the negotiations I may</p> <p>17 well have taken the time to figure out</p> <p>18 what they were talking about in</p> <p>19 consultation with my counsel. If it was</p> <p>20 too complicated or irrelevant to what my</p> <p>21 self understood scope was, maybe I</p> <p>22 listened and maybe I got half or more of</p> <p>23 it. I did recognize it as a potential</p> <p>24 obstacle of getting a deal done and so I</p> <p>25 was not ready to allow it to become part</p>	<p style="text-align: right;">249</p> <p>1 TIMOTHY DEVINE</p> <p>2 favorable and fair to all concerned and I</p> <p>3 wanted to get the deal done as I</p> <p>4 understood we were on a certain timeline.</p> <p>5 Q. Looking at the top e-mail in the</p> <p>6 chain from Mr. Lee to yourself, among</p> <p>7 others, at 10:54 a.m. on May 9th, did you</p> <p>8 receive that e-mail?</p> <p>9 A. It looks like I did, yes.</p> <p>10 Q. And Mr. Lee wrote, "We will be</p> <p>11 seeking ResCap board approval today. Does</p> <p>12 Ally's board need to approve as it is</p> <p>13 signing the PSA and ResCap is agreeing to</p> <p>14 settle a claim in excess of 25 million,</p> <p>15 which requires Ally approval under Ally's</p> <p>16 governance framework. Please let us</p> <p>17 know."</p> <p>18 Did AFI's board need to approve?</p> <p>19 A. I don't know.</p> <p>20 Q. Did Mr. Lee, to your knowledge,</p> <p>21 receive a response to his inquiry?</p> <p>22 A. I don't know.</p> <p>23 Q. Does Mr. Lee's reference to the</p> <p>24 ResCap board -- his reference to seeking</p> <p>25 ResCap board approval today, meaning</p>

<p style="text-align: right;">270</p> <p>1 TIMOTHY DEVINE</p> <p>2 party to the agreement has or may have at</p> <p>3 any time up to and including the date of</p> <p>4 the release.</p> <p>5 Q. Did you intend to include within</p> <p>6 the word "everything" claims that might be</p> <p>7 asserted by any of the monolines?</p> <p>8 A. My understanding at the time was</p> <p>9 that the monolines would participate and</p> <p>10 were contemplated to participate in the</p> <p>11 settlement.</p> <p>12 Q. But by May 10th the settlement</p> <p>13 was already signed up, wasn't it?</p> <p>14 MR. PRINCI: Objection as to</p> <p>15 form.</p> <p>16 A. I don't know.</p> <p>17 Q. Okay. Let's put it this way.</p> <p>18 You knew it had been approved by the</p> <p>19 ResCap board, didn't you?</p> <p>20 A. No.</p> <p>21 Q. You didn't?</p> <p>22 A. No.</p> <p>23 Q. So when you said everything in</p> <p>24 this e-mail, did you intend or not intend</p> <p>25 to include a release by the monolines of</p>	<p style="text-align: right;">272</p> <p>1 TIMOTHY DEVINE</p> <p>2 release because that is the full extent of</p> <p>3 her representation. She has been clear</p> <p>4 about that. Same as in her" BofA -- "B of</p> <p>5 New York Mellon work, etc."</p> <p>6 Do you see that?</p> <p>7 A. Yes, I do see that.</p> <p>8 Q. And then you said "But notice,</p> <p>9 though her clients don't release</p> <p>10 securities claims, they sign plan support</p> <p>11 agreements and the plan includes very</p> <p>12 simple comprehensive releases, which of</p> <p>13 course include third-party release of all</p> <p>14 claims which of course includes securities</p> <p>15 claims. Presto. So while she can't</p> <p>16 represent parties in giving up their</p> <p>17 securities claims, clients face a choice,</p> <p>18 either sign up with the settlement to make</p> <p>19 sure your trust receives monies under the</p> <p>20 waterfall in which case you need to sign</p> <p>21 the plan support agreement and support the</p> <p>22 plan. And the plan wipes out all their</p> <p>23 claims of any sort. This is the beauty of</p> <p>24 it."</p> <p>25 Do you see that?</p>
<p style="text-align: right;">271</p> <p>1 TIMOTHY DEVINE</p> <p>2 their claims?</p> <p>3 MR. BRYAN: Object to form. I</p> <p>4 knew -- I certainly knew that the</p> <p>5 monolines were not a signatory party</p> <p>6 to the settlement. But it was my</p> <p>7 understanding that the claims that</p> <p>8 they would or could enunciate in</p> <p>9 connection with the securities subject</p> <p>10 of the settlement would be included</p> <p>11 within the scope of the allowed claim.</p> <p>12 Q. You said, "And we can define</p> <p>13 securities claims narrowly." What do you</p> <p>14 mean by that?</p> <p>15 A. What I meant by securities</p> <p>16 claims was claims brought by securities</p> <p>17 holders on traditional federal securities</p> <p>18 law or state blue sky or the closely</p> <p>19 Allied state common law fraud claims that</p> <p>20 would be characterized typically as a</p> <p>21 securities based claim.</p> <p>22 Q. A bit further down in your</p> <p>23 e-mail you said "The circle is squared at</p> <p>24 the plan. KP can only get us the</p> <p>25 everything but securities settlement</p>	<p style="text-align: right;">273</p> <p>1 TIMOTHY DEVINE</p> <p>2 A. I see that.</p> <p>3 Q. So you were explaining how</p> <p>4 execution of the plan support agreement</p> <p>5 achieved releases of securities claims</p> <p>6 even if the settlement agreement itself</p> <p>7 did not, correct?</p> <p>8 A. What I was explaining is that in</p> <p>9 signing up for the settlement agreement</p> <p>10 between ResCap and -- with ResCap those</p> <p>11 parties were committing to sign a plan</p> <p>12 support agreement simultaneously, which to</p> <p>13 my understanding represented their</p> <p>14 valuation of the securities claims they</p> <p>15 were giving up and therefore they were</p> <p>16 supporting a plan which would include</p> <p>17 release of securities claims against the</p> <p>18 debtor and release of securities claims,</p> <p>19 such as they might be, against Ally</p> <p>20 Financial.</p> <p>21 Q. And you thought that was pretty</p> <p>22 clever, didn't you?</p> <p>23 MR. BRYAN: Object to form.</p> <p>24 MR. PRINCI: Objection as to</p> <p>25 form.</p>

EXHIBIT SS

REDACTED

EXHIBIT SS.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re: Case No:

RESIDENTIAL CAPITAL, LLC, et. al, 12-12020(MG)

Debtors.

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VIDEOTAPE DEPOSITION OF TAMMY HAMZEPHOUR

New York, New York

November 13, 2012

9:43 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27903

<p style="text-align: right;">26</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 A. I believe it was the 21st. I</p> <p>3 don't know for sure.</p> <p>4 MR. KAUFMAN: Let's mark, as the</p> <p>5 next exhibit, an e-mail chain on</p> <p>6 November 19, 2011, Bates number ResCap</p> <p>7 0000097 and 98.</p> <p>8 (9019 Exhibit 69, 11/19/11</p> <p>9 e-mail chain, Bates number ResCap</p> <p>10 0000097 and 98, marked for</p> <p>11 identification, as of this date.)</p> <p>12 Q. Looking at the e-mail appearing</p> <p>13 at the top of the first page of the</p> <p>14 exhibit, you were the author of that</p> <p>15 e-mail, were you not?</p> <p>16 A. Yes.</p> <p>17 Q. And does that confirm to you</p> <p>18 that the meeting with Ms. Patrick was on</p> <p>19 November 21st?</p> <p>20 A. Yes, that's right.</p> <p>21 Q. Who attended that meeting?</p> <p>22 A. Ms. Patrick was there. One or</p> <p>23 two people were with her, I don't remember</p> <p>24 their names. I was there, my litigation</p> <p>25 colleague, David Hagens, was there from</p>	<p style="text-align: right;">28</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 disclosures as across those deals, and</p> <p>3 that she had created a matrix of rep and</p> <p>4 warranty language, basically, among the</p> <p>5 deals.</p> <p>6 She spoke a little bit about her</p> <p>7 pending settlement with Bank of America.</p> <p>8 She mentioned that she had not</p> <p>9 notified any of the trustees about the</p> <p>10 meeting we were having, because we asked</p> <p>11 if the trustees knew that she was there,</p> <p>12 and she said no.</p> <p>13 Talked about her theory of the</p> <p>14 case. She felt that she had claims, rep</p> <p>15 and warranty breaches, also servicing</p> <p>16 claims; and she felt that they had</p> <p>17 extended both to GMAC Mortgage and RFC,</p> <p>18 who were sponsors of different</p> <p>19 securitizations in which her investors had</p> <p>20 an interest.</p> <p>21 And also that they viewed Ally,</p> <p>22 likewise, as responsible.</p> <p>23 Q. Who said what on the ResCap and</p> <p>24 Ally side, as best you can remember?</p> <p>25 MR. RAINS: Objection. Vague</p>
<p style="text-align: right;">27</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 the Minneapolis office. Also my capital</p> <p>3 markets partner, John Ruckdaschel, was</p> <p>4 there, and Tim Devine from Ally.</p> <p>5 Q. How long did the meeting last?</p> <p>6 A. Three hours, maybe. I don't</p> <p>7 remember exactly.</p> <p>8 Q. Can you please describe for me,</p> <p>9 in as much detail as you can remember,</p> <p>10 what the discussion was?</p> <p>11 A. Ms. Patrick did most of the</p> <p>12 talking in the beginning of meeting. She</p> <p>13 talked to us a bit about who her investor</p> <p>14 clients were and their holdings that were</p> <p>15 represented across the spectrum of our</p> <p>16 securitization deals. She indicated that</p> <p>17 they believed they have claims against us</p> <p>18 and against Ally.</p> <p>19 We talked about some of the work</p> <p>20 she had done in preparation for the</p> <p>21 meeting, and she mentioned that she had</p> <p>22 reviewed our prospectuses for the deals,</p> <p>23 that she had reviewed loan and servicing</p> <p>24 agreements, that she was familiar with the</p> <p>25 structure and the language and the</p>	<p style="text-align: right;">29</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 and ambiguous.</p> <p>3 Q. Can you remember anything that</p> <p>4 you, Mr. Devine, Mr. Hagens, and</p> <p>5 Mr. Ruckdaschel said during the course of</p> <p>6 the meeting?</p> <p>7 A. I remember Mr. Ruckdaschel</p> <p>8 asking her some questions about deal</p> <p>9 structures, certain provisions in the</p> <p>10 agreements, and they compared views on</p> <p>11 what those might be, what the answers to</p> <p>12 those issues might be. Tim asked her what</p> <p>13 she would see as success from a</p> <p>14 discussion. She was clearly there asking</p> <p>15 for a settlement negotiation, and so he</p> <p>16 asked her what her view of success would</p> <p>17 look like.</p> <p>18 We just -- you know, there was</p> <p>19 the normal back and forth of any meeting.</p> <p>20 I don't remember anything more specific</p> <p>21 than that.</p> <p>22 Q. When Mr. Devine asked</p> <p>23 Ms. Patrick what her view of success was,</p> <p>24 what did she say?</p> <p>25 A. That she would like to arrive at</p>

<p style="text-align: right;">58</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Ms. Patrick take place on April 25, 2012?</p> <p>3 A. Yes.</p> <p>4 Q. And was a waterfall presentation</p> <p>5 given to her during that meeting?</p> <p>6 A. Yes.</p> <p>7 Q. Did the presentation incorporate</p> <p>8 the 3, 4, 6 numbers recommended by</p> <p>9 Mr. Devine for the low, medium and high</p> <p>10 valuations of ResCap's RMBS exposure?</p> <p>11 A. Yes, I believe it did.</p> <p>12 Q. Did it also incorporate</p> <p>13 Mr. Devine's recommendation to use</p> <p>14 \$750 million rather than \$1 billion as</p> <p>15 AFI's potential contribution towards a</p> <p>16 settlement?</p> <p>17 A. I believe there were a range of</p> <p>18 potential AFI contributions reflected.</p> <p>19 750 would have been the highest one in the</p> <p>20 range.</p> <p>21 Q. Okay. Who attended the meeting</p> <p>22 on April 25th with Ms. Patrick?</p> <p>23 A. There were a lot of people.</p> <p>24 Maybe as many as are in this room. I'll</p> <p>25 tell you the ones I can remember. Gary</p>	<p style="text-align: right;">60</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 discussion on servicing standards. And we</p> <p>3 talked about part of Ms. Patrick's</p> <p>4 interest and that of her clients was in</p> <p>5 not only achieving a monetary settlement</p> <p>6 but also a settlement that would provide</p> <p>7 enhanced servicing standards for their</p> <p>8 investors' continuing interest in these</p> <p>9 loans.</p> <p>10 Q. Who made the waterfall</p> <p>11 presentation?</p> <p>12 A. I believe Mark Renzi from FTI</p> <p>13 did that.</p> <p>14 Q. What was Mr. Devine's role</p> <p>15 during the meeting as you understood it?</p> <p>16 A. What was his role?</p> <p>17 Q. What did he do?</p> <p>18 A. He was in the meeting. I don't</p> <p>19 remember specific parts of the</p> <p>20 conversation that he led. There were --</p> <p>21 there was discussion around the waterfall</p> <p>22 and the ranges of recoveries, losses, et</p> <p>23 cetera, that were the topic of discussion</p> <p>24 around the settlement. He participated in</p> <p>25 that.</p>
<p style="text-align: right;">59</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Lee was there, Tim Devine, Mark Renzi from</p> <p>3 FTI, I believe John Ruckdaschel was</p> <p>4 present, Ms. Patrick. At least one, maybe</p> <p>5 two of her colleagues. I believe Marc</p> <p>6 Puntus or Sam Greene, one or the other,</p> <p>7 from Centerview Partners was there for at</p> <p>8 least part of the meeting. I don't</p> <p>9 remember if they stayed for the whole</p> <p>10 meeting. And there may have been one or</p> <p>11 more MoFo lawyers there, I don't recall.</p> <p>12 Q. You were there?</p> <p>13 A. Sure. I was there. I couldn't</p> <p>14 tell you who was in the room if I weren't</p> <p>15 there.</p> <p>16 Q. Who led the meeting?</p> <p>17 A. Gary Lee.</p> <p>18 Q. Did you --</p> <p>19 A. From a legal perspective Gary</p> <p>20 Lee. There were parts of the meeting that</p> <p>21 different people were handling so.</p> <p>22 Q. What part, if any, did you</p> <p>23 handle?</p> <p>24 A. I didn't take the lead on any of</p> <p>25 the issues other than we had a short</p>	<p style="text-align: right;">61</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Q. Let's mark as the next exhibit</p> <p>3 an e-mail chain on April 27, 2012. Bates</p> <p>4 numbers RC 9019_00048974 to 75.</p> <p>5 (9019 Exhibit 80, e-mail chain</p> <p>6 on April 27, 2012, Bates RC</p> <p>7 9019_00048974 to 75, marked for</p> <p>8 identification, as of this date.)</p> <p>9 Q. The first e-mail on the second</p> <p>10 part of the exhibit at the bottom part of</p> <p>11 that page is from Mr. Devine to Kathy</p> <p>12 Patrick at 5:44 p.m. Do you see that?</p> <p>13 A. Yes.</p> <p>14 Q. And Mr. Devine asked her to call</p> <p>15 him to touch base on next steps, right?</p> <p>16 A. Yes.</p> <p>17 Q. Did he copy you on his e-mail to</p> <p>18 Ms. Patrick in the first instance?</p> <p>19 A. I don't see that I am copied on</p> <p>20 that.</p> <p>21 Q. The next e-mail is from</p> <p>22 Ms. Patrick to Mr. Devine responding to</p> <p>23 Mr. Devine's e-mail, correct?</p> <p>24 A. Yes.</p> <p>25 Q. And you are not copied on that</p>

<p style="text-align: right;">110</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 to make sure I grab the right one.</p> <p>3 I'm going to turn your attention</p> <p>4 to what's been previously marked as</p> <p>5 9019-89. That is the RMBS settlement</p> <p>6 agreement. Do you recall reading that</p> <p>7 document earlier today?</p> <p>8 A. Yes.</p> <p>9 Q. And this is the one with Talcott</p> <p>10 Franklin or is this the Steering Committee</p> <p>11 one? I apologize.</p> <p>12 A. This is the Steering Committee.</p> <p>13 Q. And you signed this document,</p> <p>14 right?</p> <p>15 A. Yes.</p> <p>16 Q. Did you read it?</p> <p>17 A. Yes.</p> <p>18 Q. I'm going to have you focus on</p> <p>19 just a couple of provisions in the</p> <p>20 document. When did you first read this</p> <p>21 document?</p> <p>22 A. In any version?</p> <p>23 Q. Yes.</p> <p>24 A. When it was originally put out</p> <p>25 as a draft.</p>	<p style="text-align: right;">112</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 of how that -- how those legal fee</p> <p>3 payments work?</p> <p>4 A. That they come out of the</p> <p>5 allowed claim.</p> <p>6 Q. And do you have an understanding</p> <p>7 of the amount of those legal fees?</p> <p>8 A. It's some percentage. I don't</p> <p>9 recall.</p> <p>10 Q. Did you provide any comments or</p> <p>11 edits or other instructions with respect</p> <p>12 to the legal fees section of the RMBS</p> <p>13 settlement?</p> <p>14 A. I don't -- I don't believe I</p> <p>15 did.</p> <p>16 Q. Who negotiated the legal fees</p> <p>17 section of the RMBS settlement agreement?</p> <p>18 A. That would be Morrison &</p> <p>19 Foerster.</p> <p>20 Q. Do you know if they commented or</p> <p>21 provided any edits or other communications</p> <p>22 with respect to the legal fees section?</p> <p>23 A. I don't remember. There were a</p> <p>24 number of drafts. I don't remember what</p> <p>25 the markups were of each one.</p>
<p style="text-align: right;">111</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Q. And when was that?</p> <p>3 A. It was in early May.</p> <p>4 Q. And how many drafts of this</p> <p>5 agreement did you read?</p> <p>6 A. I don't remember.</p> <p>7 Q. Was it more than five? Less</p> <p>8 than five?</p> <p>9 A. I don't remember how many</p> <p>10 drafts.</p> <p>11 Q. Okay. I'm going to turn your</p> <p>12 attention to section 6.04, which is on</p> <p>13 page 7. And the section is entitled Legal</p> <p>14 Fees.</p> <p>15 A. Yes.</p> <p>16 Q. Do you recall reviewing this</p> <p>17 section of the agreement?</p> <p>18 A. I remember this section of the</p> <p>19 agreement, yes.</p> <p>20 Q. And what does this section</p> <p>21 generally provide?</p> <p>22 A. It provides for counsel to the</p> <p>23 Steering Committee of investors to receive</p> <p>24 legal fee payments.</p> <p>25 Q. And what is your understanding</p>	<p style="text-align: right;">113</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 Q. Do you recall -- withdrawn.</p> <p>3 In reviewing the settlement</p> <p>4 agreement and section 6.04, did you make</p> <p>5 any assessment of whether or not the legal</p> <p>6 fees provided for for the Steering</p> <p>7 Committee counsel were reasonable?</p> <p>8 A. No. I didn't -- I didn't</p> <p>9 determine it one way or the other.</p> <p>10 Q. You didn't do it at all?</p> <p>11 A. No. I mean I didn't -- I didn't</p> <p>12 consider an analysis of whether I thought</p> <p>13 they were reasonable fees.</p> <p>14 Q. Do you think that was an</p> <p>15 important thing to do?</p> <p>16 A. No.</p> <p>17 Q. Why not?</p> <p>18 A. They weren't -- they weren't</p> <p>19 fees that the debtors were paying. So I'm</p> <p>20 not sure why I would set the fees for</p> <p>21 these investors between themselves and</p> <p>22 their lawyer.</p> <p>23 Q. Right. But you testified</p> <p>24 earlier that the fees that they received</p> <p>25 were going to come out of the allowed</p>

<p style="text-align: right;">114</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 claim.</p> <p>3 A. That's right.</p> <p>4 Q. Okay. Do you know if anybody at</p> <p>5 ResCap made any determination as to</p> <p>6 whether the legal fees in provision RMBS</p> <p>7 settlement agreement was -- provided</p> <p>8 reasonable fees for the Steering</p> <p>9 Committee's counsel?</p> <p>10 A. I don't believe so.</p> <p>11 Q. Let's turn to section 8.02. Are</p> <p>12 you familiar with -- section 8.02 is</p> <p>13 entitled Financial Guarantee Provider</p> <p>14 Rights and Obligations. Do you see that?</p> <p>15 A. Yes.</p> <p>16 Q. Are you familiar with this</p> <p>17 section of the agreement?</p> <p>18 A. Yes.</p> <p>19 Q. What is your understanding of</p> <p>20 this section of the agreement.</p> <p>21 A. That the releases provided don't</p> <p>22 act to release claims of financial</p> <p>23 guarantee providers.</p> <p>24 Q. Is that any claims of financial</p> <p>25 guarantee providers or certain claims?</p>	<p style="text-align: right;">116</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 insurance contracts as well as</p> <p>3 representation and warranty claims under</p> <p>4 those pooling and servicing agreements.</p> <p>5 Q. So you talk about two sets of</p> <p>6 claims. You are talking about claims</p> <p>7 under the insurance contracts and then</p> <p>8 claims with respect -- representation and</p> <p>9 warranty claims --</p> <p>10 A. Yes.</p> <p>11 Q. -- under the PSA?</p> <p>12 A. Right.</p> <p>13 Q. Let's break that down. What is</p> <p>14 your understanding with respect to the</p> <p>15 financial guarantee with respect to their</p> <p>16 insurance agreements?</p> <p>17 A. The insurance carriers have</p> <p>18 alleged that they were fraudulently</p> <p>19 induced to issue those insurance policies.</p> <p>20 Q. Any other claims based on the</p> <p>21 insurance agreement that you are aware of?</p> <p>22 A. I don't recall all the claims</p> <p>23 that were spelled out in the complaints.</p> <p>24 Q. Sure. Who has filed complaints</p> <p>25 if you recall?</p>
<p style="text-align: right;">115</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 A. That relate to the settlement</p> <p>3 trust.</p> <p>4 Q. So any claims of the financial</p> <p>5 guarantee providers that relate to the</p> <p>6 settlement trust, it is your understanding</p> <p>7 that section 8.02 carves those out of the</p> <p>8 agreement?</p> <p>9 MR. RAINS: Objection. Calls</p> <p>10 for a legal conclusion.</p> <p>11 MR. SIDMAN: I'm just asking her</p> <p>12 to clarify her statement.</p> <p>13 MR. RAINS: My objection stands.</p> <p>14 You can go ahead and answer.</p> <p>15 A. I think the language speaks for</p> <p>16 itself.</p> <p>17 Q. What is your understanding of</p> <p>18 the claims of financial guarantee</p> <p>19 providers?</p> <p>20 A. My understanding is that there</p> <p>21 were certain securitizations that had bond</p> <p>22 insurance coverage. And that as those</p> <p>23 trusts took losses, some of the insurers</p> <p>24 paid out claims. And so they have made</p> <p>25 claims against us with respect to their</p>	<p style="text-align: right;">117</p> <p>1 TAMMY HAMZEPHOUR</p> <p>2 A. MBIA has filed complaints. FGIC</p> <p>3 has filed complaints. I think Allstate.</p> <p>4 I can't remember if there's another one.</p> <p>5 Q. And when these complaints came</p> <p>6 in, did you review those?</p> <p>7 A. Yes.</p> <p>8 Q. So is your understanding of the</p> <p>9 monoline claims based on a review of those</p> <p>10 complaints?</p> <p>11 A. Review of the complaints,</p> <p>12 discussions with my counsel, internal</p> <p>13 business discussions, meetings we have had</p> <p>14 with those parties.</p> <p>15 Q. Let me ask you a question just</p> <p>16 so I understand your understanding of the</p> <p>17 mono -- the financial guarantee carveout</p> <p>18 in section 8.02 of the contract, okay?</p> <p>19 A. Uh-hum.</p> <p>20 Q. Please say yes or no. Just so</p> <p>21 the court reporter can hear -- take down</p> <p>22 your response.</p> <p>23 A. Yes.</p> <p>24 Q. Okay. What if a particular</p> <p>25 financial guarantee insurer trusts decides</p>

EXHIBIT TT

REDACTED

EXHIBIT TT.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

In Re:	Case No.
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

-----x

DEPOSITION OF JEFFREY A. LIPPS

New York, New York

November 19, 2012

10:13 a.m.

Reported by:
JENNIFER OCAMPO-GUZMAN, CRR, CLR
JOB NO: 27971

<p style="text-align: right;">158</p> <p>1 Lipps</p> <p>2 three times. I've read the opinion.</p> <p>3 MR. BENTLEY: Thank you, Mr. Lipps.</p> <p>4 Why don't we take a short break. I may</p> <p>5 be done, and then I know that others may</p> <p>6 have questions as well.</p> <p>7 THE WITNESS: All right.</p> <p>8 (A brief recess was taken.)</p> <p>9 MR. RAINS: Thank you.</p> <p>10 MR. BENTLEY: Thank you, Mr. Lipps,</p> <p>11 I have nothing further. But I believe</p> <p>12 one or two of my colleagues may have</p> <p>13 some questions. One or two friends in</p> <p>14 the room.</p> <p>15 EXAMINATION BY</p> <p>16 MR. NATBONY:</p> <p>17 Q. Good afternoon, Mr. Lipps.</p> <p>18 A. Good afternoon, Mr. Natbony.</p> <p>19 Q. I'm here today representing MBIA a</p> <p>20 potential objector to the settlement, and I</p> <p>21 just have a few questions for you today, if</p> <p>22 you don't mind.</p> <p>23 A. Certainly.</p> <p>24 Q. Now, in connection with reaching</p> <p>25 your opinion concerning the reasonableness of</p>	<p style="text-align: right;">160</p> <p>1 Lipps</p> <p>2 then applied the analysis that I've</p> <p>3 discussed.</p> <p>4 Q. So other than your own review of</p> <p>5 the settlement agreement, the scope of claims</p> <p>6 that were to be either included in the</p> <p>7 settlement or released was based on your own</p> <p>8 analysis?</p> <p>9 A. For purposes of my opinion, yes.</p> <p>10 Q. Now, for purposes of your opinion,</p> <p>11 did you assume that the release would not</p> <p>12 include the monoline's fraudulent inducement</p> <p>13 claims arising from insurance agreements?</p> <p>14 A. As you know from our time in court</p> <p>15 together, some of the fraud claims can fairly</p> <p>16 be described as, at least in my judgment as a</p> <p>17 defense lawyer, as claims that are basically</p> <p>18 a breach of contract that's being dressed up</p> <p>19 in fraud clothes. Having said that, I do</p> <p>20 believe that an independent fraudulent</p> <p>21 inducement claim that would survive an</p> <p>22 argument that it is nothing more than just a</p> <p>23 breach of contract dressed in fraud claims or</p> <p>24 fraud clothes would be outside of the</p> <p>25 settlement.</p>
<p style="text-align: right;">159</p> <p>1 Lipps</p> <p>2 the settlement, did you have an understanding</p> <p>3 of what claims would be released against the</p> <p>4 debtors?</p> <p>5 A. I believe I testified earlier that</p> <p>6 I saw the settlement agreement itself, the</p> <p>7 release language which discussed claims that</p> <p>8 were subject to the release as a result of</p> <p>9 the settlement, and I believe there was a</p> <p>10 provision or two that made it clear certain</p> <p>11 claims were not being settled.</p> <p>12 Q. And in addition to your review of</p> <p>13 the settlement agreement, did any</p> <p>14 representative of the debtors tell you to</p> <p>15 assume that certain claims would be released?</p> <p>16 A. In connection with this assignment?</p> <p>17 Q. Yes.</p> <p>18 A. I looked at the executed and</p> <p>19 submitted settlement agreement.</p> <p>20 Q. And did you seek any advice from</p> <p>21 anyone representing the debtors or anyone</p> <p>22 else as to what would be included in the</p> <p>23 claims that were being released under the</p> <p>24 settlement agreement?</p> <p>25 A. I read the settlement agreement and</p>	<p style="text-align: right;">161</p> <p>1 Lipps</p> <p>2 Q. Now, in conducting your analysis,</p> <p>3 did you assume that the release would not</p> <p>4 include monoline's material breach of</p> <p>5 contract claims arising under the insurance</p> <p>6 agreement?</p> <p>7 THE WITNESS: Can I have that read</p> <p>8 back?</p> <p>9 (A portion of the record was read.)</p> <p>10 MS. PATRICK: Objection, form.</p> <p>11 A. The -- I know the insurance</p> <p>12 agreements or at least some that I've looked</p> <p>13 at do have language which tracks what is in</p> <p>14 the purchase agreements with respect to</p> <p>15 repurchase demand and the repurchase process</p> <p>16 being the sole remedy, so to the extent that</p> <p>17 provision would in fact be preclusive of any</p> <p>18 independent claim other than a rep and</p> <p>19 warranty claim that a monoline would have</p> <p>20 through the repurchase process, then I think</p> <p>21 those claims would be within the settlement.</p> <p>22 The one uncertainty I have, as we</p> <p>23 sit here and have this conversation, is I</p> <p>24 know that at least in the MBIA instance the</p> <p>25 insurance agreement did provide for certain</p>

<p style="text-align: right;">162</p> <p>1 Lipps</p> <p>2 direct claims that the insurer, specifically</p> <p>3 MBIA would have and I just haven't sat and</p> <p>4 thought about whether there is a path that</p> <p>5 would allow the monoline to have something</p> <p>6 that could sound or be based on allegations</p> <p>7 or theories other than pure rep and warranty,</p> <p>8 or something that's forced into the</p> <p>9 repurchase price.</p> <p>10 Q. I guess my question though still</p> <p>11 remains is: When you do your analysis of</p> <p>12 what claims were being released, did you</p> <p>13 include in your analysis any monoline claims</p> <p>14 in the scope of claims that were being</p> <p>15 released?</p> <p>16 MR. RAINS: Objection, asked and</p> <p>17 answered.</p> <p>18 A. I don't know that I could answer it</p> <p>19 any differently than what I did. I believe</p> <p>20 that certain of the monoline claims, by</p> <p>21 virtue of the insurance agreement, are</p> <p>22 confined to the repurchase process,</p> <p>23 specifically you make a demand and then</p> <p>24 there's a determination as to whether or not</p> <p>25 that loan breaches the warranties and reps</p>	<p style="text-align: right;">164</p> <p>1 Lipps</p> <p>2 warranty claim, so to speak. Because if it</p> <p>3 could be embedded as a warranty and rep claim</p> <p>4 then, yes, I did take it into account and</p> <p>5 considered it as part of the liability that I</p> <p>6 was assessing.</p> <p>7 Q. I'm just trying to understand the</p> <p>8 scope of what you were determining was</p> <p>9 released as part of the settlement, and I</p> <p>10 understand you've said that there may be</p> <p>11 paths for it, for certain liability. But I</p> <p>12 want to know specifically, with respect to</p> <p>13 your analysis of this settlement, what, if</p> <p>14 any, claims did you actually consider in your</p> <p>15 analysis as being released?</p> <p>16 MR. RAINS: It's been asked and</p> <p>17 answered.</p> <p>18 MR. NATBONY: No, it hasn't.</p> <p>19 MR. RAINS: It's been asked and</p> <p>20 answered.</p> <p>21 MR. NATBONY: You can make your</p> <p>22 objection. I apologize.</p> <p>23 MR. RAINS: Thank you. Asked and</p> <p>24 answered about five times and you</p> <p>25 misstated his prior testimony.</p>
<p style="text-align: right;">163</p> <p>1 Lipps</p> <p>2 such that repurchase would be required. To</p> <p>3 the extent that is the monoline's claim, then</p> <p>4 absolutely I took it into account.</p> <p>5 Q. And other than that, is there any</p> <p>6 other claim that you took into account that</p> <p>7 would be released?</p> <p>8 A. Released by, by whom?</p> <p>9 Q. Released as part of the settlement</p> <p>10 agreement.</p> <p>11 A. Any other monoline claim?</p> <p>12 Q. Yes.</p> <p>13 MR. RAINS: Objection, asked and</p> <p>14 answered.</p> <p>15 A. I think I described the fact that</p> <p>16 there may be, that there is carve-outs there,</p> <p>17 in shorthand, that I would describe and I</p> <p>18 don't think the carve-out -- I think the</p> <p>19 carve-out would apply to a fraud claim if it</p> <p>20 was not subject to being characterized as a</p> <p>21 contract claim dressed in fraud clothes. And</p> <p>22 I also think there is a path that I haven't</p> <p>23 really looked at and thought about where</p> <p>24 maybe a monoline could make a direct claim</p> <p>25 and argue that's not embedded as a rep and</p>	<p style="text-align: right;">165</p> <p>1 Lipps</p> <p>2 A. I don't think I could change what</p> <p>3 I've said before, at least I don't intend to,</p> <p>4 if somehow you can parse through the words.</p> <p>5 To the extent the trusts or trust where there</p> <p>6 was Financial Guaranty Insurance that was</p> <p>7 issued, I evaluated the rep and warranty</p> <p>8 claims in those trusts as being released in</p> <p>9 the settlement. I recognize in this report</p> <p>10 that there may be independent tort claims or</p> <p>11 some independent claim, independent of rep</p> <p>12 and warranty that would arguably not be</p> <p>13 released, and I didn't evaluate those, and we</p> <p>14 had a discussion about the insurance</p> <p>15 agreement, as you raised, where I seem to</p> <p>16 recall there may be a path. But I haven't</p> <p>17 looked at that in a while and I haven't</p> <p>18 reached a conclusion, as I sit here today,</p> <p>19 whether that path would in fact be released</p> <p>20 because it's dependent on rep and warranty or</p> <p>21 individual loan reps being breached.</p> <p>22 Q. Do you recall having any discussion</p> <p>23 at the time the settlement was being</p> <p>24 considered as to whether the allocation</p> <p>25 methodology was reasonable with respect to</p>

<p style="text-align: right;">174</p> <p>1 Lipps</p> <p>2 defending and the nature of those claims, and</p> <p>3 to the extent it's rep and warranty based, it</p> <p>4 was part of what I was evaluating in terms of</p> <p>5 whether the settlement was reasonable and</p> <p>6 fair.</p> <p>7 Q. And when you say rep and warranty</p> <p>8 based, do you mean rep and warranty based</p> <p>9 irrespective of whether it's a rep and</p> <p>10 warranty contained in the purchase and sale</p> <p>11 agreement or the insurance agreement?</p> <p>12 A. It would be any loan level rep in</p> <p>13 these securitization documents to the 392</p> <p>14 trusts. Typically they are in the sale</p> <p>15 agreement. I can't remember, as I sit here,</p> <p>16 whether the insurance agreement replicated</p> <p>17 it, in terms of listing them or simply</p> <p>18 incorporated in the monoline instance, but</p> <p>19 it's basically the rep and warranties that</p> <p>20 are given in connection with the sale and</p> <p>21 deposit of the loan, individual loans into</p> <p>22 the trust.</p> <p>23 Q. What was your understanding when</p> <p>24 you did your analysis as to what monoline</p> <p>25 claims were being carved out of the</p>	<p style="text-align: right;">176</p> <p>1 Lipps</p> <p>2 all. I observed when I read the settlement</p> <p>3 that there were claims that were not included</p> <p>4 within the release for monolines. I had</p> <p>5 specific familiarity with, in at least the</p> <p>6 case you and I have been litigating, fraud</p> <p>7 claims. I'm sure if I looked at -- well, I'm</p> <p>8 not sure. If I looked at the amended</p> <p>9 complaint, there may be other claims out</p> <p>10 there, but the core of what was being alleged</p> <p>11 in the MBIA case was rep and warranty based.</p> <p>12 Q. Now, Mr. Lipps, I think you talked</p> <p>13 earlier about common pathways to the rep and</p> <p>14 warranty liability; do you remember using</p> <p>15 that term?</p> <p>16 MR. RAINS: Objection, vague and</p> <p>17 ambiguous.</p> <p>18 A. I don't know whether I actually</p> <p>19 used "pathways." I've used pathways before,</p> <p>20 but I think I identified in paragraph 16, at</p> <p>21 least that was one spot where there are --</p> <p>22 there are certain concepts that I've observed</p> <p>23 in the defense of these cases that plaintiffs</p> <p>24 are asserting in terms of breaches of</p> <p>25 warranties and reps at a one level.</p>
<p style="text-align: right;">175</p> <p>1 Lipps</p> <p>2 settlement?</p> <p>3 A. The best example I can give you is</p> <p>4 arguably the fraudulent inducement claim, to</p> <p>5 the extent it's not found to be essentially a</p> <p>6 breach of contract claim dressed up in fraud</p> <p>7 clothes.</p> <p>8 Q. And other than that, is there any</p> <p>9 other claim that you considered in your</p> <p>10 analysis for monolines that was in the</p> <p>11 released?</p> <p>12 A. I didn't really do that in my</p> <p>13 analysis, as you know. I started my analysis</p> <p>14 based on the aspect of the release that</p> <p>15 related to rep and warranty claims, and based</p> <p>16 on my analysis, I concluded that that in and</p> <p>17 of itself is a basis for the release was fair</p> <p>18 and adequate and within an appropriate range.</p> <p>19 Q. So is it fair to say that in doing</p> <p>20 your analysis of what was reasonable, you did</p> <p>21 not consider what was or was not released</p> <p>22 with respect to monolines?</p> <p>23 MR. RAINS: Objection, misstates</p> <p>24 his testimony.</p> <p>25 A. No, I don't think that's fair at</p>	<p style="text-align: right;">177</p> <p>1 Lipps</p> <p>2 Q. You would agree though that each</p> <p>3 securitization involves a unique set of</p> <p>4 mortgage loans, correct?</p> <p>5 A. I would agree if the securitization</p> <p>6 process is done properly there are different</p> <p>7 loans in each securitization pool.</p> <p>8 Q. And each securitization has a set</p> <p>9 of transaction documents that are separately</p> <p>10 negotiated and structured, correct?</p> <p>11 A. There will be separate documents</p> <p>12 associated with each securitization, yes.</p> <p>13 Q. And each trust that has</p> <p>14 securitization will have a securitization in</p> <p>15 a particular shelf, correct?</p> <p>16 A. Ask me that again.</p> <p>17 Q. You are familiar with that the</p> <p>18 ResCap had different shelves of products,</p> <p>19 correct?</p> <p>20 A. I am aware that they had shelves.</p> <p>21 Q. And each securitization, that would</p> <p>22 be part of a trust would involve a set of</p> <p>23 loans that is in a particular shelf, correct?</p> <p>24 A. RFC made an effort to brand its</p> <p>25 products by shelf that, for example, the</p>

EXHIBIT UU

REDACTED

EXHIBIT UU.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re:	Case No.
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

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VIDEOTAPE DEPOSITION OF JOHN MACK

New York, New York

November 14, 2012

9:53 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27647-A

<p style="text-align: right;">106</p> <p>1 JOHN MACK</p> <p>2 that wasn't approved, that was just an</p> <p>3 assumption?</p> <p>4 A. That's correct.</p> <p>5 Q. Okay. What about the</p> <p>6 allocation, 10 percent allocated to</p> <p>7 Holdco. How was that figured out, that it</p> <p>8 should be allocated 10 percent to Holdco?</p> <p>9 MR. PRINCI: Objection as to</p> <p>10 form.</p> <p>11 A. I actually don't know.</p> <p>12 Q. Were you involved in negotiating</p> <p>13 the allocation?</p> <p>14 A. No.</p> <p>15 Q. Who negotiated the allocation?</p> <p>16 MR. PRINCI: Objection as to</p> <p>17 form.</p> <p>18 A. I don't know.</p> <p>19 Q. Has that been approved by the</p> <p>20 board, the allocation?</p> <p>21 A. Well, are you talking about</p> <p>22 subsequent to the filing of the petition?</p> <p>23 Q. Well, at this point in time</p> <p>24 let's say was it approved?</p> <p>25 A. No.</p>	<p style="text-align: right;">108</p> <p>1 JOHN MACK</p> <p>2 apples and oranges. Let's see if we can</p> <p>3</p> <p>7 A. Okay.</p> <p>8 Q. So just kind of retrace it.</p> <p>9 A. To my knowledge, no part of the</p> <p>10 Ally settlement has been allocated to</p> <p>11 anybody.</p> <p>12 Q. You certainly as a board didn't</p> <p>13 make a judgment that -- that weighing the</p> <p>14 relative merits of the claims of -- that</p> <p>15 belonged to ResCap LLC versus other claims</p> <p>16 that might belong to other entities that</p> <p>17</p> <p>20 MR. PRINCI: Objection as to</p> <p>21 form.</p> <p>22 Q. You didn't make that judgment,</p> <p>23 right?</p> <p>24 A. We did not make that judgment.</p> <p>25 Q. Now, did you understand that as</p>
<p style="text-align: right;">107</p> <p>1 JOHN MACK</p> <p>2 Q. At any point in time did they,</p> <p>3</p> <p>6 to the Holdco, the company you were a</p> <p>7 director of?</p> <p>8 A. No.</p> <p>9 Q. So you don't think that</p> <p>10 allocation has ever been approved by the</p> <p>11 board as we are sitting here today?</p> <p>12 MR. PRINCI: Objection. Asked</p> <p>13 and answered.</p> <p>14 You can answer again.</p> <p>15 A. There have been two amendments</p> <p>16 to the agreement with the RMBS trustees.</p> <p>17 The first agreement, which was deemed to</p> <p>18 be administerial and therefore not</p> <p>19 approved by the board, did have an</p> <p>20 allocation to Holdco.</p> <p>21 The second agreement, which is</p> <p>22 the one that is currently in place,</p> <p>23 specifically excludes an allocation to</p> <p>24 Holdco.</p> <p>25 Q. I think we are talking about</p>	<p style="text-align: right;">109</p> <p>1 JOHN MACK</p> <p>2 part of the settlement that was approved,</p> <p>3 the \$8.7 million settlement, that you were</p> <p>4 also settling securities claims?</p> <p>5 A. Yes, it was reps and warranties</p> <p>6 and securities claims.</p> <p>7 Q. At any point in time did you</p> <p>8 ever learn that securities claims were not</p> <p>9 being picked up by this \$8.7 billion</p> <p>10 settlement?</p> <p>11 A. No.</p> <p>12 Q. So as far as you are concerned,</p> <p>13 the board has not approved the deal that</p> <p>14 does not resolve securities claims as part</p> <p>15 of the \$8.7 billion payment?</p> <p>16 MR. PRINCI: Objection as to</p> <p>17 form.</p> <p>18 A. This is a slightly technical</p> <p>19 matter. I don't know.</p> <p>20 Q. Okay.</p> <p>21 (9019 Exhibit 100, e-mail with</p> <p>22 attachment, Bates RC 40088324-337,</p> <p>23 marked for identification, as of this</p> <p>24 date.)</p> <p>25 Q. Please look at Exhibit 100 in</p>

EXHIBIT VV

REDACTED

EXHIBIT VV.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In Re:	Case No.
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

-----x

VIDEOTAPE DEPOSITION OF THOMAS MARANO

New York, New York

November 12, 2012

9:56 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27645

<p style="text-align: right;">146</p> <p>1 THOMAS MARANO</p> <p>2 dated May 9, 2012, notifying the board</p> <p>3 of a meeting on May 9, 2012, at</p> <p>4 3:00 p.m., attached to which is a</p> <p>5 several page analysis that was</p> <p>6 presented at that meeting. Bates</p> <p>7 numbers RC 9019_0093180 through 3183.</p> <p>8 (9019 Exhibit 60, e-mail from</p> <p>9 Gary Lee dated May 9, 2012, Bates RC</p> <p>10 9019_0093180 through 3183, marked for</p> <p>11 identification, as of this date.)</p> <p>12 Q. Let me show you what we have</p> <p>13 marked. Did you receive this e-mail and</p> <p>14 the attachment from Mr. Lee on May 9,</p> <p>15 2012?</p> <p>16 MR. PRINCI: Just give me one</p> <p>17 minute to read the document.</p> <p>18 A. Yes.</p> <p>19 Q. And Mr. Lee attached or sent his</p> <p>20 e-mail at 2:38 p.m. on May 9th. Do you</p> <p>21 see that?</p> <p>22 A. Yes.</p> <p>23 Q. And that was 22 minutes before</p> <p>24 the scheduled meeting at 3:00 p.m., right?</p> <p>25 A. Yes.</p>	<p style="text-align: right;">148</p> <p>1 THOMAS MARANO</p> <p>2 A. Yes.</p> <p>3 Q. So my question is -- well, let</p> <p>4 me see if I understood your answer. Are</p> <p>5 you telling me that until the meeting was</p> <p>6 actually held neither you nor the other</p> <p>7 board members knew the terms that had been</p> <p>8 negotiated and agreed upon in principal?</p> <p>9 A. No, that's not what I'm saying.</p> <p>10 Q. Okay. So my question is did you</p> <p>11 know the terms of the negotiated deal</p> <p>12 prior to the May 9th board meeting?</p> <p>13 A. I was aware of the general</p> <p>14 concepts. Negotiations were going down to</p> <p>15 the wire. I don't know if it moved a</p> <p>16 little bit between my prior knowledge and</p> <p>17 the time of the board meeting. It was</p> <p>18 extremely fluid.</p> <p>19 Q. How much prior to the May 9th</p> <p>20 meeting could you have been aware of the</p> <p>21 final negotiated terms as fluid as you've</p> <p>22 described the negotiations?</p> <p>23 MR. PRINCI: Objection to form.</p> <p>24 Q. What's the earliest you could</p> <p>25 have been aware?</p>
<p style="text-align: right;">147</p> <p>1 THOMAS MARANO</p> <p>2 Q. Is that when you first received</p> <p>3 the supporting materials he attached to</p> <p>4 his e-mail?</p> <p>5 A. I honestly couldn't tell you but</p> <p>6 I'm sure I got them at that time.</p> <p>7 Q. Okay. Were any other written</p> <p>8 materials besides the ones attached as</p> <p>9 part of this exhibit provided to the board</p> <p>10 in advance of the meeting?</p> <p>11 A. Not that I can recall.</p> <p>12 Q. Were you and other members of</p> <p>13 the board told before the May 9th meeting</p> <p>14 the terms of the proposed settlement with</p> <p>15 Ms. Patrick?</p> <p>16 A. My recollection was that the</p> <p>17 discussion with Ms. Patrick was fluid up</p> <p>18 until the board meeting. And so I</p> <p>19 can't -- I can't recall, you know, if --</p> <p>20 you know, it was just fluid. It was</p> <p>21 ongoing. We were apprised periodically.</p> <p>22 But it was a fluid negotiation.</p> <p>23 Q. Wasn't the board being asked to</p> <p>24 approve the settlement at the May 9th</p> <p>25 meeting?</p>	<p style="text-align: right;">149</p> <p>1 THOMAS MARANO</p> <p>2 MR. PRINCI: Objection as to</p> <p>3 form.</p> <p>4 A. Well, I -- I knew there was some</p> <p>5 level of negotiation going on back in</p> <p>6 October.</p> <p>7 Q. That wasn't my question. Since</p> <p>8 you've testified that the negotiations</p> <p>9 with Ms. Patrick were so fluid right up to</p> <p>10 the May 9th meeting that you are not sure</p> <p>11 when you found out about the terms that</p> <p>12 were agreed upon, I'm trying to find out</p> <p>13 what's the earliest possible time before</p> <p>14 May 9th, given how fluid everything was</p> <p>15 when you could have learned --</p> <p>16 MR. PRINCI: Objection as to</p> <p>17 form.</p> <p>18 Q. -- what the terms were?</p> <p>19 MR. PRINCI: Misstates his</p> <p>20 testimony.</p> <p>21 A. The earliest possible time would</p> <p>22 have been within a few days or hours.</p> <p>23 Q. Okay. Could have been as late</p> <p>24 as a few hours before the meeting is what</p> <p>25 you are saying?</p>

<p style="text-align: right;">150</p> <p>1 THOMAS MARANO</p> <p>2 A. Could very easily have been.</p> <p>3 Q. Okay. Prior to the proposed</p> <p>4 agreement with Ms. Patrick being presented</p> <p>5 to the board for formal approval did you</p> <p>6 authorize an agreement in principal on the</p> <p>7 terms that were ultimately presented?</p> <p>8 MR. PRINCI: Objection to form.</p> <p>9 A. I was kept apprised of the</p> <p>10 negotiations that were going on with</p> <p>11 Ms. Patrick by Gary Lee and Tammy</p> <p>12 Hamzephour. And I told them to keep</p> <p>13 working on trying to get the best deal</p> <p>14 possible.</p> <p>15 Q. My question was prior to the</p> <p>16 time the agreement was formally presented</p> <p>17 to the board for approval, had you</p> <p>18 authorized -- had you authorized an</p> <p>19 agreement in principal on the terms that</p> <p>20 were ultimately presented to the board?</p> <p>21 MR. PRINCI: Objection as to</p> <p>22 form.</p> <p>23 A. I -- I don't think so. I</p> <p>24 authorized negotiations.</p> <p>25 Q. Okay. We have seen that as of</p>	<p style="text-align: right;">152</p> <p>1 THOMAS MARANO</p> <p>2 was only in the range of a billion one?</p> <p>3 MS. PATRICK: Objection to form.</p> <p>4 A. Which document was that in?</p> <p>5 Q. It's Exhibit 55, the chart on</p> <p>6 page 2 of the presentation materials?</p> <p>7 A. Okay. So you are referring to</p> <p>8 the rep and warranty disclosure items?</p> <p>9 Q. Yes. That showed that the top</p> <p>10 end range of loss for those claims was</p> <p>11 \$1.16 billion?</p> <p>12 MS. PATRICK: Same objection.</p> <p>13 A. I don't -- okay. So you used</p> <p>14 the phrase "put back." You mean rep and</p> <p>15 warranty claim?</p> <p>16 Q. Yes.</p> <p>17 A. That is correct for that limited</p> <p>18 subset of PLS.</p> <p>19 Q. And if you include all the</p> <p>20 subsets of PLS the May 1st presentation</p> <p>21 materials reflect a total reasonable -- a</p> <p>22 top end -- top of the range of reasonably</p> <p>23 possible loss of \$2.69 billion, right?</p> <p>24 MS. PATRICK: Objection to form.</p> <p>25 A. I think you are mixing apples</p>
<p style="text-align: right;">151</p> <p>1 THOMAS MARANO</p> <p>2 April 27, 2012, when AFI's 10-Q was filed</p> <p>3 just 12 days before this May 9th board</p> <p>4 meeting, the range of reasonable possible</p> <p>5 values for RMBS liability was some where</p> <p>6 within 0 to \$4 billion, right?</p> <p>7 MR. PRINCI: Objection.</p> <p>8 A. That was what was disclosed on</p> <p>9 the Q.</p> <p>10 Q. Okay. And we looked before at</p> <p>11 the presentation to the ResCap audit</p> <p>12 committee, which you've testified you</p> <p>13 reviewed, that showed that as late as</p> <p>14 May 1, just a week or so before this</p> <p>15 May 9th board meeting, the reasonably</p> <p>16 possible top range of loss on all RMBS</p> <p>17 claims, including securities fraud claims,</p> <p>18 was only about \$4 billion, correct?</p> <p>19 A. Correct.</p> <p>20 Q. And do you recall, you are</p> <p>21 welcome to look at it if you wish, but you</p> <p>22 recall that if you focused solely on the</p> <p>23 claims being settled with Ms. Patrick,</p> <p>24 that is the put-back claims, the top range</p> <p>25 of loss shown in that May 1st presentation</p>	<p style="text-align: right;">153</p> <p>1 THOMAS MARANO</p> <p>2 and oranges there. Ms. Patrick's universe</p> <p>3 of deals was broader than the universe of</p> <p>4 deals that's in this document here.</p> <p>5 Q. Oh, really?</p> <p>6 A. Yeah.</p> <p>7 Q. What other -- what other claims</p> <p>8 do you believe Ms. Patrick was -- was</p> <p>9 threatening to assert beyond those that</p> <p>10 are set forth in that exhibit?</p> <p>11 A. She had a broader universe. It</p> <p>12 went from '04 to '07. It was all claims.</p> <p>13 It was all types of claims. It was a</p> <p>14 broader scope than what's in that document</p> <p>15 there. Covered a broader time period.</p> <p>16 Covered more transactions. Covered more</p> <p>17 claims.</p> <p>18 Q. Does -- does Exhibit 55 purport</p> <p>19 to limit the time frame over which the</p> <p>20 claims would be asserted?</p> <p>21 A. It's not the --</p> <p>22 MR. PRINCI: Objection to form.</p> <p>23 A. It's not the time frame that the</p> <p>24 claims would be asserted.</p> <p>25 Q. Withdrawn.</p>

<p style="text-align: right;">198</p> <p>1 THOMAS MARANO</p> <p>2 form.</p> <p>3 A. You know, I believe what this is</p> <p>4 saying and -- 8.02 basically releases --</p> <p>5 it says that the financial guarantors are</p> <p>6 not released by the waivers in Article 7.</p> <p>7 Q. I see you are reading the</p> <p>8 agreement. I don't want to interrupt. Is</p> <p>9 that your answer?</p> <p>10 A. Yes.</p> <p>11 Q. So do you have an understanding</p> <p>12 as to whether if the settlement agreement</p> <p>13 that's Exhibit 58 becomes, is approved by</p> <p>14 the court and becomes effective that</p> <p>15 financial guarantee providers like MBIA</p> <p>16 still will have claims to pursue against</p> <p>17 the debtors?</p> <p>18 MR. PRINCI: Objection, the</p> <p>19 document speaks for itself but you can</p> <p>20 answer to the extent you --</p> <p>21 A. I believe you can file your own</p> <p>22 claim.</p> <p>23 Q. Do you have an understanding as</p> <p>24 to what types of claims financial</p> <p>25 guarantee providers like MBIA could file?</p>	<p style="text-align: right;">200</p> <p>1 THOMAS MARANO</p> <p>2 that counsel for the institutional</p> <p>3 investors will have their fees paid by the</p> <p>4 debtors?</p> <p>5 MS. PATRICK: Objection to form.</p> <p>6 MR. PRINCI: Objection to form.</p> <p>7 A. Yeah. I believe that the fees</p> <p>8 will be paid, yes.</p> <p>9 Q. Do you have an understanding as</p> <p>10 to the amount of those fees that would be</p> <p>11 paid by the debtors?</p> <p>12 A. I don't recall. And it may be</p> <p>13 in the document. I just don't recall.</p> <p>14 Q. Okay. When the -- I think you</p> <p>15 previously discussed the May 9th board</p> <p>16 meeting at which the settlement agreement</p> <p>17 was considered. Was there any discussion</p> <p>18 at that meeting regarding the payment of</p> <p>19 the institutional investors' counsel fees?</p> <p>20 A. I don't recall if that was a</p> <p>21 matter of discussion at the board meeting.</p> <p>22 Q. Okay. Have you or anyone else</p> <p>23 on behalf of the debtors evaluated the</p> <p>24 reasonableness of the fees that would be</p> <p>25 paid to counsel to the institutional</p>
<p style="text-align: right;">199</p> <p>1 THOMAS MARANO</p> <p>2 A. I can't tell you the nuances of</p> <p>3 the claims because I'm not a lawyer.</p> <p>4 Q. What is your understanding as to</p> <p>5 why section 8.02 of the settlement</p> <p>6 agreement was included in the RMBS</p> <p>7 settlement?</p> <p>8 A. I believe that Kathy Patrick had</p> <p>9 not actually signed up the monolines as I</p> <p>10 refer to them so the MBIA's and the FGICs</p> <p>11 and this way you had the -- or the</p> <p>12 monolines had flexibility.</p> <p>13 Q. Let's talk about another</p> <p>14 provision in Exhibit 58, the settlement</p> <p>15 agreement. Are you aware that pursuant to</p> <p>16 the settlement agreement if it gets</p> <p>17 approved and it is effective that counsel</p> <p>18 for the institutional -- the RMBS</p> <p>19 institutional investors will have their</p> <p>20 fees paid by the debtors?</p> <p>21 A. Say that last part again.</p> <p>22 MS. PATRICK: Objection, form.</p> <p>23 Q. Let me restate the question.</p> <p>24 Are you aware that if the RMBS settlement</p> <p>25 agreement is approved and becomes a factor</p>	<p style="text-align: right;">201</p> <p>1 THOMAS MARANO</p> <p>2 investors pursuant to the settlement</p> <p>3 agreement?</p> <p>4 MS. PATRICK: Objection to form.</p> <p>5 A. I have not looked at the</p> <p>6 reasonableness. I'm not -- again, I don't</p> <p>7 recall that I even knew what that number</p> <p>8 was.</p> <p>9 Q. Are you aware whether anyone on</p> <p>10 behalf of the debtors has requested either</p> <p>11 bills or time sheets from counsel to the</p> <p>12 RMBS investors to substantiate fees that</p> <p>13 will be paid to them under the settlement</p> <p>14 agreement?</p> <p>15 MR. PRINCI: Objection to form.</p> <p>16 MS. PATRICK: Same objection.</p> <p>17 A. I'm not the best person to</p> <p>18 answer that. My chief financial officer</p> <p>19 keeps track of all that information. If</p> <p>20 we received it, he'll have it.</p> <p>21 Q. Okay. Is that -- that's</p> <p>22 Mr. Whitlinger?</p> <p>23 A. Whitlinger.</p> <p>24 Q. Okay. Whitlinger. I'm sorry.</p> <p>25 Give me one moment.</p>

EXHIBIT WW

REDACTED

EXHIBIT WW.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

In Re:	Case No:
RESIDENTIAL CAPITAL, LLC, et. al,	12-12020(MG)
Debtors.	

-----x

DEPOSITION OF FRANK SILLMAN

New York, New York

November 20, 2012

9:35 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27687

<p style="text-align: right;">118</p> <p>1 FRANK SILLMAN</p> <p>2 said it in the paragraph.</p> <p>3 Q. So is it fair to say you are not</p> <p>4 opining as to whether any of the claims</p> <p>5 have legal merit?</p> <p>6 A. Whether they would be able to</p> <p>7 prove breaches of reps and warrants, yeah,</p> <p>8 under the governing agreements.</p> <p>9 Q. Or prove the requirements of put</p> <p>10 back?</p> <p>11 A. Correct.</p> <p>12 Q. And by the way, you don't claim</p> <p>13 to have any expertise in that issue, do</p> <p>14 you?</p> <p>15 MR. RAINS: Objection, vague and</p> <p>16 ambiguous.</p> <p>17 A. Which area is that?</p> <p>18 Q. Whether put back is legally</p> <p>19 required?</p> <p>20 A. I didn't render any legal -- I</p> <p>21 don't have any legal training and didn't</p> <p>22 provide any legal recommendations under</p> <p>23 this work.</p> <p>24 Q. And you don't claim to have the</p> <p>25 expertise needed to provide legal</p>	<p style="text-align: right;">120</p> <p>1 FRANK SILLMAN</p> <p>2 or any other legal arguments as part of</p> <p>3 that process. So it's that work and the</p> <p>4 results of that work that's incorporated</p> <p>5 in my work, in my declaration.</p> <p>6 Q. I understand you are drawing</p> <p>7 inferences from the debtors' put back</p> <p>8 history with the GSEs, among other things?</p> <p>9 A. Correct.</p> <p>10 Q. So I just want to be clear, am I</p> <p>11 correct you haven't looked at any one loan</p> <p>12 within the pool that's being settled to</p> <p>13 try to reach a view or express an opinion</p> <p>14 as to whether that loan actually breaches</p> <p>15 any reps and warranties?</p> <p>16 A. We have not completed our loan</p> <p>17 level review work. And I'm relying on the</p> <p>18 thousands of loans that went through the</p> <p>19 debtors' repurchase process as the basis</p> <p>20 for my original declaration.</p> <p>21 Q. So I think I'm hearing the</p> <p>22 answer to my question but I just want to</p> <p>23 be clear. In your June 11 declaration you</p> <p>24 are not expressing any opinion as to</p> <p>25 whether any particular loan breaches any</p>
<p style="text-align: right;">119</p> <p>1 FRANK SILLMAN</p> <p>2 opinions, right?</p> <p>3 A. Correct.</p> <p>4 Q. And you are not expressing a</p> <p>5 view, I take it, as to whether any of the</p> <p>6 debtors' legal defenses have merit?</p> <p>7 A. Correct.</p> <p>8 Q. And you are also not expressing</p> <p>9 a view as to whether the facts relating to</p> <p>10 any of the loans in the pool being settled</p> <p>11 would legally warrant put back?</p> <p>12 A. Yeah. I'm not making a legal</p> <p>13 assessment.</p> <p>14 Q. Am I correct you've made no</p> <p>15 attempt to determine the, what portion of</p> <p>16 the loans in the pool actually breach reps</p> <p>17 and warranties?</p> <p>18 A. The work that I'm depending on</p> <p>19 or relying on is the repurchased, GSE</p> <p>20 repurchase rate work that was done between</p> <p>21 Fannie, Freddie and the debtor where they</p> <p>22 reviewed thousands of loans over a number</p> <p>23 of years and looked at the actual loan by</p> <p>24 loan file review and availed themselves to</p> <p>25 the defenses of the governing agreements</p>	<p style="text-align: right;">121</p> <p>1 FRANK SILLMAN</p> <p>2 reps and warranties?</p> <p>3 MR. RAINS: Objection. Vague</p> <p>4 and ambiguous. Asked and answered.</p> <p>5 A. I utilized the repurchase work</p> <p>6 the debtor did with the GSEs to form the</p> <p>7 basis for my original declaration.</p> <p>8 Q. And in reaching the conclusions</p> <p>9 in your initial declaration you didn't</p> <p>10 look at any individual loan file in the</p> <p>11 pool that's being settled?</p> <p>12 A. I relied on the thousands of</p> <p>13 loans that were reviewed by the debtor as</p> <p>14 part of their process prelitigation.</p> <p>15 Q. With respect, Mr. Sillman, I</p> <p>16 don't think you answered my question.</p> <p>17 MR. BENTLEY: Let me ask the</p> <p>18 reporter to read it back.</p> <p>19 MR. RAINS: I think you answered</p> <p>20 the question. It's been asked and</p> <p>21 answered.</p> <p>22 MR. BENTLEY: You know, Darryl,</p> <p>23 it's a yes or no question and I got a</p> <p>24 nonanswer.</p> <p>25 Read it back, please.</p>

<p style="text-align: right;">122</p> <p>1 FRANK SILLMAN</p> <p>2 (Record read.)</p> <p>3 MR. RAINS: Same objections.</p> <p>4 A. I relied on the GSE repurchase</p> <p>5 work that the debtor did with Fannie and</p> <p>6 Freddie.</p> <p>7 Q. To date have you looked at any</p> <p>8 loan file for any of the loans within the</p> <p>9 pool that's being settled?</p> <p>10 A. We are in the process of</p> <p>11 reviewing the loan files.</p> <p>12 Q. Have you yet looked at any loan</p> <p>13 files?</p> <p>14 MR. RAINS: You mean him</p> <p>15 personally or Fortace?</p> <p>16 Q. Let's break it into pieces.</p> <p>17 Have you personally looked at any loan</p> <p>18 file?</p> <p>19 A. I have not looked at the loan</p> <p>20 files.</p> <p>21 Q. Prior to your signing your</p> <p>22 June 11 declaration, did anybody at</p> <p>23 Fortace look at any of the loan files for</p> <p>24 the loans being settled?</p> <p>25 A. I relied on, we relied on, the</p>	<p style="text-align: right;">124</p> <p>1 FRANK SILLMAN</p> <p>2 work.</p> <p>3 Q. Did that involve looking at any</p> <p>4 loan files?</p> <p>5 A. It revolved relying on the loan</p> <p>6 file reviews that the debtor performed.</p> <p>7 Q. Is there a reason you are</p> <p>8 resisting answering a simple question?</p> <p>9 MR. RAINS: Objection.</p> <p>10 Argumentative. Asked and answered.</p> <p>11 MR. BENTLEY: It's not asked and</p> <p>12 answered for Christ's sake, Darryl.</p> <p>13 Read it back.</p> <p>14 MR. RAINS: Of course it has.</p> <p>15 It's been asked 15 times and --</p> <p>16 MR. BENTLEY: Is the answer no?</p> <p>17 Because I sure can't tell what the</p> <p>18 answer is.</p> <p>19 MR. RAINS: I think his answer</p> <p>20 is very clear.</p> <p>21 MR. BENTLEY: The answer is he</p> <p>22 did something else, it's not whether</p> <p>23 he did this or not.</p> <p>24 MR. RAINS: That's his answer.</p> <p>25 You don't like his answer but it's his</p>
<p style="text-align: right;">123</p> <p>1 FRANK SILLMAN</p> <p>2 work that the debtor did with the GSE</p> <p>3 repurchases in forming the assumptions and</p> <p>4 conclusions in my original declaration.</p> <p>5 Q. So that's a no?</p> <p>6 A. I relied on --</p> <p>7 MR. BENTLEY: Read back my</p> <p>8 question.</p> <p>9 Q. It's a very simple factual</p> <p>10 question. I'm not asking you what you</p> <p>11 relied on. I'm asking you whether you</p> <p>12 looked at any loan files?</p> <p>13 MR. BENTLEY: Read it back,</p> <p>14 please.</p> <p>15 (Record read.)</p> <p>16 MR. RAINS: Objection, vague and</p> <p>17 ambiguous. Asked and answered.</p> <p>18 A. I relied on the work that was</p> <p>19 done by the debtor as part of their GSE</p> <p>20 repurchase for the conclusions and</p> <p>21 assumptions made in my original</p> <p>22 declaration.</p> <p>23 Q. And you didn't look at any loan</p> <p>24 files?</p> <p>25 A. I relied on the GSE repurchase</p>	<p style="text-align: right;">125</p> <p>1 FRANK SILLMAN</p> <p>2 answer.</p> <p>3 MR. BENTLEY: I'm fine with his</p> <p>4 answer, he just hasn't answered my</p> <p>5 question.</p> <p>6 Can you read it back, please.</p> <p>7 MR. RAINS: Let's do this, let's</p> <p>8 take a quick break.</p> <p>9 MR. BENTLEY: You know what, I</p> <p>10 want an answer to my question before</p> <p>11 you speak --</p> <p>12 MR. RAINS: I'm going to talk to</p> <p>13 him about his answer to your question.</p> <p>14 MR. BENTLEY: I object. You are</p> <p>15 not supposed to talk to the witness</p> <p>16 while a question is pending.</p> <p>17 (Whereupon, there is a recess in</p> <p>18 the proceedings.)</p> <p>19 MR. RAINS: I think we have</p> <p>20 succeeded in clearing up some of the</p> <p>21 ambiguities and confusion caused by</p> <p>22 your question. Why don't you put the</p> <p>23 question to him again.</p> <p>24 Q. I know it's very confusing but</p> <p>25 I'll state it again. In connection with</p>

<p style="text-align: right;">126</p> <p>1 FRANK SILLMAN</p> <p>2 forming the opinions expressed in your</p> <p>3 June 11 declaration, did you or any of</p> <p>4 your colleagues look at any of the files</p> <p>5 for the loans in the pool being settled.</p> <p>6 A. For the, my original declaration</p> <p>7 I relied on the work that was done by</p> <p>8 ResCap and the repurchase activity. We</p> <p>9 are now looking at loan files. We are</p> <p>10 currently looking at loan files.</p> <p>11 Q. So let's just unpack what you</p> <p>12 just said. You relied on the work that</p> <p>13 was done by ResCap. What work are you</p> <p>14 referring to?</p> <p>15 A. To GSE and private label</p> <p>16 repurchase activity work ResCap did.</p> <p>17 Q. Understood. But was that as to</p> <p>18 any of the loans that are in this pool</p> <p>19 that's being settled?</p> <p>20 A. There may be in the private</p> <p>21 label securities work loans that are</p> <p>22 included in this settlement. The vast</p> <p>23 majority of the loans were related to</p> <p>24 their GSE originations.</p> <p>25 Q. And none of the GSE deals</p>	<p style="text-align: right;">128</p> <p>1 FRANK SILLMAN</p> <p>2 files that are contained within the 392</p> <p>3 trusts.</p> <p>4 Q. And when you say the company's</p> <p>5 work, are you referring to anything other</p> <p>6 than the work the company did prepetition</p> <p>7 in connection with its prepetition put</p> <p>8 back negotiations?</p> <p>9 A. Yeah. It was prepetition work.</p> <p>10 Q. In connection with -- done by</p> <p>11 the debtor in connection with its</p> <p>12 prepetition put back experience?</p> <p>13 A. Yes.</p> <p>14 Q. And no other review of loan</p> <p>15 files went into your, the conclusions</p> <p>16 expressed in your June 11 declaration?</p> <p>17 A. That's right.</p> <p>18 Q. Okay. We are there. We got an</p> <p>19 answer. Thank you. Let's move on.</p> <p>20 A. I would say no additional loan</p> <p>21 work.</p> <p>22 MR. BENTLEY: I'm about to</p> <p>23 change topics. If people want to take</p> <p>24 a break, this is fine or we can keep</p> <p>25 going.</p>
<p style="text-align: right;">127</p> <p>1 FRANK SILLMAN</p> <p>2 overlap in any way with this settlement,</p> <p>3 right?</p> <p>4 A. Correct.</p> <p>5 Q. Were you relying, when you</p> <p>6 prepared this report, on any work that RFC</p> <p>7 had done in looking at the loans that are</p> <p>8 part of this settlement?</p> <p>9 A. Yes. We did review some</p> <p>10 information regarding their private label</p> <p>11 securitization repurchase work. What we</p> <p>12 found, I think there's an exhibit, that</p> <p>13 the vast majority of those repurchase</p> <p>14 demands were unresolved.</p> <p>15 Q. So I'm going to return to that.</p> <p>16 I know what you are referring to. Putting</p> <p>17 aside any loan reviews that RFC may have</p> <p>18 done in connection with its prepetition</p> <p>19 put back experience, did you or any of</p> <p>20 your colleagues look at any loan files in</p> <p>21 connection with the work that went into</p> <p>22 your June 11 report?</p> <p>23 A. We relied on the company's work</p> <p>24 for the information in the original</p> <p>25 declaration and we are now looking at loan</p>	<p style="text-align: right;">129</p> <p>1 FRANK SILLMAN</p> <p>2 MR. RAINS: Let's take a break.</p> <p>3 Sounds good.</p> <p>4 (Luncheon recess taken at 12:09 p.m.)</p> <p>5</p> <p>6 * * *</p> <p>7</p> <p>8 AFTERNOON SESSION</p> <p>9 (Time noted: 1:22 p.m.)</p> <p>10 FRANK SILLMAN, resumed and</p> <p>11 testified as follows:</p> <p>12 EXAMINATION BY (Cont'd.)</p> <p>13 MR. BENTLEY:</p> <p>14 Q. Mr. Sillman, Good afternoon.</p> <p>15 A. Good afternoon.</p> <p>16 Q. Let's go back to paragraph 5 of</p> <p>17 your initial declaration. And I'm going</p> <p>18 to ask you about the carryover sentence</p> <p>19 that starts at the bottom of page 3 and</p> <p>20 carries over to page 4. So if you can</p> <p>21 take a moment and read that, and tell me</p> <p>22 when you are ready.</p> <p>23 A. Okay.</p> <p>24 Q. Does this sentence list all of</p> <p>25 the data and agreements that you reviewed</p>

<p style="text-align: right;">182</p> <p>1 FRANK SILLMAN</p> <p>2 Q. Well, look at paragraph 59 of</p> <p>3 your declaration. The first sentence</p> <p>4 states, "The agree rate is the percentage</p> <p>5 of demands issued by the trustee that the</p> <p>6 seller agrees to repurchase or make</p> <p>7 whole." Correct?</p> <p>8 A. Yes.</p> <p>9 Q. So the agree rate for the</p> <p>10 debtors shown on Exhibit 7 is just</p> <p>11 10.36 percent, correct?</p> <p>12 A. Yes.</p> <p>13 Q. And the 64 percent would not be</p> <p>14 unresolved in the sense you use -- sorry,</p> <p>15 using the approach you take in your</p> <p>16 declaration the 64.76 percent would be the</p> <p>17 reject rate, the opposite of the agree</p> <p>18 rate, correct?</p> <p>19 A. This --</p> <p>20 MS. PATRICK: Objection to form.</p> <p>21 A. The information that we utilized</p> <p>22 is the loans all had a determination as</p> <p>23 we -- as they made their way through the</p> <p>24 process. And so the disagree rate would</p> <p>25 not be it. It would be the canceled and</p>	<p style="text-align: right;">184</p> <p>1 FRANK SILLMAN</p> <p>2 claim for 8.7 billion. So I took into</p> <p>3 consideration the 1.3 billion and the fact</p> <p>4 that the trustees had also negotiated an</p> <p>5 allowed claim of 8.7. So I had to take</p> <p>6 into consideration the fact that there was</p> <p>7 a claim.</p> <p>8 Q. So one of the things you took</p> <p>9 into consideration in forming your</p> <p>10 conclusion was that the debtors had agreed</p> <p>11 to an aggregate settlement of</p> <p>12 \$8.7 billion?</p> <p>13 A. We are talking about the PLS</p> <p>14 demand data. I could not ignore the fact</p> <p>15 that in addition to the 1.3 billion in</p> <p>16 demands there was also a proposed</p> <p>17 settlement of 8.7 billion. So it was a</p> <p>18 factor in the development of my</p> <p>19 declaration.</p> <p>20 Q. Let's go back to paragraph 5 of</p> <p>21 your declaration.</p> <p>22 MS. PATRICK: 5?</p> <p>23 MR. BENTLEY: Correct.</p> <p>24 MR. RAINS: I'm sorry, where?</p> <p>25 MS. PATRICK: 5.</p>
<p style="text-align: right;">183</p> <p>1 FRANK SILLMAN</p> <p>2 rescinded rate would be the opposite to</p> <p>3 the agree rate. So they all have to be</p> <p>4 resolved. So it's not the disagree. It's</p> <p>5 the cancel and rescinded or agree.</p> <p>6 Q. Okay. Let's move on. And I</p> <p>7 don't think I got an answer to my</p> <p>8 question. In forming your conclusions did</p> <p>9 you attribute any significance to the fact</p> <p>10 that the debtors had suffered -- sorry,</p> <p>11 the trusts whose loans are being settled</p> <p>12 have suffered \$30 billion in losses but</p> <p>13 during the period shown on Exhibit 7 the</p> <p>14 debtors received put back demands only</p> <p>15 with respect to loans with an original</p> <p>16 principal balance of roughly 1.37 billion,</p> <p>17 did you give any significance to those</p> <p>18 facts?</p> <p>19 MR. RAINS: Objection, compound.</p> <p>20 Vague and ambiguous.</p> <p>21 A. It was a factor. This takes it</p> <p>22 through demands that were received by the</p> <p>23 debtor through May 2012, at the same time</p> <p>24 they entered into a settlement agreement</p> <p>25 agreeing to -- agreeing to an allowed</p>	<p style="text-align: right;">185</p> <p>1 FRANK SILLMAN</p> <p>2 MR. BENTLEY: 5.</p> <p>3 MR. RAINS: That's so</p> <p>4 demoralizing. We made it up to 50 --</p> <p>5 MR. BENTLEY: Darryl, I'm going</p> <p>6 doing it just to demoralize you.</p> <p>7 MR. RAINS: We started at 5 over</p> <p>8 an hour ago and we are still stuck in</p> <p>9 5.</p> <p>10 MR. BENTLEY: I think that means</p> <p>11 we are going to go for days.</p> <p>12 MR. BENNETT: He likes 5.</p> <p>13 MR. BENTLEY: Don't lose hope,</p> <p>14 Darryl.</p> <p>15 Q. I want to focus you on the last</p> <p>16 sentence and specifically the portion that</p> <p>17 says "I utilized assumptions and developed</p> <p>18 my own models based on my own experience</p> <p>19 and industry data where available."</p> <p>20 So your reference to your own</p> <p>21 experience, the way you used your own</p> <p>22 experience in developing your models is</p> <p>23 described later in this declaration; is</p> <p>24 that right?</p> <p>25 A. Yes.</p>

EXHIBIT XX

REDACTED

EXHIBIT XX.1

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----x

In Re: Case No:

RESIDENTIAL CAPITAL, LLC, et. al, 12-12020 (MG)

Debtors.

-----x

VIDEOTAPE DEPOSITION OF JAMES WHITLINGER

New York, New York

November 15, 2012

9:39 a.m.

Reported by:
ERICA L. RUGGIERI, RPR
JOB NO: 27649

<p style="text-align: right;">122</p> <p>1 JAMES WHITLINGER</p> <p>2 Q. -- as a result of a settlement?</p> <p>3 MR. RAINS: Objection. Asked</p> <p>4 and answered.</p> <p>5 A. I don't recall. As I stated, I</p> <p>6 don't have an analysis that I -- that I</p> <p>7 know was presented on May 9th.</p> <p>8 Q. On May 9th did you know whether</p> <p>9 or not any of Ms. Patrick's clients had</p> <p>10 filed any rep and warranty claims against</p> <p>11 ResCap or any of its affiliates?</p> <p>12 A. Can you repeat the question</p> <p>13 again?</p> <p>14 Q. On May 9th did you know whether</p> <p>15 or not any of Ms. Patrick's clients, the</p> <p>16 institutional investors or the trusts had</p> <p>17 actually filed any rep and warranty claims</p> <p>18 or other claims against ResCap or its</p> <p>19 affiliates?</p> <p>20 A. I don't know for sure. We</p> <p>21 obviously had multiple rep and warrant</p> <p>22 claim -- claims outstanding. So I presume</p> <p>23 that some of them would have been part of</p> <p>24 that Kathy Patrick group.</p> <p>25 Q. When -- when you say that there</p>	<p style="text-align: right;">124</p> <p>1 JAMES WHITLINGER</p> <p>2 I'd have to talk to counsel.</p> <p>3 Q. During the May 9th board meeting</p> <p>4 did the board discuss that the settlement</p> <p>5 agreement would provide for ResCap to pay</p> <p>6 Ms. Patrick's legal fees?</p> <p>7 A. I don't recall discussing that</p> <p>8 component specifically but ResCap, my</p> <p>9 understanding on the contract is that</p> <p>10 those legal fees would be deducted from</p> <p>11 the overall \$8.7 billion amount.</p> <p>12 Q. You say the contract, you mean</p> <p>13 the settlement agreement?</p> <p>14 A. Yeah. The RMBS Trust Settlement</p> <p>15 Agreement.</p> <p>16 Q. But the board didn't discuss</p> <p>17 this on May 9th and --</p> <p>18 A. I don't know if we did or</p> <p>19 didn't. It didn't really matter to me</p> <p>20 because it's -- yeah, that was between her</p> <p>21 and the institutional investors. The</p> <p>22 8.7 billion is their allowed claim. And</p> <p>23 so if it's deducted from that I'm</p> <p>24 indifferent on how the agreement that she</p> <p>25 may have reached or not reached with the</p>
<p style="text-align: right;">123</p> <p>1 JAMES WHITLINGER</p> <p>2 are obviously multiple rep and warranty</p> <p>3 claims outstanding, you mean claims that</p> <p>4 have actually been filed or filed against</p> <p>5 ResCap, litigations that have been filed</p> <p>6 against ResCap or its affiliates?</p> <p>7 A. I'm sorry. I was referring to a</p> <p>8 request for a repurchase. So a repurchase</p> <p>9 request claim was made to the company in</p> <p>10 following our business process to evaluate</p> <p>11 the claim.</p> <p>12 Q. So you believe that some of the</p> <p>13 claims you just described would have been</p> <p>14 part of the Kathy Patrick group, correct?</p> <p>15 A. Yeah. I believe it's -- it's</p> <p>16 certainly possible that some of those</p> <p>17 investors would have to be the same</p> <p>18 investors that are bringing forth claims</p> <p>19 of specific loan rep and warrant requests.</p> <p>20 Q. Do you know if any of those</p> <p>21 claims to which you just referred also</p> <p>22 resulted in any litigation being filed</p> <p>23 against ResCap or any of its affiliates?</p> <p>24 A. I don't know for sure. I know</p> <p>25 we've had -- we have multiple cases filed.</p>	<p style="text-align: right;">125</p> <p>1 JAMES WHITLINGER</p> <p>2 institutional investors.</p> <p>3 Q. Would it have been more</p> <p>4 reasonable and fair to the creditors of</p> <p>5 ResCap and its affiliates for the</p> <p>6 \$8.7 billion amount to be reduced by the</p> <p>7 amount of Ms. Patrick's fees --</p> <p>8 Ms. Patrick's fees?</p> <p>9 MR. RAINS: Objection. Vague</p> <p>10 and ambiguous. Calls for speculation.</p> <p>11 A. I have already told you that as</p> <p>12 a board member in and the process that was</p> <p>13 followed I'm comfortable with the</p> <p>14 \$8.7 billion. I don't have an opinion on</p> <p>15 how the institutional investors and Kathy</p> <p>16 Patrick negotiated, what portion she</p> <p>17 should get. My view as a board member was</p> <p>18 that is the 8.7 billion reasonable for the</p> <p>19 claims that could be brought, the</p> <p>20 litigation issues and -- and that's what I</p> <p>21 relied on.</p> <p>22 Q. Were you aware during the</p> <p>23 May 9th board meeting that the RMBS Trust</p> <p>24 Settlement Agreement provided releases to</p> <p>25 inside directors like yourself and not to</p>